

1 **Chapter 9 Workforce Housing**
2

3 (January 2009)
4

5 **Strategic Objectives**

6 The Town of Snowmass Village, as a resort community, considers the provision of affordable
7 employee housing (workforce housing) to be a critical element of our success. We aspire to
8 provide such housing to all full-time employees—as defined in the Land Use and Development
9 Code (LUDC)—who desire to live in Town with requirements that can be reasonably met.
10 Achieving this objective will assure an adequate workforce, create a diverse, vibrant community,
11 and lessen the environmental impacts.
12

13 **Background**

14 The Town of Snowmass Village has historically been a leader in providing workforce housing
15 for employees. However, the demand for affordable housing remains a pressing issue in
16 Snowmass Village and the region. The median income of a three-person household in the Town
17 of Snowmass Village in 2008 was \$87,800. This income, based on a housing study by RRC
18 Associates, can afford a home valued at approximately \$350,000. The median sales price of a
19 free market single-family home in Snowmass Village in 2007 was \$3.96 million and \$950,000
20 for a multifamily unit (Coates, Reid, and Waldron, 2007). Resort communities including
21 Snowmass Village have increasingly found the issue of workforce housing challenging
22 considering the income levels supported by the resort service industry and the escalating price of
23 free-market housing. The Town of Snowmass Village and Aspen have historically depended on
24 employees finding affordable housing down valley (Basalt to Rifle). However, with the oil and
25 gas industry in the area growing at a rapid pace, employees are finding jobs closer to home. In
26 addition, home values from Rifle to Snowmass Village are now out of reach for many service
27 employees. Maintaining both a quality workforce and a strong community has required an
28 aggressive housing policy, and these needs have only grown with additional job opportunities up
29 and down the Roaring Fork Valley.
30

31 It should be recognized that there are cycles in the labor and housing market. The policies
32 reflected in this chapter reflect long-term observations and trends in the labor and housing
33 market in Snowmass Village.
34

35 **Existing Conditions and Guiding Principles**

36 The critical issues associated with workforce housing include:
37

38 ***Total Jobs***

39 In 2007 and 2008, RRC Associates was hired to determine how many jobs and employees exist
40 in Snowmass Village and where they live. The company was also asked to evaluate how many
41 jobs Snowmass Village businesses generated. RRC concluded that in winter (2006–2007), there
42 were 3,914 peak winter jobs and 2,474 summer jobs. Each employee, on average, works 1.35
43 jobs in the winter and 1.3 jobs in the summer (See Table 9.1). Based on the number of jobs in the
44 Town of Snowmass Village, there are 2,900 employees in the winter and 1,903 employees in the

1 summer. Based on the information in Table 9.2, there appear to be 1,740 full-time, year-round
 2 employees working in the Town of Snowmass Village.
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 4

Table 9.1 Current Makeup of Jobs/Workers

	Winter 2006/07		Summer 2006	
	#	%	#	%
Year-round jobs	1,659	42.4%	1,659	67.0%
Seasonal jobs	2,256	57.6%	815	33.0%
Total jobs	3,914	100.0%	2,474	100.0%
/ Average jobs/worker	1.35		1.3	
Employed persons	2,900		1,903	

5 *Source:* Colorado Department of Labor and Employment QCEW employer address files; 2008 TOSV Employee Housing survey by
 6 RRC Associates. Seasonal employees represent 40 percent of total employees.
 7

8 ***Historical Policy***

9 Throughout the history of Snowmass Village, housing goals and policies have fluctuated. The
 10 1998 Comprehensive Plan stated policy was to house 60 percent of Snowmass Village
 11 employees. In addition, the 1998 Plan included a policy to “increase employee housing
 12 mitigation requirements for developers so that they mitigate 100 percent of their housing
 13 impact.” The Land Use Code in 2008 requires that developers provide housing for 45 percent of
 14 new employees generated from a project.
 15

16 ***Where Employees Live***

17 Table 9.2 summarizes where Snowmass Village employees live. Of note, 49 percent or 852
 18 people out of Snowmass Village’s full-time (work summer and winter) total number of
 19 employees (1,740 people) live within Town. Of the roughly 2,900 persons employed in
 20 Snowmass Village in the winter, approximately 1,100 (39 percent) are Snowmass Village
 21 residents, and approximately 1,800 (61 percent) commute from elsewhere. This adds
 22 significantly to the daily traffic volume on Brush Creek Road. It also should be noted that 23
 23 percent of workers that live in Snowmass Village in the winter commute to other communities
 24 such as Aspen. If hypothetically, all these commuters worked in Snowmass Village, the Town
 25 would house 50 percent of its total winter peak season workers.
 26

Table 9.2 Summarizing Where Employees Currently Live

		EMPLOYEES WORKING IN SV IN WINTER		
		TOTAL work in SV in winter	Work in SV in BOTH winter & summer	Work in SV in winter ONLY
NUMBER	Live in TOSV	1,119	852	267
	Live elsewhere	1,780	887	893
	Total	2,900	1,740	1,160
PERCENT	Live in TOSV	39%	49%	23%
	Live elsewhere	61%	51%	77%
	Total	100%	100%	100%

1 *Source:* Colorado Department of Labor and Employment QCEW employer address files; 2008 TOSV Employee Housing Surveys by
 2 RRC Associates.
 3

4 **Regional Housing**

5 In the past 10 years, housing prices have risen sharply in down-valley communities. The average
 6 single-family home sales price has risen from just above \$200,000 to over \$500,000 in both
 7 Glenwood Springs and Carbondale. Even in traditionally affordable locations such as Rifle and
 8 New Castle, home prices can be out of reach for many employees. The average single-family
 9 home sales price in 2007 in those towns was \$301,739 and \$372,000 respectively (Garfield
 10 County Assessors Office, 2007).
 11

12 **Housing Supply**

13 Current housing supply is summarized in Table 9.3. Approximately 1,453 employees are housed
 14 in 563 restricted units (either by deed or zoning) and 360 nonrestricted units (free-market homes
 15 and dwelling units provided by employers). It is difficult to determine how many units are
 16 occupied by seasonal versus full-time employees, and it should be noted that some households
 17 contain both residents who work in Snowmass Village on a seasonal basis and residents who
 18 work in Snowmass Village on a full-time, year-round basis. However, it is estimated that most of
 19 the Aspen Skiing Company units (68 units/154 employees), and some of the dedicated units by
 20 lodging (150 units/179 employees) are used by seasonal employees. This roughly equates to a
 21 minimum of 23 percent of the total occupied employee housing stock being occupied primarily
 22 by seasonal employees. The Town has historically focused on providing housing to full-time
 23 employees.
 24

25 **Table 9.3 Housing Supply: Employee Units in the Town of Snowmass Village**
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 27

	Housing units	Total employees housed	Percent of SV resident employees housed
EMPLOYEE HOUSING UNITS IN TOSV:			
TOSV Housing Office units	374	558	38%
County deed restricted (Fairway 3)	30	48	3%
Other restricted (e.g. by zoning)	35	45	3%
Accessory Employee Units	7	7	0%
Accessory Caretaker Units	43	43	3%
Skico restricted (Club Commons)	68	154	11%
Dedicated but not restricted mostly lodges)	150	179	12%
Total affordable / employee units	~713	1,034	71%
FREE-MARKET UNITS IN TOSV:			
Free-market units occupied by employees	~210	419	29%
TOTAL UNITS HOUSING EMPLOYEES IN TOSV	923	1,453	100%
HOUSING UNITS OUTSIDE OF TOSV			
	890	1,780	n/a
GRAND TOTAL	1,813	3,233	n/a

28 *Source:* Town of Snowmass Village housing records; December 2007 State of Snowmass; SV employee surveys; RRC Associates.
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1 **Housing Demand in 2008**

2 Based on the 2008 Snowmass Village employee housing survey conducted by RRC
 3 Associates, of the 887 full-time, year-round employees who commute to Snowmass Village,
 4 approximately 33 percent are renters who would prefer to live closer to work. Assuming two
 5 workers per household, this yields a demand for approximately 146 units, of which all would
 6 need to be subsidized. The potential demand for the peak number of 1,780 commuters (887
 7 year round + 893 winter seasonal employees) using the same methodology would be 294
 8 units. Additionally, approximately 50 employee-housing units would be needed to
 9 accommodate unmet housing demand associated with unfilled jobs in the winter. Demand
 10 from unfilled jobs may or may not need to be added into our demand forecast, since this may
 11 reflect typical unemployment in the Village. It is estimated that 164 full-time, year-round
 12 employees would like to live in Snowmass Village. Another indicator of current demand is
 13 that the Town of Snowmass Village Housing Department in December 2008 had the
 14 following waitlist for deed restricted housing: 80 people for a studio unit; 86 people for a
 15 one-bedroom unit; 60 people for a two-bedroom unit, and three people for a three-bedroom
 16 unit.

17
 18 **Table 9.4 Housing Demand**

	Total persons working in TOSV in winter	Persons working in TOSV in both winter & summer	Persons working in TOSV in winter only
DEMAND ASSOCIATED WITH IN-COMMUTERS:			
In-commuters	1,780	887	893
* % of in-commuters who rent & prefer to live closer to work	33%	33%	33%
= # of in-commuters who rent & prefer to live closer to work	588	293	295
/ Average workers/HH	2.0	2.0	2.0
= Housing units demanded by in-commuters	294	146	147
DEMAND ASSOCIATED WITH UNFILLED JOBS:			
Unfilled jobs in TOSV	136	48	88
/ Average jobs per worker	1.35	1.35	1.35
/ Average workers per household	2.0	2.0	2.0
= Housing units required to fill unfilled jobs	50	18	33
TOTAL HOUSING UNITS DEMANDED:	344	164	180

19 *Source: 2008 TOSV employer and employee surveys; RRC Associates.*

20
 21 RRC Associates was asked to project future housing demand for both full-time and seasonal
 22 employees. It should be noted that this prediction may reflect a worst-case scenario based on
 23 market forces for future demand of housing and assumes the town does not implement policies to
 24 prevent the erosion of housing. The following predictions do not include new development at the
 25 Center or the West Village. The company made the predictions shown in Table 9.5.

Table 9.5 Future Housing Demand Forecast

Units	Assumption
164	Current unmet demand for housing in Snowmass Village of full-time employees (see Table 9.4)
189	90% of free-market units occupied by full-time employees would be lost over time.
85	Dedicated unrestricted housing would be scattered through Snowmass Village if lost (assumed 100% seasonal)
36	Potential loss of 28% of owner-occupied for-sale TOSV housing from retirement
474	Total demand for units assuming two employees per unit.

Policies

The Town of Snowmass Village shall:

- As its primary housing goal, provide housing for 70 percent of full-time, year-round employees (60 percent of total employees). Recent studies of historical patterns (RRC Associates, 2008; Pathways, 2003) indicate that 50 percent of our current full-time employees live in the Village and an additional 10 percent wish to do so under reasonable requirements. This suggests a total apparent demand of 60 percent. Full-time employees represent 60 percent of total employees. An additional 10 percent is included in the mitigation ratio in response to forecasted changes in the future environment. These changes foresee reduced affordability of down-valley alternatives, increased cost and inconvenience of commuting, retired employee residency, and a reduced contribution of Town free-market employee housing.
- Establish as a secondary goal providing housing to seasonal employees. This inventory could be allocated on a priority basis to Town small businesses (as defined in the Land Use and Development Code) that are owned and operated by Snowmass Village residents. However, it is recognized that such projects would be a lower priority within the Town’s housing program and addressed only after the primary goal has been achieved.
- Require private developers to provide housing for 70 percent of total employees generated by a development. Mitigation housing should first be provided for full-time employees generated by a new development and then, at the discretion of the Town, for seasonal employees.
- The developer should provide the land for affordable housing and shall maximize (on sites deemed suitable by the Town) the location of affordable housing on the development site. If physical constraints (in the Town’s opinion) limit the location of housing on the development site, affordable housing required by developers should be located either within walking distance of the development site or located to minimize the use of commuting in personal vehicles.

- 1 • Ensure that employees are housed in close proximity to transportation nodes to minimize
2 vehicular traffic and the demand for parking for affordable housing projects. In addition,
3 the Town shall explore design alternatives for auto-free employee housing.
- 4 • Develop policies and actions to maximize the long-term efficiency of housing stock. The
5 Town of Snowmass Village shall implement actions to provide housing for retiring
6 homeowners in deed-restricted housing to maximize the efficiency of larger deed-
7 restricted homes. In addition, the Town shall develop programs to incentivize free-market
8 employee-occupied housing in order not to lose it from the employee housing supply.
- 9 ▪ When appropriate, work regionally in partnership with other public and private entities to
10 bring about a wide variety of affordable housing types, sizes, and price ranges to serve
11 the needs of all employees, including those that choose to live outside of town limits.
12 Regional housing solutions should focus on sites that have close pedestrian access to
13 mass transportation. Increasing density around transportation nodes (transit-oriented
14 development) to maximize housing at transportation nodes regionally should be
15 encouraged and complement RFTA's Bus Rapid Transit (BRT) program.
- 16 ▪ Review and assess housing needs for both full-time and seasonal employees every three
17 to four years to ensure that housing supply is meeting demand for full-time, year-round
18 employees.
- 19 ▪ Award higher priority in the tenure-based housing lottery process and consider increased
20 housing mitigation requirements of developers in order to accommodate housing needs of
21 regional employees of districts and/or entities that provide services to the Snowmass
22 Village community.
- 23 ▪ Support energy efficient housing.
- 24 ▪ Long-term affordability should be maintained on deed-restricted units that are integrated
25 with free-market units whenever a new condominium development is considered. The
26 economic effect created by potential assessments, both common and special, should be
27 considered, as they would affect the long-term affordability of the employee units.