



Gunnison Valley Housing Plan 2019

Adopted April 10, 2019

Updated September 2020



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Executive Summary

This Housing Plan for the Gunnison Valley was adopted April 10, 2019 by the GVRHA Board.

Purpose

This Plan is intended to guide the workplan of the GVRHA over the next three years as the Board and staff seek to serve the Gunnison Valley in the face of severe housing challenges. As a multijurisdictional housing authority, GVRHA is well positioned to help increase regional collaboration and support socially, economically and public transit connected nature of the community.

This Plan seeks to:

1. Set forth vision, guiding principles and goals workforce housing, building upon the existing goals and priorities of the participating jurisdictions and the collaborative position of GVRHA.
2. Set actionable tasks with realistic priorities and timeline.
3. Assign roles and responsibilities among involved organizations.
4. Grow our practices of public outreach/education, bringing transparency and opportunity for engagement in the complex issue of workforce housing.
5. Continue to support the existing regional approach to providing housing services; continue to grow collaboration and coordination between jurisdictions and the Housing Authority.
6. Build upon the data presented in the 2016 Housing Needs Assessment and the work of the One Valley Prosperity Project Housing Task Force.

Constraints

The four jurisdictions in the Valley are actively working to create housing solutions, building new housing with resources that have been committed – and land that was acquired - over the past two decades. Without additional land (that costs more now than which is currently being built on) and funding, few opportunities for further public/private partnerships will remain after the current housing developments are completed. This plan seeks to work within the existing conditions, while also adopting a bigger vision and acknowledging the need for additional resources dedicated to housing in the future.

Process

The Plan was created with input from managers, planners, and elected officials from the participating jurisdictions, local employers, Housing Authority staff and Board, and the general public. The plan provides a unified vision and set of guiding principles for housing

work across the valley, respectful of the unique strengths and attributes of the participating jurisdictions. Collectively, the jurisdictions envision 375 new homes for locals by 2024.

GVRHA has an important role to play ensuring local residents' success in their housing, providing programs, resources, and education. GVRHA will also support the local jurisdictions in building and selling housing as well as creating successful public/private partnerships for new housing opportunities. And, GVRHA will be responsible for the implementation and ongoing compliance of the deed restrictions program

It is intended that this document will be adopted by GVRHA's Board of Commissions, and amended annually in advance of the Housing Authority's report back to the participating jurisdictions.

Vision Statement

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

Guiding Principles

The Gunnison Valley Housing Authority will seek to further housing in the Valley consistent with these guiding principles:

- Each community in the valley has **unique characteristics**, and will bring different assets and priorities to their affordable housing work. At the same time, our local economy and housing challenges are regional in nature, and sometimes require **regional and collaborative responses**.
- A **holistic approach** to affordability is needed – we acknowledge that physical deed restricted homes are the most tangible element of housing affordability, but energy efficiency, transportation, healthcare, childcare, and local wages are all ingredients in a sustainable local cost of living. Programs such as down payment assistance, homebuyer education, and home renovation also help to ensure successful outcomes. A holistic approach to housing also recognizes the importance of **housing choices in close proximity to jobs**, schools, and other services.
- The strength of our local economy is closely linked with the strength of our housing market; the housing authority's role is to **create more housing choices for local employees and residents**, not to compete with private sector endeavors or undertake work that might oversupply housing for a specific demographic.

- A successful workforce housing inventory requires **long term commitment** and **consistent administration** through periods of economic downturn as well as economic growth. The Gunnison valley is anticipated to remain a highly desirable place to live even as housing costs outpace local wages.
- Our housing solutions need to be **nimble** and **responsive** to changing market conditions, such as the recent rapid growth in short term rentals and the Vail purchase of Crested Butte Mountain Resort.
- The Housing Authority was created to meet a need not met by the private market; the housing authority's efforts in partnership with local governments, non-profits, and the private sector can help to address these unmet needs. Partnerships that build upon the **strengths and assets of the respective partners** are essential for bridging the gap between what the market will provide and what local residents need for housing.
 - **Housing Authority and local government roles** include land use entitlements and requirements, fees, collecting revenues dedicated to housing, public works and infrastructure, appropriate subsidies, and transparency and long-term accountability to the tax-payers;
 - **Private sector roles** include local participation in creating economic vitality, access to capital, skilled labor and expertise such as architecture, engineering, development, finance, and vertical construction.
- The gap between local wages and housing costs is significant, and building new housing is expensive, complex, and has risk. Public resources must be used judiciously, and partnerships leveraged so that workforce housing is not over or under subsidized.
- **Sunshine on the process** – when investing public resources in housing solutions, we will do so with public input, transparency, and accountability.



Housing Goals and Objectives Across the Valley

Each jurisdiction served by GVRHA has adopted specific goals related to housing, as follows.

<p>City of Gunnison</p> <p>By June 1, 2020, the City working with regional partners in the public and private sector will develop a specific plan to provide 60 new or refurbished units under \$200,000 per unit (or equivalent rent) and develop an economically viable way to provide public incentives (e.g. infrastructure, taxes, regulatory costs, tax credits, processing speed for permits) to facilitate the creation of 150 new housing units, which will help address the needs identified in the 2016 Gunnison County Needs Assessment.</p> <p>By June 30, 2019, the City working with regional partners in the public and private sector will identify specific improvements to City regulations to remove unreasonable barriers and create incentives to creating affordable housing in the City while not exceeding the City's human-made or natural carrying capacity.</p> <p>By February 31, 2018, the City will create an energy rebate and weatherization program to reduce energy costs and materially lower the living costs in existing affordable housing units in Gunnison.</p> <p>By December 1, 2020, develop a dependable funding source to support the above-mentioned result.</p>	<p>Crested Butte</p> <ul style="list-style-type: none"> • Ensure our community's residents are successful in attaining long term safe and energy efficient housing • Residents residing in deed restricted housing are active year-round members of our community • Secure 30% of the housing inventory to be deed restricted for local year-round residents; this currently requires an additional 93 deed restricted units to be built by 2024. • Seek partnerships to build rental housing • Secure 15 units for Town employees (currently have ten, with possibly more planned) • Work on regional collaborations to develop housing and housing programs • The Town has an aspirational long-range goal that 75% of homes in town are occupied by year-round residents, which would be consistent with baseline data in 2011.
<p>Gunnison County</p> <p>By December 31, 2021 Gunnison County will increase the availability of housing by facilitating the construction of 200 new affordable units.</p> <p>Note: these goals will be revisited in February 2019 at the Commissioner's annual workplan update.</p>	<p>Mt. Crested Butte</p> <ul style="list-style-type: none"> -Has implemented a short-term rental licensing ordinance for administration of short term rentals effective 2020 - Has passed a 2.9% lodging tax on short term rentals effective January 1, 2020. Proceeds will go toward Community Housing. - Seek Partnerships to build rental housing, most notably in the North Village PUD -By 2022 additional housing units will be available in Mt CB with an emphasis on rentals.

The *2016 Housing Needs Assessment* stated a total need of 960 units, and a gap (homes and apartments that would not likely be provided by the market) of 420 units. By aggregating the goals of each jurisdiction, the GVRHA can measure success in supporting the goals of the four jurisdictions if **375 or more affordable homes are built between now and 2024**. This is a bold goal, seeking to increase the supply of deed restricted housing much more rapidly than ever before, and aligns well with the *2016 Housing Needs Assessment* recommendations. GVRHA will actively work to support jurisdiction specific housing goals, providing technical expertise and supplementing staff capacity. GVRHA will also support the jurisdictions in planning and sequencing new deed restricted homes to make the renting and purchasing process consistent and user friendly, and to help ensure that diverse mix of price points and housing types are built.

GVRHA Role

Currently, GVRHA serves its member jurisdictions by providing rental property management, deed restriction administration, Housing Choice Vouchers, technical assistance, and community programs like GV-HEAT and homebuyer education. In the past, GVRHA acted as developer for projects such as Anthracite Place, Rock Creek, and Paradise Park Self Help Build. GVRHA is currently participating as a “special limited partner” for GardenWalk, which will be a new development with 36 rental homes for households below 60% AMI. GVRHA’s participation helped the project compete for much coveted 9% Low Income Housing Tax Credits, which will draw in about \$9 million in investments from outside the community to build the housing. Other recent accomplishments of GVRHA include:

- Created inventory of land for potential new housing (Exhibit E)
- Ballot initiative for dedicated funding stream - November 2018 - not approved by voters
- Universal Deed Restriction – adopted by three of the four jurisdictions
- Homebuyer education class sold out in Crested Butte – additional classes scheduled
- Participated in Paradise Park Neighborhood 15 new homes built and sold
- Established lottery process for new affordable homes anticipated for sale in 2019, 2020, and 2021
- Housing Colorado Design Charrette for Rock Creek Lot 22 in City of Gunnison
- Anthracite Place Apartments – fully leased; generating property management and developer fees
- GV – HEAT – 52 homes assisted; 12 homes in progress; program funding from CARE secure
- Entered a Special Limited Partnership with Belmont Development for the GardenWalk Apartments
- Sponsored lottery for 20 deed-restricted townhome units in Homestead Neighborhood

Through the outreach process in developing this plan, we have heard from participating jurisdictions a strong need for increased development capacity, leadership, and regional coordination from GVRHA. GVRHA is being asked to take a more active role in:

- catalyzing and evaluating projects
- tracking market needs and development progress across the region

- advocating for funding, land, and regulations that support workforce housing
- supporting homeowners and renters to be successful in their housing

Over the next three years, GVRHA will take on the following strategic actions to support the vision and guiding principles of this plan and support the capacity of the participating jurisdictions to implement their housing goals. *(This table not updated in 2020)*

		Lead	2019	2020	2021	Longer Term
	Grow Development Capacity (Board expertise)	Executive Director				
	Develop a Database for deed restricted inventory	Executive Director				
	GV-HEAT Expansion - Mobile Homes	GV-HEAT Specialist				
	Program Development of Employer Housing Forum	Executive Director				
	Support Implementation of current projects					
	Paradise Duplex Sales	Executive Director				
	GardenWalk - special limited partner/lender	Executive Director				
	Stallion Park - Sales	Executive Director				
	Paradise Park - Lots 76, 78, and 79	Executive Director				
	Homestead Sales	Executive Director				
	Implement Down Payment Assistance Program	Executive Director				
	Shape strategies on dedicated funding source	Executive Director				
	Support pending projects with technical assistance					
	Corner at Brush Creek - Updated Agency Review	Executive Director				
	Pitchfork Sales	Executive Director				
	Gunnison/County - Rock Creek - Agency Review	Executive Director				
	Paradise Park - Fire District and County Sites	Executive Director				
	Gunnison - Lazy K - High Mountain Concepts	Executive Director				
	Mt. Crested Butte - Common Area F	Executive Director				
	Crested Butte - Slate River Annex	Executive Director				
	Housing Needs Assessment update, post 2020 Census	Executive Director				
	Provide an annual report to the participating jurisdictions	Executive Director				

The chart below shows the tasks GVRHA is currently engaged in, and the new roles needed to meet the expectations of the participating jurisdictions and the community at large.

CURRENT GVRHA ROLES

Roles listed in brown will require additional resources.

Proactive Partner in Development of Affordable Housing

- Project review utilizing standard guidelines identified by GVRHA Board
- Own & manage project pipeline

Regional Coordination of Housing Efforts

- Coordinate periodic needs assessments (no less than every 10 years) and other studies
- Share success stories and best practices
- Provide guidance for location-specific project aspects such as unit mix, price point, and tenure, based on overall regional pipeline

Rental Property Management (for select projects)

- Initial tenant qualification and recertifications
- Asset and property management and maintenance
- Compliance monitoring and reporting
- Section 8 administration

Deed Restriction Administration

- Buyer qualifications
- Manage lottery process
- Resale management
- Deed restriction draft and review
- Periodic review of Housing Guidelines
- Track inventory of deed restricted homes
- Compliance monitoring

Leadership & Technical Assistance

- Leadership role in engaging the public on issues of housing need and appropriate solutions (design, funding, location)
- Convening technical committee as needed

- Sharing best practices/codes from similar communities
- Advise on policy opportunities such as linkage fees, inclusionary zoning
- Staying abreast of policy change

Community Services/Other Housing Programs

- Homebuyer education
- Down payment assistance loan program
- Administer GV-HEAT program

POTENTIAL GVRHA ROLES

Proactive Partner in Development of Affordable Housing

Goal Date

- Facilitate creation of public/private partnerships for identified development opportunities
- Land banking
- Participate in project management (building)

On-going
by 2025
TBD

Regional Coordination of Housing Efforts

- Support coordination of housing work among jurisdictions, for example, updating linkage studies
- Track market data

Ongoing
annually

Rental Property Management

- Capital expense planning for periodic rehab and renovation

2021

Deed Restriction Administration

- Ensure consistency in deed restrictions/monitoring throughout the region

2020

Create & Maintain Funding

- Grant writing
- Valley Housing Fund partnership
- Establish funding stream
- Use Housing Authority's access to below-market tax exempt bonds for acquisitions and refinance

On-going
by 2025
2021

Community Services/Other Housing Programs

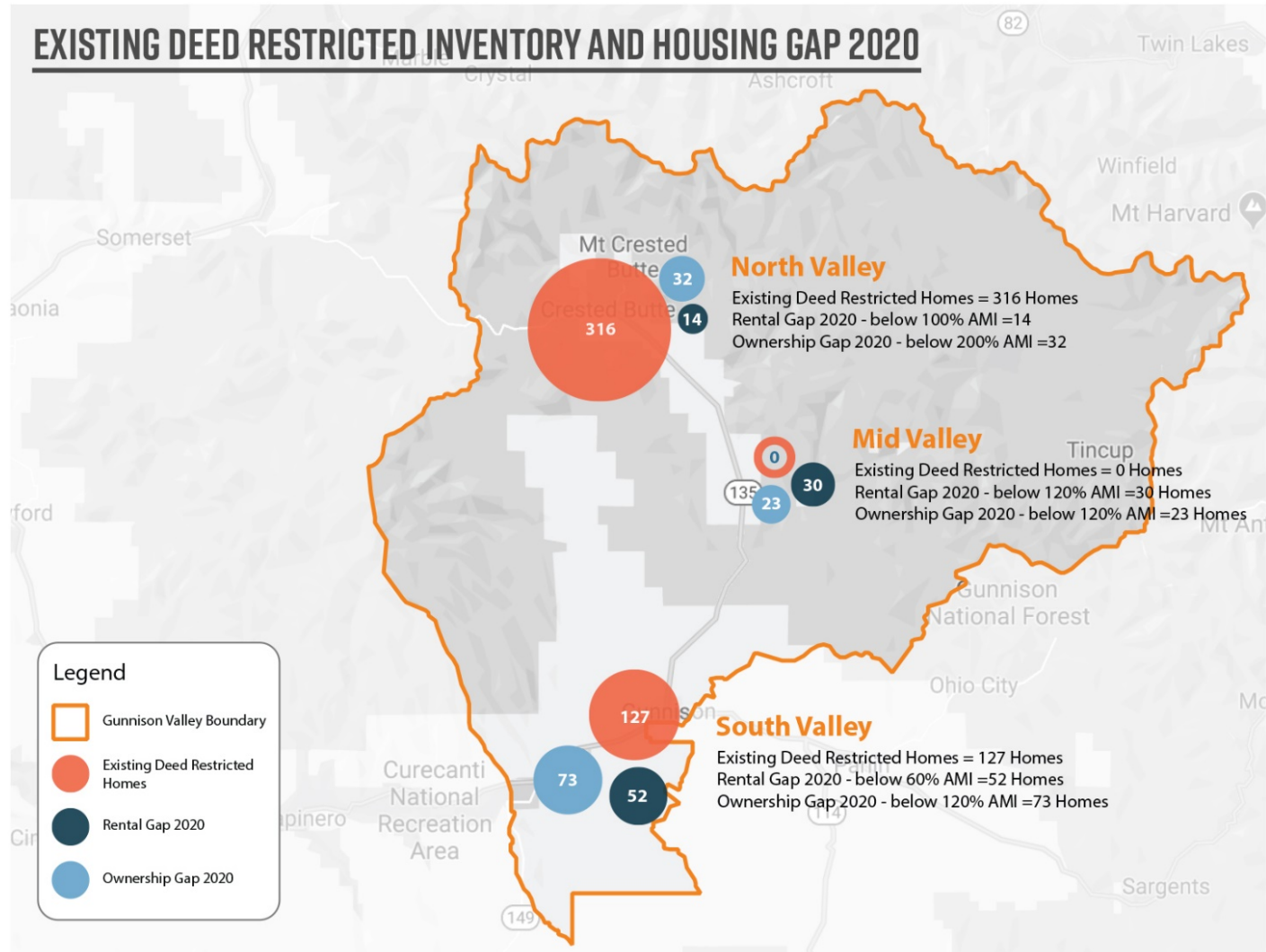
- Coordinate with RTA/Mtn Express to ensure access to transit where possible
- Coordinate housing with childcare to ensure reasonable/convenient access to childcare where possible
- Increase Mobile Home repair/revitalization

2021

Responding to the Local Housing Need

Over time, much work has been done to address the gap between housing prices and the housing needs of local residents, and much work remains. The following map is a snapshot of existing deed restricted inventory and housing needs through 2020. We see need and opportunity throughout the valley, and recognize that those needs will fluctuate based on market conditions.

Source: 2016 Housing Needs Assessment



GVRHA Governance

The governing document for the GVRHA is an Intergovernmental Agreement (IGA) that was originated in 2012. This document established the GVRHA as a multijurisdictional housing authority as allowed by C.R.S. 29-1-204.5. The IGA has been amended once in 2017.

The IGA states that the Board of Directors shall be comprised of two persons appointed by each member, at least one of which must be an elected official and the Executive Director. Currently, the Board has two elected officials from Crested Butte, one elected and one staff person from Mt. Crested Butte, one person appointed at-large, one elected and one appointed person from the County and one elected and one appointed from the City of Gunnison.

The powers of the GVRHA include, but are not limited to:

- Advise local governments of the practical applications of local housing policy and infrastructure needs
- Review development proposals and participate as appropriate
- Facilitate partnerships to create housing
- Allocate funds for eligible housing projects
- Identify financing opportunities
- Acquire existing housing stock to assure retention or conversion to affordable housing stock
- Develop new for-sale or rental affordable housing
- Manage affordable housing properties and programs
- Construct infrastructure to serve affordable housing

The Executive Director, acting on behalf of the authority, participates in the One Valley Leadership Council (an expanded group of local leaders driving the progress made on the One Valley Prosperity Strategies), the Health Coalition of the Gunnison Valley, the Community Foundation of the Gunnison Valley as an affiliate, the Gunnison Chamber of Commerce and the Crested Butte/Mt. Crested Butte Chamber of Commerce.

Key focus areas for the Board in the coming year include further development of leadership and communication skills, alternative funding sources, and implementation of this Plan.

[Dedicated Funding Source for Housing](#)

Responding to the local housing need requires funding for development and ongoing operations. Local funds combined with loans, grants, and other sources such as Low-Income Housing Tax Credits enable us to respond to the housing needs not being met by the market. GVRHA currently receives the majority of its funding through support from the four jurisdictions. And, the local jurisdictions secure funds for housing in a variety of ways, described in the chart below. These resources have been successful in maintaining the operations of the housing authority and securing land and building a limited number of affordable housing units over the past three decades. The affordable housing that is currently being planned and built is on land that has been held by a public entity for ten years or more in most cases. Market pressures from an increasingly popular resort destination, major increases in land and construction costs, and relatively low wages for locals exacerbate the challenge of making new housing affordable. In addition, future land for housing will require significant investments in infrastructure (site grading, utilities, and street connections) to be feasible. Housing, infrastructure, and land costs continue to rise. To secure more opportunities for housing beyond our current three-year time horizon will require additional funding, land, and staff capacity.

Securing a dedicated funding source for housing has been a long-term discussion in the Gunnison Valley. It was recommended in OVPP, the 2016 Needs Assessment, and the 2017 Housing Authority Action Plan. In 2018, the GVRHA put the question of a mill levy increase to support local housing to the voters. The initiative did not pass. However, the need for dedicated local funding remains if the community seeks to meet the housing goals established on page 5.

The Housing Authority Board is currently considering next steps, including investigation of other possible funding sources. The Board has scheduled a series of educational sessions to learn about all our funding options. The Board has directed not to pursue another ballot initiative in 2019, but will continue to capture lessons learned from 2018 and explore the potential of future initiatives. Work is underway to compile data from the current affordable housing projects to better forecast future project costs and local funding needs. This data will be included in the next update of this Plan. A potential future ballot will require a strong campaign strategy including professional organization, more community outreach, testing of different funding solutions, and a strong knowledge of the local political climate.

Allowable funding opportunities (in black) and currently in-use funding opportunities by entity (in colors) are as follows:

Multi-Jurisdictional Housing Authority	Statutory County	Home Rule Municipalities
<p>Mill Levy not to exceed 5 mills Sales/ Use Tax not to exceed 1% Impact fee on new construction (if voted with one of the above)</p> <p><i>Rental revenues (management fees, cash flow)</i> <i>Transaction fees - deed restricted sales</i> <i>Developer/partner fees</i> <i>(Anthracite Place, Garden Walk)</i> <i>Grants</i> <i>Donations</i> <i>Participating jurisdictions</i> <i>(current commitment is \$264,500 for 2020)</i></p>	<p>New Mill Levy New Sales/ Use Tax Existing Mill Levy Existing Sales Taxes Excise Tax on Marijuana Grows</p> <p><i>Impact/Linkage Fee</i> <i>General funds</i> <i>Inclusionary zoning</i></p>	<p>New Mill Levy New Sales/ Use Tax Existing Mill Levy Marijuana Tax Specific Occupation Tax <i>Existing Sales Tax</i> <i>Excise Tax (STR) * *</i> <i>Inclusionary zoning</i> <i>Real Estate Transfer</i> <i>(if in place prior to TABOR – 1.5% in CB)</i> <i>General funds</i> <i>Impact/Linkage Fee</i></p>
<i>In use by GVRHA</i>	<i>In use by Gunnison County</i>	<p><i>In use by Crested Butte</i> <i>In use by Mt. Crested Butte</i> <i>In use by City of Gunnison</i> <i>In use by Mt. Crested Butte and Crested Butte</i></p>

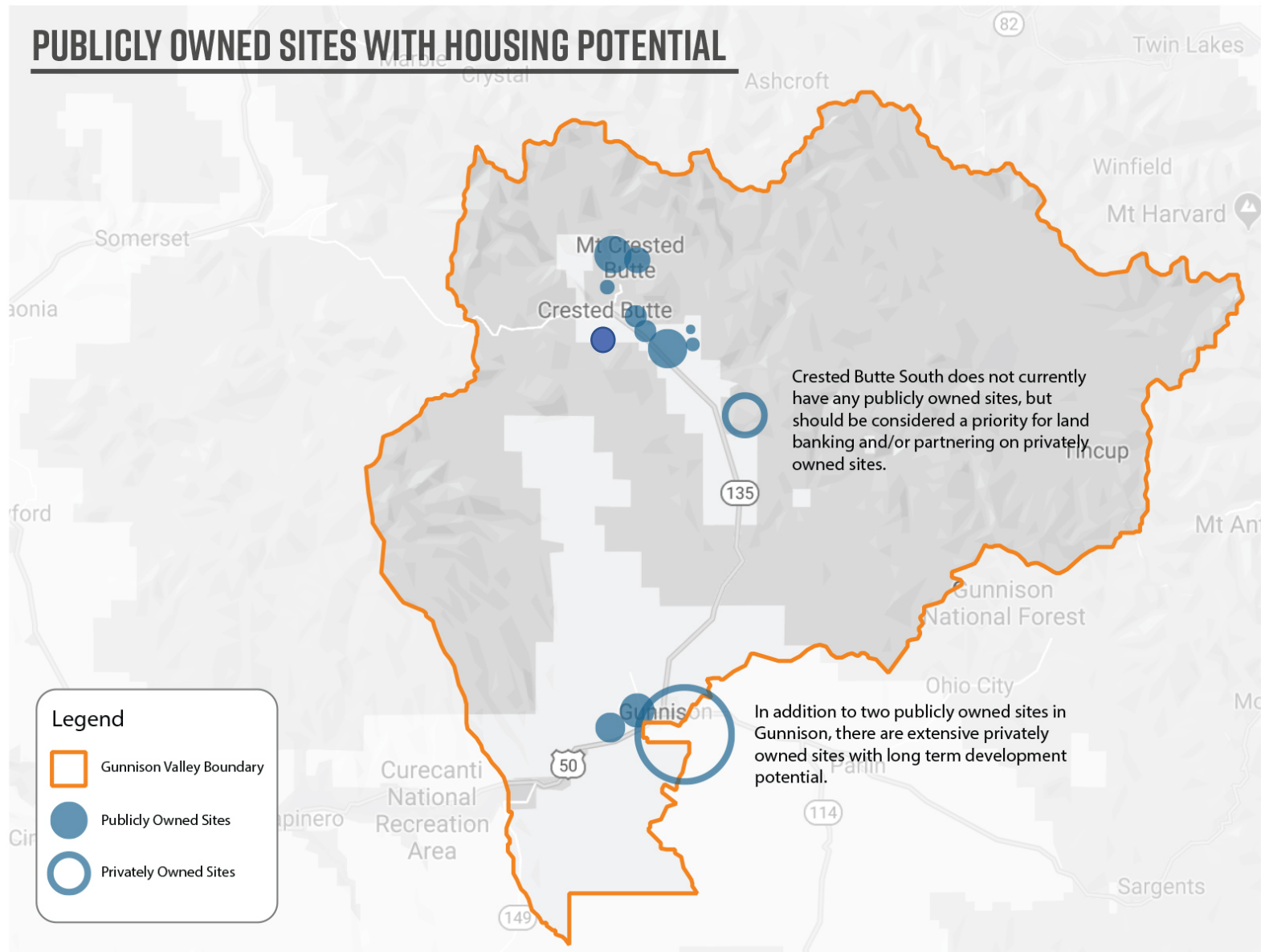


Housing Authority's Role in Creating New Housing

Participating jurisdictions have different strengths, assets and expertise in the implementation of their housing goals. Based on our outreach in creating this Plan, we envision GVRHA leading or supporting new projects as follows:

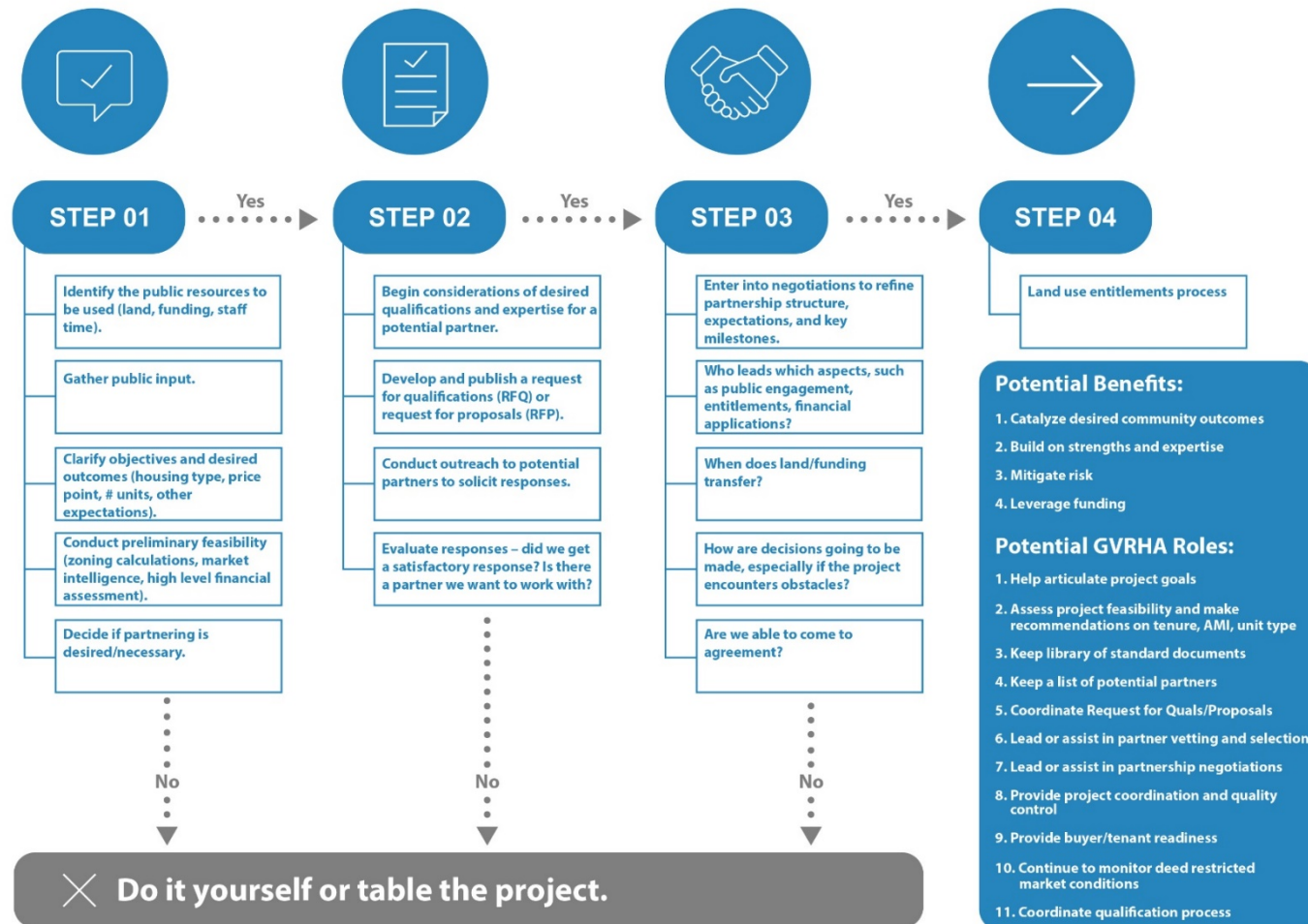
Developing Entity	Initial Feasibility and Creating Public/Private Partnership	Land Use Entitlements	Project Finance	Construction Management	Sales/Lease Up	Ongoing Compliance
CITY OF GUNNISON CRESTED BUTTE GUNNISON COUNTY MT. CRESTED BUTTE	Lead	Lead or co-lead	Support with local resources; land, fee waivers, in-kind contributions, specific to the project	Support with inspections, milestones per public/private partnership	Support with venues for classes, lottery, public outreach	Support w/ enforcement of violations
PRIVATE SECTOR PARTNER	Participate in up front feasibility/charrette processes Respond to RFP/RFQ	Lead or co-lead	Lead	Lead	Lead lease-up of private sector rentals	n/a
GUNNISON VALLEY HOUSING AUTHORITY	Support with best practices, staff and market expertise	Support with Referral Agency Reviews	Support with market data on demand; maintain interest list for buyers/renters; support with grants and loans	Track to prepare for leasing/sales	Lead – sales, education, qualification, lottery process Support – lease-up of private rentals through referrals	Lead
GUNNISON VALLEY HOUSING FOUNDATION	Support with development experience perspective	Lead on long term land-bank opportunities	Support with grants and loans	n/a	n/a	n/a

Much of the housing work to achieve the goals of the jurisdictions is envisioned to be done through public private partnerships. There are currently many publicly owned opportunity sites for local and workforce housing. A general map is provided here, and additional detail on a site by site basis is provided in Exhibit D.



GVRHA can support the creation and implementation of strong public private partnerships. A basic flow chart for the process is envisioned here:

PUBLIC/PRIVATE PARTNERSHIPS



Opportunities for Partnerships with Employers

Throughout the Gunnison Valley many businesses are looking for people to fill existing jobs so that they can maintain a healthy business, and some are growing and need people to fill new jobs.

Why Employers Participate in Affordable Housing

- Allows employer to expand operations and recruit new employees
- Increases stability in the workforce as turnover decreases
- Improves community relations as employers contribute to affordable housing
- Offers opportunities for a return on an employer's investment into new employees
- Reduces absenteeism, tardiness and stress from commuting, raising moral and increasing productivity

Employers can work in partnership with our communities and the GVRHA to help address the affordable housing shortage through a variety of approaches.



EMPLOYER PARTICIPATION ROLES

	Direct Employer Assistance	Partner with GVRHA to provide
<u>Ownership Roles</u>		
• Low interest loans or grants for down payment assistance		X
• Matching savings program for ownership	X	
• Fund for interest rate buydowns for ownership		X
• Soft second mortgages to reduce down payment needs	X	X
• Engage in 3P, GVRHA local banks and FHLB AHP grant funds for down payment assistance loan programs	X	X
• Encourage homebuyer class attendance by allowing time off work	X	
<u>Rental Assistance Roles</u>		
• Contribute to a rental assistance fund for employees		X
• Master lease program through the GVRHA		X
• Encourage tenant education series at the workplace	X	X
• Partner with GVRHA and local lenders on financial fitness education	X	X
• Purchase deed restricted units (reduced cost) for rental to employees	X	X
<u>Development of New Housing</u>		
• Donate land through a 3P for shared development costs in return for first rights of refusal on units	X	X
• Act as anchor institution with local banks in 3P for Federal Home Loan Bank	X	X
• Affordable Housing Program grant funds for development	X	X
<u>GVRHA Roles</u>		
• Develop a housing co-op with local employers to help employees navigate and receive assistance from local banks, real estate agencies, developers, title and insurance companies that offer specific housing-related services	X	X
• Assist major employers in drafting their housing strategies that align with their goals and with the roles the GVRHA can play for them	X	X

Gunnison Valley Housing Foundation as a Key Partner

Gunnison Valley Housing Foundation (GVHF) and GVRHA are complimentary partners. GVHF has been critical in providing funding for projects such as Anthracite Place and programs such as GV-HEAT. GVHF’s mission statement has strong alignment with the goals of this Plan:

“The Gunnison Valley Housing Foundation cooperatively creates and supports affordable, energy efficient housing using renewable and locally available resources as much as possible. The Foundation will contribute to more sustainable, resilient and healthy communities within the Gunnison Valley.”

The Board and staff of GVHF recently worked on their strategic priorities, and identifying the following top priorities for the agency:

1. Loans to non-profit and for-profit developers to help current projects
2. Grants to agencies to help current projects
3. Buy land either to bank or develop

The Board is also exploring the potential to purchase deed restrictions on existing units, and will provide further direction on that concept as an agency priority later this year.

Criteria for Land Purchases and Financial Investments in Housing

We are recommending broadly uniform criteria to use across the valley when considering land purchases, potential partnerships, developments, and prioritizing local and regional funding applications. They could also be used to evaluate land-banking opportunities, projects competing for state and federal resources, or other local funding should it become available.

- Responsiveness to local workforce housing goals
- Consistency with adopted community plans and community engagement
 - Diverse stakeholders have the opportunity to engage and inform proposed housing plans
 - Community engagement occurs early, and is scaled to the specific project
 - Community engagement is designed with respectful, inclusive, and constructive outcomes in mind
- Track record of potential partners
- Location
 - Proximity to transit
 - Suitable residential zoning

- Availability of utility services on/near site
- Balancing provision of housing across the valley
- Matching site opportunities with market demand
 - Project type – for sale or rental
 - Design style – condo, townhome, single family, multifamily
 - Targeted AMIs and level of affordability
 - Sustainable design – socially and environmentally
 - Number of housing units provided
- Financial Feasibility and Sustainability of the project
 - Local resources are leveraged (% of overall project costs compared to local contribution)
 - Risks are mitigated, managed, and aligned with roles and responsibilities
 - Quality of construction and design
 - Rental properties with adequate maintenance and repairs budget
 - For-sale product with HOAs that have adequate maintenance and repair budget
 - Affordability over the long term for residents
 - Anticipated ongoing operating costs such as snow removal and utility expenses

Timeline and Public Outreach in Creation of this Plan

The team creating this plan included Jennifer Kermode, Executive Director, GVRHA, Chris Haver, Crested Butte Town Council and GVRHA Board appointed Plan liaison, and Willa Williford, Principal, Williford LLC. The team conducted the following outreach to gain feedback and shape the direction of the Plan.

August 23, 2018 – Public Open House at Three Rivers Resort in Almont

September – November 2018 – Work sessions with planners, managers, and elected officials for the four participating jurisdictions

November 1, 2018 – Employer Forum and Crested Butte South meetings

November 14, 2018 – GVRHA Board meeting - update

December 4, 2018 - Public Open House at Tully's in Crested Butte South

December 11, 2018 – City of Gunnison Council Meeting

December 13, 2018 – GVRHA Board Facilitated Retreat and Housing Plan discussion

January/February 2019 – Final draft referred back to participating jurisdictions for comments

April 9, 2019 – Adoption by GVRHA Board

OVPP Action Items Checklist

The OVPP Housing Task Force Created the following action steps in their Housing Action Area. During the kick-off of this Plan, we reviewed the action items and provided a status update.

OVPP Housing Objectives	Status
Objective 1 - Develop a Regional Community Housing Framework for the Gunnison Valley	
Strategy 1 – Complete a Housing Needs Assessment	✓
Strategy 2 – Complete a regional housing plan	✓
Objective 2 – Ensure an adequate supply of for affordable housing development up and down the Valley	
Strategy 1 – Identify a collaborative process for land banking	In process
Strategy 2 – Develop criteria to prioritize sites	In process
Strategy 3 – Complete summary of land available	✓
Objective 3 – Ensure the regulatory environment supports and enables the development of affordable housing in desired growth areas and is consistent with the community's values	
Strategy 1 – Review development codes to ID if regulatory tools could support housing	✓
Strategy 2 – ID zones and code changes that would incentivize more housing	✓
Strategy 3 – Develop a streamlined process for deed restricted affordable housing in identified growth areas.	In process
Strategy 4 - Explore tax regulations	✓
Objective 4 – Ensure Financial Resource are available to support affordable housing development	
Strategy 1 – Update linkage fees	✓
Strategy 2 – Fee/tax for short term rentals	✓
Strategy 3 – Explore use of property tax as revenue source for housing	X
Strategy 4 – Continue to use outside funding sources for housing	Ongoing
Strategy 5 – Collaborate with Housing Foundation to leverage their resources	Ongoing
Objective 5 – Grow the capacity of housing organizations and developers to create affordable housing	
Strategy 1 – Stabilize GVRHA with permanent revenue source	In process
Strategy 2 – Three-year contracts between GVRHA and jurisdictions	✓
Strategy 3 – Increase collaboration with local housing providers, developers, non-profits	In process

Objective 6 – Maintain a permanent supply of high-quality affordable housing in the Gunnison Valley	
Strategy 1 – Adopt a consistent regional deed restriction	✓
Strategy 2 – Enhance the quality of the existing housing rental housing by providing incentives for property owners to rehab	In process
Objective 7 – Educate public and elected officials on affordable housing	
Strategy 1- Foster Champions	Ongoing
Strategy 2- Develop communication strategy that identifies need and benefit	In process
Strategy 3- Provide homebuyer classes	✓
Strategy 4 – Create and provide and tenant rights and responsibilities classes	On hold

Exhibits:

- A. Housing Needs Summary
- B. Housing Tools by Jurisdiction
- C. GVRHA Funding and Budget Trends
- D. Current GVRHA Board Members
- E. Publicly owned land with housing potential

Exhibit A – Housing Needs Summary

This summary is based on the *Gunnison Valley Housing Needs Assessment 2016* and updated to include homes built, under construction, and currently in the predevelopment phase, to provide a picture of the workforce housing needs of the valley through 2020. “Predevelopment” is defined as projects that are actively seeking entitlements, finance, and/or are anticipated to begin construction in 2019; it is recognized that data will change. GVRHA will monitor market absorption of new housing and provide updates of this table.

Homes Needed	North	Mid-Valley	South	Valley Total
2016 Gap	270	58	179	506
Progress	150	12	94	255
Remaining Gap	120	46	85	251

Key	
Gap - Market will not serve	
Market likely to serve	
Blend of gap and market	

North Valley Housing Need through 2020						
Owner Units by AMI	Max Affordable Price	HNA Need	Built since 2016	Under Construction 2019	In Pre-development	Remaining need
<50%	\$108,000	12				12
50% to 80%	\$172,900	25	2			23
80.1 to 120%	\$259,300	43	2	13	14	14
120.1 to 200%	\$432,200	74	35	19	23	-3
Over 200%	>\$432,200	35	45	25		-35
Total Ownership Needs		189				11
Ownership Gap		154				46
Rental Units by AMI	Max Affordable Rent	North				
<50%	\$689	46				46
50% to 80%	\$1,102	47	11		11	25
80.1 to 120%	\$1,653	46	22	13		11
120.1 to 200%	\$2,755	25		3		22
Over 200%	>\$2,755	7				7
Total Rental Needs		171				111
Rental Gap		116				74
Total Gap - North		270				120

Mid Valley - Housing Need through 2020						
Owner Units by AMI	Max Affordable Price	HNA Need	Built since 2016	Under Construction 2019	In Pre-development	Remaining need
<50%	\$108,000	4				4
50% to 80%	\$172,900	8				8
80.1 to 120%	\$259,300	13	2	3		8
120.1 to 200%	\$432,200	23	9	9	2	3
Over 200%	>\$432,200	11	4	5		2
Total Ownership Needs		59				25
Ownership Gap		25				22
Rental Units by AMI	Max Affordable Rent	HNA Need	Built since 2016	Under Construction 2019	In Pre-development	Remaining need
<50%	\$689	10				10
50% to 80%	\$1,102	10				10
80.1 to 120%	\$1,653	10		8		2
120.1 to 200%	\$2,755	5				5
Over 200%	>\$2,755	1				1
Total Rental Needs		36				28
Rental Gap		33				25
Total Gap - Mid		58				46

South Valley - Housing Need through 2020						
Owner Units by AMI	Max Affordable Price	HNA Need	Built since 2016	Under Construction 2019	In Pre-development	Remaining need
<50%	\$108,000	18	4			14
50% to 80%	\$172,900	37	1	1	7	28
80.1 to 120%	\$259,300	63	10	10	32	11
120.1 to 200%	\$432,200	109	85	29	28	-33
Over 200%	>\$432,200	52	15	6		31
Total Ownership Needs		279				51
Ownership Gap		87				48
Rental Units by AMI	Max Affordable Rent					
<50%	\$689	61	6	18		37
50% to 80%	\$1,102	62	7	25	29	1
80.1 to 120%	\$1,653	61			24	37
120.1 to 200%	\$2,755	33			17	16
Over 200%	>\$2,755	9				9
Total Rental Needs		226				100
Rental Gap		92				38
Total Gap -South		179				85
Total Need - Valley		960				326
Total Gap - Valley		506				253

Exhibit B - Housing Tools by Jurisdiction

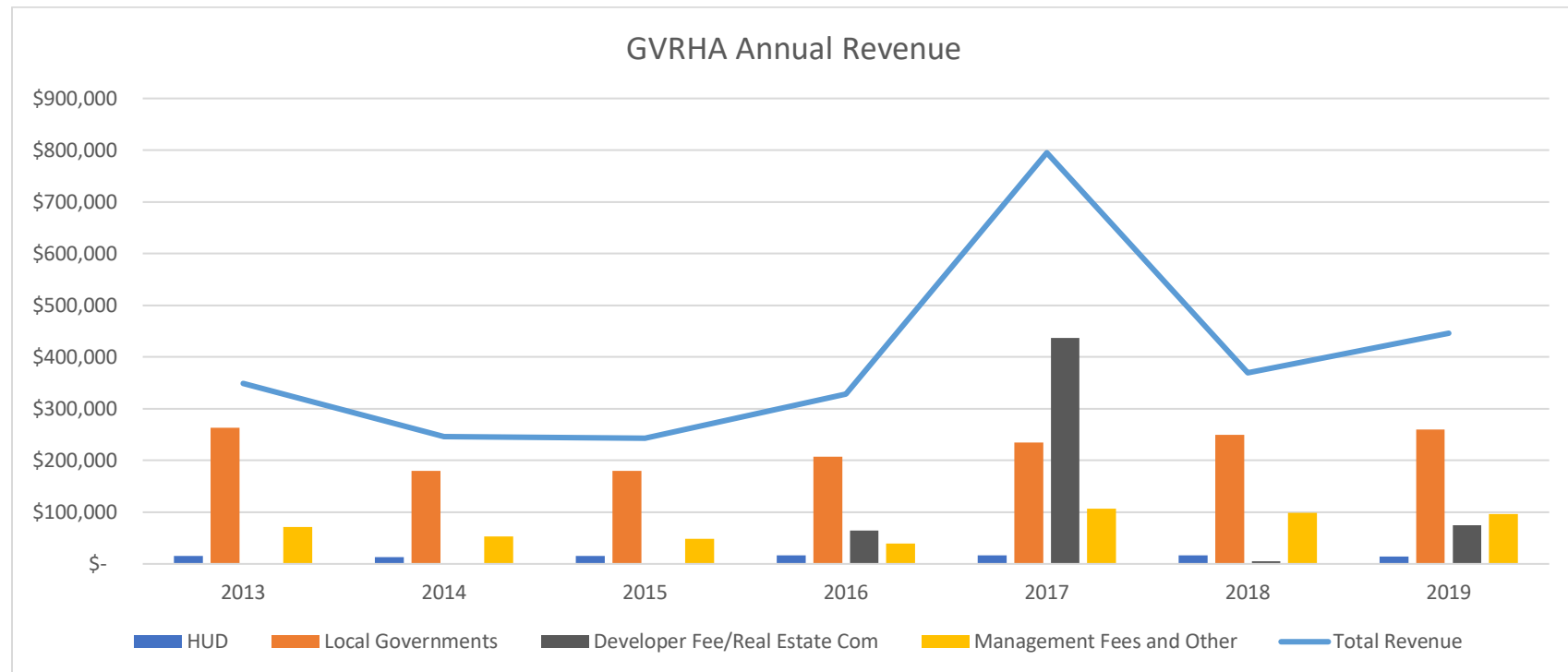
Each jurisdiction is currently using a suite of regulatory and programmatic tools to further their workforce housing goals. Over time, it is anticipated that jurisdictions will learn from one another and adopt best practices as those emerge. The tools currently in use are:

<i>Housing Tools</i>				
	City of Gunnison	Crested Butte	Gunnison County (including CB South)	Mt Crested Butte
Land-banked land	X	X	X	X
Remove barriers in land use code	X		X	
Density bonuses	X	X	X	X
Linkage fees		X	X	X
Expedited development review		X	X	
Local tax		X		X
Consistent deed destruction	X	X	X	X
Property maintenance code	X	X	Under consideration	X
AH requirement in annexation policy	X	X		X
Accessory dwelling units	X	X	X	X
Workforce housing in commercial zones	X	X	Case by case	
Fee contributions/waivers		X	X	Case by case
Inclusionary Zoning		X		X
Mobile home preservation	X			
Buy deed restriction on existing units		In Process		
Short-term rental conversion				
Redevelopment incentives	In discussion			
RETT funds available		X		

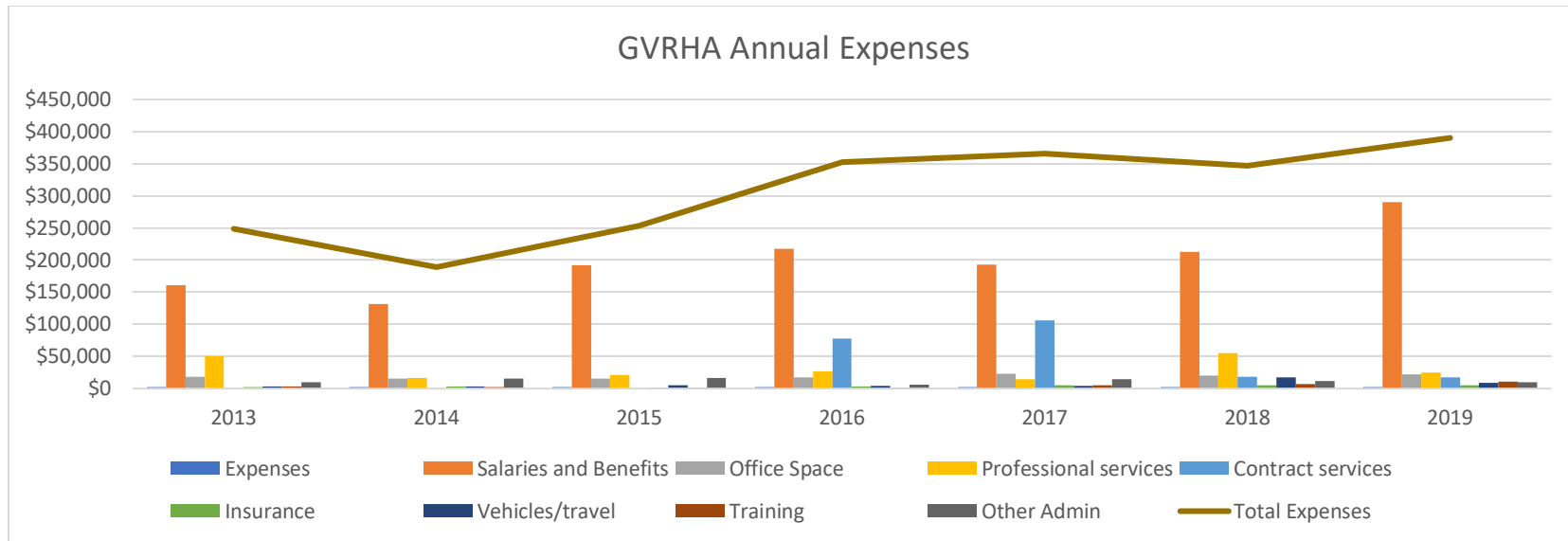
Public/private partnerships are the also a key tool in use by each jurisdiction. Further detail on public/private partnerships is included on page 15.

Exhibit C - GVRHA Budget Trends and Potential Funding

GVRHA is funded through a combination of contributions from participating jurisdictions, revenue earned from property management, deed restricted sales, development activity, and program income. Over the past six years, contributions from local jurisdictions has accounted for about 58% to 75% of GVRHA's budget, with the exception of 2017, when GVRHA earned a large developer fee for completing Anthracite Place. In 2017, local contributions accounted for 30% of GVRHA revenue. In the 2019 budget, revenue is generally constant, with the exception of a substantial increase in revenue from real estate commissions anticipated.



Salaries and benefits are GVRHA's largest expense, at 50% to 75% of total expenses in recent years. Investing the staff capacity to deliver programs and services is likely to remain a constant in GVRHA's business model.



Participating jurisdictions have agreed to a funding schedule to support GVHRA through 2022, based on the current Intergovernmental Agreement (Exhibit F). This support is vital to GVRHA’s ability to operate. A goal of this Plan is to set direction for GVRHA to grow staff capacity, programs and services while holding contributions from participating jurisdictions constant. We seek to have local contributions account for no more than 50% of the agency’s budget within three to five years.

Opportunities to expand funding sources:

- Transaction fees from selling price-capped deed-restricted properties
- Administration fees from Division of Housing’s CDBG down payment assistance loans
- Increased property management services to GVHF, local jurisdictions and private partners
- CHFA homebuyer classes
- Fees from participation as a co-developer and/or special limited partner, for example, GardenWalk apartments in Gunnison

Recently the 6A ballot initiative was not successful. If it had been approved by the voters, it would have generated approximately \$800,000/year to invest in local housing development and programs. GVRHA intention was to invest these proceeds in tangible housing outcomes (sticks, bricks, and programs) for the first several years. Funds would also have been available to support GVRHA administration. The Board may consider approaching the voters again in the future. In the short term, other approaches to project, program, and administrative costs will be needed.

Exhibit D – GVRHA Board Members

The 2020 Board of Directors include:

Carlos Velado (President) Mt. Crested Butte Representative
Jim Schmidt (Vice-President) Crested Butte Elected
Scott Cox (Secretary) Gunnison County Representative
Roland Mason, Gunnison County Elected
Mallory Logan, City of Gunnison Elected
Shaun Matusewicz, City of Gunnison Representative
Chris Haver, Crested Butte Elected Representative
Michael Bacani, Mt. Crested Butte Elected
Sharon Taramarcaz, Representative-At-Large

Exhibit E - Publicly owned land with housing potential

Lot EM2 & EM3: Larkspur

How this site supports local workforce housing goals:

Interspersed with adjacent, already developed properties in Larkspur, the parcels offer the opportunity for small scale multi-family housing. The parcels are plated for triplex lots and are intended to service three to five person households. Ownership and rental opportunities help North Valley workers in the higher percentiles of AMI.

Key Funding Considerations:

There is potential for a variety of funding mechanisms, however, with that comes a measure of uncertainty. Gunnison County could subsidize development, provide low interest loans, or simply sell units for a return on capital investment.

Site Constraints, Entitlements, and Infrastructure Needs:

Infrastructure adjacent through existing development in the Larkspur subdivision.

Property Overview

Ownership: Gunnison County

Parcel Size: .4 acres

Current zoning:

Potential density/# of homes: 7 units/acre

Timing: Unknown

Who we might serve

	Owners	Renters
< 80% AMI		
80 -120% AMI	X	X
< 200% AMI	X	



Paintbrush (fka Lot 22: Rock Creek)

How this site supports local workforce housing goals:

Next to the existing Rock Creek neighborhood, Paintbrush expands the multi-family housing options in an established community context. Close to transit, parks, and other amenities, the parcel facilitates both mobility and walkability. Gunnison County has partnered with a private developer to build 76 affordable apartments in various building types.

Key Funding Considerations:

Private developer is funding the project on his own; the County has contributed the land and is assisting with infrastructure costs.

Site Constraints, Entitlements, and Infrastructure Needs:

Connectivity to N. Colorado Avenue and the existing Blaze Trail Avenue is key for vehicular mobility on the parcel. Additional care for positioning of massing and relation to existing single-family homes consequential for site development. Potential nexus to Western campus also in consideration.

Property Overview

Ownership: Gunnison County

Parcel Size: 5 acres

Current zoning:

Potential density/# of homes: 75 units

Timing: Late 2021 completion expected

Who we might serve

	Owners	Renters
< 80% AMI		X
80 -120% AMI		X
< 200% AMI		



Highway 135 and County Road 738: Brush Creek

How this site supports local workforce housing goals:

The intersection of Hwy 135 and County Road 738 offers a significantly sized parcel with the opportunity to host a higher density of housing. Positioned close to transit, the site could hold value for a range and mixture of income classes. Close proximity to the North Valley employment engines/drivers.

Key Funding Considerations:

There are numerous considerations at play for Gunnison County regarding funding and development of the parcel. Transfer of title at an economically efficient point is crucial.

Site Constraints, Entitlements, and Infrastructure Needs:

The site is proximate to other infrastructure in the Crested Butte South area but concerns over limitations to sanitary water access and stormwater management exist.

Property Overview

Ownership: Gunnison County

Parcel Size: 14.5 acres

Current zoning:

Potential density/# of homes: 15 units/acre

Timing: Unknown

Who we might serve

	Owners	Renters
< 80% AMI	X	X
< 100% AMI	X	X
< 200% AMI	X	X



Lot 35: Pitchfork

How this site supports local workforce housing goals:

Lot 35 offers the opportunity for in-fill development of higher density, workforce housing on a small parcel. Situated among existing developments the four-plex would provide additional flexibility to the neighborhood.

Key Funding Considerations:

Key to the success of Lot 35 will be a thorough evaluation of the ownership/rental opportunities for the parcel.

Site Constraints, Entitlements, and Infrastructure Needs:

Site is adjacent to existing infrastructure in the Mt. Crested Butte/Pitchfork area; Mt. Crested Butte requirement for two units to be rentals for local workforce challenges any development potential.



Property Overview

Ownership: Gunnison County

Parcel Size: .196 acres

Current zoning:

Potential density/# of homes: 4 units

Timing: 2020-2022

Who we might serve

	Owners	Renters
< 80% AMI		
80 -120% AMI	X	X
< 200% AMI	X	X



Stallion Park: Buckhorn Ranch

How this site supports local workforce housing goals:

The Stallion Park Buckhorn Ranch has had eight townhomes developed on it - all are 3-bedroom, 2.5 bath with 1-car garage rental homes.

Key Funding Considerations:

The project was funded by Gunnison County.

Site Constraints, Entitlements, and Infrastructure Needs:

Adjacent infrastructure from previous Stallion Park development.

Property Overview

Ownership: Gunnison County

Parcel Size: 2.13 acres

Current zoning:

Potential density/# of homes: 8 units

Timing: 2019-completed

Who we might serve

	Owners	Renters
< 80% AMI		X
< 100% AMI		X
< 200% AMI		X



Homestead

How this site supports local workforce housing goals:

Homestead offers townhome-style living for households earning between 80 – 200% of Area Median Income. Owners may rent their homes to Qualified Individuals under certain circumstances, and businesses licensed in Mt CB and CB may own a home and rent it to Qualified Individuals.

Key Funding Considerations:

Under construction as a for-sale neighborhood, a carefully crafted deed restriction allows buyers a wide array of financing options.

Site Constraints, Entitlements, and Infrastructure Needs:

Infrastructure is installed. Additional site work was required prior to starting foundations. A private developer is building the 22 homes to be completed in late 2021.



Property Overview

Ownership: Mt. Crested Butte

Parcel Size: 10 acres

Current zoning:

Potential density/# of homes: 41 units

Timing: 2020 - 2021

Who we might serve

	Owners	Renters
< 80% AMI	X	
80 -120% AMI	X	
< 200% AMI		



North Village – Common Area F

How this site supports local workforce housing goals:

Site is being examined as potential site for affordable housing. It is part of the North Village PUD and future use of the site will be determined through a new PUD if the North Village is developed. The North Village parcels, excluding Common Area F, are currently under contract for purchase.

Key Funding Considerations:

The future use of Common Area F is currently tied to the future of the North Village PUD. In this case, it could be part of a public private partnership.

Site Constraints, Entitlements, and Infrastructure Needs:

Site is currently undeveloped with no site specific development plan. Site will require all infrastructure the extent of which would be determined through the Town's Subdivision and PUD rezoning processes.



Property Overview

Ownership: Town of Mt. Crested Butte

Parcel Size: 17 acres

Current zoning: Residential

Potential density/# of homes: Unknown

Estimated funding gap: Unknown

Timing: Unknown

Who we might serve

	Owners	Renters
< 80% AMI		X
80 -120% AMI	X	
< 200% AMI	X	



Paradise Park

How this site supports local workforce housing goals:

The Town is currently in the middle of the built out of the Paradise Park Subdivision. This subdivision has a mix of rental and for sale housing. The project started in 2004 and the Town has completed portions of the projects in incremental phases over the last 15 years, including six homes and three lot sales in 2018 and 15 SFA homes in 2019 and 10 employer-owned homes in 2020.

Key Funding Considerations:

The site has utilities and infrastructure to support the continued development of vertical housing. Housing costs have averaged about \$280 per square foot. The construction of rental units continues to require large amounts of up-front cash to construct.

Site Constraints, Entitlements, and Infrastructure Needs:

All entitlements are in place to allow new homes to proceed through BOZAR. The existing infrastructure needed for the development of the lots was completed in 2019. There will be 8 units remaining to be built after 2020.



Property Overview

Ownership: Town of Crested Butte

Parcel Size: approx. 2.4 Acres

Current zoning: R2a

Potential density/# of homes: 40-60 units

Timing: 2019-2023

Who we might serve

	Owners	Renters
< 80% AMI		X
80 -120% AMI	X	X
< 200% AMI	X	



Slate River Annexation

How this site supports local workforce housing goals:

The Town acquired a 2 acre parcel as part of the Slate River Annexation. This site is located on a 6th Street and next to transit service. The site can accommodate both for sale and a possible larger high density rental project.

Key Funding Considerations:

The site is next to existing Town infrastructure. There are major funding needs especially if the site accommodates a larger rental project. Additional funding would be needed to assist with vertical construction. Project costs could exceed \$10 million dependent on the density of the project. This project could be targeted as a private/public partnership.

Site Constraints, Entitlements, and Infrastructure Needs:

Site utilities are located adjacent and can be readily made available. However and acre of the site would require an additional Voluntary Clean Up for an acre that still has portions of an old landfill. This is estimated to be between \$350,000 to \$500,000 for this cleanup.

Property Overview

Ownership: Town of Crested Butte

Parcel Size: approx. 2 Acres

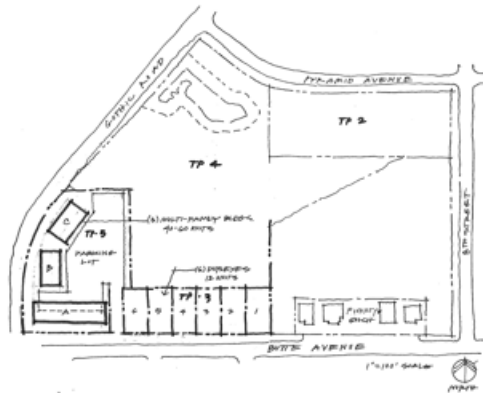
Current zoning: R2a or R4

Potential density/# of homes: 40-60 units

Timing: 2022-2025

Who we might serve

	Owners	Renters
< 80% AMI		X
80 -120% AMI	X	X
< 200% AMI	X	



Lazy K

How this site supports local workforce housing goals:

In conjunction with the City of Gunnison's Park Plan, the Lazy K development offers an opportunity to create locally relevant and aesthetically pleasing workforce housing. Workforce housing and parks are compatible land uses. City of Gunnison conducted a competitive process to select a development partner, and is moving forward to negotiate with High Mountain Concepts for a mixed income, for sale project that would renovate existing structures and add new housing to the site.

Key Funding Considerations:

Appropriately valuing the site parcels on the property are essential to project development. As well, balancing for-sale and rental properties will be crucial for developer financing.

Site Constraints, Entitlements, and Infrastructure Needs:

Meeting the needs of the Park Plan while also addressing for floodplain concerns leaves only specific parcels available for development. Matching these to the localized context and aesthetics impact development planning.

Property Overview

Ownership: City of Gunnison

Parcel Size: 6.6 acres

Current zoning: PUD

Potential density/# of homes: 66 units

Timing: 2019-2023

Who we might serve

	Owners	Renters
< 80% AMI	X	X
80 -120% AMI	X	X
< 200% AMI		

