



Housing Report



Housing Program At a Glance

1988

First workforce housing units established in Breckenridge.

\$15,000,000

Contributed to the local economy per year by workforce housing residents.

170%

Percent of Area Median Income required to afford a market-rate home in Breckenridge.

88%

Percent of Area Median Income required to afford the average priced workforce home in Breckenridge.

100,000+

Reduction in miles driven per-week by Individuals residing in workforce housing that previously in-commuted.

\$254,498

Gap between the median sales price of a single-family home and the price that is affordable for a family earning 100% of the area median income.

89%

Percent of workforce housing households have at least one worker employed in Breckenridge.

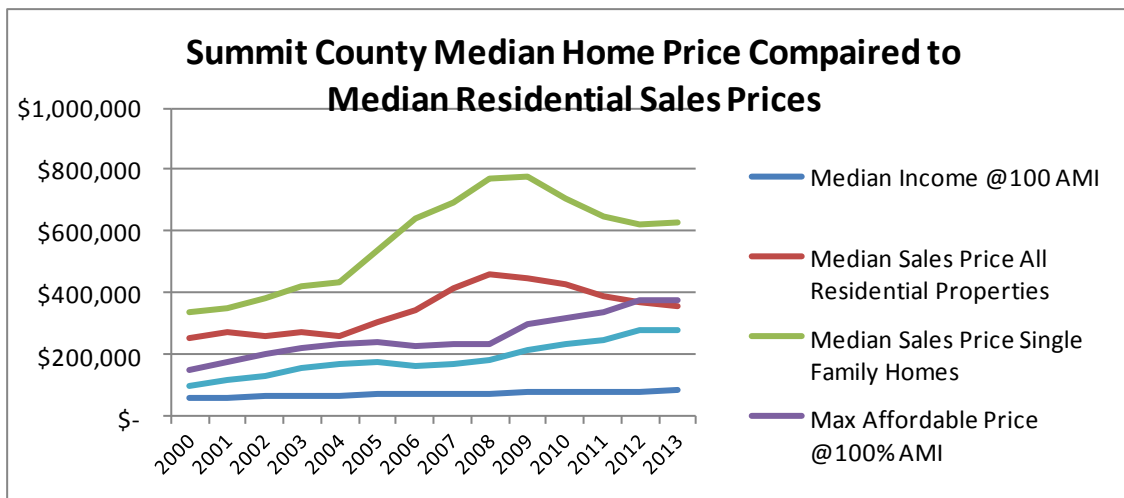
838

Total number of workforce housing units

Housing History

Workforce Housing is an issue in many communities throughout Colorado and is especially critical in resort communities. The Town of Breckenridge is taking a proactive approach to meet the needs of local employees, and is addressing the issue through a variety of tools and strategies.

In 1988 the first dedicated workforce units were established in Breckenridge as a result of the Town's newly adopted development code. The code is a combination of traditional zoning and performance zoning and incentivizes development that benefits the community such as deed restricted workforce housing. The first deed restrictions associated with these units were not very sophisticated and generally only prohibited the use of the properties for short-term rentals. As time went the deed restrictions became more sophisticated incorporated elements such as the requirement of full-time work in Summit County and Income testing.



Housing Affordability Gap Explained

The housing affordability gap is the gap between the maximum mortgage that a four person household earning 100% of the area median income can afford and the median sales price of housing in Summit County at the average annual interest rate.



What is Affordable Housing?

Housing is affordable when the monthly payment (rent or mortgage) is equal to no more than 30% of a household's gross income. Although there is some variation, this standard for affordability is commonly applied by federal and state housing programs, mortgage lenders and leasing agents.

Housing History

Another major milestone occurred in 1997 when the Joint Upper Blue Master Plan was adopted by Summit County and the Towns of Breckenridge and Blue River. A key component of the plan was the establishment of a development cap to limit growth in the basin and preserve community character. Foreseeing the effect the development cap would have on an already high priced and limited housing market, the Plan also included a policy that exempted workforce housing projects targeted to low and moderate incomes from requirements to transfer in density, thus allowing “free” density to be created for affordable housing units as an exception to the basin-wide density cap. The purpose of this exemption was to prevent the basin-wide density cap and corresponding transferable development rights requirements from impeding the development of affordable housing within the Basin.

Since adoption of the Plan, the Town of Breckenridge has taken a leading role in proactively pursuing efforts to develop affordable workforce housing. The Town adopted an Affordable Housing Strategy in 2000, which outlined a program to utilize resources to incentivize the private sector to develop workforce housing and strategies for the Town to participate directly in the development of affordable housing projects. Although the lack of affordable units within the Basin remains an issue, progress has been made since adoption of the 1997 edition of the Plan. As of 2014, a total of 838 deed-restricted affordable housing units have been developed within the Basin. The majority of these units (92%) are located within the Town of Breckenridge. Major workforce housing developments to date include; Pinewood Village, Kennington Townhomes, Breckenridge Terrace, Gibson Heights, Vista Point, Monarch Townhomes, Farmer’s Corner, Vic’s Landing, the Wellington Neighborhood and Valley Brook.

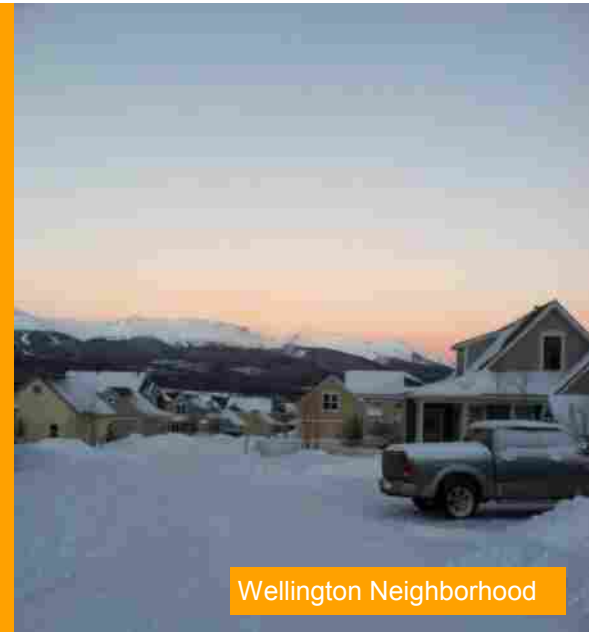
How the Town Incentivizes Private Development of Workforce Housing

Private Development has been responsible for 74% of the workforce housing units constructed to date. To achieve this type of success from the private sector the Town has offered many types of incentives for private developers constructing workforce housing.

Incentives

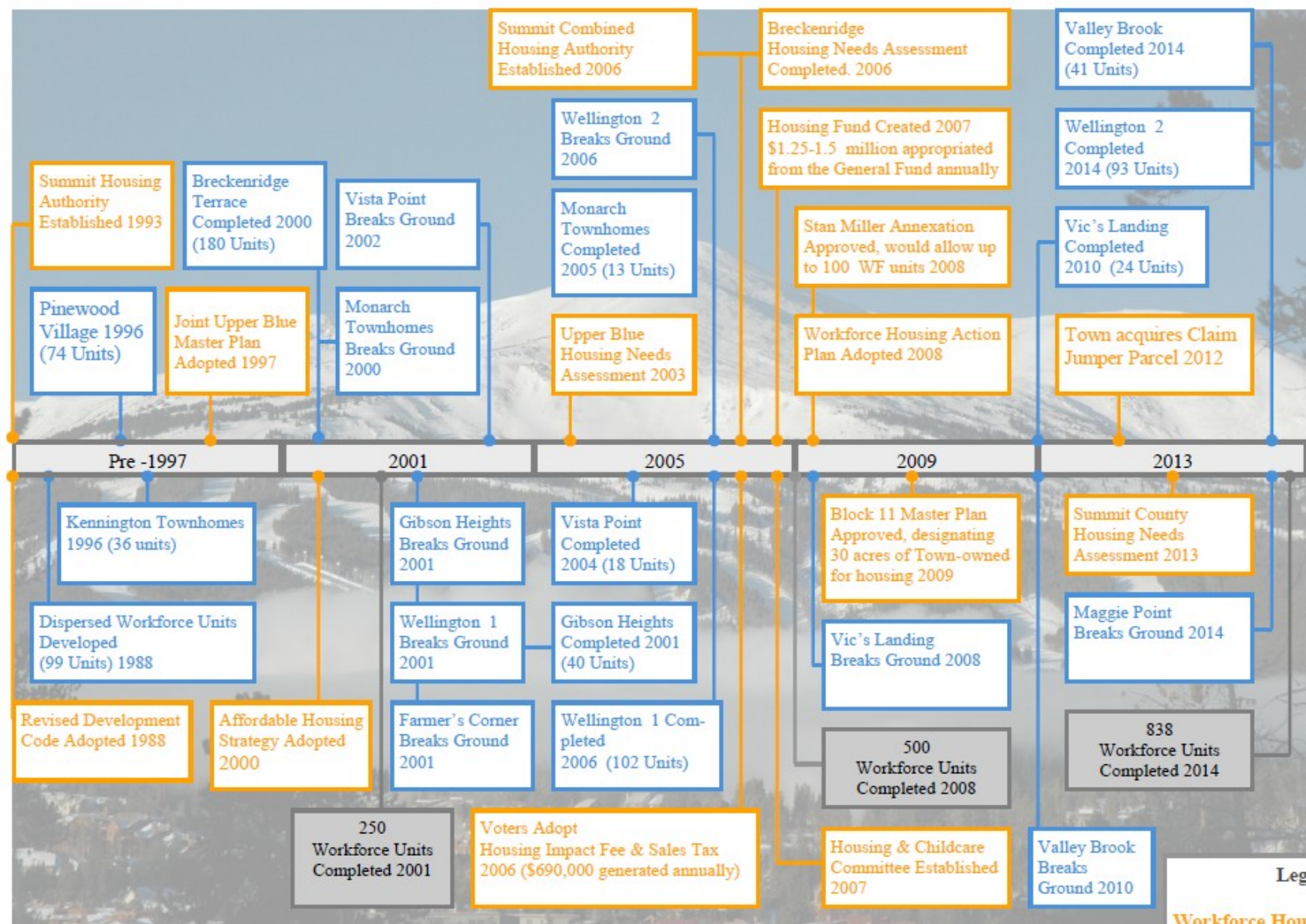
- Free density (\$42,998* per unit)
- Annexation Fee Waivers (Up to \$2,775 per unit)
- No Plant Investment Fees for Water Service (\$4,281* per unit)
- Building Permit Fee Waivers (\$3,200* per unit, plus no future cost to owners)
- Real Estate Transfer Tax Exemption, includes future sales (1% of sales price)
- Positive Points for other Non-Workforce Housing Projects

* All costs reflect the average price per unit from 2000 to 2014.



Wellington Neighborhood

Housing Program Highlights



Legend

Workforce Housing Policy

Workforce Housing Development

Workforce Housing Comparison Pre & Post 2000

Prior to the year 2000 the Town had **209 workforce housing units** in its inventory. Today there is a total of **838** workforce housing units, **205** of which are single-family homes. **64** units lie just outside the Town boundary.



Benefits of Workforce Housing

Approximately 32% of permanent households reside in what is termed “workforce housing”. Between 2000 and 2010 46% of the growth in resident households can be attributed to new workforce housing development. By enabling the Town’s workforce to live in the same community that they are employed provides a host of benefits for the community.

Increased Local Expenditures

Workforce housing contributes approximately \$15,000,000 to the Breckenridge economy.

More Permanent Residents

Workforce housing has helped the Town combat second homeowner pressures and increase local occupancy of homes from 25% in 2000 to 28% in 2010.

Reduced VMT

Workforce Housing has decreased in-commuting by 100,000+ vehicle miles per week.

Increased Number of Families

Between 2000 & 2010, the number of families with children increased by 216 households. Workforce housing accounted for 60% of this growth.



Vista Point



Wellington Neighborhood



Monarch Townhomes

Did You Know?

Workforce housing units comprised about 18% of all housing units built between 2000 and 2010 in Breckenridge, yet accounted for 46% of the growth in resident households during this period.

Breckenridge Compared to other Colorado Resort Communities

In a comparison of six ski resort towns which included Aspen, Breckenridge, Crested Butte, Steamboat Springs Telluride and Vail, Breckenridge outpaced the other communities in several key areas of community building including population growth, homeownership, average household size and households with children. The growth of these indicators can be directly tied to the Town's successful workforce housing program.

Population Growth

Among the six communities Breckenridge lead the group in population growth with a rate of growth nearing 90% between 2000 and 2010. The successful development of workforce housing during this time period was a major contributing factor to its residential growth.

	Aspen	Breckenridge	Crested Butte	Steamboat Springs	Telluride	Vail	Colorado
2010	6,658	4,540	1,487	12,088	2,325	5,305	5,029,196
2000	5,914	2,408	1,529	9,815	2,221	4,531	4,301,261
Change	13%	89%	-3%	23%	5%	17%	17%

Homeownership Rate

As was generally the case throughout the nation between 2000 and 2010, the homeownership rate in these towns increased. Breckenridge achieved the largest gains, with an increased homeownership rate of nearly 13%.

	Aspen	Breckenridge	Crested Butte	Steamboat Springs	Telluride	Vail	Colorado
2010	52.9%	52.0%	51.3%	62.9%	45.6%	48.5%	65.5%
2000	51.5%	39.4%	47.5%	62.4%	35.6%	52.3%	67.3%
Change	1.4%	12.6%	3.8%	0.5%	10.0%	-3.8%	-1.8%



Vic's Landing



Gibson Heights



Kennington Townhomes

Did You Know?

Workforce housing with deed-restrictions out-performed the free market, with lower foreclosure rates and steadier appreciation, during the housing recession.

Breckenridge Compared to other Colorado Resort Communities - Continued

Household Size

The average household size decreased in all communities except Breckenridge. Breckenridge's focus on workforce housing suitable for families is most likely the reason why the Town is unique.

	Aspen	Breckenridge	Crested Butte	Steamboat Springs	Telluride	Vail	Colorado
2010	1.88	2.28	2.05	2.27	2.14	2.04	2.49
2000	1.94	2.16	2.21	2.35	2.19	2.09	2.53
Change	-3%	6%	-7%	-3%	-2%	-2%	-2%

Households With Children

Mountain resort towns have historically had relatively few households with children, this is changing. These communities collectively are bucking a state-wide. The largest increase was in Breckenridge, again likely due to the development of workforce housing.

	Aspen	Breckenridge	Crested Butte	Steamboat Springs	Telluride	Vail	Colorado
2010	17.6%	19.1%	19.7%	25.1%	22.7%	12.6%	32.7%
2000	17.1%	14.0%	20.1%	27.2%	20.0%	12.6%	35.3%
Change	0.5%	5.1%	-0.4%	-2.1%	2.7%	0.0%	-2.6%



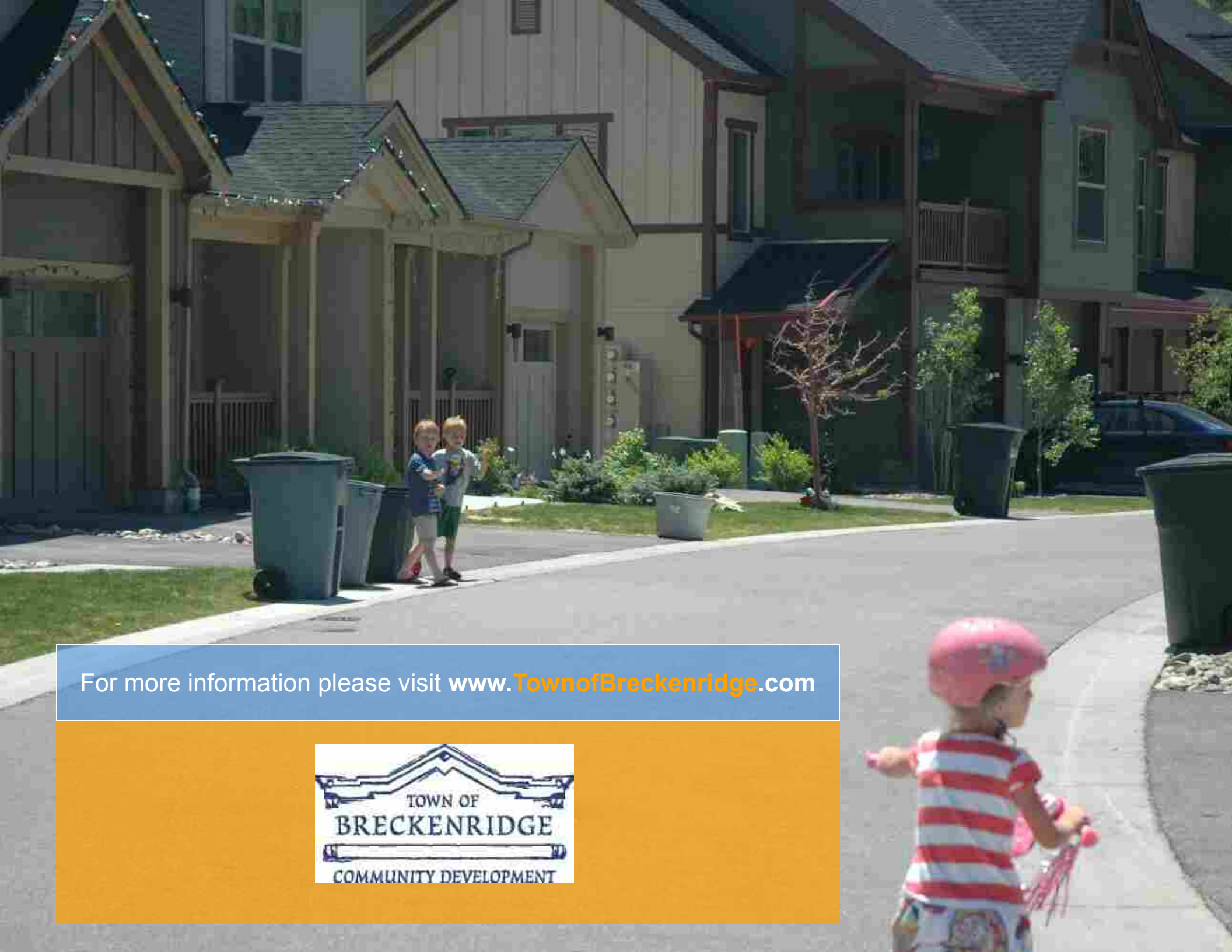
Wellington Neighborhood



Farmer's Grove

Did You Know?

12% of workforce housing trips utilize transit. This is significantly better than the percentage of the Town's entire permanent population at 5.7% and the national average of 5.1%.



For more information please visit www.TownofBreckenridge.com

