



SUMMIT COUNTY HOUSING ACTION INITIATIVE 2021

STAKEHOLDER CONVENING

Developing Actionable Ideas

In July of 2021, leaders from across Summit County convened stakeholders to discuss the housing shortage in the County.

County and Town leaders had a simple, yet ambitious goal:
Engage government, private sector and community leaders in a conversation to identify ideas specific, actionable strategies to address the housing shortage in Summit County..

Summary of Ideas & Next Steps Identified by Participants

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Introduction & Overview

The housing shortage in Summit County is affecting families, residents and businesses across the county. From schools to hospitality, tourism to service industries, employers, employees and our neighbors are struggling to find affordable housing for the workforce and families in the beautiful place we're all lucky enough to call home.

There are no simple solutions but the need is urgent. The leaders of Summit County and its towns believe the community can – and must – identify the partnerships, strategies, opportunities and system-level changes to address the short-term and long-term housing needs of Summit County and each community that makes this such a special place to live and work.

On July 21, 2021, town and county leaders convened the kick-off of an initiative committed to addressing the housing shortage and to taking action together. These leaders met to plan the convening in the early summer and invited local and state government leaders, employers, real estate developers, community leaders, policy experts, school leaders, property managers and realtors among other members of the community for a series of action-focused discussions.

At the convening, attendees heard from local leaders about what is in the pipeline now and through the panel discussion, case-studies of partnerships and programs that are in use. As part of the opening session, attendees had an opportunity to ask questions of the Town and County leaders about existing projects, the pipeline of projects and any other clarifying questions.

Following the remarks and presentation from local leaders, the day shifted into exploring ideas, strategies and approaches to take action. The full room of more than 90 participants spent time in a facilitated whole group discussion with attendees encouraged to offer specific projects, system changes or other ideas that could contribute to solving the housing shortage. The emphasis in this session was that no idea was off the table and the purpose was to surface as many ideas as possible without trying to assess their viability, cost or level of support. The purpose shared with the room was to identify an exhaustive list for local leaders to explore and also to identify a set of ideas for the group to dig more deeply into as part of the day's convening.

More than thirty five ideas were offered by attendees representing a broad spectrum of approaches from regulatory shifts and incentives that could be offered to repurposing existing properties and specific actions on specific projects or initiatives. With all of the ideas displayed on charts in the room, each participant was invited to cast a vote for up to three ideas they believe held promise and were worth discussing in more detail during the convening.

General Session Ideas

During the full group discussion, ideas were offered without any ask to categorize them by underlying strategy, timeline to action or cost. The ideas generally fell into the following categories:

- Projects
- Systems & Governance
- Strategies
- Financial Tactics & Needs
- Conceptual Approaches
- Additional Considerations

Below are all of the ideas generated.

Projects

- Lake Hill Project
- Clearinghouse for Locals (List, Find, Network)
- Breckenridge Stables: Relocate & Develop Existing Site
- Blue River & Preservation

Systems & Governance

- Raise AMI on Affordable Housing *People “trapped” f/moving & freeing up units due to AMI definitions*
- Regulations & Incentives to Keep Workforce Housing
- County Regulations on Accessory Dwelling Units (ADUs)
- Work with HOAs on Restrictive Covenants
- Short-Term Rental Compliance Impacts
- Housing Trusts
- Pipeline Movement & Deed Restriction Limits
- Land Use Shifts including Mixed Use
- Housing Regulations, Codes, Zoning, Services, Hook-Ups

Strategies

- Short-Term Rental Conversion to Long-Term including Incentives
- Maximize Use of Accessory Dwelling Units
- Use of Modular Homes
- Cell & Fiber Deserts, Use of Rail Corridor
- Purchase & Protect Deed Restricted Properties
- Transition Short-Term Rentals to Emergency Use
- Shift Conversation from Affordable Housing to Critical Infrastructure
- Intentional, Strategic Communications by Towns & County
- Inventory of Mobile Park Leases & Assess System, Livability Status
- Infrastructure Hook-Ups for Trailers + Land for Mobile Parks for Immediate/Short-Term Relief

Financial Tactics & Needs

- Sunset of 5A Funding + Other Funding Needs
- Assistance to Modernize Deed Restricted Properties
- Vacant Residential Lots: Incentivize Using Tax Structure Revisions
- Developer Incentives, Subsidies to Address Process Time, Waivers, Land Use

Conceptual Approaches

- Increase Density, Build Up (Add'l Stories)
- Land Exchange(s) with Forest Service for Developable Lands
- Help Locals Find Opportunity for Long-Term Rental Purchases
- Parking Lots (+ amenities) for Vehicle Living
- Leverage PPPs & Financial Incentives to Increase Inventory
- Conversion of Retail Space

- Property Exchanges
- Partnerships with Neighboring Towns
- Affordable Travel Trailer Lots (esp. for Seasonal Staff)

Additional Considerations

- Ensure Roads & Infrastructure are Part of Conversation
- Unit Type Diversity
- Consider Role of Other Programs in Trapping People in Restricted Properties (employment, income)

Based on the voting of attendees of the three ideas they felt held the most promise or warranted deeper dives during the convening, the following ideas surfaced as the top six:

- Lake Hill Project
- Clearinghouse for Locals (List, Find, Network)
- Short-Term Rental Conversion to Long-Term including Incentives
- Maximize Use of Accessory Dwelling Units
- Use of Modular Homes
- Sunset of 5A Funding + Other Funding Needs

The majority of the day was then spent in three break-out groups who each spent time discussing two of the ideas above. Small groups were encouraged to explore questions like:

- *If this is done effectively & efficiently, if all necessary pieces can be assembled, what is the specific & quantifiable outcome and over what timeframe?*
- *What are the key milestones, tasks or steps that would be necessary to achieve this and in what order should they occur (OK if some overlap or are concurrent)?*
- *Who are the key partners to this idea? Who is not here that would need to contribute? Specific agency, company or general roles are all welcome.*
- *What are the key dependencies for this to be successful (or possible)? Think of things like code or regulatory changes, ability to secure key partnerships etc.*
- *What are some of the key barriers or challenges to this idea and what strategies could mitigate or overcome them?*
- *In 5-10 bullets, what are the steps that can be taken to move this from idea to action? Who will or should lead and what is the timeline for the next steps?*

After each breakout discussion, the full group reassembled to share out the highlights of their conversations and to hear from the other groups. While each group approached their breakout discussion differently, all came back with specific actions they believed were necessary to advance the idea they explored. Most groups identified next steps to move forward on the idea while a few breakout discussions surfaced the need for further research, development or answering of questions as requisite actions to prepare to move forward.

The following pages contain the notes from each breakout session.

Elevator Pitch:

- County acquired 44 acres of property through congress in the early 2000s for the purpose of building workforce housing.
- They have developed a master plan that approximates 436 units of various type can be built on the property.

Outcome:

- Single family homes, townhomes, condos, and multifamily units built in the area for workforce housing. Timeframe TBD.

Timeline and Sequence:

- Rezone the area for housing (approx. 12 months once started)
- Figure out sanitation – expand Frisco district, look to other municipalities in the county, or build own sanitation facility. This is the priority as of now.
- Carry out studies on access to the area, road use, traffic, etc.
- Secure state financial assistance (available now, need to have a working plan sooner rather than later to apply for aid)

Partners Needed:

- Town/public
- Larger state government organizations (\$)
- Developers
 - Partnership of public and private sectors

Dependencies:

- Sanitation services
- Rezoning the property
- Public and private partnership for development

Barriers and Mitigation Strategies:

- PR and communication regarding Lake Hill
- Sanitation district – Frisco would need to spend \$8 million to expand their own facilities to incorporate Lake Hill, but a new facility would cost 2 or 3 times that. Also need to consider the cost of pipes and connection to the Frisco sanitation district
- The cost of the project is only increasing with time – so without a timeline there is lack of understanding of cost
- The process is slow – can we accelerate by doing projects in parallel
 - Would it be a good idea to hire a developer now to help coordinate this and bring it all together? Or would that be undercutting the Town of Frisco and their work?

Next Steps to Take Action:

1. Figure out the sanitation component (who, where, cost, etc.)
2. Rezone the property
3. Map out a funding strategy for the state
4. Start discussions with developers
5. PR and community

Elevator Pitch:

- Single go-to resource (online) for locals to list or find available housing including individual and employer/corporate needs or listings.

Outcome:

- Centralized resource for those listing or searching

Timeline and Sequence:

- Determine scope of resource including:
 - Active or passively managed, vetting or background checks etc.
 - Geographic scope (town, county, regional)
 - Phased roll-out of services
- Explore intersection with Breckenridge Landing Locals plan for overlap or leverage
- Vendor conversations for cost, timeline
- Determine long-term party responsible for maintenance
- Secure supporters from government and private sector

Partners Needed:

- Technical developer
- Property owners and managers
- Resource manager
- Funding, grants

Dependencies:

- Determine relationship with Landing Local
- Identify operator (suggested Summit Housing Authority)
- Establish needs and contributions from Towns, employers, others

Barriers and Mitigation Strategies:

- Challenge will involve messaging w/prop owners, HOAs about impact on value
- Addressing risks, verifications to mitigate fraud, protect landlords & tenants alike to address potential liabilities
- Make it user friendly for even those who don't know all the agencies, resources, acronyms – align as really a central clearinghouse.
- Make it a system that people can submit info and it will match it w/opportunities
- Landlords need to know who is on the hook so how will applicants be vetted
- Decide: Is this an active or passive & who is responsible for what?
- Keep focus on end user and how to keep the next generation – 25-35yr olds
- What is incentive or drive for somebody to list

Next Steps to Take Action:

1. County and town leaders conversation to determine interest in collaboration
2. Form a committee to drive and coordinate
3. Establish owner and lead for project
4. Agree on initial scope and mode of operation (geographic, listing type, passive vs active)
5. Thoroughly explore Landing Local to determine fit or intersection
6. Determine build-out strategy, cost and vendor or internal developer
7. Convene meeting of HR Directors for employers to gather input on needs

Short-Term Rental Conversion to Long-Term including Incentives

Elevator Pitch:

- Strategic use of “Carrots and Sticks” to encourage the conversion of some short-term or vacation rentals into long-term rental housing

Outcome:

- More long-term rental housing inventory

Timeline and Sequence:

-

Partners Needed:

- State Leadership and Local Government Leadership
 - Provide tax breaks for long term property owners
 - Develop employer based incentives for providing workforce housing.
 - Provide property owners with subsidized rent options with housing dollars supplementing long-term leases.

Dependencies / Strategic Approach:

- Taxation issue/Commercial tax rate strategies – exempt resorts, hotels but for look at possible taxing strategies aimed at targeting owners of multiple units.
- Explore “hybrid” property tax rate (between home and commercial rate).
- Explore local fee strategies for STRs.
- Local neighborhoods “opportunity zones” where no STRs are allowed to preserve traditional workforce neighborhoods.
- Explore innovative incentives for property owners to choose long-term over short-term rentals.
- Need uniform taxation to provide clarity to property owners/investors.
- Recognize investor/buyer concerns related to banning or taxing STRs.
- Recognize value on local economy/jobs of STRs.
- Housing Works/Summit Housing Authority – educates on potential benefits for property owners who choose long-term renting (provide a cost-benefit analysis).
- Use Housing Works money to incentivize local investors to buy investment properties and do long term rentals.
- Zoning overlay based on communities (resort, local workforce, etc)

Next Steps to Take Action:

1. County and Town leaders meet to identify regulatory, legislative or statutory changes necessary;
2. Collaboration with property owners and other stakeholders to find possible common ground;
3. Coordination with state and local leaders to advance any needed changes.

Maximize Use of Accessory Dwelling Units

Elevator Pitch:

- Employ all appropriate levers to maximize the use of existing and encourage new accessory dwelling units

Outcome:

- Increase in use of currently permitted ADUs as long-term rentals and increase in new ADUs.
- ADUs can provide pathway for younger generation to start. Allow new buyers to short-term rent an ADU for fixed time period e.g. 36 months

Timeline and Sequence:

- Provide a base plan design for adding a stand alone ADU
- Building Codes, Tap Fees are prohibitive – revisit
- Provide grants to support bringing ADUs into compliance
- Address setback limitations that preclude stand alone

Partners Needed:

- Property owners who will offer ADU as long-term rental
- Utility providers to address tap fees, hook-ups
- HOAs who may limit
- Towns whose regulations may complicate

Dependencies:

- Remove impediments
- Align codes more – as possible – across municipalities
- Bring some of the non-compliant ADUs into field in exchange for deed restriction
- Complicated by need to confirm whether ADU is indeed being used as ADU
- Rehab units – find them, fix them.
- Education about deed restrictions attached to properties
- Finding ways to address tap fees etc that municipalities can't govern – could either be legislative or negotiate w/district
- Finding balance to incentivize while navigating long-term implications
- Land use & neighborhood character have to be included in conversation

Barriers and Mitigation Strategies:

- Regs of ADU vs short-term rental
- Comms about problems of unfettered expansion where 1200 residents becomes 2400
- ADUs sit unused/vacant – require owners to show use or forfeit (or pay fee) to keep ADU license
- Engaging HOAs who often object but municipalities have no authority over them
- Appraisals of deed restricted properties could flag violation of mortgage terms
- Concerns about tying restrictions (esp deed restr) to ADU permits

- Need info & education on appraisal impact of ADU – property or on ADU – on overall prop value which averages 10-15% neg
- Homeowners may have additional fees and/or cities may waive fees – can we use s-t-r taxes for example to offset
- Incentives for people to keep ADUs if they're considering dropping
- Incentivize owners to recognize it comes w/no parking & provide offsite parking
- Land use authority does not have governance over utility but could lobby for or redefine how it's classified – a single person in an ADU is not using same as family in main house
- Town of Frisco offers grants that can be used to offset costs
- Could codes be used to allow parking in setbacks

Next Steps to Take Action:

1. Towns & Counties come together to find some alignment where possible on codes & to approach utilities
2. Develop shared resources (other than financial) that can be offered such as plans for ADUs
3. Explore possibility of contractual agreement in lieu of deed restrictions?
4. Explore potential of modular units to expedite ADUs
5. Awareness that towns have now waived fees for ADUs and other affordable
6. County needs to get together w/towns to share incentives, grants etc. to find maximum alignment possible

Elevator Pitch:

- Cost effective, environmentally friendly, fast, look just like a ‘stick build’ home

Outcome:

- Quick and cost friendly building of modular homes that provide nice and affordable housing to workforce locals.

Timeline and Sequence:

- Find land to build workforce housing on in the county and determine if modular is right for this land
- Take a fieldtrip with major stakeholders to a modular home factory and a modular home neighborhood so that people can learn more about it and see it in person
- If land is found and modular is right for it, next step would be determining financing
 - Modular financing is complicated, and some factories charge all up front

Partners Needed:

- State support/investment
- Housing Authority
- Community support
- County/Towns – must be a countywide effort
- Developers – preferably in state

Dependencies:

- Land fit for modular homes
- State funding
- Factories close by (in state) to order from – practical and speed to market
- Keep cost down – can do this by streamlining the homes and limited options (ie only 2 choices for counter top color, etc.)
- Further research in county codes, does modular make sense given current codes, what can be amended to allow modular

Barriers and Mitigation Strategies:

- Logistics – timing of building is critical (the land needs to be ready before the home arrives, etc.)
- Getting modular homes to Summit County – it makes more sense to have them built in state and close by than shipping from other states
 - Can we transition coal factories to modular home factories?
- Finding land fit for modular and the cost of that land
- PR- How do we overcome the perception that modular homes are like trailer parks
- Getting in line with a factory – many have long waitlists, and we need housing fast
- How much housing do we need?

Next Steps to Take Action:

- Figure out the land needed, where it is, how much it costs, and what it needs to be ready for modular homes
- PR – improve communication with the public so that they not only better understand modular homes but understand that this is for the common good not individual gains
- Think about what facilities are needed (sewer, water, etc.) and put it in now – things are not getting any cheaper
- Travel to factory in CO so that stakeholders can learn about modular before instantly opposing “trailers”
- Can we use vacant land to put temporary housing on now, and see how it goes? (Idea from a city block in Portland that is experimenting with several tiny homes, it takes up very little space and if it does not work, can be gone almost instantly)

Sunset of 5A Funding + Other Funding Needs

Elevator Pitch:

- Existing funding sources are sunseting while the County and Towns have increasing and ongoing needs for revenues to support a wide variety of housing initiatives

Outcome:

- Sufficient, stable and continuing source of revenues that results in predictable funds

Timeline and Sequence:

- Not discussed

Partners Needed:

- Need innovative partnerships with large employers to address housing from a future perspective (Ski areas, hospitals/medical, school district).

Dependencies / Strategies:

- State has made affordable housing a priority. There's \$500m federal one-time dollars, identify appropriate projects.
- Explore other ballot question opportunities – continue 5A, additional targeted project(s) funding questions.
- 5A provides some important resources but there is more needs than dollars, while it's a short term source it definitely needs to continue (made Smith Ranch happen for Silverthorne). In anticipation of renewal ballot question emphasize 5A's importance and impacts with the community.
- Affordable housing message – "Keeping our community whole is important, live where you work."

Barriers and Mitigation Strategies:

- Certainty of funding needed – fees? Other taxes?
 - Nexus study - Fees, excise tax – Breckenridge
- Developer hesitance or limited interest
 - Waive fees provide resources as an incentive to developers, etc.
- Tax short term rentals that are owned by LLCs identified for additional fees.

Next Steps to Take Action:

1. Explore real estate transfer tax ballot question
 - a. would require both legislation and ballot question;
2. Communications with key stakeholders and general public.