SAN MIGUEL COUNTY REGIONAL HOUSING NEEDS

Summary of Needs

July 7th, 2025

Economic & Planning Systems, Inc.
The Economics of Land Use

DENVER
LOS ANGELES
OAKLAND
SACRAMENTO

RRC ASSOCIATES

STATUS UPDATE AND OUTLINE

- Final Report was issued June 2
  - Report was expanded to meet requirements of SB-174

- Recap
  - For-sale housing cost trends
  - Rental housing costs
  - Housing needs targets; added refinement since draft
    - Added AMI categories above 150%
    - Incorporating development pipeline for net housing need
    - Geographic allocation (required by SB-174)

- Housing preference information
  - Survey results
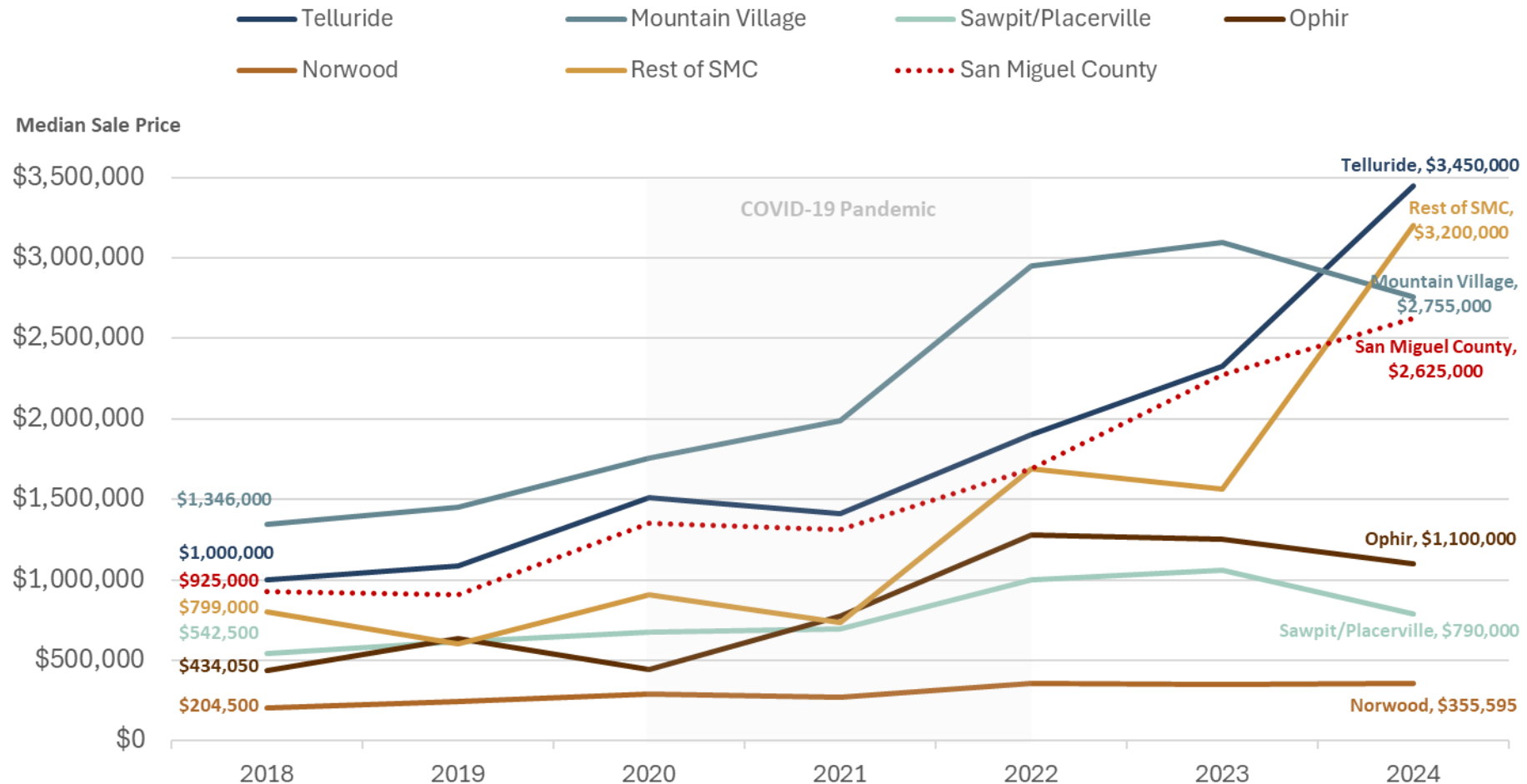
SCOPE AND DATA SOURCES

- Scope of Work
  - Prepare a new housing needs assessment (HNA), building on previous 2018 HNA
  - Scope and contract were finalized before SB-174 Guidelines for HNA's were issued by DOLA
  - After guidelines were issued winter 2025, EPS volunteered to make HNA compliant with SB-174

- Added requirements for SB-174
  - Allocate housing need by tenure AMI
  - Allocate housing need by location
  - Assessments: displacement risk, development constraints, housing resources
  - Core scope and analysis custom for San Miguel County did not change

- Data sources
  - Regional household survey (~1,200 responses)
  - Employer survey (220 responses)
  - San Miguel County Assessor home sales data
  - State and federal data sources: DOLA, ACS, federal employment data sources

HOUSING COST CONDITIONS

MEDIAN SALE PRICE TRENDS

Since 2018, home prices have more than doubled in some areas

Legend: — Telluride — Mountain Village — Sawpit/Placerville — Ophir — Norwood — Rest of SMC ····· San Miguel County

Median Sale Price

COVID-19 Pandemic

Telluride, $3,450,000
Rest of SMC, $3,200,000
Mountain Village, $2,755,000
San Miguel County, $2,625,000

$3,500,000
$3,000,000
$2,500,000
$2,000,000

$1,500,000 — $1,346,000
$1,000,000 — $1,000,000
$925,000
$799,000
$542,500
$500,000 — $434,050
$204,500
$0

Ophir, $1,100,000
Sawpit/Placerville, $790,000
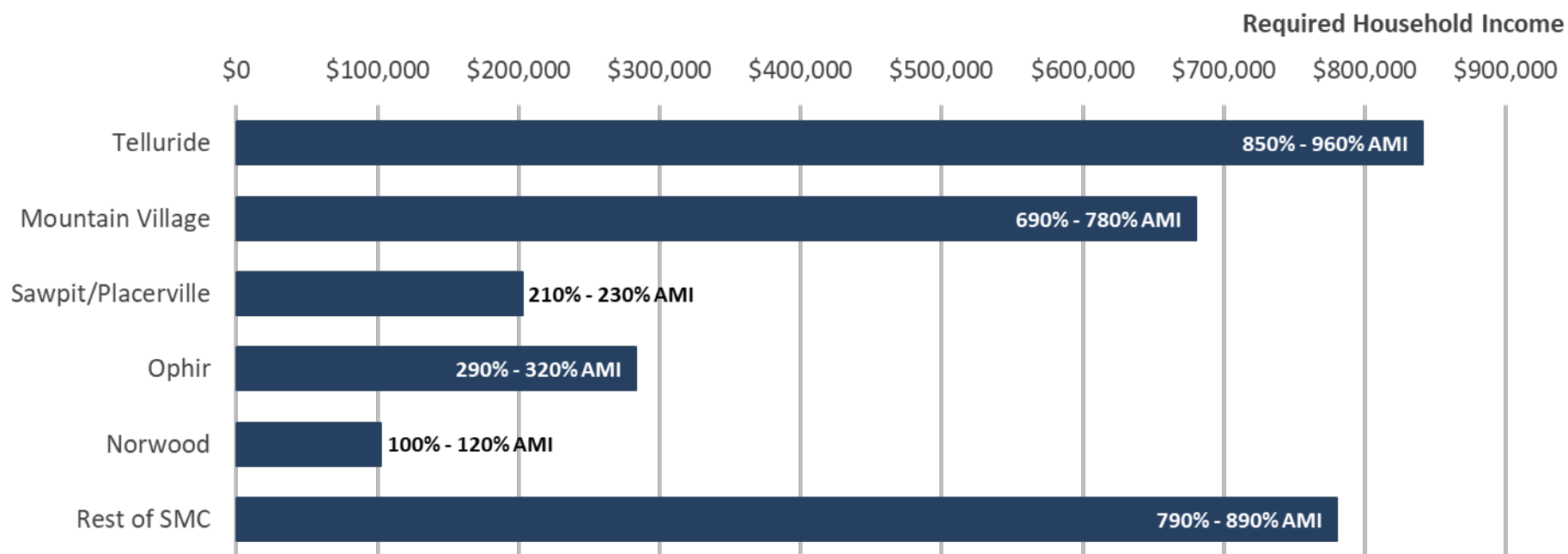Norwood, $355,595

2018 2019 2020 2021 2022 2023 2024

Source: San Miguel County Assessor; Economic & Planning Systems

INCOME REQUIRED TO AFFORD MEDIAN PRICED HOME

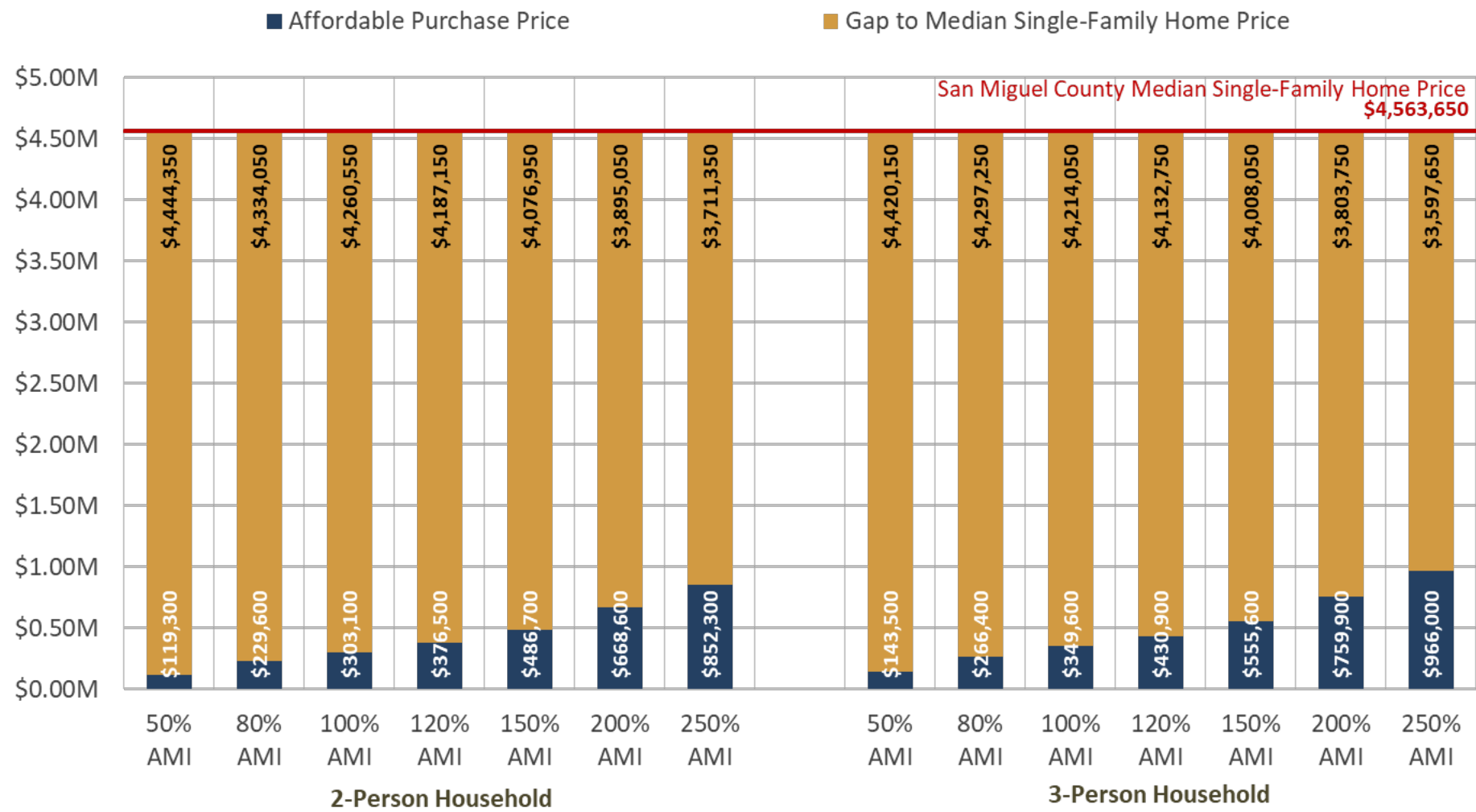**Households need 690-960% AMI to afford a median priced home in ToT/ToMV/Unincorp. areas**

- The most affordable median prices are in Norwood, where a median priced unit of $355,595 would require household incomes ranging from 100-120% AMI.

Required Household Income

Region	AMI Range
Telluride	850% - 960% AMI
Mountain Village	690% - 780% AMI
Sawpit/Placerville	210% - 230% AMI
Ophir	290% - 320% AMI
Norwood	100% - 120% AMI
Rest of SMC	790% - 890% AMI

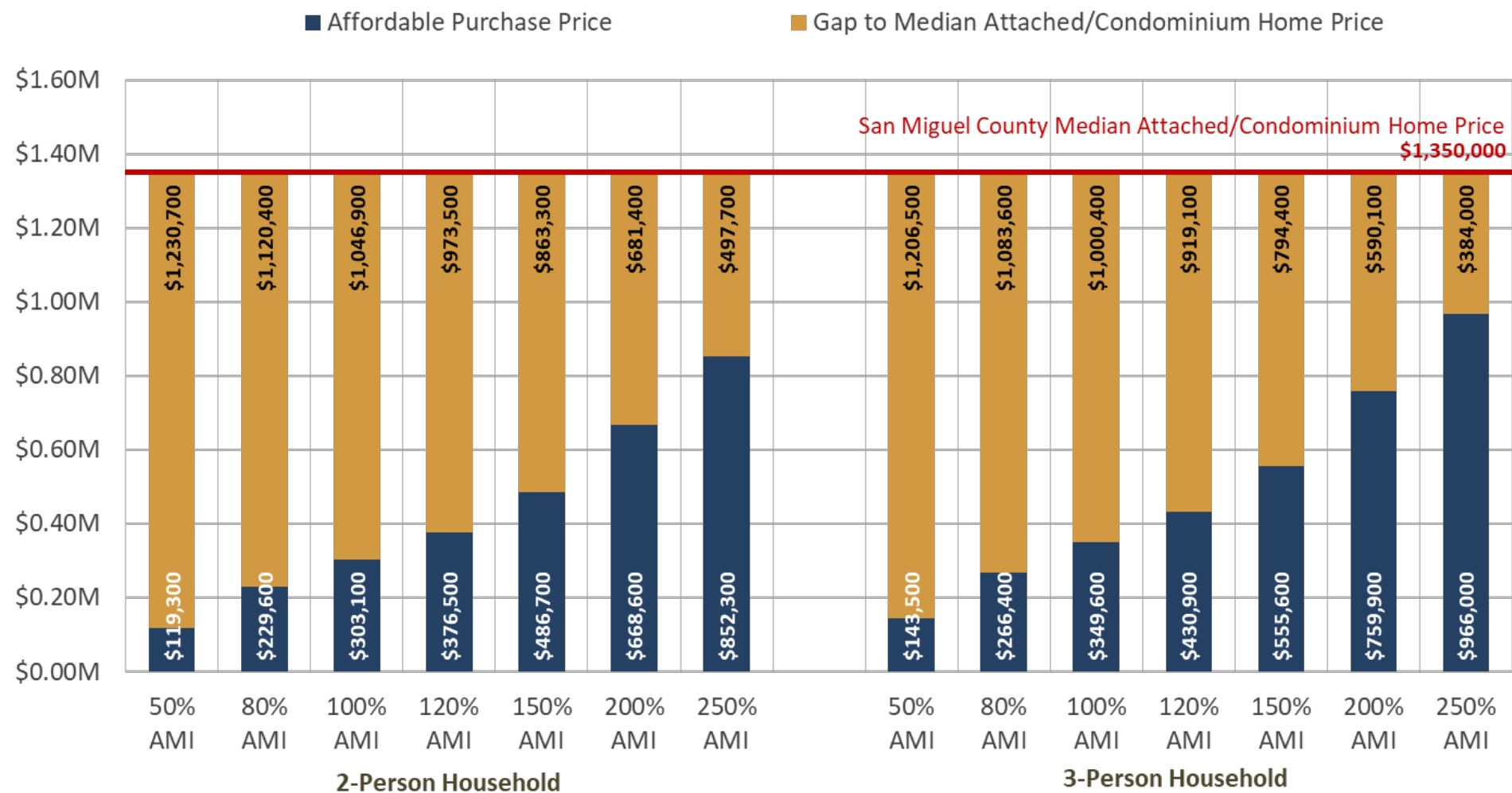Note: CHFA 2024 Income Limits used to maintain consistency with the use of 2024 sale prices

Source: Colorado Housing and Finance Authority 2024 Income Limits, San Miguel County Assesor, Economic & Planning Systems

GAP TO MEDIAN SINGLE-FAMILY PRICE

■ Affordable Purchase Price   ■ Gap to Median Single-Family Home Price

San Miguel County Median Single-Family Home Price
$4,563,650

2-Person Household

50% AMI	80% AMI	100% AMI	120% AMI	150% AMI	200% AMI	250% AMI
$4,444,350	$4,334,050	$4,260,550	$4,187,150	$4,076,950	$3,895,050	$3,711,350
$119,300	$229,600	$303,100	$376,500	$486,700	$668,600	$852,300

3-Person Household

50% AMI	80% AMI	100% AMI	120% AMI	150% AMI	200% AMI	250% AMI
$4,420,150	$4,297,250	$4,214,050	$4,132,750	$4,008,050	$3,803,750	$3,597,650
$143,500	$266,400	$349,600	$430,900	$555,600	$759,900	$966,000

Note: CHFA 2024 Income Limits used to maintain consistency with the use of 2024 sale prices

Source: Colorado Housing and Finance Authority 2024 Income Limits, San Miguel County Assesor, Economic & Planning Systems

GAP TO MEDIAN ATTACHED/CONDOMINIUM PRICE

■ Affordable Purchase Price   ■ Gap to Median Attached/Condominium Home Price

San Miguel County Median Attached/Condominium Home Price
$1,350,000

	50% AMI	80% AMI	100% AMI	120% AMI	150% AMI	200% AMI	250% AMI
2-Person Household Gap	$1,230,700	$1,120,400	$1,046,900	$973,500	$863,300	$681,400	$497,700
2-Person Household Affordable	$119,300	$229,600	$303,100	$376,500	$486,700	$668,600	$852,300
3-Person Household Gap	$1,206,500	$1,083,600	$1,000,400	$919,100	$794,400	$590,100	$384,000
3-Person Household Affordable	$143,500	$266,400	$349,600	$430,900	$555,600	$759,900	$966,000

Note: CHFA 2024 Income Limits used to maintain consistency with the use of 2024 sale prices

Source: Colorado Housing and Finance Authority 2024 Income Limits, San Miguel County Assesor, Economic & Planning Systems

MARKET-RATE RENTAL TRENDS

A larger share of respondents pay higher rents now than in 2011

- Over 80% of survey respondents in market rate rental housing paid under $2,000 in rent in 2011.

- Over 45% of respondents in market rate rental housing now pay $2,000 or more in monthly rent

- Survey respondents in market rate rental housing within the county reported a median monthly rent of $1,848
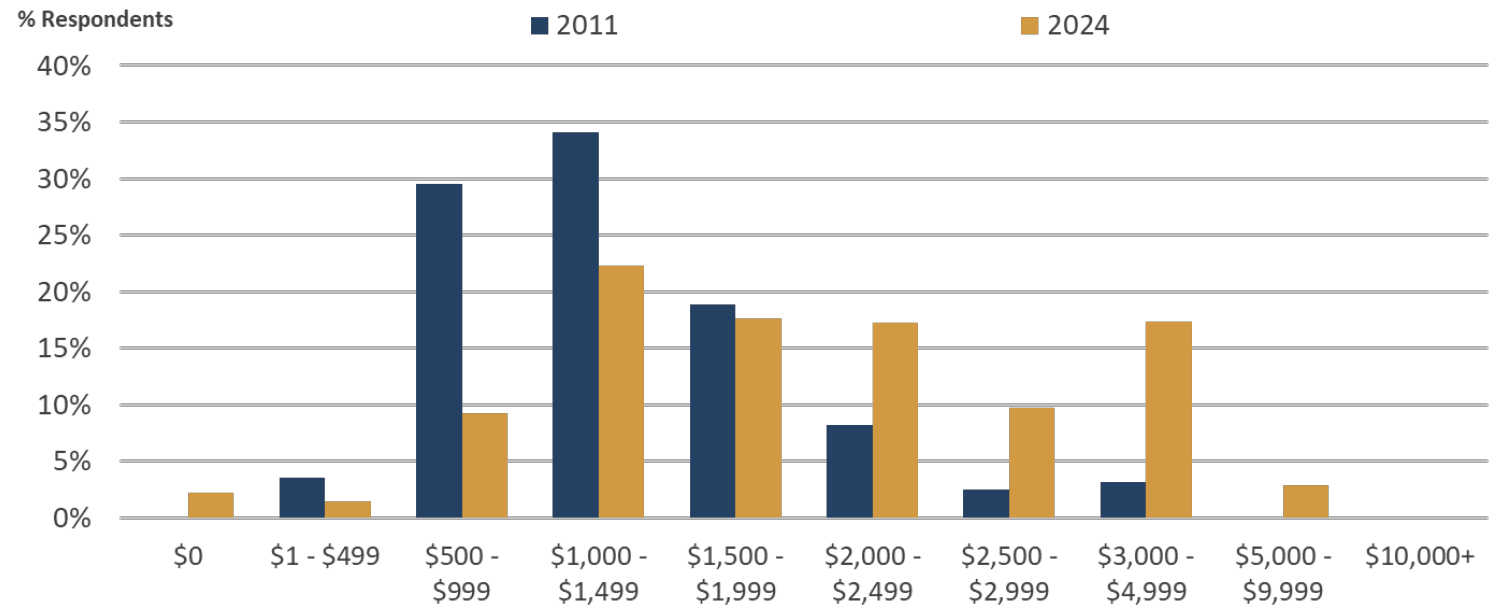
Source: RRC Associates - 2024 San Miguel County Resident Survey, Economic & Planning Systems

HOUSING NEEDS

OVERVIEW OF HOUSING NEEDS

Existing housing demand (catch-up need)

1. Eliminate current overcrowding in housing (>1 occupant per room)
2. Provide stable housing for those currently in temporary housing conditions
3. Create housing opportunities for in-commuters who would prefer to live locally
4. Ensure available housing for new workers needed to fill existing jobs

Projected housing demand (keep up need)

1. Ensure housing supply "keeps up" with job growth" in the next 10 years (up to 2034)

- Communities typically do not address 100% of identified needs

- By understanding the different components of need, each jurisdiction can set informed goals and priorities and target available resources

- How much housing is addressed within the region and each jurisdiction ultimately depends on regional and local capacity, resources, partnerships, and policy

ANALYSIS FRAMEWORK

- To translate jobs to housing needs:
  - 1.44 jobs per worker (to convert <u>jobs</u> to <u>employees</u>), derived from 2024 household survey
  - 1.43 employees per household (to convert <u>employees</u> to <u>households</u>), derived from 2024 household survey
  - 5% vacancy rate (to convert <u>households</u> to <u>total housing units</u>), based on standard market assumptions

- To distribute need by income level:
  - Current housing need: AMI distribution based on ACS
  - Projected housing need: AMI distribution based on job growth and occupation distribution and wages

SUMMARY OF HOUSING NEED BY AMI

- **1,114 housing units needed by 2034: 807 catch up and 307 keep up**

- **~70% to address current need, 30% to address future growth**

Description	Existing Shortage			Projected Need			Total Housing Need		
	Owner	Renter	Total	Owner	Renter	Total	Owner	Renter	Total
Extremely Low Income (<30% AMI)	0	122	122	0	0	0	0	122	122
Very Low Income (31 - 50% AMI)	0	79	79	0	0	0	0	79	79
Low Income (51% - 80% AMI)	61	61	122	53	53	106	114	114	228
Moderate Income									
81% - 100% AMI	35	35	70	50	50	101	85	85	170
100% - 120% AMI	42	42	84	20	20	40	62	62	125
Middle Income									
121% - 150% AMI	31	31	62	14	14	27	45	45	89
151% - 180% AMI	34	14	48	7	3	10	41	17	58
181% - 200% AMI	17	7	25	5	2	7	22	9	32
Upper Income (>200% AMI)	137	59	195	12	5	17	148	63	212
Total	**357**	**450**	**807**	**160**	**147**	**307**	**517**	**597**	**1,114**

Note: Figures may not sum due to rounding

Source: ACS 5-Year Estimates, CHFA, JobsEQ, SDO, BLS QCEW, RRC Associates, Economic & Planning Systems

COMPONENTS OF HOUSING NEED

- Existing Housing Shortage
  - 100% of overcrowding (ACS)
  - 100% of temporary housing (ACS and household survey)
  - 50% of in-commuters (commuting factor determined through ACS 2016-2020 Commuter Flow data, AASTHO CTPP, and employer survey; the adjustment factor was derived from the household survey)
  - 100% of unfilled jobs (employer survey and interviews)

- Projected Housing Need
  - 0.7% annual job growth (SDO)
  - Convert jobs -> occupations -> household income

Description	Total	% Total
Existing Housing Shortage		
Overcrowding	110	9.9%
Temporary Housing	72	6.5%
Commuting	520	46.7%
Unfilled Jobs	105	9.4%
Total Existing Housing Shortage	**807**	**72.4%**
Projected Housing Need		
Employment Growth 2024-2034	307	27.6%
Total Projected Housing Need	**307**	**27.6%**
Total Units Needed through 2034	**1,114**	**100.0%**

Source: JobsEQ, SDO, U.S. Census ACS, BLS QCEW, RRC Associates, Economic & Planning Systems

GROSS HOUSING NEED BY GEOGRAPHY

- 1,114 housing units needed by 2034, distributed across county geographies based on job distribution

- ~45% of housing need in Telluride, 30% in Mountain Village, 20% in unincorp. county

Description	Existing Shortage			Projected Need			Total Housing Need			% Total Need
	Owner	Renter	Total	Owner	Renter	Total	Owner	Renter	Total	
Telluride	161	204	365	73	67	139	234	270	504	45.3%
Mountain Village	108	136	243	48	44	93	156	180	336	30.2%
Norwood	13	16	28	6	5	11	18	21	39	3.5%
Ophir	1	2	3	1	1	1	2	2	4	0.3%
Sawpit	1	1	3	1	0	1	2	2	4	0.3%
Unincorporated Areas	73	92	165	33	30	63	105	122	227	20.4%
Total San Miguel County	**357**	**450**	**807**	**160**	**147**	**307**	**517**	**597**	**1,114**	**100.0%**

Note: Figures may not sum due to rounding

Source: ACS 5-Year Estimates, CHFA, JobsEQ, SDO, BLS QCEW, RRC Associates, Economic & Planning Systems

DEVELOPMENT PIPELINE

- Development currently under construction or that have been permitted are "netted out" of housing need
  - 35 units in Telluride
  - 9 units in unincorporated San Miguel County

Property	Development Stage	Housing Units		
		Owner	Renter	Total
Telluride				
Canyonlands	Permitted	0	27	27
Tower House	Permitted	8	0	8
Virginia Placer Phase II A & B	Predevelopment	0	20	20
Subtotal		**8**	**47**	**55**
Mountain Village				
Alexander Property	Planning	88	263	351
Subtotal		**88**	**263**	**351**
San Miguel County				
TSG Ilium Development	Post-construction	9	0	9
Lawson Hill Lot L	Planning	27	0	27
Subtotal		**36**	**0**	**36**
Total		**132**	**310**	**442**

Source: SMRHA, San Miguel County, Town of Telluride, Town of Mountain Village, Economic & Planning Systems

NET HOUSING NEED BY GEOGRAPHY

- 1,114 housing units needed by 2034, distributed across county geographies based on job distribution

- ~44% of housing need in Telluride, 31% in Mountain Village, 20% in unincorp. county

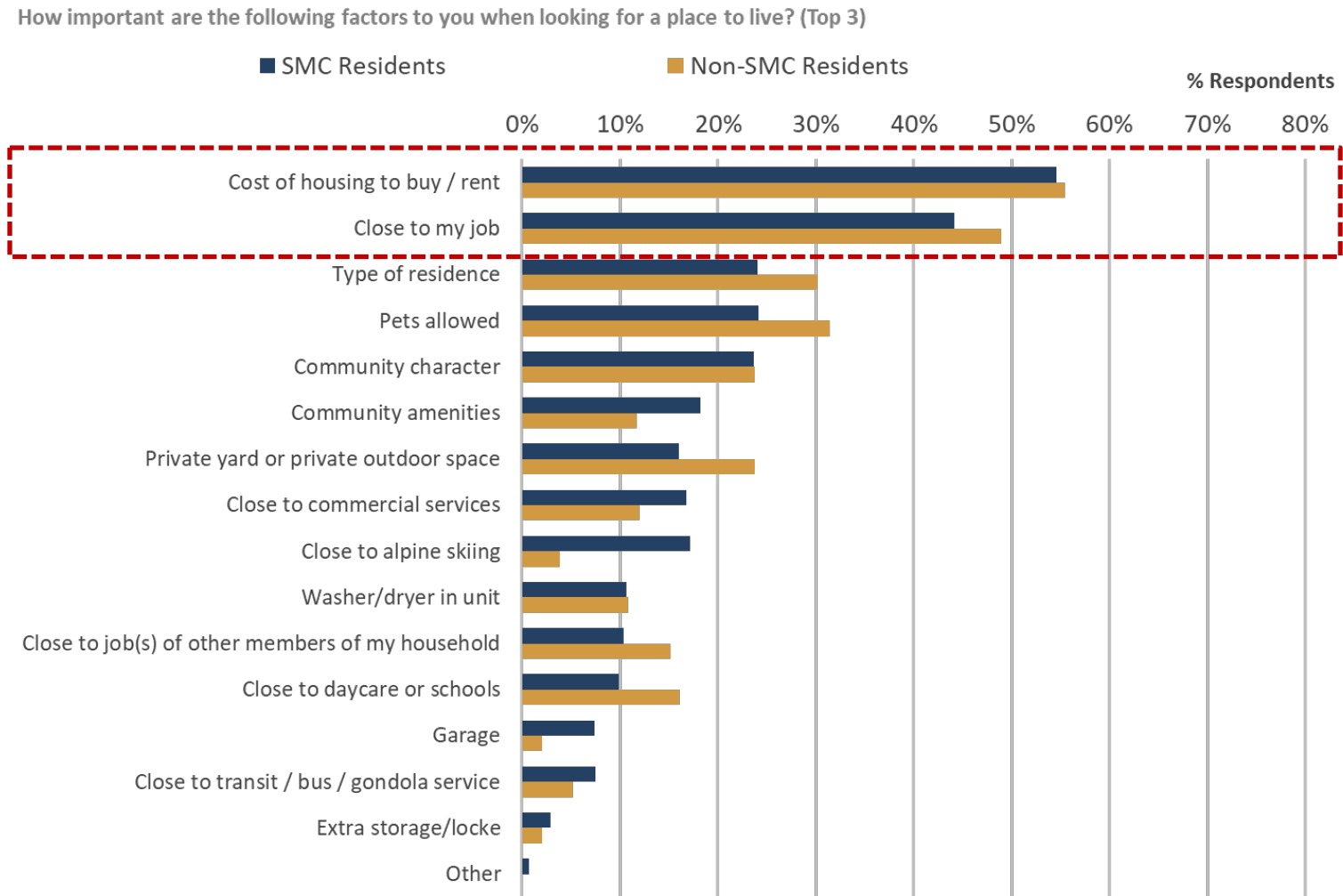| Description	Net Existing Shortage			Net Projected Need			Total Net Housing Need			% Total Net Need
	Owner	Renter	Total	Owner	Renter	Total	Owner	Renter	Total	
Telluride	153	177	330	73	67	139	226	243	469	43.8%
Mountain Village	108	136	243	48	44	93	156	180	336	31.4%
Norwood	13	16	28	6	5	11	18	21	39	3.7%
Ophir	1	2	3	1	1	1	2	2	4	0.4%
Sawpit	1	1	3	1	0	1	2	2	4	0.3%
Unincorporated Areas	64	92	156	33	30	63	96	122	218	20.4%
Total San Miguel County	**340**	**423**	**763**	**160**	**147**	**307**	**500**	**570**	**1,070**	**100.0%**

Note: Figures may not sum due to rounding
Source: ACS 5-Year Estimates, CHFA, JobsEQ, SDO, BLS QCEW, RRC Associates, Economic & Planning Systems

WHAT TYPES OF HOUSING DO WE NEED?

1. HOUSING THAT IS AFFORDABLE & CLOSE TO JOBS

- For all survey respondents, **cost of housing** and **proximity to their job** were the most important factors when looking for a place to live

- TOT and TOMV are the major job centers – this implies more housing in these Towns and the R1 School District
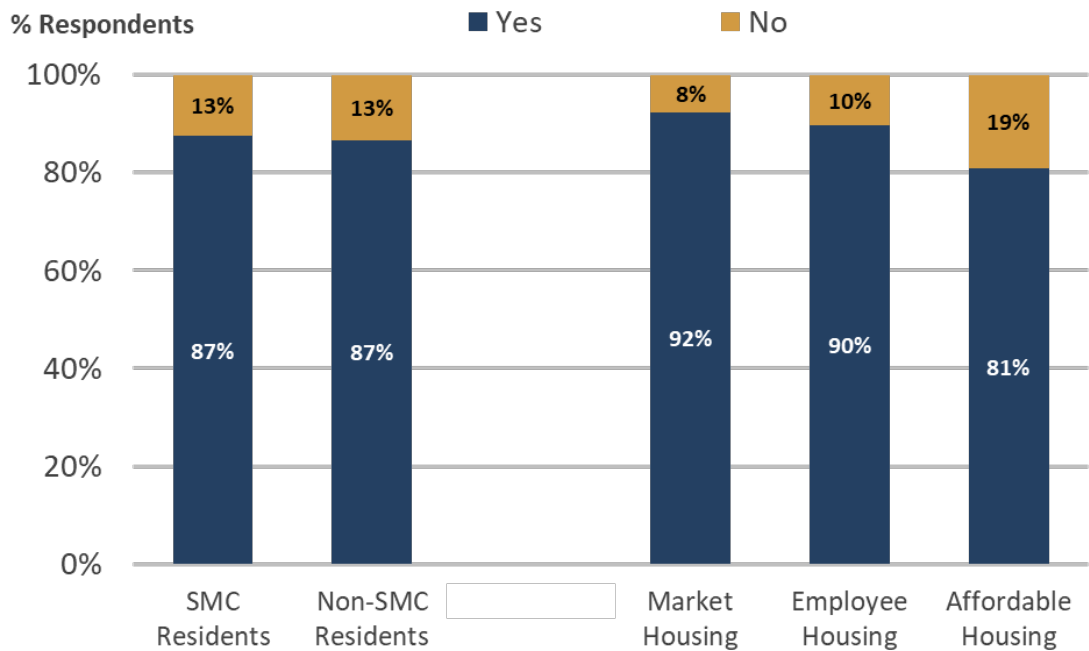
How important are the following factors to you when looking for a place to live? (Top 3)

■ SMC Residents   ■ Non-SMC Residents

% Respondents

Source: RRC Associates - 2024 San Miguel County Resident Survey, Economic & Planning Systems

2. RENTAL AND OWNERSHIP HOUSING

- Survey respondents that currently rent would prefer to own a home in the region

- Employers would prefer that local governments prioritize creating rental housing for year-round employees

If you currently rent, would you prefer to own your home in the region?

% Respondents   ■ Yes   ■ No

	SMC Residents	Non-SMC Residents	Market Housing	Employee Housing	Affordable Housing
No	13%	13%	8%	10%	19%
Yes	87%	87%	92%	90%	81%

Source: RRC Associates - 2024 San Miguel County Resident Survey, Economic & Planning Systems

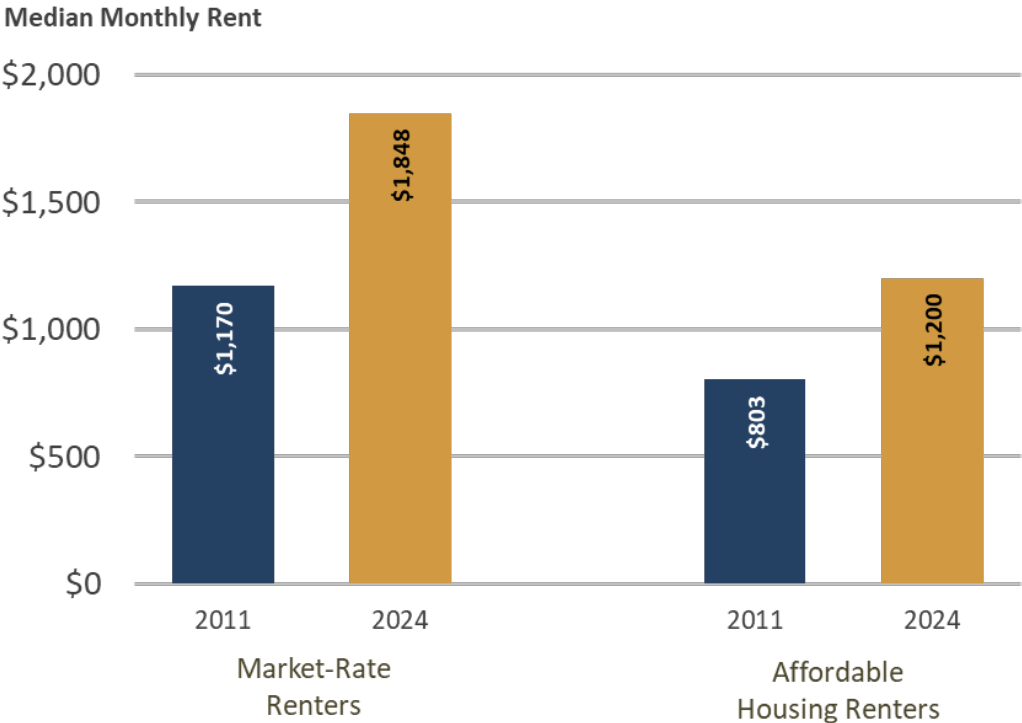**Please rank the types of housing local governments should prioritize creating.**

Description	Most Preferred 1	2	Least Preferred 3	4
Rental housing for year-round employees	55.2%	24.8%	14.6%	2.8%
Rental housing for seasonal employees	6.0%	32.1%	17.5%	41.7%
Entry-level for-sale housing for year-round employees	23.3%	30.3%	34.0%	14.8%
Move-up for-sale housing for year-round employees	15.5%	12.8%	34.0%	40.7%

Source: Economic & Planning Systems - 2024 San Miguel County Employer Survey

3. STABLE AFFORDABLE HOUSING

- Affordable Rental Housing provides more stability and affordability than market-rate housing
- Rents did not increase as much, and residents did not have to move as often

What is your household's current total monthly rent or mortgage payment? (SMC respondents only) (Median Monthly)

Median Monthly Rent

	Market-Rate Renters		Affordable Housing Renters	
	2011	2024	2011	2024
	$1,170	$1,848	$803	$1,200

Source: RRC Associates - 2024 San Miguel County Resident Survey, Economic & Planning Systems

In the past 5 years, have you had to move out of a home in San Miguel County or the surrounding area when you didn't want to move? (SMC respondents only)

% Respondents ■ Yes ■ No

|	Market Housing Renters	Affordable Housing Renters
No	54%	62%
Yes	46%	38%
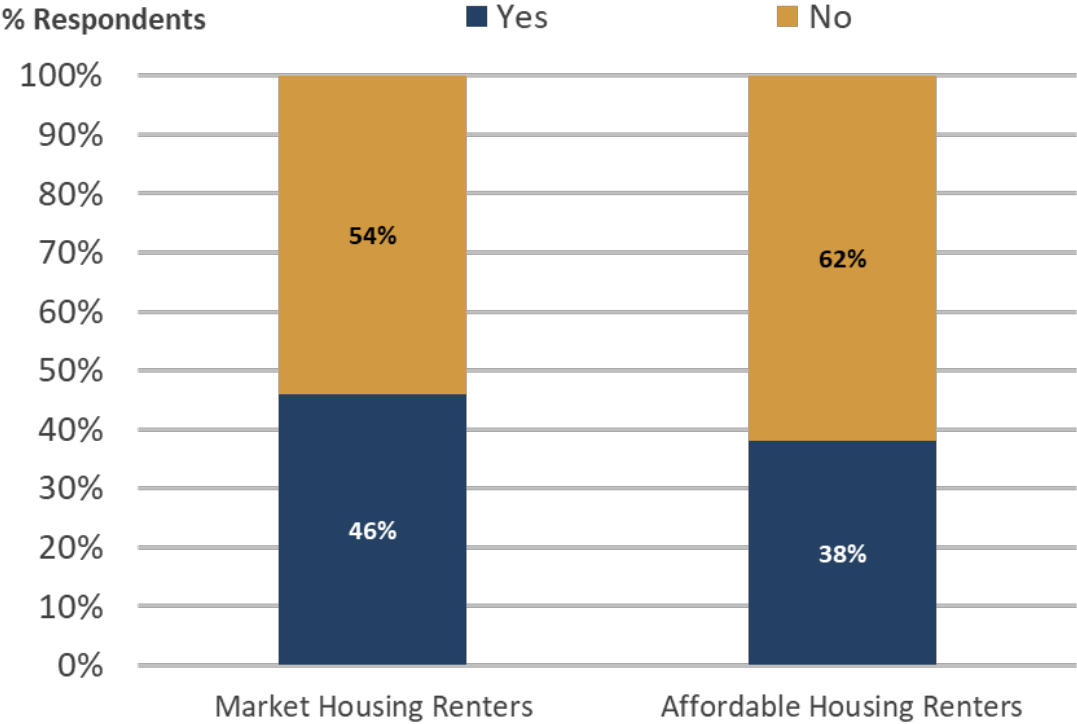
Source: RRC Associates - 2024 San Miguel County Resident Survey, Economic & Planning Systems

4. HOUSING IN R-1 SCHOOL DISTRICT BOUNDARY

- Highest preference is still to live in ToT and ToMV, but lower than 2011

- Offset by increased interest in other R-1 district areas

- Significant increase in interest in R-1 boundaries amongst non-SMC respondents – may indicate displacement and want to return

Where in the region would you most like to live if you could afford the cost of housing? (Top 2 choices)
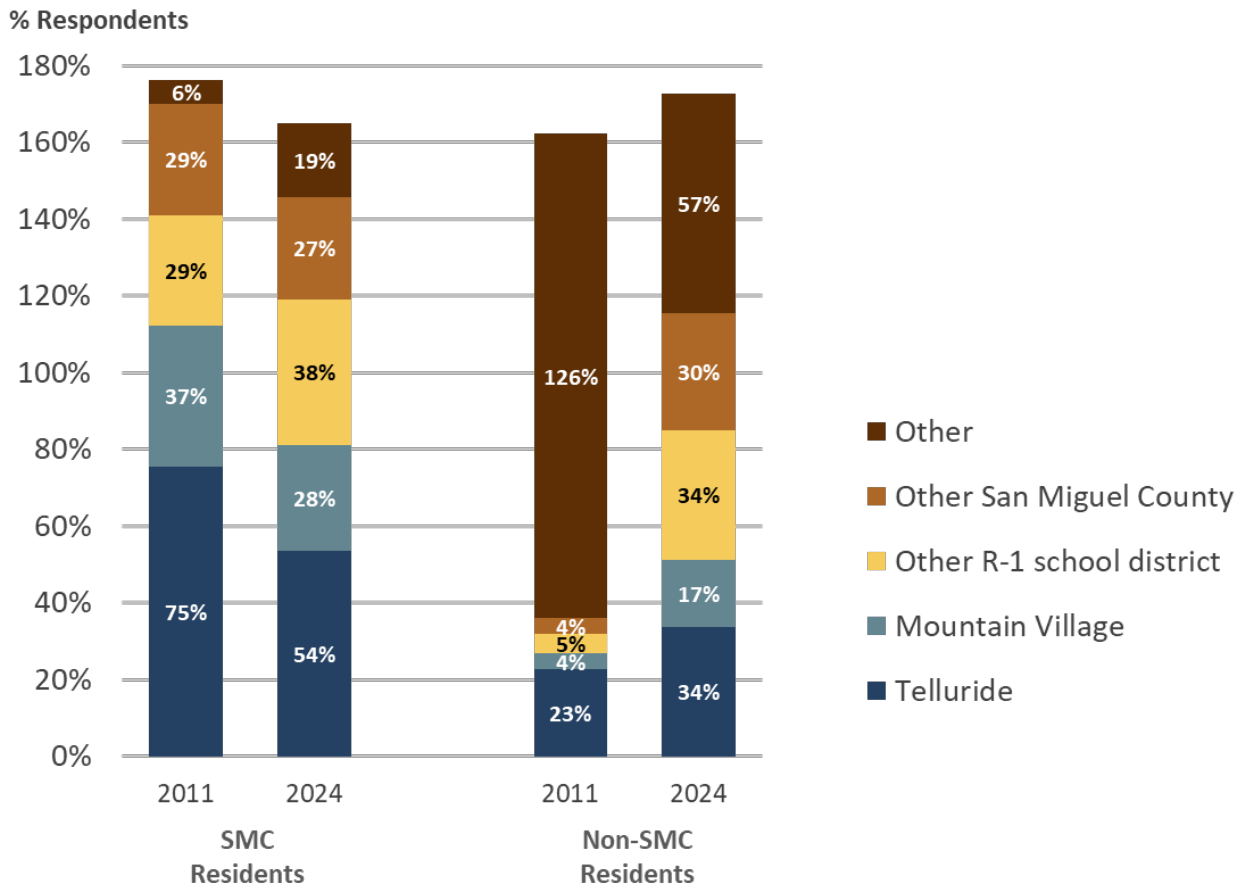
Source: RRC Associates - 2024 San Miguel County Resident Survey, Economic & Planning Systems

5. 2BR AND 3BR UNITS WITH 2 BATHS

- Renters' order of preference is two-bedroom, three-, and then one-bedroom

- Homeowners' order of preference is three-bedroom, followed by two-bedroom and one-bedroom units.

%SMC Respondents		
Bedrooms	**Count**	**Bathrooms**
16%	1	24%
45%	2	58%
30%	3	14%
8%	4	3%
1%	5	1%
1%	6+	0%

Source: RRC Associates - 2024 San Miguel County
Resident Survey, Economic & Planning Systems

QUESTIONS?