Minturn Housing Action Plan 2019

DRAFT 5.28.19

Introduction

Minturn Town Council recently identified attainable housing for year-round locals as one of their top policy priorities. This Action Plan sets the course for the Town's work on housing over the next three to five years. This plan was created through a series of workshops with elected and appointed officials, interviews with local stakeholders, and an open house in the first half of 2019. The priorities identified in this plan include:

- Increasing housing choices for year-round residents and preserving a balance between second homeowners and locals into the future.
- Adding new tools to Minturn's housing policy toolbox.
- Seeking opportunities to partner with local residents, developers, and existing housing agencies such as the Valley Home Store.

Current Incomes and What's "Affordable"

The definition of "affordable" is that a household pays 30% or less of the income for housing. As incomes increase, households can afford more. The "Area Median Income (AMI)" is published annually used as a benchmark to understand housing choices affordable to local residents. Greater detail on households size and income is provided in Appendix 2.

Income and Affordable Housing Prices
Two-person household – Eagle County - 2019

	50% AMI	80% AMI	100% AMI	140% AMI	200% AMI
Annual Income	$37,600	$60,160	$75,200	$105,280	$150,400
Affordable Home Price	$147,500	$235,900	$294,900	$412,900	$589,800
Affordable Monthly Rent	$940	$1,504	$1,880	$2,632	$3,760

Source: Colorado Housing and Finance Authority, Williford LLC
Notes: affordable home price assumes 5% downpayment, 30 year fixed mortgage, interest rate of 5%

The *2018 Eagle Valley Housing Needs and Solutions* report observed that the free market in the upper valley where Minturn is located is ***unlikely to produce housing affordable for renters below 140% AMI and owners below 200% AMI without some local intervention such as incentives, regulations, subsidies, and/or public/private partnerships.***

The Need

Minturn is little town nestled in a narrow mountain canyon. About 420 year-round households enjoy a strong sense of community, working class heritage, and historic small town character. It is located just seven miles from the Town of Vail and Vail Resort. Compared to other communities so close to a major resort, Minturn has maintained a high level of year-round residency (80% of homes were occupied by local residents at the last Census. This compares with 20% in Vail or 64% in Avon).

In recent years, some of these attributes have been threatened by rising housing costs. Minturn has been discovered, and an increasing number of second homeowners have begun to shift the historic the social and economic diversity. There is now a severe shortage of housing for local residents to rent or purchase. For example:

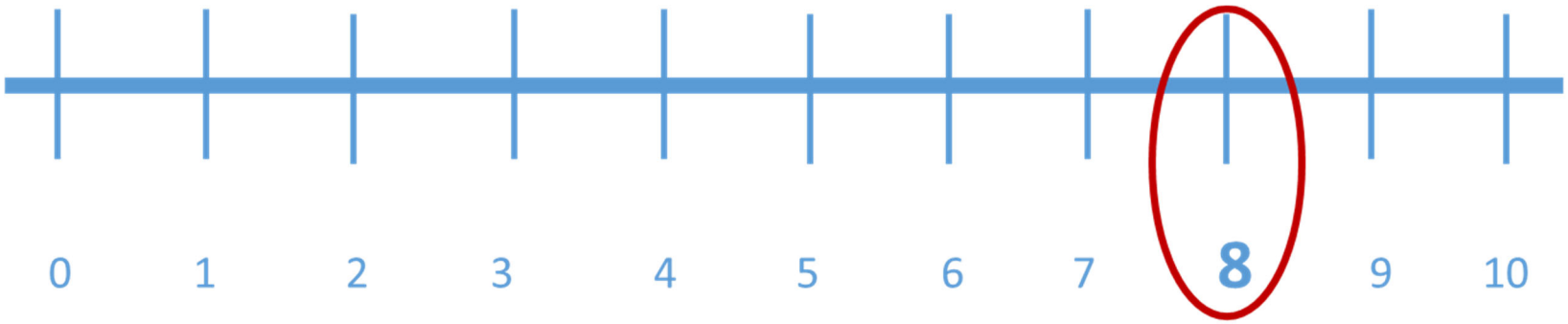
- In 2018, 20 homes were sold in Minturn, and the median sale price was $775,000.
- Of the 20 homes sold, only one was affordable to a household at the local median income. This house was a 672 square foot two bedroom/one bath unit that was built in 1971. The sale price was $280,000, just affordable for a two-person household at 100% median income for Eagle County.
- In May 2019, there were three active listing on the Multiple Listing Service; all three had asking prices over $1million.
- In May 2019, search for long term rentals produced five listings in Minturn:
    - a private bedroom and bathroom for $850/month
    - a private bedroom and bathroom of 130 sq. ft for $750/month
    - a one bedroom/1 bath lock-off without a full kitchen for $1,200/month
    - a two bedroom/1 bath lock-off for $2,300/month
    - a two bedroom/1 bath condo for $2,575/month
- A search for short-term rentals produced 14 homes and condos in Minturn available the first week in June 2019. Prices ranged from $139-$400/night.

Process

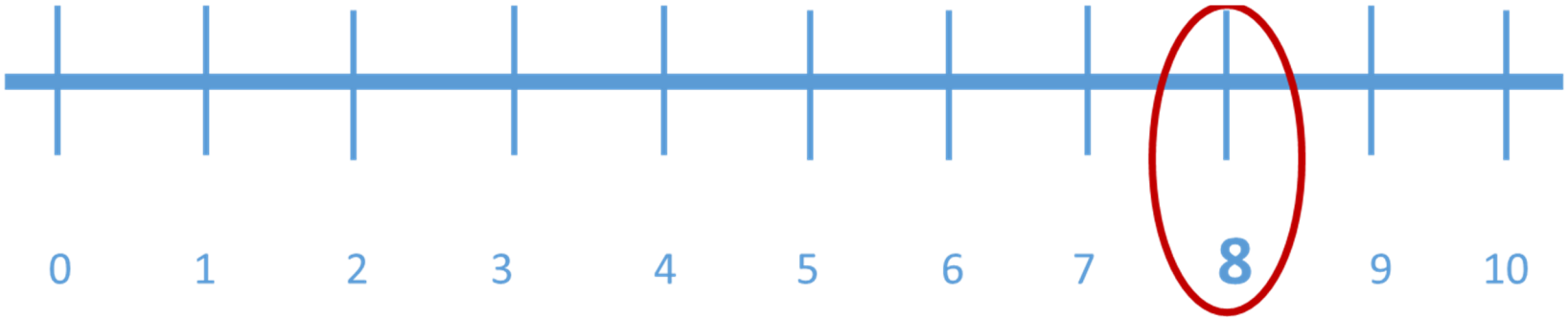
The Town of Minturn hired Williford LLC to facilitate the Housing Action Plan process. Goals, guiding principles, and the tools needed to attain them were developed by Planning Commission, Town Council, and a Housing Working Group with support from Town Staff and Williford LLC.

The process included two workshops with Town Council and Planning Commission. The first workshop included an overall discussion of need and opportunities, prioritizing tools, and making a recommendation on participants for the Housing Working Group. The second workshop included more detailed discussions of action steps and issues associated with the top priority tools. A Housing Working Group was appointed to provide input on the plan drafting process, and the Town hosted an open house for the public in Spring 2019. In follow-up to the first workshop, Williford LLC asked Council and Planning Board members a series of questions, including asking for on a scale of 0-10:

How much of a problem is lack of housing for local Minturn residents?



How involved should Town of Minturn be in housing solutions for local residents?



Goals

In creating this Housing Action Plan, our goal is to preserve the economic and social diversity of Minturn through a combination of incentives, regulations, partnerships, and Town initiatives, that ensure Minturn retains its historical status as a full-time resident population center. Our specific goals and metrics include:

- By 2030, securing 20% of our housing our housing inventory as deed restricted for residents who live and work in the Vail Valley.
    - At Minturn's current size of about 520 housing units, 20% would be 104 deed restricted dwelling units.
    - With the proposed addition of as many as 700 more dwelling units in the next 10 years, 20% of the combined old town and new housing would be 244 deed restricted dwelling units.
- Creating and preserving homes for sale or rent to households with incomes from 80-140% AMI.
- Increasing infill opportunities such as duplexes, townhouses, and accessory dwelling units in existing neighborhoods.
- Securing at least 25% of all new residential units for year-round residents with incomes up to 140% AMI.
- Continuing to monitor year-round residency, which was 80% at the 2010 Census. Create a year-round residency goal following the 2020 Census.

"Looking out ten years, and trends have going in a good direction, describe what makes Minturn a great place?"

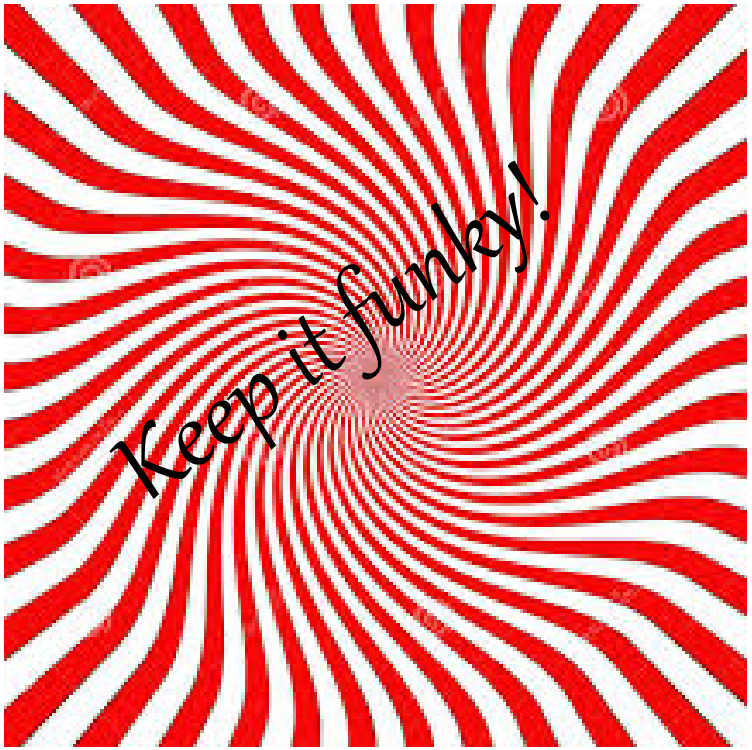
These goals are also supported by the 2009 Minturn Community Plan, which includes further definition of "community character" and defines a long-term vision for a sustainable, walkable, year-round non-resort community. The 2009 Plan includes a section on housing:

2009 – Minturn Community Plan – page 9
Housing
Goal: Promote Affordable Housing

- Leverage town owned property for the development of affordable housing
- Develop a housing assistance program for Town employees
- Develop a housing assistance program for Qualified Town residents
- Promote the development of housing opportunities for all income levels throughout all areas of Town
- Develop an affordable housing fund
- Partner with owners of large land holdings on mutually beneficial redevelopment projects

The action steps identified are still largely relevant, but little progress was made in the wake of the Great Recession. This Plan brings more specific tools and action steps and prioritizes the timing and resources needed.

In addition, Town of Minturn adopted a Strategic Plan 2018-2020 to set vision and guide allocation of resources. The vision statement is: *"Lead Minturn to long-term viability while preserving its unique character and genuine mountain town community."* Four key strategies are identified to support the vision statement. The strategy that guides (and closely aligns) with this Housing Plan is *"Sustain and invest in the things that define Minturn as a proud, sturdy mountain town to 'keep Minturn Minturn.'"*



Guiding Principles

The following guiding principle will inform our housing policies and new developments.

Diverse Demographics and Housing Types - Our housing policies and housing investments will seek to provide choices and opportunities for local households with a wide range of incomes. We also seek to build a diversity of housing types, responsive to local context and the housing needs of local residents.

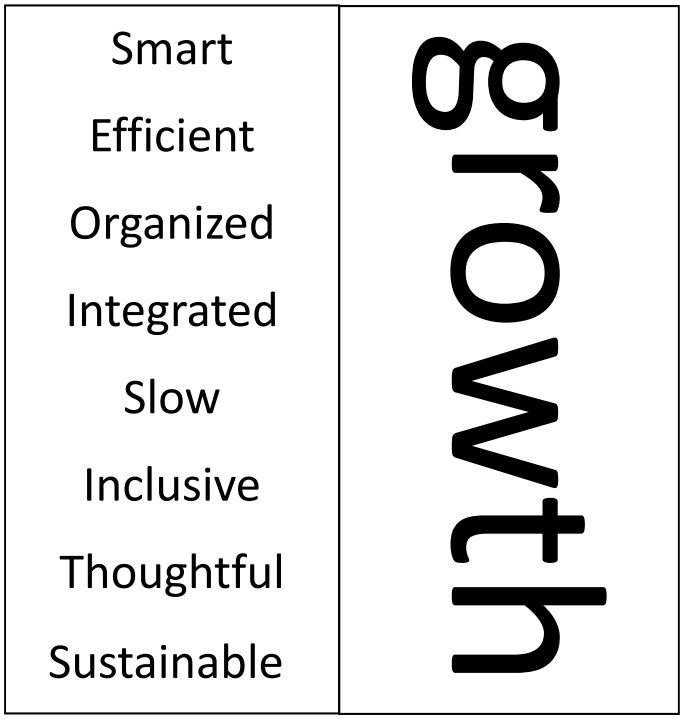
Holistic Approach - We seek to balance residential and commercial growth, and recognize that the number of households that desire to live in Minturn far outpaces the amount of housing supply we can create in our small valley. New housing will be planned and built in coordination with extensions of infrastructure and critical resources such as water. Our approach recognizes that no one solution will be successful, rather, it is multiple-faceted by design: including partnerships, a balance of regulatory and incentive-based tools, and metrics. We are also committed to regular (every 3-5 years) policy evaluation to ensure that targets remain relevant and that goals are being achieved without unintended negative consequences.

Long term affordability, durability, and financial success for residents of local's housing is another consideration in our holistic approach. Housing and wages are often the biggest factors in cost of living, but energy consumption, transportation, health care, child care, education, food, and home maintenance all add up.

Small Town Character - New housing will be compatible with Minturn's mining history and eclectic character and heritage. And, the community character aspect of Minturn goes beyond mining history or eclectic buildings downtown. Minturn's 2009 Community Plan describes a deep commitment to its working-class roots, including the homesteaders and miners who settled the area nearly 150 years. As one elected official articulated:

> *"Minturn need not be a bedroom community for other economic centers. In order to build a sustainable and resilient community, Minturn's housing efforts should include efforts to house people who work in Minturn. Other Town government efforts have been actively involved in retaining businesses and encouraging new economic growth. Housing planning should complement and support these efforts."*

In the kick-off of this Plan process, we asked Council and Planning Commission, "Should Minturn grow, and if so, what do you see as the ideal relationship between growth and housing year-round residents?" Local officials' answers varied, but had numerous common elements related to community character, sustainability, vibrancy, and the local economy. Responses are summarized in the word cloud on the next page.



Town Council and Planning Commissioners' words.

Durability and sustainability - Housing will be built and renovated for the long term, using quality materials and innovating for a high level of energy and water efficiency, consistent with the 2009 Community Plan, the Minturn Strategic Plan 2018-2020, the Eagle County Climate Action Plan and any new codes or plans that may be adopted. Durable and sustainable materials support our community environmental goals, as well as our holistic approach to long-term affordability.

Partnerships and best practices - Increasing housing choices and preserving Minturn's socioeconomic diversity are a top priority. Town cannot shoulder this burden alone. We will look to existing entities such as The Valley Home Store and Walking Mountains Science Center, and seek to form partnerships with private and non-profit sector developers, land owners, designers and contractors to realize our housing goals. We will seek funds from local, state, and federal sources. We will build upon existing best practices, such as Deed Restrictions administered by the Valley Home Store, and lessons learned from our peer communities.

"Should Minturn grow, and if so, what do you see as the ideal relationship between growth and housing year-round residents?"

Challenges, threats, risks, and hurdles

The following concerns were voiced by Town Council and Planning Commissioners:

- **<u>WATER</u>**
- Limited staff and resources
- The right balance on STRs/second homeowners
- Unsafe streets/lack of infrastructure (particularly bike/ped)
- Limited land

- Viable commercial zoning
- Lack of middle-class job opportunities - lack of quality jobs with wages commensurate with cost of living.
- Need for energy efficiency, solar orientation, low water use
- Small population leaves the Town lacking in "critical mass of people" for a variety of things
- Need to balance participation of town, developer, end consumer for good outcomes.
- Prepare for an economic downtown
- Need to improve public transportation
- Community perception regarding growth and affordable housing – need to work together to embrace preservation of Minturn's year-round community, and make new housing compatible with Minturn.

Tools and Strategies

Through two workshops with elected and appointed officials, three themes emerged to guide our tools and strategies work:

Include community housing in new development. Some opportunities may be case by case, such as Bolt's Lake PUD, the Rail Road property, or Dowd Junction. Others may be driven by institutional land ownership, such as school district, Town of Minturn, or a new large employer. An inclusionary housing regulation would also further this priority, and is further described below.

Update Minturn's policy documents to further our housing goals. Minturn's goals to maintain a vibrant year-round community are already envisioned in our policy documents. Through this housing plan, we seek to strengthen those commitments, add additional tools to the toolbox, and review and update regulations where needed. Three Mile Plan is due for an update in the near term. The 2009 Community Plan continues to be an effective guide, but will likely need an update in the next three-four years. Prior to that, there is also opportunity for further alignment in the details of our regulations that guide day to day land use approvals and enforcement. Areas identified for further study over the next three years include accessory dwelling units, massing, density, and parking standards. New short-term rental regulations were adopted in 2018, and will should be evaluated for updates after a few more years of real data.

Strengthen existing programs. Several programs to assist with housing affordability exist in the Eagle River Valley and could be better understood and more often used in Minturn. Down payment assistance, rehabilitation and weatherization, and employer assisted housing fall in this category. We are also recommending use of existing deed restrictions that have worked well in the Eagle River Valley. The Valley Home Store administers deed restrictions that have a limit on income and an ongoing price appreciation cap, as well as "resident occupancy" deed restrictions, which simply require the homeowner to live and work in the community.

Priority housing tools for Minturn

Planning Commission and City Council reviewed 18 potential tools to use in pursuit of community housing goals. Tools were ranked, with "yes" votes indicating a priority for Minturn and "no" votes indicating not a good fit for Minturn.

Rank	**Tool**	**Type**	**"yes"**	**"no"**
1	Accessory Dwellings	Incentive	8	
2	Inclusionary Housing	Regulation	5	
3	Home Buyer Assistance	Public/non-profit initiative	5	
4	Public Land/Private Developer	P3	5	
5	Employer Assisted Housing	P3	5	
6	Annexation	Policy	4	
7	Short-Term Rental Management	P3	4	
8	Density Bonus	Incentive	4	
9	Housing Rehabilitation and Weatherization	Public/non-profit initiative	3	
10	Small Scale Development for Low Income Buyers	Public/non-profit initiative	2	
11	Zoning for Affordability	Incentive	3	2
12	Residential Linkage	Regulation	2	1
13	Senior Housing	Public/non-profit initiative		
14	Public Sector Development	Public/non-profit initiative		1
15	Land Banking	P3		3
16	Acquisition of Market Units	Public/non-profit initiative		4
17	Fee Waivers	Incentive	1	5
18	Commercial Linkage	Regulation		6

The nine tools in green where then further developed and discussed at a housing workshop. The outcome of the workshop created two tiers of priority within the nine tools, and identified local considerations and next steps for each tool. Through the workshop discussion, consideration of commercial linkage for large scale commercial development was also recommended to be considered as a tier 2 tool.

Commercial linkage scored poorly in the initial ranking, but workshop participants thought it should be reconsidered in the context of potential large new commercial developments, provided main street scale retail and commercial are exempt. The group did not identify any action steps for employer assisted housing, so that tool was removed from the priorities and is recommended to be reconsidered in three-five years or as opportunity arises.

Tier 1	Tier 2
Inclusionary Housing	**Public Land/Private Developer**
Accessory Dwellings	**Density Bonus**
Annexation	**Home Buyer Assistance**
	Short-Term Rental Management
	Housing Rehabilitation and Weatherization
	Commercial Linkage

POTENTIAL TIMELINE	Lead	2019	2020	2021	2022	Longer Term
Minturn Housing Policy						
Align Long Range Policy Documents and Housing Plan Goals						
Three Mile Plan Update	Staff or contractor					
Community Plan Update	Staff or contractor					
Create Inclusionary Housing Policy (Tier 1)						
Review best practices	Staff or contractor					
Analyze opportunities/potential impact	Staff or contractor					
Conduct outreach	Minturn - Staff					
Draft Ordinance	Minturn - Staff					
Review and recommend adoption	Minturn - Planning Commission					
Consider for Adoption	Minturn - Council					
Accessory Dwelling Units (Tier 1)						
How well is current policy working?	Staff or contractor					
What improvements can be made?	Staff or contractor					
Policy update recommendation	Minturn - Planning Commission					
Policy update adoption	Minturn - Council					
Policy Updates (Tier 2)						
Chapter 16 - Update - Bulk Standards, Parking, Density						
What zones are appropriate for added density?	Minturn - Staff					
Opportunity to link density and local's housing?	Minturn - Staff					
Policy update recommendation	Minturn - Planning Commission					
Policy update adoption	Minturn - Council					
Short Term Rentals						
How have the 2018 adopted rules worked?	Staff or contractor					
Are any tweaks needed?	Staff or contractor					
Policy update recommendation	Minturn - Planning Commission					
Policy update adoption	Minturn - Council					
Annexation (Tier 1)						
Analyze opportunities for housing in annexations	Staff or contractor					
Commercial Linkage (Tier 2)						
Analyze commercial linkage in larger developments	Staff or contractor					
Community Housing in New Development						
Cultivate Public Private Partnerships (Tier 2)	Minturn - Town Manager					
Publicly owned sites (Tier 2)						
Conduct feasibility and establish priorities	Staff or contractor					
Seek Development Partner(s)	Staff or contractor					
Select partner	Staff or contractor					
Entitlement and finance	TBD					
Construct	TBD					
Ongoing Programs - Additional Outreach and Education						
Down payment Assistance (Tier 2)	Valley Home Store					
Rehab and Weatherization (Tier 2)	Walking Mountains					

Tier 1 - Inclusionary Housing

Inclusionary Housing (IH, also called Inclusionary Zoning) requires that new residential subdivisions and planned unit developments include homes that are deed restricted for community housing.

In General

Communities typically adopt a percentage requirement. The range varies by community with 5% at the low end and 65% at the top; 20% - 25% is about average. Options for compliance can include: building the affordable homes on-site, building or purchasing off-site units, dedicating vacant land, providing subdivided lots or providing a cash contribution to a housing fund (cash in lieu).

IH can be a powerful tool to generate increase new workforce housing units as well as a local funding stream for workforce housing. Homes created through IH are usually permanently deed restricted.

Concerns include the financial burden on residential development; market-rate homes must achieve sufficient price points to support below-market prices for IH homes. In some cases, IH may discourage smaller homes, "missing middle," and market-affordable solutions.

Minturn Specific

This tool is not currently in use in Minturn. Coordination of Inclusionary Housing with Commercial Linkage for new larger scale developments could help keep the playing field more level in terms of all types of development supporting our workforce housing goals.

Need to understand financial impacts on new projects, and how much new deed restricted housing could be created.

Tool Type: Regulation

Yes votes: 5

No votes: 0

Use in other communities:

Carbondale – 15%

Eagle County – 20%

Salida – 12.5%

Town of Eagle – 10%

Town of Vail – 10%

Resources:

Grounded Solutions Network

https://inclusionaryhousing.org/

Next steps for Implementation

Task	*Lead/Support*	*Timing*
Review best practices	Staff or contractor	2019
Analyze opportunities/impact	Staff or contractor	2019/2020
Conduct outreach	Staff/community task force	2019/2020
Work with developers/builders on financial feasibility	Staff or contractor/community task force	2019/2020
Draft Ordinance covering: a. Applicability b. Exemptions c. Rates d. Income targeting e. Unit size and quality standards f. Compliance options (on site, off site, land in lieu, fees in lieu) g. Application procedures and approval process	Staff or contractor/community task force	2020
Draft Guidelines – for developers and housing applicants	Staff or contractor/community task force	2020
Draft Deed Restrictions – employment, residency, income and price provisions (use Valley Home Store template and lessons learned)	Valley Home Store Team/staff or contractor	2020
Educate – realtors, title companies, property managers, appraisers	Valley Home Store Team/staff or contractor	2020-ongoing
Review and consider adoption	Planning Commission and Council	2020/2021
Manage and enforce	Valley Home Store Team/staff or contractor	Certificate of occupancy - ongoing

Tier 1 - Accessory Dwelling Units

An Accessory Dwelling Unit (ADU) is a second smaller home sharing a lot with a single-family, duplex or townhome residence. Some examples of ADUs include an apartment over a garage, a tiny house in the backyard, or a basement apartment.

In General

ADUs can add additional housing to low- and medium-density residential areas served by roads and utilities.

ADUs diversify the housing inventory by adding studio and one-bedroom units.

Requiring use of ADUs as long-term rental housing benefits local residents. Compliance monitoring is needed.

Crested Butte, CO requires ADUs be rented long term in exchange for extra floor area ratio and a reduced tap fee. Ridgway created a marketing campaign "you, me, and an ADU," and provides technical assistance on navigating how to finance an ADU. Durango recently expanded the zones in which they are a use by right.

Minturn Specific

ADUs are allowed in the following districts (via Limited or Conditional Use permit review):

- Old Town Character Area Residential, Commercial and Mixed-Use zones
- South Town Character Area Residential and Commercial zones
- Martin Creek Residential zone
- Cross Creek Residential and Mixed-Use zones
- Willow Creek/Rock Creek/Holy Cross Character Area (Battle Mtn.) Estate Lots
- Game Creek Character Area Residential zone
- Maloit Park Character Area Mixed-Use zone

No permits for new ADUs have been pulled recently, although several illegally created ADUs have been identified and brought into compliance/legalized in the last 18 months.

Tool Type: Regulation

Yes votes: 8

No votes: 0

Use in other communities:

Crested Butte

Durango

Jackson

Ridgway

Telluride

Resources:

Accessory Dwellings

https://accessorydwellings.org

Minturn might be able to increase the utilization of this tool by allowing for ADUs in more zones (industrial, public facilities), allowing them by Limited Review (rather than requiring CUPs in some districts), and loosening parking requirements in certain instances (for example, where off-site parking and/or public transit is available within 1/4 mi. radius). Focusing on creation of ADUs within new/redeveloped areas such as the Union Pacific Railroad property, Dowd Junction, and Bolt's Lake could also increase ADUs as a local housing choice.

Workshop discussion:

Why do we have a cap on ADU size? Participants questioned the policy or practical reasons for the Town's current cap of 750 sq. ft. per ADU. Water usage and parking limitations were mentioned as likely reasons. It was suggested that the Town revisit current regulations on ADUs and see if there are opportunities to incentivize ADU creation.

Could fees be waived in lieu of parking lease fees? Participants suggested that the Town consider waiving application and any other associated fees required for the review and approval of an ADU, thus incentivizing the creation of ADUs. Similarly, to incentivize some additional density in the downtown (100-Block) area, participants discussed waiving ADU fees in lieu of generating parking lease revenue (the presumption being that any ADUs created in the 100-Block in the future will need parking nearby (a structure) and that the Town could recoup some lost revenue (due to fee waivers) and provide off-site parking.

Opportunity to ease parking issues with muni lots, RR parcel, or bus passes? Participants further discussed opportunities to think outside the box to create off-site parking (structured parking was discussed) on UPRR property near the Turntable and the current municipal lease lot. Providing reduced rate bus passes along with ADUs was discussed as a means to attract residents with one or no personal vehicle.

Water taps are a barrier; waiving fee if rented to a local could be good. Participants discussed fee waivers again, with more specific ideas relative to water taps which can be expensive for developers or even non-developer home owners wanting to create an ADU; they are seen by many as a barrier. The participants discussed the idea of waiving fees if a particular unit was limited to local residents working a minimum of 30 hours per week in Eagle County, for example.

Look at standards for site coverage. One participant suggested that another barrier may be development and dimensional standards within Chapter 16. Participants suggested that the Town review all standards but in particular bulk and mass controls on building height and lot coverage as another means to incentivize the creation of ADUs.

Next steps for Implementation

Task	*Lead/Support*	*Timing*
Analyze existing units – what's working, what's not	Staff or contractor	2020
Conduct outreach	Staff or contractor/community task force	2020
Set expectations for mass and scale, design characteristics (attached/detached, single story/multi-story, location on lot)	Staff or contractor/community task force	2020
Identify appropriate zones; estimate potential units	Staff or contractor/community task force	2020
Address parking	Staff or contractor/community task force	2020
Encourage ADUs in new construction	Staff or contractor	2020
Streamline permitting/approval process	Staff or contractor	2020/2021
Amend existing ordinance	Staff or contractor	2020/2021
Review and consider adopting new regulations	Planning Commission and Council	2020/2021
Manage and enforce	Valley Home Store Team/staff or contractor	Certificate of occupancy - ongoing

Tier 1 - Annexation Policy

Negotiating deed restricted housing as part of annexation agreements is a widespread practice among municipalities with workforce housing programs.

In General

Annexations give municipalities broad discretion to require that housing be provided in exchange for the provision of services. Building dwelling units, dedicating land, or providing cash in lieu of housing are all potential forms of compliance. Housing requirements often exceed those placed upon property already within Town/City limits.

Where private developable land exists within service extension boundaries, annexations can be a very effective tool for preserving community character as it grows, meeting housing goals and objectives, and serving a diverse population including members of the workforce as well as retirees.

Minturn Specific

This tool is not currently in use in Minturn. Future annexation opportunities may be limited, however, workshop participants felt this tool would be helpful to have in place to clearly set expectations and generate affordable housing when annexations occur. Town needs to analyze capacity to extend services, as well as opportunity sites and their potential to for housing. Housing workshop participants recommended that Town maintain a prioritized list of needs and infrastructure improvements/investments (including housing) for use when approving PUD and negotiating development agreements and/or annexation agreements.

By way of example, Battle North (Bolt's Lake developer) is proposing to voluntarily deed restrict 10% of the total number of units (proposing 700 total) as resident occupied with potential for price caps. The proposed 10% is likely too low to support the goals of this plan.

Type: Regulation

Yes votes: 4

No votes: 0

Other communities:

Breckenridge
Boulder
Crested Butte

Resources:

Colorado Municipal League

bouldercolorado.gov/plan-develop/annexation-information

Next steps for Implementation

Task	*Lead/Support*	*Timing*
Research effective policies	Staff or contractor	2019
Use community goals to drive development requirements; consider annexations as way to reverse trends toward more second homes and fewer locals	Staff or contractor/community task force	2019/2020
Identify and analyze annexation opportunities	Staff or contractor	2020
Work with developers/builders on financial feasibility	Staff or contractor	2020
Draft a clear but flexible policy	Staff or contractor	2020/2021
Review and consider adopting annexation policy	Planning Commission and Council	2020/2021
Manage and enforce	Planning staff, Town Manager, Council	Adoption-ongoing

Tier 2 - Home Buyer Assistance

Down payment assistance in the form of grants or second mortgages to assist qualified buyers.

In General

Home buyer assistance funds may be used for purchasing deed restricted or market rate homes. Participation in financial counseling and homebuyer education are often requirements (The Valley Home Store offers these services free of charge). Second mortgages may be forgiven after the household owns the home for a specified amount of time.

Some programs utilize a shared equity model, returning funds to the program when a home is sold and allowing the seller the remaining equity. Payments on second mortgages can also support a "revolving loan fund" approach.

Home buyer assistance enables specific households to attain housing, but does not increase the inventory of workforce housing for the long term. There must be homes available to purchase at relatively affordable price points for the program to succeed.

Minturn Specific

The Valley Home Store (TVHS) offers down-payment assistance for homebuyers who live and work in Eagle County through the Eagle County Loan Fund. The assistance is structured as an equity share loan (unless the first mortgage is FHA). Currently, there are homebuyer assistance loans deployed in Minturn. A major challenge is the shortage of moderately priced homes for sale. If more homes for sale become available, Valley Home Store could do targeted outreach and education to make sure Minturn residents have access to the existing down-payment assistance resources. The Valley Home Store has a great website, and a robust home buyer class schedule. Specific classes could be hosted in Minturn.

The workshop participants recommended two longer term ideas. 1. Consider implementing Minturn specific 3rd subordinate loan program, such as scholarship fund similar to that funded by Battle Mountain in the past. 2. Create a voluntary program for second homebuyers and/or locals buying/selling homes to support Minturn buyers. The suggestion is that second homeowners and locals make donations for locals to purchase homes. Town of Minturn could contract with TVHS.

Tool Type: Public/Private

Yes votes: 5

No votes: 0

Use in other communities:

- Aspen
- Eagle County
- Grand County
- Mammoth Lakes, CA
- Telluride
- Vail (for employees at the town)

Resources:

https://www.eaglecounty.us/Housing/Down_Payment_Assistance/Overview/

Tier 2 - Density Bonus

Providing addition density or floor area ratio in exchange for workforce housing/deed restrictions.

In General

Striking the effective balance is tricky. The bonus must be large enough to increase economic feasibility of the workforce housing units, and entice development yet small enough to maintain livability standards and community compatibility. Works best where density is pretty limited and land values are high.

Minturn Specific

This tool is not currently in use in Minturn. Bonus as an incentive will be tricky given building height restrictions, small lot sizes (in general) and current bulk/mass controls on lot coverage, setbacks, etc.

Workshop discussion:

Are there parts of town or zone districts where this might be effective? What guidance can we get from local developers/builders about what would be an effective incentive? What thoughts does the group have on mitigating neighborhood compatibly concerns if we add more density?

- High priority – would really like to see more mixed use and townhomes.
- Could go to apartments, if right location – scaling towards the hills.
- Mixed use on Main Street has seen no building activity – market is only residential at the moment.
- Railyard could accommodate rental long term and overall density.
- One participant: open to density everywhere – need to be part of valley solutions
- Density and transportation are related; wouldn't want one to occur without the other.

Tool Type: Incentive

Yes votes: 4

No votes: 0

Other communities:

Ketchum, ID

Mammoth Lakes, CA

Crested Butte, CO

Frisco, CO

Whitefish, MT

Tier 2 - Public Land/Private Developer

Use publicly-owned vacant and under-utilized land for community housing.

In General

Using publicly owned land for housing can catalyze development and provide public oversight to achieve the type, amenities, and price point of housing needed.

A prioritized inventory of publicly owned parcels can create partnerships and provide a predictable pipeline of new housing. An RFP/RFQ process is effective for selecting development partners.

Housing may compete with other desired uses of public parcels, and sometimes those uses (such as schools, day care, transit facilities, rec center, or non-profit offices) can have complimentary community benefits.

Public ownership of land can be retained using a long-term leases, managed in a Community Land Trust, or sold or donated to the developer, rental property owner, or homeowner.

Minturn Specific

Maps are included on the next page.

Workshop discussion:

Need to do basic feasibility, suitability for housing analysis. Create prioritized list.
Not many opportunities right now with Town resources; make this a longer-term goal.
Forest Service admin could be interesting in the future.
M-Ranch – 9-10 acres – could be good for townhouses.
Not A Park is also of interest in the long term, but is providing other community benefits at present.

Tool Type: Public/Private

Yes votes: 5

No votes: 0

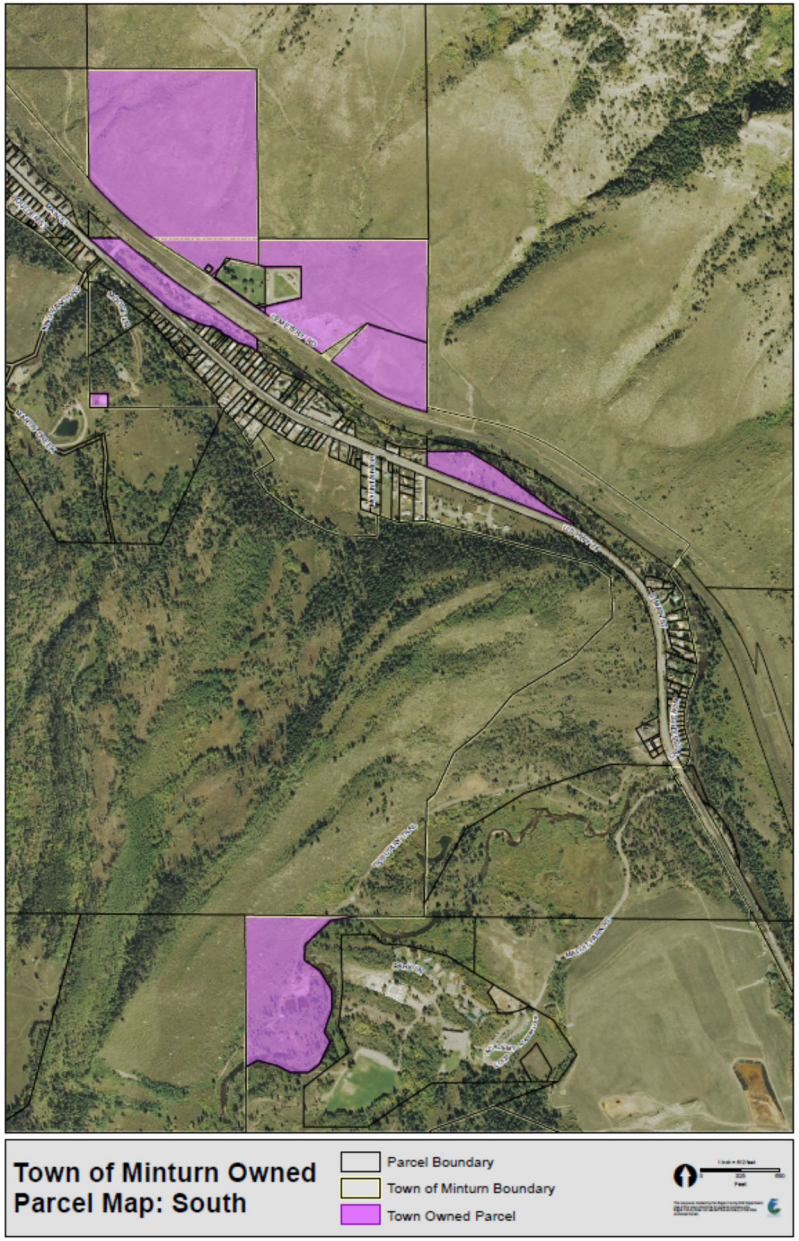
Use in other communities:

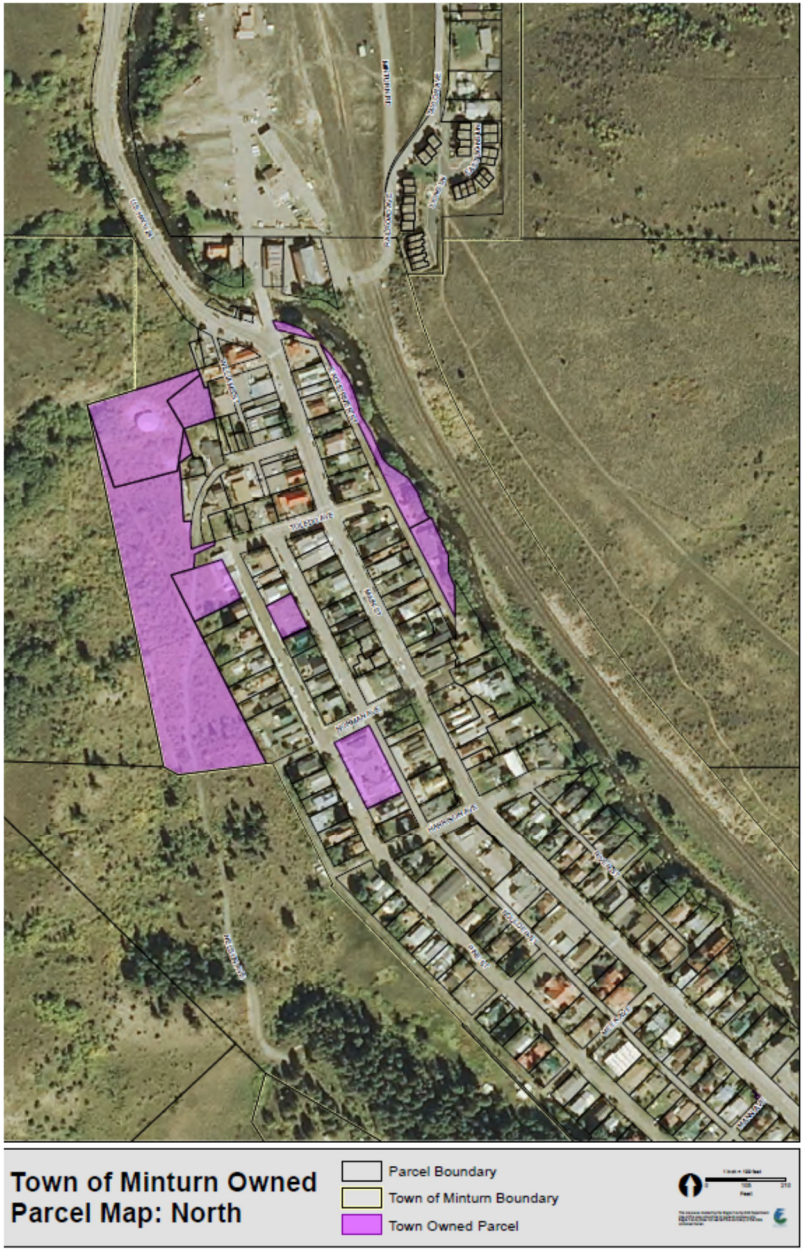
- Gunnison
- Eagle County
- Steamboat Springs
- Summit County
- Vail

Resources:

The Potential for Public-Private Partnerships – by Rebecca Riley, What Works Collaborative

Ten Principles for Successful Public/Private Partnerships – Urban Land Institute


Town of Minturn Owned Parcel Map: South
Parcel Boundary
Town of Minturn Boundary
Town Owned Parcel


Town of Minturn Owned Parcel Map: North
Parcel Boundary
Town of Minturn Boundary
Town Owned Parcel

Tier 2 - Housing Rehabilitation and Weatherization

Programs to repair, update, and improve energy efficiency in existing homes occupied by low income households.

In General

Rehabilitation and weatherization improve the quality of the existing housing inventory, making homes safer and more comfortable, and lowering utility bills for occupants.

Funding is usually through State and Federal grants, with strict limitations on who can be served. DOLA sometimes funds local rehab programs, and some communities have weatherization assistance that goes beyond the federal program.

Staff/time intensive; does not increase the inventory of workforce housing.

Minturn Specific

Minturn has an Energy Action Plan, and access to a number of programs that support residential energy efficiency. NWCOG is the official provider of Weatherization for Eagle County, and there is a local program through Energy Outreach Colorado at Walking Mountains.

Workshop notes:

Additional research is needed: How many weatherization and rehabilitation jobs have been done in Minturn recently? Could the resources available be more transparent and navigable for consumers? Is more outreach needed? And/or, more resources?

Existing programs in place need more education. Options discussed include door to door campaign, proactive approach (show up with van, ready to do the work), outreach on $50 assessment, and/or display programs in Town Hall Fair.

Long term rentals could/should be a focus area. Bring rental stock up to code; consider amnesty for units out of compliance.

Tool Type: Public/Private

Yes votes: 3

No votes: 0

Use in other communities:

Energy Resources Center

Northwest Council of Governments

Housing Resources of Western CO

Loveland – rehab

Longmont - rehab

Resources:

http://www.energyoutreach.org/grants/affordable-housing-energy-efficiency

https://www.colorado.gov/pacific/energyoffice/weatherization-assistance

https://www.walkingmountains.org/project/energy-smart-colorado/

Tier 2 - Short Term Rental Management

Communities are taking many different approaches to understanding and managing short term rentals including: monitoring, licensing requirements, regulatory limits in certain zone districts, imposing excise taxes, and creating incentives for landlords to switch to long-term renting.

In General

The short-term rental market affects the demand for community housing on the supply side, by removing the long-term rentals and homes previously owned be local residents from the market. It also impacts the demand side, through the increased job growth to provide the services to the short term visitors and short term rental properties.

Growth in short-term vacation rentals through enhanced by websites such as VRBO, AirBnB and other online hosting sites has been exponential over the past decade.

Concerns range from loss of long-term housing, increase in low-wage jobs, lodging tax collections, impacts on hotels and lodging, and neighborhood concerns around health, safety, parking, noise, and erosion of community based on transient "neighbors."

Minturn Specific

An ordinance has been in place for about 18 months requiring a business license. To date, 20 permits have been issued. Town Code Enforcement Officer is actively monitoring short term rental sites to ensure compliance. The cost of the licenses is $300/year, and the estimated revenue in lodging tax is about $14,000/year.

Under current regulations, 50 total STRs would be permitted within the residential zones, and new owners must wait two years before they are eligible for a license.

A local realtor observes that the rules have deterred some "would be" investment buyers from purchasing in Minturn.

Tool Type: Public/Private

Yes votes: 4

No votes: 0

Other communities:

Summit County – incentive to long-term rent

Crested Butte – 5% excise tax, limits by zone district

Durango – limits by block

Resources:

Host Compliance

AirDNA

Workshop discussion:

Given the relatively recent new rules on STRs, are we ready to revisit the topic at this time? Yes, we should revisit the regulations, but not until we have sufficient data to evaluate how its going. Perhaps two to three years worth?

Caps are important, but time period might be an option too. The two-year wait has impacted home sales by an estimated 20%, compared to if short term renting was allowed upon purchase. If decision makers feel this approach is problematic, one option could be a change to a shorter prohibition. Other options to consider would be a lower numeric cap or a cap that is a percentage of the housing inventory.

Appendix 1 - Acknowledgements

Thank you to the Housing Working Group, which provided details review and guided the research and drafting of this Plan. The Housing Working Group includes:

George Brodin – Town Council Member
Eric Gotthelf – Town Council Member
Scot Hunn – Hunn Planning and Policy (contract Planner for Town)
Charles Overy – Community Member/Business Owner
Jena Skinner – Community Member/Business Owner
Lynn Teach – Chair, Planning Commission
Kelly Toon – Community Member/Business Owner

And thank you to the staff, elected officials, and other local stakeholders and partners who informed this Plan:

[SCOT/MICHELLE – can you help me with this list?]

Appendix 2 – AMI Table 2019

Area Median Income – Eagle County 2019

	Household Size						
Area Median Income		1	2	3	4	5	6
	200%	$131,600	$150,400	$169,200	$188,000	$203,200	$218,200
	160%	$105,280	$120,320	$135,360	$150,400	$162,560	$174,560
	150%	$98,700	$112,800	$126,900	$141,000	$152,400	$163,650
	140%	$92,120	$105,280	$118,440	$131,600	$142,240	$152,740
	120%	$78,960	$90,240	$101,520	$112,800	$121,920	$130,920
	100%	$65,800	$75,200	$84,600	$94,000	$101,600	$109,100
	80%	$52,640	$60,160	$67,680	$75,200	$81,280	$87,280
	60%	$39,480	$45,120	$50,760	$56,400	$60,960	$65,460
	50%	$32,900	$37,600	$42,300	$47,000	$50,800	$54,550
	30%	$19,740	$22,560	$25,380	$28,200	$30,480	$32,730

Source: Colorado Housing and Finance Authority