

BROWN RANCH

Focus Team: Housing & Non-Residential Demand

Date and Location: Monday, February 21, 2022 – Community Center West Room

Estimated Attendance: 23

Guiding Questions:

- Plan for housing need today or long-term growth need?
- Try to serve a percentage of everyone or focus on specific groups (eg most need, hardest to reach, or urban-design driven need)
- Importance of renters vs. owners served.

Key Technical Information Shared:

Dana Schoewe, Vice President RCLCO, shared preliminary findings in RCLOC's housing demand study for Brown Ranch. See attached slides. Additionally:

- Review of YVHA units becoming available in 2022 and beyond.
 - Sunlight Crossing – 90 rental units targeted to 80-120% of Area Median Income (AMI) (entry level) – Delivered in 2022.
 - Anglers Four Hundred – 75 rental units targeted up to 80% of AMI (affordable) – Delivered in 2023.
 - Mid-Valley – 100-200 units (mix of rental and for sale) targeted 80% - 120% AMI (all details still tbd) – Delivered in 2024.
- AMI has grown 2.5% each year consistently in Routt County. Home values grow an average of 11% annually. Divergence between income and appraised home categories.
- 47% of move-up supply is currently associated with a mailing address outside of the county.

Public Input:

Questions:

Q: Why plan 20 years out and not further?

A: The further we read into the future, the more difficult it is to predict anything. State demographer projections get foggy beyond 20 years.

Q: Regarding Steering Committee vision: how is "affordable" defined?

A: The Steering Committee vigorously debated this question and, so far, have left it undefined to allow for feedback from the broader community through the focus team process. However, the industry standard definition of affordability is that a household will not spend more than 30% of gross income on housing expenses.



Comments:

- Philosophical/Conversation Starting questions posed by community members:
 - *How do we address the difficult question of who gets to live at Brown Ranch?*
 - *By building affordable housing, do we subsidize all employers? Does doing so support the amenities (restaurants, shops, etc. that we love?) Where do we draw the line?*
 - *Is this an affordable housing project or a community response to a local crisis by building more housing for the entire community?*
- We need transitional housing at Brown Ranch. Emergency shelter.
- Do not “lock out” people who are on social security and disability.
- Address non-profit needs, including non-profit staff housing and a nonprofit center.
- Concerned about building a lot of affordable-category housing in Phase 1. Does that incentivize employers to keep wages low?
- I do think we need to serve not only low-income but professional nonprofit, teacher, city and county workers. It looks like you have a good percentage to help affordable, entry-level and move it up - based on need.
- Comments on “Move up” Category (\$94K - \$189K households)
 - “Move up” category seems low and doesn’t seem to be meeting the needs of healthcare workers, teachers, first responders, etc.
 - Move up segment will require the least amount of subsidy to develop for. Consider bumping that up in phase 1 because it is needed and will be “easiest” to develop in terms of subsidy.
 - Beware of using Sunlight Crossing data to understand need associated with people on the margins of 80-120% of AMI, who may not have bothered to fill out the interest list form, assuming they won’t qualify.
- Consider what type of community we’re trying to cultivate and build for that.
- Rental vs ownership. – provide options for both.
- Mobility is important.
- Brown Ranch is **the** pathway for young professionals to be able to afford having children, owning a single-family home, etc.
- Comments on Area Median Income:
 - I wonder where the self-sufficiency rate for Routt County fits into the AMI discussion. It seems to me that people have so many other high-cost factors other than housing such as high cost of healthcare, food, gas, childcare.
 - How much is wages vs investments? Is local AMI inflated by people who make passive income through non-labor sources? What is the labor source vs non-labor source breakdown of AMI?
 - General trend: we are growing as a county: older, richer, faster.
- Comments on “Local Workforce,” location neutral employees, etc.

- Can we put a definition on local workforce? Reservations around considering location neutral as the local workforce. Concern that location neutral people will swoop up housing and outcompete people who work for local employers.
- Do not exclude people who cannot work on the ground in the community who are still valuable members: people with disabilities, people raising children or caring for elder family members and unable to perform paid work, etc. Look at Eagle County “point system” as an example.
- What about people who have been here for a while but are now location neutral?
- What about kids who grew up here and what to come back and bring their job with them?
- Yeah, I’m currently THAT kid, but I’m in my mid-30s. Have a lot to contribute, but I’m currently gigging remotely trying to figure out if location neutral work will be my way to be in the valley full time or if a local employer/starting my own consulting stuff would be a way to stay. Strawberry Park, SSMS, SSHS shaped who I was outside the county, and not only me, but a lot of us, have so much to offer our community.
- The economic climate in a ski-resort town like Steamboat is skewed. Second homes, expensive homes, vrbo's, and a huge need for service workers. This is not a normal town.
- Perspective from an appraiser: in past 2 years, home prices went up 30% each year. Assessor data lags by 2 years.
- I personally am advocating for something immediate because we’ve been in an affordability and quality of life crisis but really do appreciate any preemptive efforts to deal with any future situations.
- “Emotional value” of a property gets baked into market value (market scarcity).
- Can we learn from other markets re what they wish we’ve done or not done to address housing issues in their communities?

- ** YVHA staff reminded the attendees that there will be lots of different housing projects w/different funding sources. Those individual projects may have different residency requirements.

Recommendations to the Steering Committee: N/A

Next Steps and Action Items: N/A

YVHA FOLLOW-UP FOR WEEKLY REPORT

Resources needed from technical consultants for next meeting



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- Look into “point system” used in Eagle County, CO as way to measure “localness” as alternative to “local workforce.”
- Address questions about AMI being inflated by non-labor sources.
- Integrate data collected from on the ground sources to better understand the housing needs of hard-to-reach populations.

Necessary Cross-Collaboration w/other Focus Teams:

N/A



Housing & Non-Residential Demand Meeting #2 —

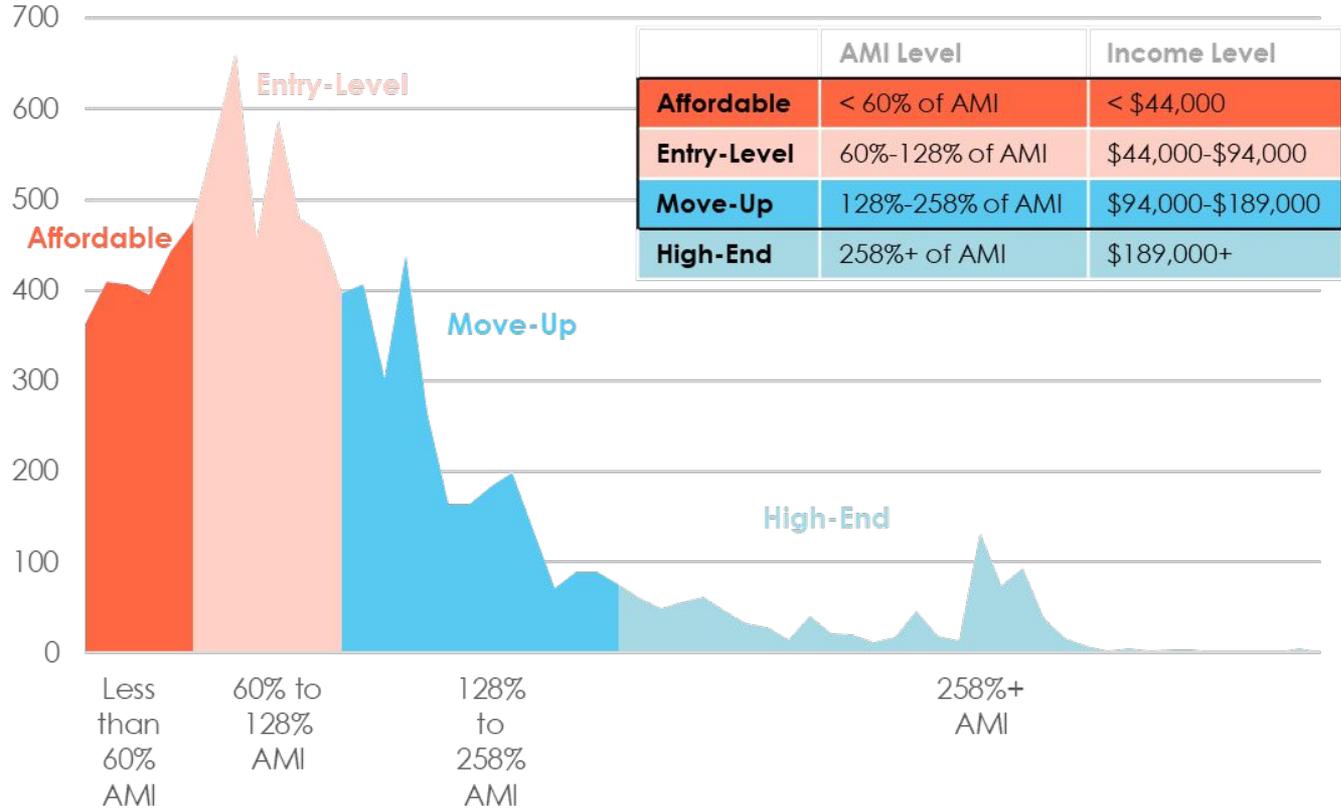
Community Scale Key Takeaways

- Today, there is a need for 1,400 units to house local, full-time Steamboat workers
- By 2030, without attention to the housing crisis, there will be a need for 600 more local housing units to serve Steamboat area workers
- Not everyone can be served, there are different types of households with different needs and preferences
 - a. Renters vs. owners
 - b. Different income levels
 - c. Different product preferences (sizes and types related to urban design) based on household configurations
 - d. Hard-to-reach or vulnerable populations

Housing & Non-Residential Demand Meeting #2 —

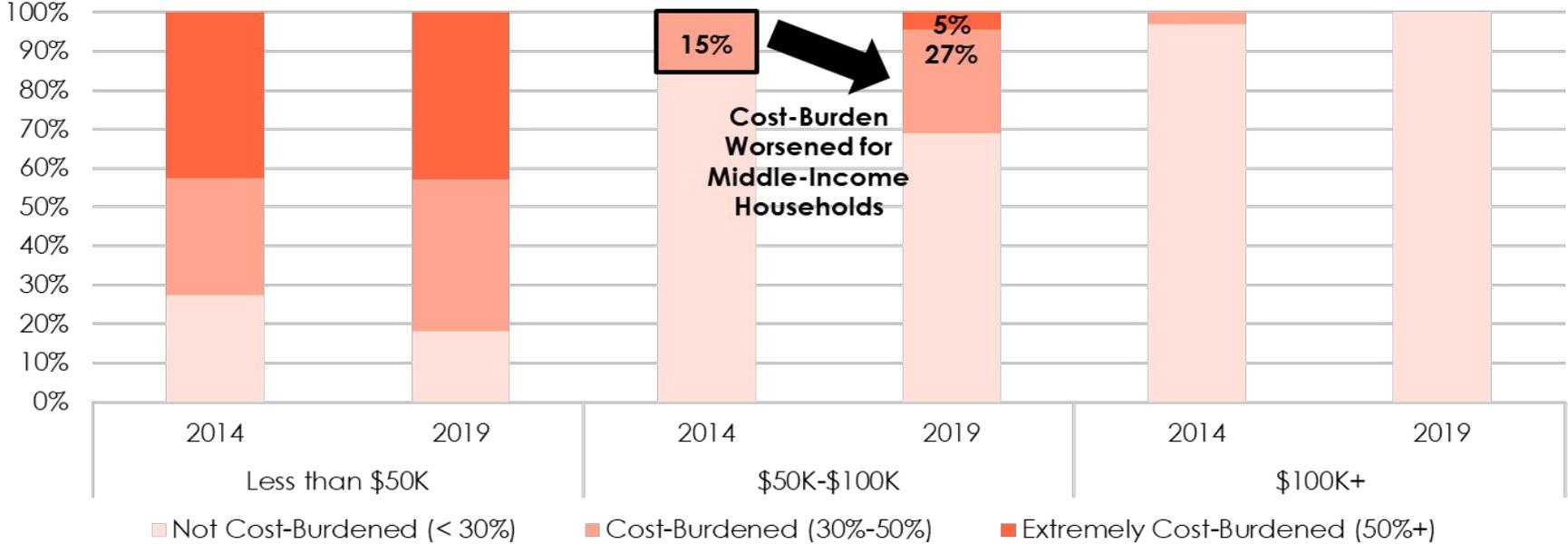
Defining the Need: Routt County Households by Income

Brown Ranch can help alleviate housing shortage, but key decisions about who to serve are needed



Housing & Non-Residential Demand Meeting #2 —

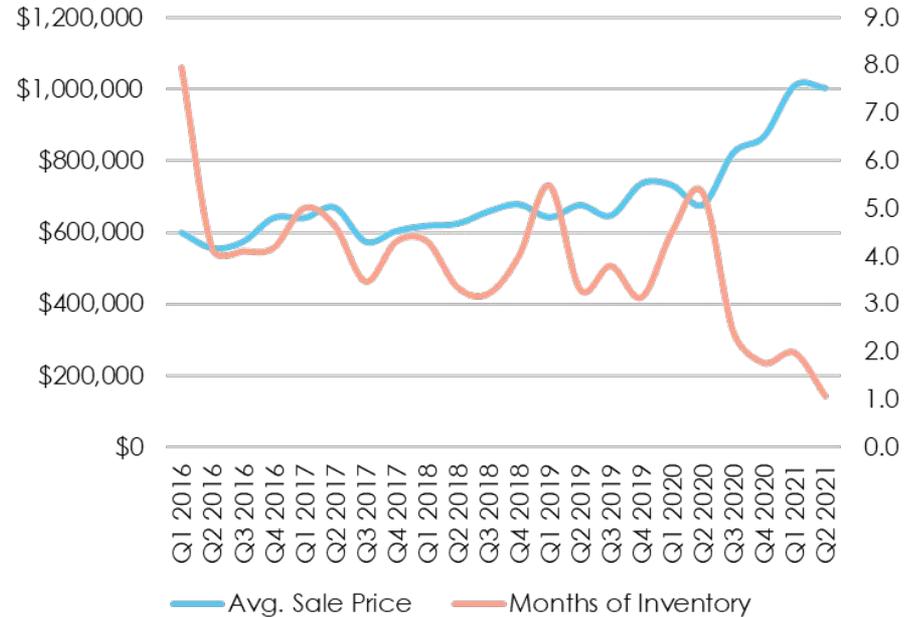
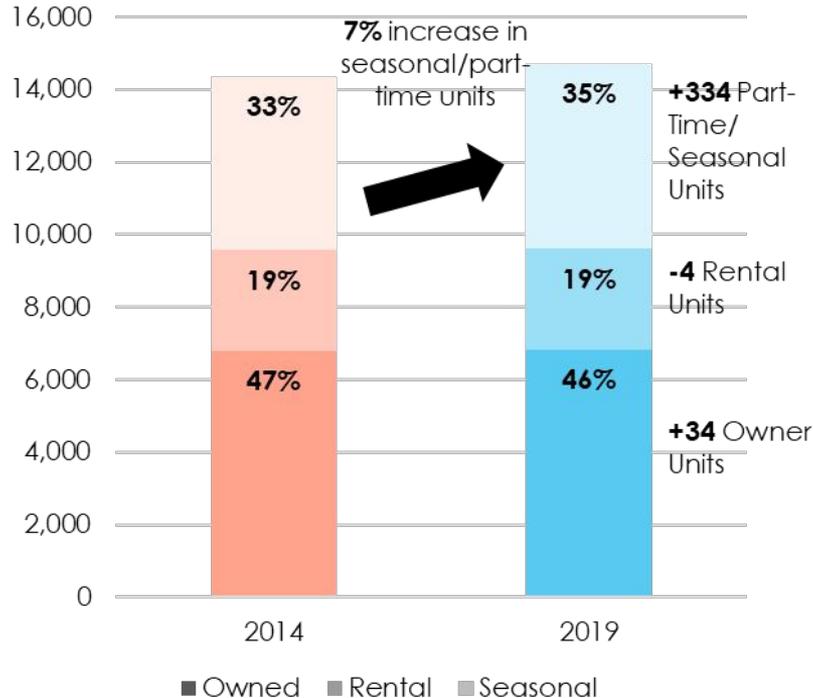
Cost-burdened households (pay 30% or more of income on rent) are increasing in Routt County; this trend is particularly pronounced for middle-income household



Source: U.S. Census; RCLCO

Housing & Non-Residential Demand Meeting #2 —

Supply is shifting to vacation rental properties, while home prices skyrocket and inventory declines in Routt County

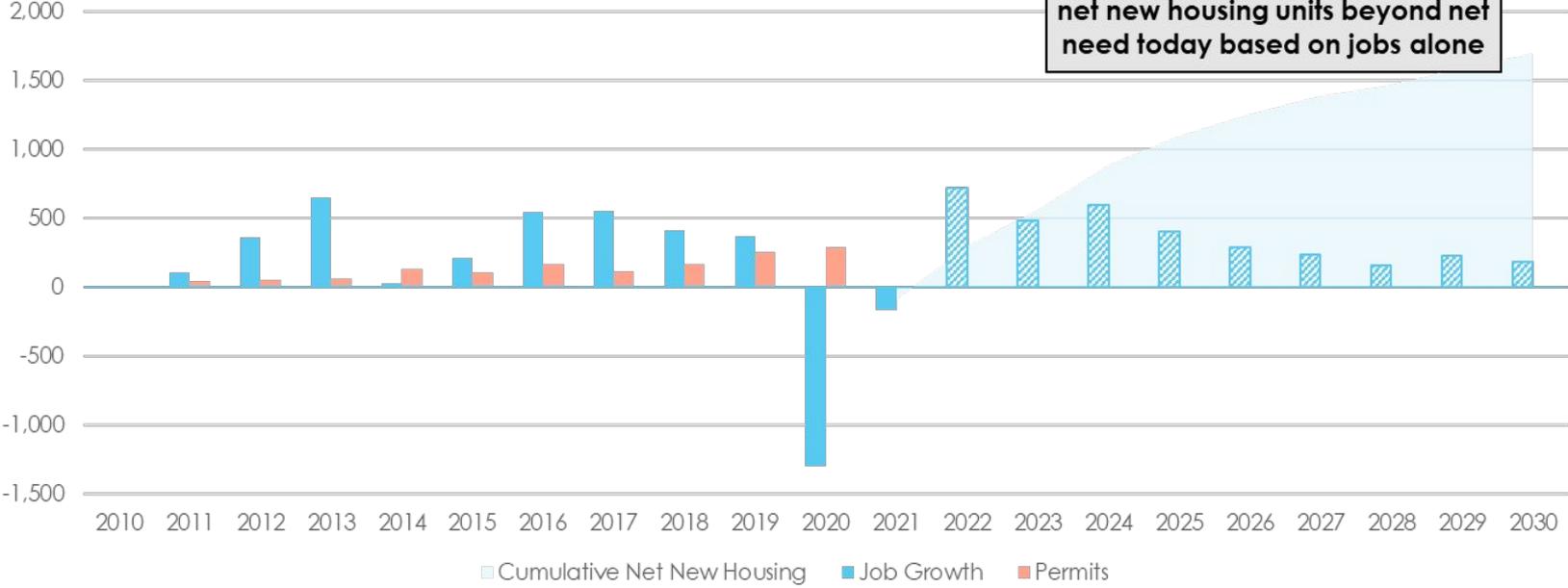


Q1 2021 is the most recent data available.
Source: U.S. Census; MLS; RCLCO

Housing & Non-Residential Demand Meeting #2 —

Routt County employment growth has outpaced new housing permits over the last decade, and continued job growth will drive additional demand

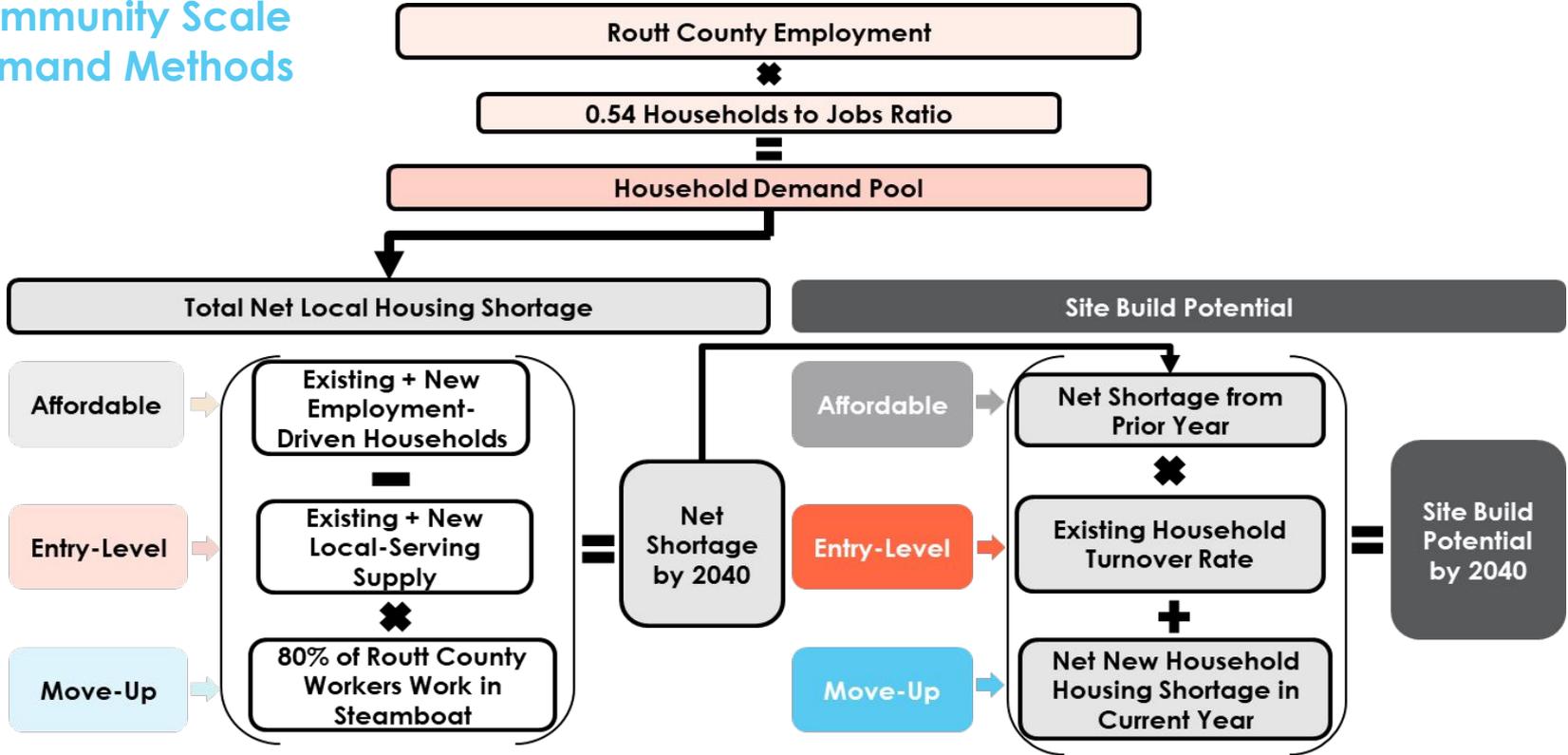
By 2030, estimated need for 1,700 net new housing units beyond net need today based on jobs alone



Source: Colorado Department of Local Affairs; RCLCO

Housing & Non-Residential Demand Meeting #2 —

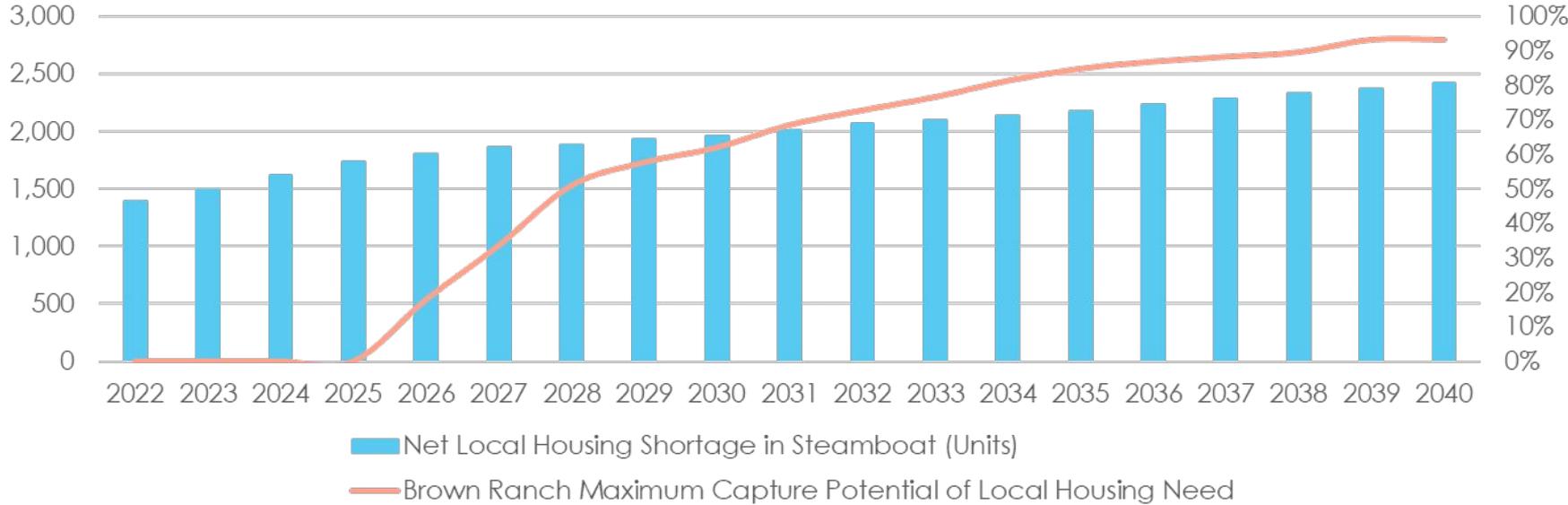
Community Scale Demand Methods



Housing & Non-Residential Demand Meeting #2 —

Steamboat Housing Need & Brown Ranch's Role

It will take time to address the existing housing shortage for local Steamboat workers, but Brown Ranch has the potential to make a major impact



Housing & Non-Residential Demand Meeting #2 —

Community Scale Key Concept

Development at Brown Ranch could potentially alleviate about 60% of the existing and anticipated housing shortages for local workers by 2030

	2026*	2030	2035	2040
Affordable	139	466	565	677
Entry-Level	116	446	712	968
Move-Up	69	306	578	619
TOTAL HOUSING UNIT POTENTIAL ON BROWN RANCH SITE	324	1,218	1,855	2,264

*First homes feasibly constructed

Housing & Non-Residential Demand Meeting #2 —

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