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Mountain Migration Report shows disparities between newcomers and residents of mountain towns

The report was commissioned by the Northwest Colorado Council of Governments and Colorado Association of Ski Towns

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The Blue 52 workforce housing project in Breckenridge is pictured April 16, 2018. The Mountain Migration Report commissioned by the Northwest Colorado Council of Governments and the Colorado Association of Ski Towns reported that workforce housing needs were exacerbated when newcomers flocked to mountain communities during the pandemic.

Photo by Hugh Carey / Summit Daily archives

Most people don't have to be told that the pandemic caused an exodus to and from Summit County. In one aspect, residents began leaving the community as businesses laid off staff. On the other hand, people from larger metropolitan areas decided to ditch city life in exchange for sprawling views and easy access to outdoor recreation.

Jon Stavney and Margaret Bowes noticed the trend early on and decided to team up and analyze what impact the mass movement would have on mountain communities, including Summit, Eagle, Grand, Pitkin, Routt and San Miguel counties.

Stavney is the executive director of the Northwest Colorado Council of Governments and Bowes is the executive director of the Colorado Association of Ski Towns.

"I think early on in the pandemic, those of us that live in these mountain communities were thinking it's unfortunate where we find ourselves in the world right now, but we're going to have the backcountry to ourselves and maybe now real estate values might drop just a bit so the average local could get their foot in the door in the real estate market or even move up in the real estate market," Bowes said. "I think it was even more of a shock when what came to pass came to pass where we saw fewer rentals available and real estate values going through the roof and locals being outbid at every turn on for-sale properties."

With the help of a grant from the Colorado Department of Local Affairs, the pair hired Colorado-based Reese Consulting and California-based WSW Consulting to examine the demographics of the newcomers to the area, how their influx is shaping the communities and what long-term implications can be expected. The data-collection period began in January, and the results were announced in late June.

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The Longevity Project is an annual campaign to help educate readers about what it takes to live a long, fulfilling life in our valley. This year Kevin shares his story of hope and celebration of life with his presentation *Cracked*, Not Broken as we explore the critical and relevant topic of mental health.

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One of <u>the report's biggest findings</u> is that mountain communities are experiencing <u>a workforce housing shortage</u> that exceeds what has happened in recent years.

According to the report, home prices have <u>reached record highs</u>, rent increased 20% to 40% in one year, the availability of homes to rent and purchase plummeted to critical levels, and newcomers with significantly higher incomes than year-round residents more often won the competition for scarce housing units.

Of all the types of people needing housing, the report states that it's renters "are commonly in the most unstable housing situations in these communities." According to the report, nearly one-third have severe difficulty finding a place to live, one-fourth lost a job during the pandemic and almost one-fifth faced significant rent increases in 2020.

Stavney said some locals will point out that housing was an issue as far back as the 1970s and 1980s, but he said the problem the counties faces today is greater than ever before.

"I think this is different," Stavney said. "The degree of it is different."

Bowes agreed, stating that in years prior, housing was an issue but not like it is today.

"We don't have the luxury of time that we had maybe 30 years ago," Bowes said, "... We've been talking about it for a long time, it's been a top issue for a long time, but it just feels a little bit more urgent than maybe it did many years ago. I'm getting the sense that there's more interest in really getting after it and talking about how multiple communities can collaborate to make some changes on some policy issues."

The income disparity between residents and newcomers doesn't help. According to the report, close to 70% of newcomers and 80% of part-time residents have household incomes of more than \$150,000 per year. That's in stark contrast to the 60% of residents who earn less than \$150,000 in household income per year.

The report stated that "the majority of full-time residents making their living in the county do not have the income to compete for housing in the current high-competition environment."

In fact, the report went on to say that this income disparity might get even worse. Before the pandemic, some businesses struggled to hire workers, but the issue has been exacerbated, especially in Summit County, where some businesses are even <u>reducing hours and switching operations</u> to accommodate a small staff. According to the report, the situation will likely get worse.

"Finding employees to fill resident and visitor service jobs necessary to maintain a community will likely become even more challenging. ... Businesses, existing residents and communities may face a tough transition in the years ahead," the report stated.

"I heard of a local restaurateur — he owns, I think, a couple restaurants in Summit County — and he just threw down over \$1 million to buy a single-family home because it had five bedrooms, and he's just been struggling for so long with not being able to hire people simply because they don't have a place to live," Bowes said.

In addition to causing a severe lack of housing and a migration of residents leaving ski communities, Bowes and Stavney also noted that the influx of people was <u>causing overcrowding at many trails</u>, a phenomenon even newcomers are witnessing.

Stavney also noted that the influx of people could have negative repercussions on infrastructure, putting a strain on county and municipal governments in the coming years.

"When people are just here more, when you're at a higher level of residential occupancy, that has implications for a lot of municipal infrastructure or special district infrastructure, and that's something we're talking about nationally a lot," Stavney said. "A lot of these places are behind on investing in their water systems or their wastewater systems or plants and their streets."

The influx of newcomers isn't all doom and gloom, though. The report noted that the influx will create a more diverse economy, that higher salaries will be spent in mountain communities causing an uptick in collected sales tax, and that the change could shift the focus away from tourism and visitor needs and more toward capital projects that support livability and quality of life improvement.

To read the <u>full report</u>, visit the Northwest Colorado Council of Governments' website at NWCCOG.org or the Colorado Association of Ski Towns' website at CoSkiTowns.com.

Graphic by Taylor Sienkiewicz / tsienkiewicz@summitdaily.com

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