



There is a compelling need for more ambitious plans to address the affordable housing problem that will continue to have a serious impact on our economy and community

THE IMPACTS OF AFFORDABLE HOUSING

ON THE TELLURIDE AREA ECONOMY & COMMUNITY

Housing for employees and year-round residents is an issue in many communities throughout Colorado and is especially critical in resort communities. The rich amenities, beautiful locations and quaint towns attract many second homeowners, while the primarily visitor economy results in many low-paying service jobs and few higher-paying jobs. This combination pushes local home prices well above what local wage earners can afford. As the employee and year-round resident base declines due to an inability to live in the community, there's an adverse effect on the year-round economy, the quality of life for existing residents and second homeowners, and the visitor experience. This is what has been happening in Telluride.



“We do not have enough locals to service our healthy economy here in Telluride. More affordable housing could really help our community stay a community!”

— local small business owner

Existing Deed Restricted Housing In the Telluride Area

The Telluride area has 1,221 deed-restricted units that have been produced over the past several decades, which house 40% of local households. These units are restricted to occupancy by employees who work in the region.

DEED RESTRICTED HOUSING (Inventory by Tenure: Telluride area 201g)

	Ownership	Rental	Total
Telluride	147	163	410
Mountain Village	84	447	531
San Miguel County - other	216	64	280
TOTAL	447	774	1221

Source: Towns of Telluride, Mountain Village, San Miguel County Housing Needs Assessment 2018



HOW DOES HAVING AFFORDABLE HOUSING HELP THE COMMUNITY?

Providing housing that is affordable for local employees has greatly benefited the Telluride area:

ESSENTIAL EMPLOYEES LIVING LOCALLY

Ensuring better healthcare, emergency services, education, and services to full-time residents and visitors.

59%

of homes reserved for local employees are owned by government, health care and essential service employees

MORE PERMANENT RESIDENTS

to maintain the community and increase cultural and economic diversity – from artists to teachers to emergency service providers

44%

44% of the total number of homes in the region are occupied by locals. Without units added through local housing programs, that number would be 34%.

INCREASED LOCAL EXPENDITURES

employees living locally spend more of their wages in the area, recycling their pay into the economy and reducing seasonal fluctuations in the local economy.



\$11.5 MILLION

spent on shopping and dining in the Telluride area each year by year-round residents of housing designated for local employees

REDUCED VEHICLE MILES

When employees live close to work, commute distances are greatly reduced, limiting congestion and pollution, and saving them significant travel costs.



27.1 MILES

average one-way distance commuted by employees outside the Telluride area costing \$370/month

5.8 MILES

average one-way distance commuted by employees in the Telluride area costing \$50/month

PARKING SAVINGS

Fewer employees commuting in means fewer parking spaces for their cars when at work, leaving more space for visitors and business patrons.



\$11,250

the minimum cost to provide a surface parking space

\$45k - \$55k

the cost of a parking structure space (excluding land costs)



EMPLOYERS STRUGGLE TO FIND & KEEP EMPLOYEES

59%

OF EMPLOYERS REPORT THAT THE LACK OF AFFORDABLE HOUSING FOR THEIR EMPLOYEES IS A **CRITICAL OR SERIOUS PROBLEM** FOR THEIR BUSINESS

EMPLOYERS STRUGGLE TO FIND AND RETAIN STAFF DUE TO A LACK OF HOUSING. This:

- affects the ability to provide quality guest and resident services.
- impacts existing employee morale, workload and frequency of employee turnover.
- causes some businesses to reduce their business hours when they would otherwise prefer to be open.
- discourages many businesses from trying to expand – if they cannot fill current jobs, how can they fill more?

7%

of jobs are vacant

30%

of businesses have been unable to grow and/or have unskilled workers in positions

When potential employees decline jobs, it increases the costs for businesses

When employees leave jobs, this places more strain on the remaining employees until positions can be refilled and persons can be trained.

47%

of employers had at least one person decline a job last year due to affordable housing

1400

people declined jobs offered last year in Telluride and Mountain Village



Telluride area employers reported that it costs an average of 12.5% of an employee's yearly salary to replace that employee.

\$5.2K

average cost for employers to replace an employee in Telluride area

\$3.4M

the total estimated cost to Telluride area employers to replace the employees that left their jobs last year in the towns of Mountain Village and Telluride due to a lack of affordable housing

17%

of total jobs in the Telluride area for which someone left their job last year because of a lack of affordable housing

658

number of employees in the Telluride region that left their job last year because of the lack of housing in the area

Conclusion

Existing affordable housing has a significant positive impact on the economy and community. However, the work is far from finished and, in fact, the shortage of affordable housing is increasing. The need exists for 300 – 400 units now, and with every new project built, the demand for housing increases, and even more housing is needed to support businesses, their employees and the community.

To learn more about existing housing programs in the Telluride area and how you may be able to help, contact the Trust for Community Housing and stay apprised by visiting our website at www.trustforcommunityhousing.org.

WHY IS HOUSING AFFORDABLE TO LOCAL WORKERS ESSENTIAL?



TCH preserves our community through increasing regional housing opportunities. Through collaboration with others, the non-profit Trust expands resources available for housing, helping to secure a diverse and vital community.

The Trust for Community Housing (TCH) was established as a grass-roots nonprofit (501-c-3) organization to make sure our community remains strong and vital by increasing resources available for affordable housing. TCH is the Telluride region's only non-profit dedicated specifically to housing and is supported by a broad spectrum of full and part time residents who treasure what makes our shared home unique.