



MEMORANDUM

P.O. Box 4100 ♦ FRISCO, COLORADO 80443

TO: MAYOR AND TOWN COUNCIL
FROM: JEFF DURBIN, INTERIM TOWN MANAGER
RE: WORKFORCE HOUSING
DATE: JUNE 8, 2021

Summary and Background: Workforce housing has long been a concern in Colorado mountain resort communities. As our community emerges from the shadow of the pandemic, the lack of employees has become a limiting factor in our local economy and an inflated real estate market has exacerbated the problem. While the Town of Frisco has made significant investment of resources towards workforce housing, the purpose of this Work Session is to discuss our path forward.

In 2020 the Town of Frisco increased its dedication of resources to Housing issue via creation of the Housing Coordinator Position (within Community Development). Previously, 17 different individuals played a role in housing matters. The Housing Coordinator position job summary is as follows:

- Assists in the creation and implementation of housing strategies to achieve the Town's housing goals contained in the yearly Town Council Strategic Plan, the Frisco Community Plan, the Strategic Housing Implementation Plan, and other guiding documents of the town. Administers the Town's housing programs, included but not limited to employee housing, and supports new housing initiatives as well as assists with housing policy development. Responsible for administration of the Town of Frisco's Short-Term Rental program and manages Town of Frisco owned rental properties including the selection of tenants, preparation and execution of leases, arrangement of rent collection, enforcement of leases, and handling tenant issues. Oversees property management and maintenance, including use of contractors or town staff.

Currently, three staff are responsible for all housing matters. The Housing Coordinator is the lead position, with sales tax support in the STR licensing process provided by the Revenue Specialist and property management support from the Public Works Buildings Supervisor.

Analysis: I believe the current staffing structure presents several problems:

- The Housing Coordinator position has not been able to fulfill the strategic goals as outlined in the job description, in fact the vast majority of time is spent administering the STR program.
- We extended the STR license renewal deadline by 30 days in order to free up some staff time to prepare materials for the Council Housing Work Session, but the program calls for continued assistance which continues to occupy a majority of staff's time.
- The STR licensing process is relatively easy for applicants to complete; fees and compliance requirements are low. Demand for staff time is high and staff is experiencing challenges with the revenue reporting structure within the software platform. The fee revenue generated by the program is far less than the costs of administering the program.
- Property maintenance duties have continued to increase as related to Town of Frisco owned residential units and with additional units under consideration, this will continue to increase. The Public Works Building Supervisor will be retiring later in 2021.

Financial Impact: Financial analysis of the recommendations in this Staff Report is ongoing and will be included with Staff Reports related to future Town Council business items.

Alignment with Strategic Plan: Issues and recommendations discussed herein and during the Work Session align with the Town Council's vision for a thriving economy (which requires employees) and an inclusive community (increasing full time residents).

Environmental Sustainability: NA

Staff Recommendation: I would suggest that Council consider the following recommendations for prompt implementation:

- Increase STR licensing fees in order to cover administrative costs associated with the program.
- Establish a proactive STR compliance program and amend the code accordingly.
- Establish a new STR coordinator position which would enable the Housing Coordinator position to fulfill her job description.
- Solicit a Request for Proposals for a new STR licensing software partner and/or renegotiate with the current provider.
- Solicit a Request for Proposals for a Property Management Company and provide detailed analysis of the current expenses related to property management of Town owned units.

I would further suggest consideration of these additional recommendations for near term implementation:

- Dedicate time on every Council Agenda to housing matters (similar to prior COVID updates).
- Direct staff to develop a comprehensive inventory of all TOF owned properties and deed restrictions which will include location maps and information related to target residents. We will have program information and data available for discussion at the Work Session.
- Consider Housing Helps 3.0 which could target conversion of STR properties into long term rentals, perhaps an updated version of the FIRC Housing Helps Program.
- Coordinate a Housing Summit with other jurisdictions to learn for each other and develop collaborative strategies.

- Develop and adopt a Housing Strategic Plan no later than September 30, 2021. Include matters such as projects in the queue and future options, local and state legislative matters, and financial matters such as a potential ballot question related to the extension of 5A, or other funding sources.
- Identify a date for a joint meeting between Frisco Town Council and the Summit County Board of Commissioners (and other municipalities?) to discuss the Lake Hill Development.

Approved By:

Jeff Durbin, Interim Town Manager

Attachments: