

**RESOLUTION NO. 20**  
**Series 2008**

**A RESOLUTION ADOPTING THE TOWN OF VAIL EMPLOYEE HOUSING STRATEGIC PLAN; AND SETTING FORTH DETAILS IN REGARD THERETO.**

WHEREAS, the Town of Vail (the "Town"), in the County of Eagle and State of Colorado is a home rule municipal corporation duly organized and existing under the laws of the State of Colorado and the Town Charter (the "Charter"); and

WHEREAS, the Town has determined that no less than thirty percent (30%) of Vail's workforce should be provided deed restricted employee housing within the Town limits; and

WHEREAS, the Council has determined that in order to achieve the established goal it is critical to create an employee housing strategic plan establishing and clarifying the objectives and action steps essential to achieve the stated goal; and

WHEREAS, the Vail Local Housing Authority and Council developed the Employee Housing Strategic Plan over a period of six months that outlines the goal, objectives and action steps; and

WHEREAS, the Vail Economic Advisory Committee provided input and direction on the Employee Housing Strategic Plan at their May 13, 2008, and June 10, 2008, meetings; and

WHEREAS, the Planning and Environmental Commission provided input and direction on the Employee Housing Strategic Plan at their August 25, 2008, Public Hearing; and

WHEREAS, the Council supports the implementation of the Vail Employee Housing Strategic Plan; and

WHEREAS, the Employee Housing Strategic Plan will direct policy and budget decisions in order to achieve the community's stated goal; and

WHEREAS, it is the intention of the Council and the Housing Authority to implement the Employee Housing Strategic Plan over the next three years.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF VAIL, COLORADO:

1. The Council hereby approves the Town of Vail Employee Housing Strategic Plan, dated September 2, 2008, attached hereto as Exhibit A.
2. The Council hereby finds:
  - A. *That the Employee Housing Strategic Plan is consistent with the applicable elements of the adopted goals, objectives and policies outlined in the Vail Comprehensive Plan and is compatible with the development objectives of the Town; and,*
  - B. *That the Employee Housing Strategic Plan furthers the general and specific purposes of Zoning Regulations; and,*

C. *That the Employee Housing Strategic Plan promotes the health, safety, morals, and general welfare of the Town and promote the coordinated and harmonious development of the Town in a manner that conserves and enhances its natural environment and its established character as a resort and residential community of the highest quality*

3. This Resolution shall be effective immediately upon adoption.

INTRODUCED, READ, APPROVED AND ADOPTED this 2nd day of September, 2008.

\_\_\_\_\_  
Richard D. Cleveland, Town Mayor

ATTEST:

\_\_\_\_\_  
Lorelei Donaldson, Town Clerk



## Employee Housing Strategic Plan

**"To ensure there is deed restricted housing for  
at least 30% of Vail's workforce  
within the Town of Vail"**

September 2, 2008

Adopted by Resolution No. 20,  
Series of 2008

**In acknowledgement of the commitment to ensure deed-restricted housing options for at least 30% of Vail's workforce within the Town of Vail**

**Vail Town Council**

Dick Cleveland, Mayor  
Andy Daly, Mayor Pro-Tem  
Kevin Foley  
Mark Gordon  
Farrow Hitt  
Kim Newbury  
Margaret Rogers

**Vail Local Housing Authority**

Mark Ristow, Chairman  
Sally Jackle  
Steve Lindstrom  
Ethan Moore  
Kim Newbury

**Planning and Environmental Commission**

Bill Pierce, Chair  
Rollie Kjesbo, Co- Chair  
Michael Kurz  
Sarah Paladino  
Scott Proper  
Susie Tjossem  
David Viele

**Local Employers**

Vail Resorts, Inc.  
Town of Vail  
Vail Valley Medical Center  
Tivoli Lodge  
Marriott Resort  
Vail Cascade Hotel and Spa  
Vail Plaza Hotel  
Troy's Ski Shop  
Vail Plaza Hotel  
Sonnenalp Hotel  
Sweet Basil

**Vail Economic Advisory Council**

Mark Gordon  
Dick Cleveland  
Alan Koslof  
Bob Boselli  
Greg Moffet  
Rick Scapello  
Robin Litt  
Sally Hanlon  
Bill Jensen  
Rob Levine  
M. Joseph McHugh  
Pam Stenmark  
Mark Cervantes  
Matt Morgan  
Brian Nolan  
Steve Kauffman  
Tori Franks  
Rayla Kundolf  
Bob McNicols

**RRC Associates, Inc**

Chris Cares



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# TOWN OF VAIL EMPLOYEE HOUSING STRATEGIC PLAN

## **BACKGROUND**

In 2006, through the Vail 20/20 Focus on the Future process the community established a housing goal. It is as follows:

*“The Town of Vail recognizes the need for housing as infrastructure that promotes community, reduces transit needs and keeps more employees living in the town, and will provide enough deed-restricted housing for at least 30 percent of the workforce through policies, regulations and publicly initiated development.”*

Based upon the community’s work, the Vail Town Council has confirmed the Town of Vail recognizes deed restricted employee housing as basic infrastructure. This type of housing allows employees to live within the town, promoting community, and improving the quality of our local workforce, thereby supporting the local economy, and reducing regional transit needs. The Employee Housing Strategic Plan (EHSP) seeks to meet the expectations established by the community and confirmed by the Town Council and provide **enough deed-restricted housing for at least 30 percent of the community’s workforce to live in the Town of Vail** through a variety of policies, regulations and publicly initiated development projects.

## **PURPOSE**

The EHSP is a decision-making guide for the implementation of employee occupied housing programs.

The EHSP documents the Town’s current approaches to ensuring employee housing. It identifies the goal, outlines methods and defines action steps the Town will pursue. In addition, the Appendices provide background information on Town housing definitions, policies, and initiatives. This information is provided as an additional resource. The EHSP also recognizes and affirms the importance of Vail constantly serving as a regional partner in the provision of employee housing.



The EHSP is meant to lead the actions of Staff, the Vail Local Housing Authority and the Vail Town Council in future decisions regarding funding and development of employee housing in Vail.

## **PLANNING TIMEFRAME**

The EHSP is based on a five-to-ten year planning horizon; it looks well into the future anticipating the needs for employee housing over time. The EHSP also contains identified “action steps” targeted for a one to three year period. These action steps will need to be evaluated annually and it is anticipated that they will be updated at least every three years as market conditions change.

## **THREATS, WEAKNESSES, STRENGTHS & OPPORTUNITIES**

It is important to recognize and plan for the threats, weaknesses, strengths and opportunities that exist in the Town of Vail as well acknowledge the broader trends that impact Vail.

### **Threats**

- Increasing Competition For Employees
  - Within the next ten-years:
    - ✓ Conservative estimates predict 2,000 new jobs will be created by development and redevelopment within the Town of Vail
      - The majority of these jobs will be service sector
    - ✓ It is estimated that at least 7,500 new jobs will be created between Eagle Vail and Gypsum in the next ten years
      - The majority of the these jobs will be service sector
    - ✓ It is estimated the Ginn Development will add 1,000 new jobs
    - ✓ Lake County and Garfield County are both experiencing job growth
      - The oil and gas industry and mining generally pay substantially more than the service jobs being created in Eagle County
    - ✓ State of Colorado predicts overall job growth of 23% (DOLA)





- Real Estate Trends
  - Real estate in the Town of Vail is expensive as compared to the rest of the region as well as compared to the national market
  - The conversion of locally occupied housing to second homes
  - The free market focuses on the housing desires of second homeowners
  - Increasing cost of construction
  - Local real estate values continue to trend upward
  - The gap between what locally earned wages can afford and free market housing prices continues to increase
  
- Unique Geographic Constraints
  - Vail Pass on the East
  - Dowd Junction on the West
  - Limited undeveloped land within the Town of Vail
  - Surrounded on the north and south by National Forest and Bureau of Land Management lands
  - Farthest employment center from the Eagle County population base
  
- Cost of Commuting
  - The cost of gas continues to increase
  - Public transportation does not provide a viable alternative to all communities
  - The availability and cost of parking is prohibitive

## Weaknesses

- Politics
  - Historical lack of political will for developing new employee housing
  - Previously, no clear policy direction for the provision of employee housing
  - Lack of Town owned land zoned for employee housing
  - There is not dedicated funding for employee housing
  - At the beginning, failure to plan for the housing needs of Vail employees



- Real Estate Market
  - Lack of free market homes affordable to local employees
  - Potential home buyers get less “bang for the buck” in Vail as compared to the region
  - Deed restricted housing developed does not provide a full spectrum of housing types (i.e., single family homes and seasonal rental units)
  
- Lack of permanent employees hired by local businesses
  - The jobs being generated by redevelopment are predominately lower paying seasonal service jobs
  - Added challenge to establishing a diverse community

### **Strengths**

- Community support for creating new employee housing
- Clarity around the Town’s adopted housing goal
- Regulatory requirements
  - Commercial Linkage
  - Inclusionary Zoning
- Vacant land owned by the Town
- Strong local financial conditions
  - Bonding capacity
  - Strong local tax base
  - Potential to invest in employee housing
- Regular private reinvestment in development
- Expanding partnership opportunities with local businesses and governments
- Current deed restricted housing stock
- The “Vail” brand

### **Opportunities**

- Town Initiated
  - Employee Housing Strategic Plan
  - Town owns significant vacant land
  - Rezoning of Town owned vacant land
  - Land Use Plan amendments
  - Annexation of land adjacent to the Town



- Ability to reallocate existing revenue
  - Bonding capacity
  - Ability to go to the voters for a dedicated funding source
  - Partnerships with local employers
  - Public-Private partnerships for development
  - Potential United States Forest Service Land Swaps
- Regional Opportunities
    - Other local governments are addressing the housing need as well
    - Significant vacant land
    - Partnerships with local employers
    - Public-Private partnerships for development
    - “The Valley Home Source”
  - Current stagnation in real estate values

## **OBJECTIVES**

### **A. Provide housing to address needs generated by new development or redevelopment.**

It is documented and understood that new development will require additional employees and a goal of the EHSP is to provide for that housing. This goal is also referred to as “Keep Up” in the EHSP; going forward the Town will attempt to address the increase in demand from new employees by requiring deed-restricted housing as a condition of new development or redevelopment. The Town will encourage developers to provide a range of housing choices for the entire spectrum of jobs that are being created by the new development.

### **B. Respond to the existing affordable housing shortfall by pursuing a number of identified programs and development opportunities.**

This goal is also referred to as “Catch Up” in the EHSP; it describes efforts to address deficiencies in the available housing inventory that have arisen over a period of years.



**C. Call for any deed-restricted housing that is required as a condition of development to be constructed at the time new development occurs.**

By dispersing year-round housing multiple objectives are met: neighborhoods are occupied throughout the year enhancing security and encouraging activity. Economies are achieved by having developers integrate deed-restricted housing at the time they are constructing other uses, and construction of new residences occurs at the time the demand is first triggered.

**D. Creation and maintenance of housing in Vail for emergency and key service workers.**

In Vail, where weather and the regional road system create periodic strains, this is especially important. The Town will also work with other businesses that provide services essential to municipal operations to encourage they have critical employees living within the Town of Vail. The Town will offer partnership opportunities to these types of employers.

**E. Actively address affordable housing for Vail workers to ensure that the community remains competitive in economic terms.**

With the number of Down-Valley jobs continuing to increase, there will be competition for workers; Vail will work to provide appropriate housing to ensure that the Town remains attractive in the regional job market.

**F. Increase and maintain deed-restricted housing within the Town to encourage the efficient use of resources by placing employees closer to their place of work.**

It is understood there is a reduced need for personal automobiles and reduced transit costs when home and work are in close proximity to one another. Also, there may be changes in workforce demographics that result in opportunities to reduce parking associated with affordable housing in selected locations. To the extent these opportunities can be realized, without negative impacts on the overall community, they will be explored.



**G. Planning for new employee housing will take jobs and wages into account.**

It is recognized that wages associated with a particular job influence housing demand. In both catch-up and keep-up programs the Town will work toward providing a range of housing types at price points appropriate to the varying incomes of workers in Vail. It is recognized the free market provides limited opportunity for even the highest wage earners to live and work in Town and it is necessary to have a full range of employees in the community. Diverse housing opportunities for the broadest range of employees will enhance the community.

**H. Provide and plan for housing along with local and regional public transportation.**

The EHSP recognizes that these functions are intertwined and where deed-restricted housing exists, there will be a demand for transportation services. It is the goal of the Town to minimize overall transportation costs by housing employees in proximity to their jobs, and to also anticipate the projected costs of transportation (due to fuel and other scarce resources) in the provision of deed-restricted housing elsewhere in the region.

**POLICY STATEMENTS**

The Town of Vail will pursue three broadly described methods to achieve the Town's housing goal.

**The Town will Impose Regulatory Requirements**

- Development will be required to address a portion of its housing demand within the Town of Vail; and
- New development and redevelopment will be required to address a portion of its housing demand at the development site.

**Development and Acquisition Initiated by the Town**

- To address employee housing needs beyond the regulatory requirements for new development; and
- To respond to the desire to promote a more diverse and vibrant local community.



### **Form Regional Partnerships**

- These efforts will address employee housing needs beyond the regulatory requirements by actively seeking partnerships, including:
  - i. Public / Private, and
  - ii. Multi Jurisdictional.

These broad methods are further addressed in the Action Steps that are described in the following section.

## **ACTION STEPS**

The Town will continue to use tools already in place including:

### **Regulatory Requirements:**

#### **The “Linkage” or Commercial Jobs Generation Program**

The Town will review the current linkage program to evaluate whether it has been meeting the objectives of ensuring that new housing is being created to house a portion of the employee demand that is being generated by new commercial uses in the Town. At this time, no immediate changes in the overall requirements of the program are anticipated. However, the current requirement for new commercial development to provide employee housing for at least twenty percent (20%) of the employees generated may be reevaluated and the required percentage may be changed as a result of the review, the areas of impact may be modified, and the formulas for calculating job generation rates may be further refined. Additionally, an updated Rational Nexus will need to be completed on a periodic schedule. The Linkage Program provides housing to “keep up” with new demand as it is generated.

Achieves Objectives A, C, E, F, and G.

#### **The “Inclusionary” Program**

The Town does not anticipate major changes to the Inclusionary Housing program at this time. However, the current requirement to restrict 10 percent (10%) of new residential square footage in high density areas to be employee housing with deed restrictions, may be reevaluated and the required percentage may be changed as a result of the evaluation, and/or



the areas (zone districts) of impact may be modified. The Inclusionary Program provides housing to “keep up” with new demand as it is generated.

Achieves Objectives A, C, E, F, and G.

### **Housing District Zoning Designation**

The Town currently has a “Housing District” zoning designation. As an action step to implement the Housing Plan, the Town will review the requirements of this district to ensure that it is fully meeting its intended purposes. That review will address the procedural requirements for the Housing District, land use provisions including density, parking and design standards, and provisions for density bonuses. The evaluation of the Housing District will ensure the Housing District provides optimal employee housing development.

Achieves Objectives B, D, E, F, and G.

## **Town Initiatives:**

### **Buy-Downs to Generate Deed-restricted Units**

The Town will actively pursue purchase of attractively priced units for imposition of an appreciation capped deed restriction, and subsequent resale. This technique for increasing the supply of permanently affordable housing is known as a “buy down.” It is recognized that this program will be highly market dependent, with limited applicability when the local residential market is surging, and becoming more attractive at times when there is a plateauing of prices. The Town will need to increase the allocation of funds to underwrite the costs associated with purchasing, deed restricting and reselling for-sale units. This is an opportunity to provide diverse housing, to serve the full spectrum of employees. It is important to update the parameters by which buy down units are considered so each buy down unit meets the established goals. Further, it is expected that there will be active involvement by the Housing Authority in overseeing this program. The Buy-Downs program provides housing to “catch up” with existing deficiencies and reduce market leakage.

Achieves Objectives B, D, E, F, and G.



## **Employee Housing Units Exchange Program**

The Town will conduct a review of the “dispersed housing units” that have been created under the density bonus provisions allowed by Town Code since 1982. It is estimated that 123 units were created under the existing program, typically ranging in size from 300 to 500 square feet. It is believed that many of these units are not being used to house employees as anticipated by the program. Although these units are covered by various types of deed restrictions, the requirements are not uniform and in many cases are not meeting the objective of providing long-term dispersed employee housing. The Town will evaluate the current program and will consider a “deed restriction exchange program” as a part of this overall effort. The program would likely permit, at the initiation of the landowner, the exchange of small rental units for a larger for-sale, price appreciation capped employee housing unit. Guidelines for the program will be developed. It is expected that these standards will address recommended size of units, location, homeowner’s fees and other aspects of the program. Such a program has been recently tried in Vail. It is believed that other dispersed employee units, not currently in use, could be leveraged into permanently restricted units by using this technique; it could represent an important element of this overall plan. The Units Exchange Program is to increase the quality and the total quantity of employee housing within the Town of Vail.

Achieves Objectives B, E, F, and G.

## **Incentive Zoning and Density Bonuses**

The Town will consider workforce housing objectives in all review processes that permit discretion. This means that the Town will work actively with developers as a part of the Housing District, Special Development District review processes and requested changes in zoning to not only meet the requirements of existing code, but to look for opportunities to go beyond code requirements to encourage additional workforce housing to be created. As a part of these review processes the Town will work actively with developers to create incentives to develop housing that exceeds the minimal requirements contained in the code. Additional density may be granted in selected locations through the appropriate review processes, and fee waivers and subsidies may be considered. The Incentives Zoning and Density Bonuses help Vail to





“catch up” with existing deficiencies and add to the overall percent of employees living within the Town of Vail.

Achieves Objectives B, D, E, F, and G.

### **Review Rezoning and Vacant Land Opportunities**

The Town will regularly review existing codes and the vacant land inventory to identify opportunities to modify current programs that further support the goals of this Plan. The Review of Rezonings and Vacant Land provides “catch up” opportunities to address existing deficiencies and add to the overall percent of employees living within the Town of Vail.

Achieves Objectives B, D, E, F, and G.

### **Town Participation in Developments Providing Deed-Restricted Housing**

The Town is prepared to actively participate in, and will seek partners to further the development of deed-restricted housing. Vail Commons, Middle Creek, Buzzard Park and Miller Ranch (located near Edwards in Eagle County) are four relatively large developments that have been completed through active Town participation. The existing developments serve households at different income levels. This has been, and will continue to be an objective of the Town, to serve the broad spectrum of need within the community rather than focusing on just a narrow category of income or household type. The Town participation provides “catch up” opportunities to address existing deficiencies and add to the overall percent of employees living within the Town of Vail.

Achieves Objectives B, D, E, F, G, and H.

### **Explore Options for a Dedicated Funding Source for Employee Housing Initiatives**

The Town will explore options for a dedicated funding source to ensure adequate and ongoing resources for employee housing initiatives. It is recognized the Town will play an integral role in the creation of employee housing and dedicated dollars will aid in these efforts. The Town may pursue any of the following funding alternatives: a dedicated sales tax increase, a dedicated mill levy increase, dedication of the Real Estate Transfer Tax or any other funding source that may be identified. A



dedicated funding source would provide “catch up” housing opportunities for Vail workers.

Achieves Objectives B, D, E, F, G, and H.

### **Create an Existing Residential Conditions Base Line in the Town of Vail**

Conduct a comprehensive study of current units. Identify the type of units that exist (i.e. studio, one-bedroom, etc.), each unit’s current use (i.e. employee occupied, short-term rental, etc.), and the ownership of the unit (i.e. owner-occupied, tenant occupied, etc.). This data will establish the baseline against which future employee housing success will be measured. The baseline conditions will support both “catch up” and “keep up” efforts.

Achieves Objectives A, B, C, D, E, F, G, and H.

### **Monitor the Rate of Free Market Employee Occupied Homes**

The Town will monitor the rate of free market homes occupied by local workers, and deed-restricted homes, on a regular basis. Conversions of free market residential units to second home owner units will be considered in Vail’s evaluation of progress toward the goals identified in this Plan. This monitoring will support both “catch up” and “keep up” efforts.

Achieves Objectives B, E, F, and G.

### **Conduct a Demographics Survey of Current Vail Residents**

In order to better understand the current demographics of the local population it is necessary to conduct a local survey. This will provide the Town with back ground information to consider in future housing policy and development decisions to ensure the Town is maintaining a character that is as diverse as it is today. This may occur in conjunction the Annual Community Survey. This information will support “catch up” efforts.

Achieves Objectives A, B, D, E, F, and H.



## **Establish a List of Essential Service Providers in the Town of Vail**

Establish a list of essential service providers in the Town of Vail to potentially partner with to ensure critical service workers live within the Town of Vail. This information will support “catch up” efforts.

Achieves Objective D.

## **Host Personal Finance and/or Home Buyer Education**

To encourage home ownership and create successful home owners it is important to provide information and educational opportunities to potential residents. This may also provide the encouragement current renters or existing home owners may need to take the next step in the housing market, freeing up their existing unit to house other employees. This education may provide additional “catch up” opportunity.

Achieves Objectives B, D, E, and F.

## **Annual Review**

In order to ensure the EHSP is always current and is responsive to changing conditions, the Housing Authority shall review the EHSP annually and changes shall be periodically recommended to the Town Council. The purpose of these reviews shall be to ensure that progress on topics related to employee housing is being maintained and that adjustments in Objectives, Policies and Action Steps are made in a timely and specific manner.

Achieves Objectives A, B, C, D, E, F, G, and H.

## **Regional Efforts:**

In order to house employees associated with existing and anticipated jobs, workforce housing will be required throughout the County as well as in the Town. Vail will work actively with Eagle County officials and other municipalities to look for regional solutions to providing housing. Further, the need to provide transit services along with housing is also identified. When developing housing for Vail employees in Down-Valley locations, the cost of transit services will be considered in evaluations.



While furthering regional housing is an objective of the Town, it will occur in concert with efforts in Vail, and in-Town deed-restricted housing will be a priority. The Town believes that there are a finite number of opportunities within Vail and these will be explored and pursued; Down-Valley development will not be undertaken if it results in not being able to participate in an opportunity within the Town's boundary.

Partnering opportunities for Down-Valley development will occur through partnerships that may include not only the County, but also the Town of Avon, Town of Minturn, Eagle County School District, the U.S. Forest Service, and potentially private developers. The Dowd Junction area and the Village at Avon are identified as particular areas of interest where development opportunities are to be explored.



## **IMPLEMENTATION MATRIX**

<b>ACTION STEP</b>	<b>WHO IMPLEMENTS</b>	<b>WHEN</b>	<b>ESTIMATED COST</b>	<b>PROPOSED PRIORITY</b>
Establish and Fund VLHA Operating Budget	Town Council and VLHA	4th Quarter 2008	To Be Determined	A
Establish Baseline "Existing Conditions" for All Units	Town Council and VLHA	2009	\$20,000	A
Monitor Existing Conditions for All Units	Town Council and VLHA	1 <sup>st</sup> Quarter of Each Year (2010)	\$5,000	A
Monitor Rental and Vacancy Rates	Eagle County	Continuous	None	A
Conduct Housing Needs Assessment	In conjunction with Eagle County	2010	\$10,000	A
Update Fee-in-Lieu for Commercial Linkage & Inclusionary Zoning	Community Development Dept and Consultant	1st Quarter of Each Year	\$2,000	A
Updated Rational Nexus Study	Town of Vail	Every Five Years (2011)	\$15,000	A
Monitor Total Number of Jobs in Town of Vail	Town of Vail	1 <sup>st</sup> Quarter of Each Year	\$2,000	A
Host Finance/ Home Buyer Education Classes	VLHA	Two Per Year	\$500	A
Buy Down Units	Town Council and VLHA	Continuous	\$1,000,000 / year	A
Establish Buy Down Unit Criteria	Town Council and VLHA	4th Quarter 2008	None	A
Develop New For-Sale Housing at Chamonix	Town Council and VLHA	2010	Potentially more than the value of the land	A



<b>ACTION STEP</b>	<b>WHO IMPLEMENTS</b>	<b>WHEN</b>	<b>ESTIMATED COST</b>	<b>PROPOSED PRIORITY</b>
Develop Additional Rental Housing at Timber Ridge	Town Council and VLHA	2011	Potentially the value of the land	A
Establish an EHU Exchange Program	Town Council - Com Dev Dept - VLHA Recommendation	4th Quarter 2008	\$10,000 for legal review	A
Implement the EHU Exchange Program	Com Development Dept. and VLHA	Continuous	None	A
Review & Potentially Modify Commercial Linkage	Town Council - Com Dev Dept - VLHA Recommendation	1 <sup>st</sup> Quarter of Each Year	None	A
Review & Potentially Modify Inclusionary Zoning	Town Council - Com Dev Dept - VLHA Recommendation	1 <sup>st</sup> Quarter of Each Year	None	A
Identify Land/Development Opportunities	Town Council - Com Dev Dept - VLHA Recommendation	2 <sup>nd</sup> Quarter of Each Year	None	A
Prioritize Land/Development Opportunities	Town Council - Com Dev Dept - VLHA Recommendation	2 <sup>nd</sup> Quarter of Each Year	Acquisition of Property	A
Propose Development and/or Rezoning	Town Council and VLHA	2nd Quarter of Each Year	Development	B
Review Housing Zone District	Town Council - Com Dev Dept - VLHA Recommendation	2nd Quarter of Each Year	None	B
Establish Incentive Zoning to Ensure No Net Loss of Rental Housing	Town Council - Com Dev Dept - VLHA Recommendation	2nd Quarter of Each Year	None	B



<b>ACTION STEP</b>	<b>WHO IMPLEMENTS</b>	<b>WHEN</b>	<b>ESTIMATED COST</b>	<b>PROPOSED PRIORITY</b>
Pursue a Dedicated Funding Source	Town Council and VLHA	Begin 1st Quarter 2009	None in 2009 Marketing in 2010	B
Monitor Free Market Real Estate Transactions	VLHA and Consultant	1st Quarter of Each Year	\$5,000	B
Establish List of Essential Service Providers	Town Council and Town Staff	4th Quarter 2008	None	C
Create Partnerships with Essential Service Providers	Town Council and VLHA	Continuous	None	C

## **ROLES AND RESPONSIBILITIES**

Roles and Responsibilities – The provision of deed-restricted housing is viewed as a partnership between various boards within the Town, each having important roles and responsibilities. As such, it is imperative that communications be established and maintained between boards to achieve the goal and objectives that are stated in this Plan. Efforts will be made to define, and periodically refine, the roles and associated communications between the bodies identified below.

**The Town Council** shall act in accordance with Town codes and shall fulfill their decision-making functions as identified by local ordinances. Land Use Regulations typically stipulate the review procedures to be followed in reviewing a proposed development. Ultimately, most reviews require an affirmative decision by the Town Council. Therefore, the Council will be the ultimate decision-making body for developments that require Council review.

**The Planning and Environmental Commission and the Design Review Board** also play an important development review role. These two boards will review development proposals, consistent with the requirements of codes and ordinances, to ensure that development is in compliance.



**The Vail Housing Authority (V.L.H.A.)** plays a critical role in ensuring that housing for long-term residents and seasonal employees is available in the Town. This in turn, enhances the quality of life for local residents, and improves the economic viability of the area. The V.L.H. A. mission:

The V.L.H. A. will play an advisory role to the Town Council and the Planning and Environmental Commission on matters related to housing policy and development. The Authority will use this Housing Plan as a working document to guide future efforts. As identified in the EHSP, the Authority will work to carry out the Action Steps over the next three years. The Authority's priorities will be those contained in the EHSP as it is adopted, and as it may be modified following subsequent annual reviews.





## **GLOSSARY**

The following definitions are applicable for the terms used in this Plan.

**Area Median Income (AMI) Limits** – *most communities establish income limits for the programs they administer based on the area median income (AMI) for the area according to household size, which are adjusted annually by the Department of Housing and Urban Development (HUD). Four different income categories are defined for various programs and policies:*

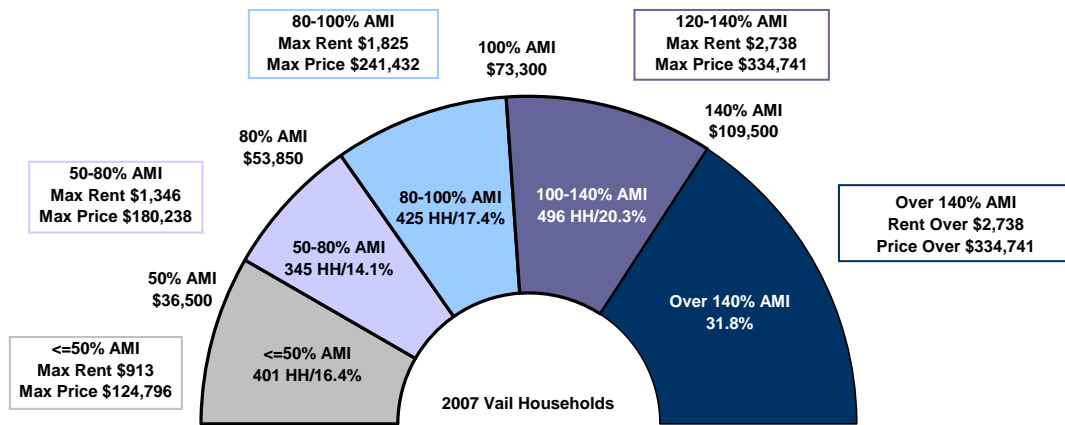
1. *Extremely low-income*, which is less than 30 percent of the median family income;
2. *Very low-income*, which is between 30 and 50 percent of the median family income;
3. *Low-income*, which is between 50 and 80 percent of the median family income;
4. *Middle income*, which is between 80 and 120 percent of the median family income; and
5. *Above middle income*, which is over 120 percent of the median family income.

	1 Person	2 Person	3 Person	4 Person	5 Person	6 Person	7 Person	8 Person
30%	\$17,050	\$19,500	\$21,900	\$24,350	\$26,300	\$28,250	\$30,200	\$32,150
50%	\$28,400	\$32,450	\$36,500	\$40,550	\$43,800	\$47,050	\$50,300	\$53,550
60%	\$34,080	\$38,940	\$43,800	\$48,660	\$52,560	\$56,460	\$60,360	\$64,260
80%	\$41,900	\$47,900	\$53,850	\$59,850	\$64,650	\$69,450	\$74,200	\$79,000
100%	\$56,800	\$64,900	\$73,000	\$81,100	\$87,600	\$94,100	\$100,600	\$107,100
120%	\$68,160	\$77,880	\$87,600	\$97,320	\$105,120	\$112,920	\$120,720	\$128,520
140%	\$79,520	\$90,860	\$102,200	\$113,540	\$122,640	\$131,740	\$140,840	\$149,940
160%	\$90,880	\$103,840	\$116,800	\$129,760	\$140,160	\$150,560	\$160,960	\$171,360

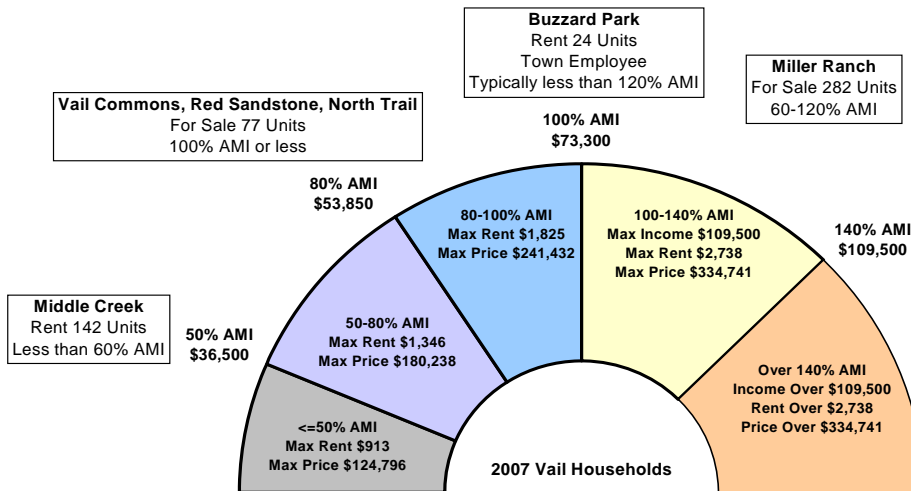
**Catch-Up Housing** – Housing needed to “catch-up” to current deficient housing conditions. In this Plan, catch-up housing needs are defined by current resident households reporting housing problems (overcrowded, cost-burdened and/or living in substandard housing conditions), current renters and owners looking to purchase a home and in-commuters that would like to move to Vail. Catch-up housing is generally addressed through local city development initiatives, non-profits and housing groups and public/private partnerships.

**Housing Continuum, The** – As illustrated below, it is possible to estimate the number of resident households in the Town of Vail at various income levels. Vail’s planning is based on addressing the needs of households of different incomes, recognizing that there is a need to ensure housing for a diversity of households.





### EXISTING DEED RESTRICTED EMPLOYEE HOUSING



**Inclusionary Zoning** – requires a minimum percentage of residential development be provided to serve local employees as part of new residential developments (10 percent in Vail). Inclusionary zoning is a housing production obligation based on the community's need for employee housing as related to many factors, including a decreasing developable supply of land, rising home values, insufficient provision of housing affordable to residents by the market, etc., in addition to any direct employee generation impacts of development.

**Keep-Up Housing** – Housing units needed to keep-up with future demand for housing. In this Plan, keep-up housing needs focuses on new housing units needed as a result of job growth in Vail and new employees filling those jobs. Keep-up housing is often addressed by the existing free-market, as well as regulatory requirements or incentives to produce housing that is needed and priced below the current market.



**Levels of Homeownership** – When discussing affordability of properties by Area Median Income (AMI) level (defined above) and the types of homes households among different AMI groups are seeking; reference is made to a couple different stages of homeownership. This includes:

1. *Entry-level ownership/first-time homebuyers:* These are households typically earning in the lower to middle income range. In Vail, these are households earning 50 to 100 percent of the AMI. These include households that currently rent (or otherwise do not own a home) and are looking to purchase their first home.
2. *Move-up buyers:* These are households earning in the middle to upper income range (about 100 to 120 percent AMI or higher) that may currently own a home and are looking to purchase a new or different home for a variety of reasons (relocating, growing family (e.g., having children), shrinking family (e.g., empty-nesters), etc.).

**Mean** – the average of a group of numbers, which is the sum of all the data values divided by the number of items.

**Median** – the middle point in a data set.

**RESOLUTION NO. 20**  
**Series 2008**

**A RESOLUTION ADOPTING THE TOWN OF VAIL EMPLOYEE HOUSING STRATEGIC PLAN; AND SETTING FORTH DETAILS IN REGARD THERETO.**

*WHEREAS, the Town of Vail (the "Town"), in the County of Eagle and State of Colorado is a home rule municipal corporation duly organized and existing under the laws of the State of Colorado and the Town Charter (the "Charter"); and*

WHEREAS, the Town has determined that no less than thirty percent (30%) of Vail's workforce should be provided deed restricted employee housing within the Town limits; and

WHEREAS, the Council has determined that in order to achieve the established goal it is critical to create an employee housing strategic plan establishing and clarifying the objectives and action steps essential to achieve the stated goal; and

WHEREAS, the Vail Local Housing Authority and Council developed the Employee Housing Strategic Plan over a period of six months that outlines the goal, objectives and action steps; and

WHEREAS, the Vail Economic Advisory Committee provided input and direction on the Employee Housing Strategic Plan at their May 13, 2008, and June 10, 2008, meetings; and

WHEREAS, the Planning and Environmental Commission provided input and direction on the Employee Housing Strategic Plan at their August 25, 2008, Public Hearing; and

WHEREAS, the Council supports the implementation of the Vail Employee Housing Strategic Plan; and

WHEREAS, the Employee Housing Strategic Plan will direct policy and budget decisions in order to achieve the community's stated goal; and

WHEREAS, it is the intention of the Council and the Housing Authority to implement the Employee Housing Strategic Plan over the next three years.

*NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF VAIL, COLORADO:*

1. The Council hereby approves the Town of Vail Employee Housing Strategic Plan, dated September 2, 2008, attached hereto as Exhibit A.
2. The Council hereby finds:
  - A. *That the Employee Housing Strategic Plan is consistent with the applicable elements of the adopted goals, objectives and policies outlined in the Vail Comprehensive Plan and is compatible with the development objectives of the Town; and,*



- B. *That the Employee Housing Strategic Plan furthers the general and specific purposes of Zoning Regulations; and,*
  - C. *That the Employee Housing Strategic Plan promotes the health, safety, morals, and general welfare of the Town and promote the coordinated and harmonious development of the Town in a manner that conserves and enhances its natural environment and its established character as a resort and residential community of the highest quality*
3. This Resolution shall be effective immediately upon adoption.

*INTRODUCED, READ, APPROVED AND ADOPTED this 2nd day of September, 2008.*

\_\_\_\_\_  
Richard D. Cleveland, Town Mayor

ATTEST:

\_\_\_\_\_  
Lorelei Donaldson, Town Clerk



**PROCESS TIMELINE**

**Vail Town Council**

- May 6, 2008    Work Session  
Affirm housing goals and purpose of the EHSP  
Review proposed actions and timeline
- July 1, 2008    Work Session
- July 15, 2008    Special Work Session  
Identify and affirm objectives and action steps  
Confirm overall direction of the EHSP
- August 19, 2008                                        Work Session  
Identify and affirm the SWOT analysis  
Affirm overall direction of the EHSP
- September 2, 2008  
Adopt the Town of Vail Employee Housing Strategic Plan

**Planning and Environmental Commission**

- August 25, 2008                                        Work Session  
Provide feedback on the EHSP

**Vail Local Housing Authority**

- March 24, 2008                                        VLHA Work Session  
Met with consultant (Chris Cares)  
Dusted off previous work towards a TOV Strategic Plan
- April 10, 2008                                        VLHA Work Session  
Review and update proposed actions and timeline
- April 24, 2008                                        VLHA Work Session  
Further refine actions and timeline for Council meeting
- May 13, 2008    Vail Economic Advisory Council  
Discussion of Housing Objectives
- May 15, 2008    VLHA Work Session



June 10, 2008	Vail Economic Advisory Council Further discussion of Housing Objectives
June 10, 2008	VLHA Work Session
June 24, 2008	VLHA Work Session
July 8, 2008	VLHA Work Session
July 22, 2008	VLHA Work Session
SWOT Analysis	
August 12, 2008	VLHA Work Session
SWOT Analysis	
August, 2008	Meet with Local Employers
August 26, 2008	VLHA Work Session
Review Planning Commission feedback	
Implementation Matrix Review	

