Affordable Housing
Town of Telluride

Greg Clifton
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General Trends

S&P/Case-Shiller Home Price Indices

1-year Home Price Change, December 2014

Source: Standard & Poor’s, Not Seasonally Adjusted.

Business Research Division • Leeds School of Business • University of Colorado
General Trends

National FHFA Home Price Growth
Year over Year Q3 2014

Source: Federal Housing Finance Agency Home Price Index, All Transactions Index.

Business Research Division • Leeds School of Business • University of Colorado
General Trends

- Region’s commitment to housing began in early 80’s, significant unit production beginning in 1990’s
- Approx. 32% of County population reside in deed restricted housing
- Approx. 47% of the Telluride Region’s population reside in deed restricted housing
Deed Restricted Units

Regional Unit Tenure, 2014

Unit Tenure
- Owner occupied: 67%
- Rental: 33%

Total Number of Units: 1132

Total Number of Units by Location

Location
- San Miguel County: 28%
- Town of Mountain Village: 48%
- Town of Telluride: 24%

Total Number of Units: 1132
Deed Restricted Units
Unit Tenure by Location, 2014

<table>
<thead>
<tr>
<th>Location</th>
<th>Owner Occupied</th>
<th>Rental</th>
</tr>
</thead>
<tbody>
<tr>
<td>San Miguel County</td>
<td>32%</td>
<td>68%</td>
</tr>
<tr>
<td>Town of Mountain Village</td>
<td>14%</td>
<td>86%</td>
</tr>
<tr>
<td>Town of Telluride</td>
<td>66%</td>
<td>34%</td>
</tr>
</tbody>
</table>
Deed Restricted Units

Units by Tenure - Town of Telluride

<table>
<thead>
<tr>
<th>Year</th>
<th>Owner Occupied</th>
<th>Rental</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>7%</td>
<td>93%</td>
</tr>
<tr>
<td>2014</td>
<td>34%</td>
<td>66%</td>
</tr>
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</table>
Ways of Achieving Housing

- Upzone/Incentives: Mountain Village PUD / Lawson Hill / Town PUDs

- Mitigation on New Development
Ways of Achieving Housing

- **Build:**
  - Shandoka Phases 1-3 (1989-1992)
  - Wilkin Court (2001)
  - Family Housing (2003)
  - Mendota (2005)
  - Entrada (2009, 2011)
  - Gold Run (2011) (Partnered w SMC)
  - Whitehouse (2011) [sold 2014]

- **Public/Private Partnerships:**
  - Whitehouse / Entrada
Ways of Achieving Housing

Telluride Housing Unit Construction Type, 2014

- Incentives/PUD: 9%
- Mitigation: 23%
- Town/THA constructed: 67%
Local Statistics

San Miguel County Jobs, Annual Weekly Wage, Average Rent/Mortgage, and Vacant Land Sales
1990 to 2013 (1990=base of 100)

- Number of Jobs
- Average Annual Wage
- Average Rent/Mortgage
- Vacant Residential Land Sales (Telluride)

- Land: +569%
- Rent/Mortgage: +140%
- Wages: +120%
- Jobs: +110%
Town Program

- 31% of all dwelling units constructed in Telluride from 2000 to present were deed restricted
- Price & rent capped with affordability targeted at 70-125%AMI
- Deed Restrictions Survive Foreclosure [1 DR lost]
- Requirement for Conforming Loans
- Limitations on Income/Assets for Purchasers
Future Demand

- Telluride uses a goal of housing 60-70% of the Region’s employees within the Telluride Region

- Approximate Net housing need forecasted to be 400/878 new units regionally to meet 60/70% goal. Telluride’s would share would be 60 percent of the total.
Forecast for modeling purposes uses following categories/assumptions.

• Jobs increase at 2.1%/year

• Vacant sites reserved or required to be used for deed restricted housing will be developed

• Mitigation/incentives programs continue at current rates

• Some free market units would be occupied by some local households

• Units required to address existing shortfall (present condition is below the 60/70% goal)

• Reduction in the supply of free market housing in Telluride due to “gentrification” (16-20 units/yr. tapering to 8-15 units/yr. as supply becomes limited)
Town Owned Land
Conclusion

- Town continues to target the middle AMI
- Build approx. 15 units a year
- Continue evaluate rental/own mix
- Land Bank
- New national trends towards rental
- Potential goal of 40% all new dwelling units constructed in Telluride will be deed restricted
- Whose responsibility to build housing?