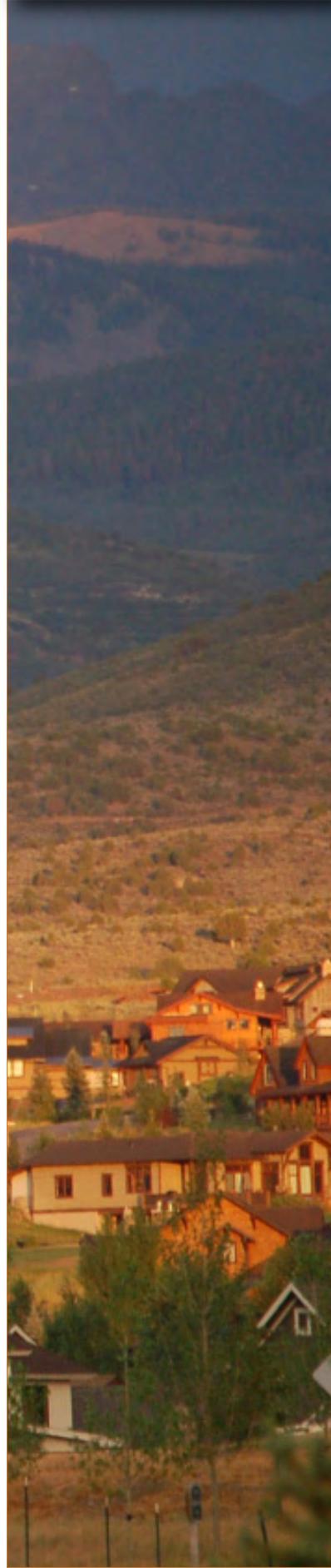


**CHAPTER 10:  
Housing**



# Housing

In recent years, the cost of housing has increased at a rate that is faster than the increase in earnings of area workers, particularly low- to moderate-income households. The Urban Land Institute (*Advisory Services Panel Report, 2006, p. 15*) reports that most new jobs in Eagle County in the next 5-10 years will be in the service sector, with relatively low wages. This means owning a home is beyond the means of many families within the Eagle Planning Area. In addition, high housing costs create problems for area employers. Employers responding to the annual Economic Council Workforce Report state that the lack of affordable housing negatively impacts

their ability to recruit, hire, and retain staff ([www.economiccouncil.biz](http://www.economiccouncil.biz)).

Eagle residents identified “affordability” as one of the top three reasons for living in the area, according to the 2007 Community Survey (the other two were quality of life and having a family-oriented community). Based on the high cost of real estate, employers’ needs for workforce housing, and the desire of residents to keep Eagle affordable, the Town has recognized the importance of affordable housing as a valuable community resource. According to the Town’s Local Employee Residency Program (LERP), affordable housing produced through the Program should remain available not only for current residents and employees, but also for those who may come to the area in the future.

An additional need is housing for senior citizens. The Town of Eagle is currently home to Seniors on Broadway and the Golden Eagle Senior Apartments, two independent senior living complexes. A 2005 study from The High-



*Eagle boasts a variety of housing types and sizes.*

land Group, Strategic Research, Planning, and Marketing Solutions for Seniors Housing and Care Communities, identified demand in the Eagle County for both assisted living and skilled nursing facilities. This study is currently being updated by Eagle County.

### Affordable Housing

Affordable housing is generally defined as a home with a housing payment that does not exceed 30 percent of gross monthly household income and that is of sufficient size to meet the needs of the household (*Eagle County Housing Needs*

home prices in the Eagle zip code area (81631). Countywide, approximately 4% of homes could be considered “affordable” in 2008, with the only single family homes in this category found in Eagle and Gypsum.

Area Median Income (AMI) is another commonly used measure of housing affordability. According to the Department of Housing and Urban Development, the 2009 Area Median Income for Eagle County is \$86,600 for a family of four. A family at 100% AMI could afford a \$334,000 home, or rent at \$2,165/month. Families earning below 80% AMI



*Affordable housing units at the Bluffs east of downtown*

*Assessment 2007, p. 6*). A study of housing affordability in Eagle County (“*Special Report: Affordability 2009*” at [www.economiccouncil.biz](http://www.economiccouncil.biz)) identified close to a 50% gap in 2007-2008 between what local families could afford to buy using this definition, and the median

are considered low income: a family of four at 80% of 2009 AMI would earn \$69,280 annually and be eligible to purchase a \$267,000 home (or pay rent at \$1,732/month).

The result of this disparity between wages and housing costs is not only cost-burdened households (those spending more than 30 percent of their income on housing), but employees holding multiple jobs and/or households comprised of multiple roommates to afford the cost. The influx of retirees and second-homeowners has created a demand for construction in Eagle County. Because of the high cost of real estate, some homes that traditionally housed local workers have been purchased by out-of-area residents, further widening the affordability gap by removing homes from the local resident pool. Large second homes generate a demand for additional workers, who in turn need affordable housing (*see the Northwest Colorado Council of Governments studies “Social and Economic Effects of Second Homes 2004”, and “Transitions in Mountain Communities: Second Home Study, Phase II, 2006” at [www.nwc.cog.co.us](http://www.nwc.cog.co.us)*).

The Town believes that a healthy vibrant community should have a diverse workforce and a range of housing choices for residents at all income levels, and that the development of workforce and affordable housing in Eagle can help to ensure a more sustainable community. A community that includes both housing and employment opportunities is desirable. There are many benefits when people work in the same community where they live. Parents are closer to their children and are able to be more

involved in their education. Less income is used for transportation and is available for other purposes. The local economy benefits because people who work in town spend more money in town, increasing local sales tax revenues. Community identity is enhanced. Good schools, housing choices, efficient roads and a strong economic base create incentives for more businesses to locate in the Town.

### Housing the Local Workforce

The 1996 Eagle Area Community Plan led to the adoption of standards for affordable housing and local employee deed restricted housing. In 2000, the Town changed its zoning standards to permit accessory dwelling units (ADUs) in all residential zoned districts in an attempt to increase the supply of rental housing. It is anticipated that these units will be rented as workforce housing. To date, there are approximately 106 constructed and occupied ADUs in the Town.

In fall of 2002 the Town adopted inclusionary residential requirements for local employee housing, titled “Local Employee Residency Program” (LERP). The program officially began in January 2004. The purpose of the Local Employee Residency Program is to increase the supply of permanently affordable housing for those who live and/or work in the Town.

The Town of Eagle LERP requires new residential development of 10 or more units to provide affordable housing distributed throughout the new development. The units are subject to an appreciation cap and specific resale procedures, both intended to make the initial price as low as possible and keep it that way well into the future. The program has created a total of 33 units to date, including a mixture single family homes, townhomes and condominiums.



*The Lofts above the Eagle River*

Prior to the adoption of the LERP, the Town of Eagle required the Eagle Ranch PUD to create a housing program, originally administered by the Eagle Ranch Housing Corporation. This program has created a total of 61 units throughout

the Eagle Ranch PUD, including single family homes, townhomes and condominiums. In 2009, the Eagle County Housing and Development Department assumed management responsibilities for the Town of Eagle LERP and Eagle Ranch affordable housing programs.

### Future Direction

The Town of Eagle should continue to promote a wide range of housing choices and to preserve the existing stock of

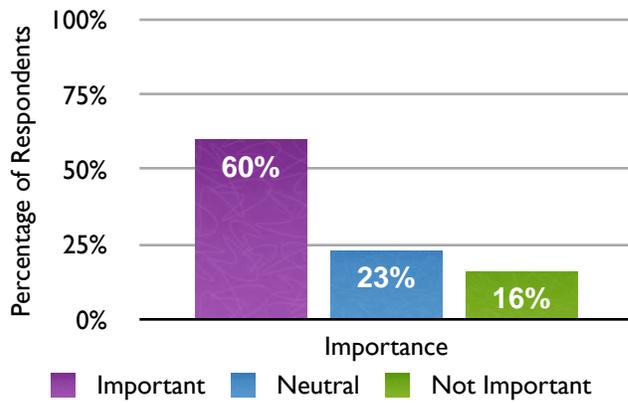
quality workforce housing. The Town should increase the existing inventory of affordable units. In addition, the Town should evaluate the need for increased percentages for inclusionary zoning, as well as the addition of inclusionary requirements for commercial and mixed-use develop-

ment, in order to increase the supply of affordable homes in multiple

locations throughout Eagle. The Town should continue its collaborative approach to housing solutions, working with other municipalities, the private sector, the County, and community/

regional/state agencies to monitor and address the affordable housing gap and the need for quality senior housing options.

### Community Survey Ratings of Affordable Housing



*60% of respondents said Affordable Housing is “Important or “Very Important” for Eagle.*

**Housing Goal #1:** *Citizens from a wide range of economic levels and age groups are able to find housing in the Eagle Area.*

POLICIES	RECOMMENDED STRATEGIES
<p><b>Housing Policy 1.1</b></p> <p><b>Support and contribute to efforts to address the needs for affordable housing.</b></p>	<p>A. Monitor the needs for affordable housing in the regions, utilizing the following indicators:</p> <ol style="list-style-type: none"> <li>1) The ratio of local jobs to affordable workforce housing units</li> <li>2) The availability of affordable housing stock</li> <li>3) The local demand for affordable housing</li> <li>4) The status of down payment assistance funds</li> <li>5) The availability of programs to educate potential home buyers</li> <li>6) The status of current regulatory issues</li> </ol> <p>B. Educate community members about existing affordable housing opportunities and down payment assistance programs.</p> <p>C. Implement community-developed solutions that incorporate federal, state and local programs and resources as needed and appropriate.</p> <p>D. Adhere to Eagle County Housing Guidelines in unincorporated areas.</p> <p>E. Collaborate with Eagle County to provide a Continuum of Care Retirement Community with associated living facilities in the area.</p> <p>F. Encourage and provide appropriate incentives for the construction of entry level housing by the private sector.</p>

<i><b>POLICIES</b></i>	<i><b>RECOMMENDED STRATEGIES</b></i>
<p><b>Housing Policy 1.2</b></p> <p><b>Promote the preservation and/or creation of a wide range of housing units, including single family, duplex, multi-family and mixed use arrangement units.</b></p>	<ul style="list-style-type: none"> <li>A. Implement strategies to prevent the loss of affordable housing stock.</li> <li>B. Create opportunities for affordable home ownership, rental, and special needs housing units for low, moderate, and median income households.</li> <li>C. Encourage a mix of housing types and price points that are affordable to an appropriate range of incomes.</li> <li>D. Periodically review the Town of Eagle’s Local Employee Residency Program and related affordable housing plans to ensure that they are responsive to the needs of the community.</li> <li>E. Allow and encourage accessory units within single family residential zones and in new development.</li> <li>F. Distribute for sale and for rent affordable housing units throughout the Town’s incorporated area.</li> <li>G. In new developments, work to establish a real estate transfer fee to help fund workforce housing.</li> </ul>
<p><b>Housing Policy 1.3</b></p> <p><b>Promote increased residential densities in mixed use commercial residential areas.</b></p>	<ul style="list-style-type: none"> <li>A. Create more detailed statements of intent with regards to housing for targeted areas within the Town through the implementation of sub-area master planning. Address the integration of uses, density, scale, transitions, transportation, architectural standards, parking, recreation, etc. through these planning efforts.</li> <li>B. Revise codes that inappropriately limit housing variety options in residential zoned districts.</li> </ul>