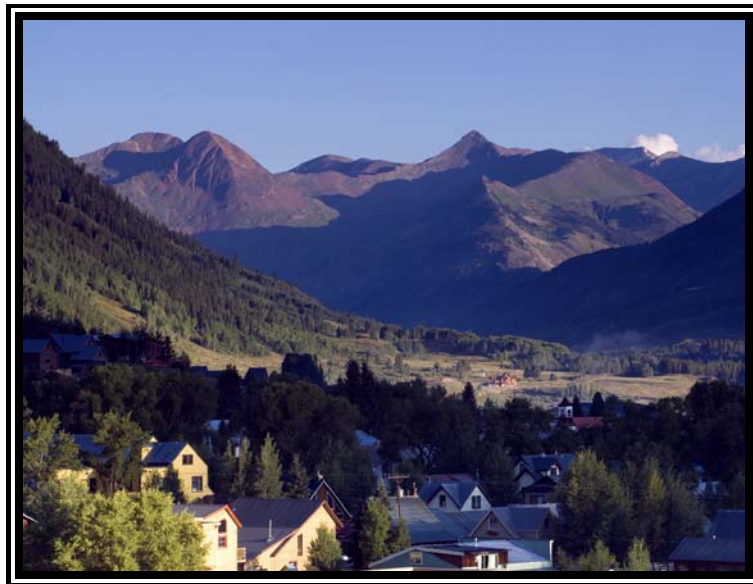


Final Report

Housing Needs Assessment

Gunnison County



Final Report

December 8, 2009

**Gunnison County Housing
Needs Assessment**

Prepared for

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EXECUTIVE SUMMARY

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Gunnison County Housing Needs Assessment

In 2009, BBC Research & Consulting (BBC) was contracted by the Gunnison County Housing Authority to conduct a countywide housing needs assessment. The Housing Authority received a grant from the Colorado Division of Housing (DOH) to conduct the study. The development of the methodology for the needs assessment was a collaborative effort by the county and representatives of the incorporated jurisdictions within the county.

This Executive Summary contains the primary findings of our research. The purpose of the study was to identify residents in the county who have unmet housing needs and project how these needs will change in the future. In addition, the study provides information on the demographics, housing situations and preferences of residents—e.g., their satisfaction with their housing and communities, their interest in buying restricted housings—not currently available from other data sources.

The primary data and information sources used in the study include the following:

- Population and household levels, housing units and vacancy rates from the State of Colorado, Department of Local Affairs;
- Rental and homeownership cost data from the citizen survey conducted for the study;
- Demographic and socioeconomic information from the citizen survey;
- Rental data from Gunnison Real Estate and Rentals and the State of Colorado Division of Housing; and
- Data on home resales from the Multiple Listing Service.

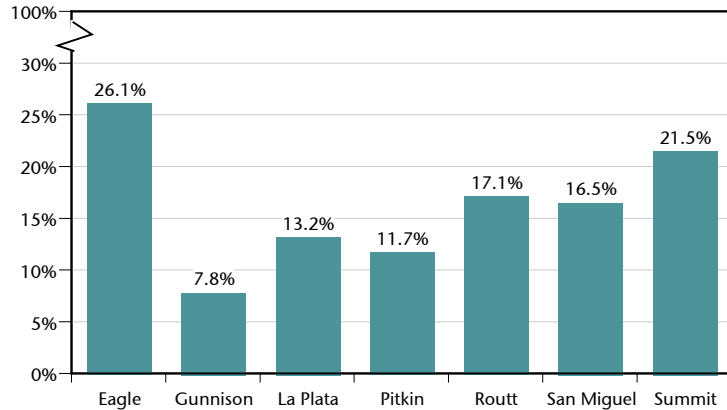
Current State of the Market

This section summarizes the current housing market situation in Gunnison County based on data from the citizen survey conducted for the study and market pricing. It concludes with a summary of **current** housing needs. The section following this one estimates the future demand for housing in the county.

The recent experience. Gunnison County's population growth since 2000 has been modest, especially relative to other resort communities in Colorado. Population growth in Gunnison County has averaged about 1.1 percent per year since 2000, and this pace is expected to continue. As shown below, growth in the state's other resort counties has outpaced Gunnison's 7.8 percent overall increase since 2000.

**Exhibit ES-1.
Population Growth
Comparison, by County,
2000 to 2007**

Source:
Colorado State Demographer.



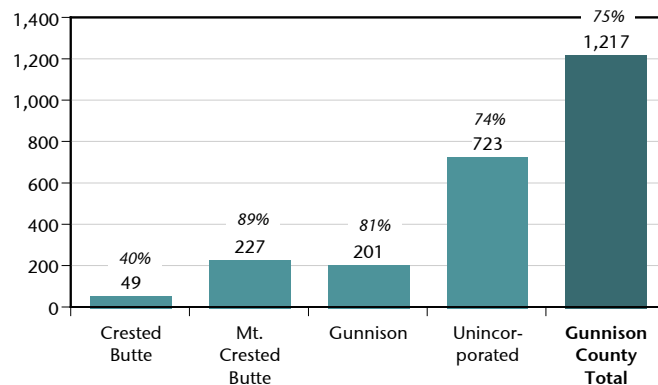
In contrast to population growth, housing unit growth has been strong. Between 2000 and 2008, the number of housing units in Gunnison County increased by 1,796—a 19.6 percent increase in units. The second/vacation home market was the primary driver behind this increase.

Seasonal units made up 68 percent of the overall growth in residential units in the county between 2000 and 2008. By 2008, the county had 1,217 more “vacant” units (used seasonally) than it did in 2000. The growth in **occupied** housing units was 580—less than half of the growth in vacant units. As of 2008, 43 percent of the county’s housing units are estimated to be “vacant,” mostly reserved for seasonal use.

Development of seasonal units largely occurred in the unincorporated area of the county, as shown in Exhibit ES-2 below.

**Exhibit ES-2.
Number of New Residential
Units that are Seasonal,
Gunnison County, 2000 to 2008**

Source:
Colorado Department of Local Affairs (DOLA).



A recent study of the impact of the second home market on Gunnison County—“Second Homes and the Economic Base of Four Counties in West Central Colorado,” completed by Lloyd Levy Consulting—found a total of 3,549 second homes in Gunnison County as of January 2004. Condominiums made up about one-third of the second homes in the county; the rest were single family detached and other type of units.

The study analyzed the importance of the second home market to the area economy. It found that 8 percent of the county’s total employment is attributable to local spending of second homeowners and guests; another 1 percent originates from second home construction.

Strong sales price growth in current decade. Demand for seasonal units has contributed to very strong price growth in the county's for sale market since 2000. The median price of for sale units for the county overall increased from \$179,900 in 2000 to \$405,000 in 2009. Price increases have been very extreme in Crested Butte: The median value increased by more than \$500,000 since 2000, as shown in Exhibit ES-3.

**Exhibit ES-3.
Price Changes,
Home Values,
Gunnison County,
2000 to 2009**

Source:
BBC Research & Consulting.

	2009 Median Price (for sale units)	2000 Median Value (all units)	Numeric Change	Percent Change
Crested Butte	\$802,500	\$249,200	\$553,300	222%
Mt. Crested Butte	\$477,500	\$213,200	\$264,300	124%
City of Gunnison	\$241,500	\$135,400	\$106,100	78%
Crested Butte South	\$399,000	N/A		
Rural Crested Butte	\$1,195,000	N/A		
Rural Gunnison	\$329,000	N/A		
Gunnison County	\$405,000	\$179,900	\$225,100	125%

Using the detailed assessor's data from 2000 and 2008/09, we were able to separate single family homes from condominiums and analyze the price changes in these different types of units. Exhibit ES-4 presents these data.

**Exhibit ES-4.
Comparative Price Distribution and Median Sales Price, 2000 and 2008/2009**

	Gunnison and Surrounding Areas		Town of Crested Butte		Mt. Crested Butte		Rural Gunnison	
	2000	2008/2009	2000	2008/2009	2000	2008/2009	2000	2008/2009
Single Family Housing								
\$0 to \$99,999	29.6%	3.1%	13.1%	2.6%	28.1%	0.0%	39.3%	13.0%
\$100,000 to \$149,999	18.4%	4.7%	8.3%	0.0%	9.4%	1.3%	8.3%	13.0%
\$150,000 to \$199,999	23.3%	10.9%	1.2%	0.0%	5.9%	1.3%	8.9%	8.7%
\$200,000 to \$249,999	10.7%	14.1%	9.5%	0.0%	10.3%	2.6%	10.7%	5.4%
\$250,000 to \$299,999	3.9%	19.5%	19.0%	2.6%	7.4%	5.3%	7.1%	8.7%
\$300,000 to \$349,999	1.5%	23.4%	13.1%	2.6%	5.9%	7.9%	2.4%	7.6%
\$350,000 to \$399,999	1.9%	6.3%	6.0%	0.0%	5.4%	7.9%	0.6%	4.3%
\$400,000 to \$449,999	1.0%	3.1%	0.0%	2.6%	3.9%	7.9%	3.0%	9.8%
\$450,000 to \$499,999	1.0%	1.6%	14.3%	7.9%	8.9%	3.9%	0.0%	2.2%
\$500,000 and up	8.7%	13.3%	15.5%	81.6%	14.8%	61.8%	19.6%	27.2%
TOTAL	206	128	84	38	203	76	168	92
Median Price	\$ 152,750	\$ 290,500	\$ 299,000	\$ 832,500	\$ 231,500	\$ 655,000	\$ 164,500	\$ 314,000
Increase in Median		\$ 137,750		\$ 533,500		\$ 423,500		\$ 149,500
Condos								
\$0 to \$99,999	59.7%	7.5%	7.5%	11.1%	33.6%	5.0%		
\$100,000 to \$149,999	11.7%	17.5%	25.0%	11.1%	22.4%	10.0%		
\$150,000 to \$199,999	9.1%	35.0%	32.5%	0.0%	14.9%	12.5%		
\$200,000 to \$249,999	3.9%	17.5%	12.5%	0.0%	13.4%	12.5%		
\$250,000 to \$299,999	13.0%	5.0%	10.0%	11.1%	8.2%	11.3%		
\$300,000 to \$349,999	2.6%	2.5%	5.0%	22.2%	5.2%	6.3%		
\$350,000 to \$399,999	0.0%	2.5%	7.5%	11.1%	0.0%	6.3%		
\$400,000 to \$449,999	0.0%	0.0%	0.0%	11.1%	0.0%	3.8%		
\$450,000 to \$499,999	0.0%	7.5%	0.0%	0.0%	0.7%	6.3%		
\$500,000 and up	0.0%	5.0%	0.0%	22.2%	1.5%	26.3%		
TOTAL	77	40	40	9	134	80		
Median Price	\$ 89,800	\$ 180,000	\$ 165,750	\$ 335,000	\$ 109,000	\$ 273,750		
Increase in Median		\$ 90,200		\$ 169,250		\$ 164,750		

Source: BBC Research & Consulting and Gunnison County Assessor..

As demonstrated by the exhibit, single family home prices in Crested Butte and Mt. Crested Butte increased significantly. The City of Gunnison and rural county experienced much lower increases—still, the overall medians for these areas, at approximately \$300,000, are high relative to incomes and wages in the county. To afford the median in the “lower priced” communities of the City of Gunnison and the rural county, a household would need to earn approximately \$100,000.

Small rental cost increases. The rental situation is much different: In 2000, the median rent in Gunnison County reported by the Census was \$593. According to the Colorado State Division of Housing’s (DOH) apartment vacancy survey, the median rent in the Gunnison market area as of first quarter 2009 was \$608—a negligible increase from 2000. The citizen survey conducted for this study shows a larger increase in rental costs—albeit nowhere near the rise in for sale housing costs. Renters who are unable to buy are fortunate that rents have not increased at the same pace as for sale housing.

It should be noted, however, that the rental market in the state’s resort communities has been heavily affected by changes in the national economy. Second homeowners have been more willing to make their units available for long term rentals, creating a greater supply of units for renters and keeping rental prices stable. As the economy improves and if this changes, rental pressures are likely to increase.

Price v. income growth. Income growth has been far below what is needed to keep up with for sale home price growth, except for in the City of Gunnison. The city has experienced an unusual situation in the past decade in that income growth has outpaced the growth in home costs. As sale prices have increased in the resort areas of the county, middle- and higher-income households have bought in the City of Gunnison and the unincorporated area of the county, boosting both housing prices and incomes.

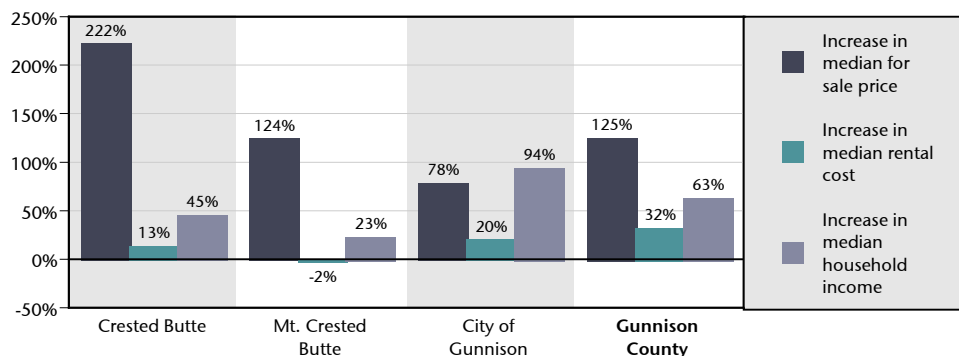
Exhibit ES-5 compares the change in the median prices of for sale and rental units with the change in the median income of households in Gunnison County and for the communities within the county.

**Exhibit ES-5.
Rise in For Sale Housing v. Income
Increases, Gunnison County, 2000
to 2008/2009**

Note:
Increase in incomes and median rents compares the median household income from the 2000 Census to the medians from the citizen survey. The median home price is from county assessor summary reports.

Source:
U.S. Census Bureau, Gunnison County Citizen Housing Survey, Gunnison County Assessor and Gunnison Real Estate and Rentals.

	Crested Butte	Mt. Crested Butte	City of Gunnison	Gunnison County
Increase in median for sale price	222%	124%	78%	125%
Increase in median rental cost	13%	-2%	20%	32%
Increase in median household income	45%	23%	94%	63%



In sum, a Gunnison County household would need to earn about \$64,000 more in 2009 to be able to afford the median priced home than they would have needed to earn in 2000. The median income of Gunnison County households has increased since 2000 by about \$23,000—one-third of what is needed to keep up with the median home price.

This disparity is far greater in Crested Butte and Mt. Crested Butte. We estimate that in Crested Butte, households need to earn \$150,000 more in 2009 than in 2000 to afford the median priced home. To afford to buy in Mt. Crested Butte, households must earn \$75,000 more in 2009 than in 2000.

Renters who are unable to buy are fortunate that rents have not increased at the same pace as for sale housing. A renter would need to earn just \$24,000 to afford the median rent.

The state of homeownership. We estimate that the current homeownership rate in Gunnison County is 63 percent. The majority of owners who are permanent residents bought before market prices increased substantially and, as such, have manageable mortgage payments.

Gunnison County's owners are quite satisfied with their current housing situation: 81 percent said they don't want to move from their current home.

Of those owners who want to change their housing situation, 11 percent said they wish they lived in a different type of unit—most of these residents lived in attached/multifamily housing, mobile homes or on small lots. Seven percent said they wished they lived in a different part of Gunnison County; most of these residents lived in the City of Gunnison or the unincorporated county.

Although the majority of the county's owners are managing their housing costs just fine, there are definitely households who are struggling: 25 percent of homeowners who responded to our survey reported being cost burdened (paying more than 30 percent of their gross income in housing costs); 9 percent are severely cost burdened (paying more than 50 percent). This is equivalent to 966 cost burdened owners; 342 of whom are severely cost burdened.

The 342 severely cost burdened owners likely need some assistance maintaining their homes and, for some of these owners, making their monthly mortgage and utilities payments.

Renters' options to buy. Renters are generally satisfied with their rental units. However, half of the renters who responded to our survey said they wanted to buy a home in Gunnison County. This is equivalent to 1,150 renters in the county.

Of the renters who want to buy, 43 percent earned more than \$50,000 per year and 63 percent earned more than \$35,000. For our estimates of housing demand, we assume that renters earning less than \$50,000 will remain renters, because, on average, their current debt levels make it difficult for them to obtain a loan in the current market. These renters are unlikely to be able to afford private market housing and may have difficulty getting a mortgage—however, they are good candidates for the deed-restricted products offered in the resort areas of the county.

If half of the renters approximately 500 renters earning more than \$50,000 became homeowners in the next 10 years, they would almost free up enough rental units to meet future demand, although some of these renters would need some rental assistance to avoid being cost burdened.

Our analysis of for sale homes found that there are enough units to serve all of the county’s potential buyers—but largely because of the small, condos located at Mt. Crested Butte. If we adjust the condos out of the supply—on the basis that they are largely appropriate for second homeowners and can have very large HOA fees which dilutes affordability—the county is short 100 units to meet demand.

In addition, for households earning less than \$100,000, these units may not be in demand because of their size and location¹. The county’s affordable for sale units are primarily multifamily units located in Mt. Crested Butte and single family units in the City of Gunnison and the unincorporated county (excluding Crested Butte South). The Towns of Crested Butte and Crested Butte South offer very few affordable options, even at the \$100,000 income level, as shown in Exhibit ES-6.

**Exhibit ES-6.
Options for Potential Buyers, Gunnison County**

Income Distribution of Potential Buyers:	Maximum Affordable Home (Non-Condo)	Affordable Units Needed	Affordable Units in the Market in May 2009	Affordable Units Less Condos	Number of Affordable Units by Type				Number of Affordable Units by Location				
					Single Family, Detached	Multi-family	Townhome/Duplex/Triplex	Mobile Home	Mt. Crested Butte	Crested Butte	City of Gunnison	Crested Butte South	Rest of County
Earning \$50,000	\$ 158,010	78	93	31	24	63	1	6	1	30	21	2	29
Earning \$75,000	\$ 237,017	86	229	80	71	149	3	6	5	66	81	8	81
Earning \$100,000	\$ 312,866	34	353	153	144	200	3	6	6	95	90	18	141
	Total	250	353	153	144	200	3	6	6	95	90	18	141
				<i>Percent of Total</i>	39%	59%	1%	2%	2%	27%	26%	5%	40%

Source: BBC Research & Consulting.

In addition, the county’s market is very limited in its supply of townhomes, duplexes and triplexes—housing types that offer an affordable alternative to detached single family homes but not the restraints of multifamily units (primarily private outdoor space, storage areas, fewer shared walls and units that accept pets). It should be noted that the limited service capacity of water and sewer districts is the reason for some of the limited market of attached housing. The districts influence land use patterns through their capacity constraints.

To better serve these potential buyers, in addition to what the private market will offer, there needs to be a wider variety of affordable townhome/duplex/triplex products, with a mix of price points, in the most expensive areas of county where few affordable options exist. A few units have come onto the market recently; their market demand will be a good indicator of future demand to expand the supply of this product type.

The county should also continue its affordable homeownership programs (e.g., mutual self help housing) which enable potential buyers to become homeowners.

Is there renter demand for deed-restricted units? Our analysis shows support for for sale deed-restricted units, albeit at a significant cost reduction from comparable private market units. Based on the survey data, we conclude that deed-restricted units will have the best market reaction in the county’s highest cost communities where alternative housing products are very limited—primarily in Crested Butte and Crested Butte South. This is supported by the survey data, as shown below.

¹ Households earning \$100,000 and more have many options—both in type of housing and location—in the current market.

Exhibit ES-7.
Interest in Deed Restrictions by Area

	Not At All Interested	Somewhat Uninterested	Somewhat Interested	Very Interested	Total	Very or Somewhat Interested Combined
Town of Crested Butte (within town limits)	18.6%	7.0%	23.3%	51.2%	100%	74.4%
Town of Mt. Crested Butte (within town limits)	34.5%	6.9%	41.4%	17.2%	100%	58.6%
City of Gunnison (within city limits)	44.8%	6.9%	31.0%	17.2%	100%	48.3%
Crested Butte South	27.3%	12.1%	45.5%	15.2%	100%	60.6%
In another unincorporated area of Gunnison County	43.4%	5.7%	35.8%	15.1%	100%	50.9%
Overall	34.0%	7.4%	34.6%	23.9%	100%	58.5%

Source: Gunnison County 2009 Citizen Housing Survey.

In Mt. Crested Butte, deed restricted units should offer an alternative to the small, older, condominiums that are the only affordable alternative. That is, the units should be townhomes and duplexes with some outdoor/private space that feel more like detached single family homes.

Renters who need assistance. Although the vast majority of renters are satisfied with their housing situation, between 10 and 15 percent of renters are paying more than they can afford for their rental and utilities costs. Based on the citizen survey, we believe that as many as 378 renters are paying 50 percent or more of their monthly income in housing costs.

In addition, our comparison of the supply of rental units at various price points with demand found that:

- 230 renters earn less than \$25,000 per year and need rental units priced at less than \$525 per month to afford their rent and utilities without being cost burdened. These renters are renting units that are priced between \$525 and \$775 per month.
- Households earning more than \$25,000 per year have ample rental opportunities in the current market. However, these units may not be located where they desire to live or near their place of work if they are employed in the county’s resort areas, where rents are much higher than in the county overall and the City of Gunnison.
- Some households earning \$25,000 and more may be choosing to rent below or above their affordability threshold to save money (if renting “down”) or live in their desired location (if renting “up”).

These findings are detailed in the Exhibit ES-8.

**Exhibit ES-8.
Rental Gap, Gunnison County**

Renter Income Range	No. of Renters	Percentage of Renters	Maximum Affordable Housing Payment	Utilities Payment	Maximum Affordable Rent payment	Rental units	Percentage of Units	Gap
Under \$15,000 per year	371	16%	\$ 375	\$ 75	\$ 300	289	12%	-82
\$15,000 to less than \$25,000 per year	442	19%	\$ 625	\$ 100	\$ 525	295	12%	-148
\$25,000 to less than \$35,000 per year	339	15%	\$ 875	\$ 100	\$ 775	625	26%	286
\$35,000 to less than \$50,000 per year	340	15%	\$ 1,125	\$ 250	\$ 875	214	9%	-126
\$50,000 to less than \$75,000 per year	346	15%	\$ 1,875	\$ 250	\$ 1,625	854	36%	509
\$75,000+	466	20%	\$ 2,500	\$ 250	\$ 2,250	120	5%	-346
	2,304	100%				2,397	100%	

Source: BBC Research & Consulting.

One County, but Different Approaches to Housing

Gunnison County offers its residents a variety of housing choices and, based on the housing preference questions we asked in the citizen survey conducted for this study, most residents are living in the community of their choice. Some residents said they would like to change their housing situation, but they were the minority—except for renters who want to buy.

That said, residents of Gunnison County rate housing affordability as one of the more serious concerns in the community: The majority (57 percent) of all respondents to our housing survey perceived housing affordability to be the most serious or among the most serious problems facing the region, and 9 percent named it as the most critical problem. Renters were more likely than homeowners to call housing affordability a serious problem (69 versus 48 percent). Only 4 percent of renters said housing affordability was “not a problem” or was a lesser problem in the region, compared to 21 percent of homeowners.

Countywide, residents can find rural, large lots; dense, smaller units close to transit and services; and suburban housing in smaller town settings. Based on the amenities questions in our citizen survey, there appears to be a good match between where residents are living and what they demand. However, part of the reason this exists is because owners bought their homes before home prices increased dramatically.

The biggest imbalance in the market is the half of the county’s renters who want to become homeowners but have not (we estimate this could total as many as 500 renters). This is followed by low-income renters who are cost burdened, an estimated 230 renters. The county’s needs are relatively modest and can be addressed with a combination of public subsidies and a market based approach.

Within Gunnison County, Mt. Crested Butte estimates the potential for 256 community housing units to be developed in the future. Crested Butte South has 400 vacant lots. In the City of Gunnison, a variety of residential development plans are in the works. For example, proposed Gunnison Rising development could add more than 700 residential units to the county housing supply.

In the Town of Crested Butte, the Foothills Annexation could bring 224 new residential units to the town if approved. In addition, the town generates affordable housing through its inclusionary zoning requirement. However, given the slow growth in the community and high land costs, the town is unlikely to be major player in provision of affordable housing in the future. Instead, the communities of the City of Gunnison, the unincorporated county and Mt. Crested Butte will likely be bigger players in meeting the need for future workforce housing.

We recognize that this market reality is an imperfect solution and has related costs—e.g., increased traffic between the Town of Crested Butte and the City of Gunnison. However, given the limited opportunity for residential development in the county’s highest cost areas compared to the ample opportunity in the City of Gunnison and the unincorporated county, this is the situation that is most likely to occur.

That said, we encourage the county to work regionally to develop a specific plan to address the future housing needs we project below. This needs assessment lays the foundation for an upcoming discussion on developing a strategy to adequately meet housing needs countywide in the next 10 years.

Future Housing Needs

In sum, the county’s *current* housing needs include:

- Renters earning more than \$50,000 who can manage their monthly debt can find homes available to buy in the current market, although renters earning \$50,000 to \$75,000 have very limited choices. These potential buyers—an estimated 250 households over the next 10 years—could benefit from a broader supply of affordable attached housing products and small lot single family homes, particularly in the county’s most expensive locations.
- 230 renters make less than \$25,000 per year and can’t find units that are affordable for them. The maximum amount of rent these households can afford, accounting for utilities, is \$525/month. These renters are currently cost burdened and could benefit from monthly rental assistance to help them meet their rental obligation and have a sufficient amount of money left over each month for other household costs.
- About 350 homeowners are paying more than 50 percent of their gross household income to cover their mortgage, HOA fees and property and hazard insurance.

In the next 5 years, if the county continues to grow at its current pace, there will be a need to house 350 new permanent households.

If the county’s homeownership rate is kept the same at 63 percent, 129 of the 350 households will be renters. Eighty-four renter households will have incomes high enough to afford market rents, assuming the supply of rentals keeps up with growth. This leaves 45 renter households who will need some type of rental assistance—either through monthly subsidies or low-cost rental units—to help them avoid becoming cost burdened.

On the ownership side, by 2014, there will be 221 new owners by 2014. We assume that these owners will all earn more than \$50,000 per year (otherwise they will rent). About one-third of these owners will need housing units priced between \$175,000 and \$263,000 to afford to buy. One-fourth will need units priced between \$263,000 and \$347,000, and the remainder will be able to afford homes priced more than \$347,000.

In 10 years, there will be 720 new permanent households. Of these 173 renters will be able to afford market rents. Ninety-three renters will need some type of subsidy to avoid being cost burdened. There will also be 454 new owners.

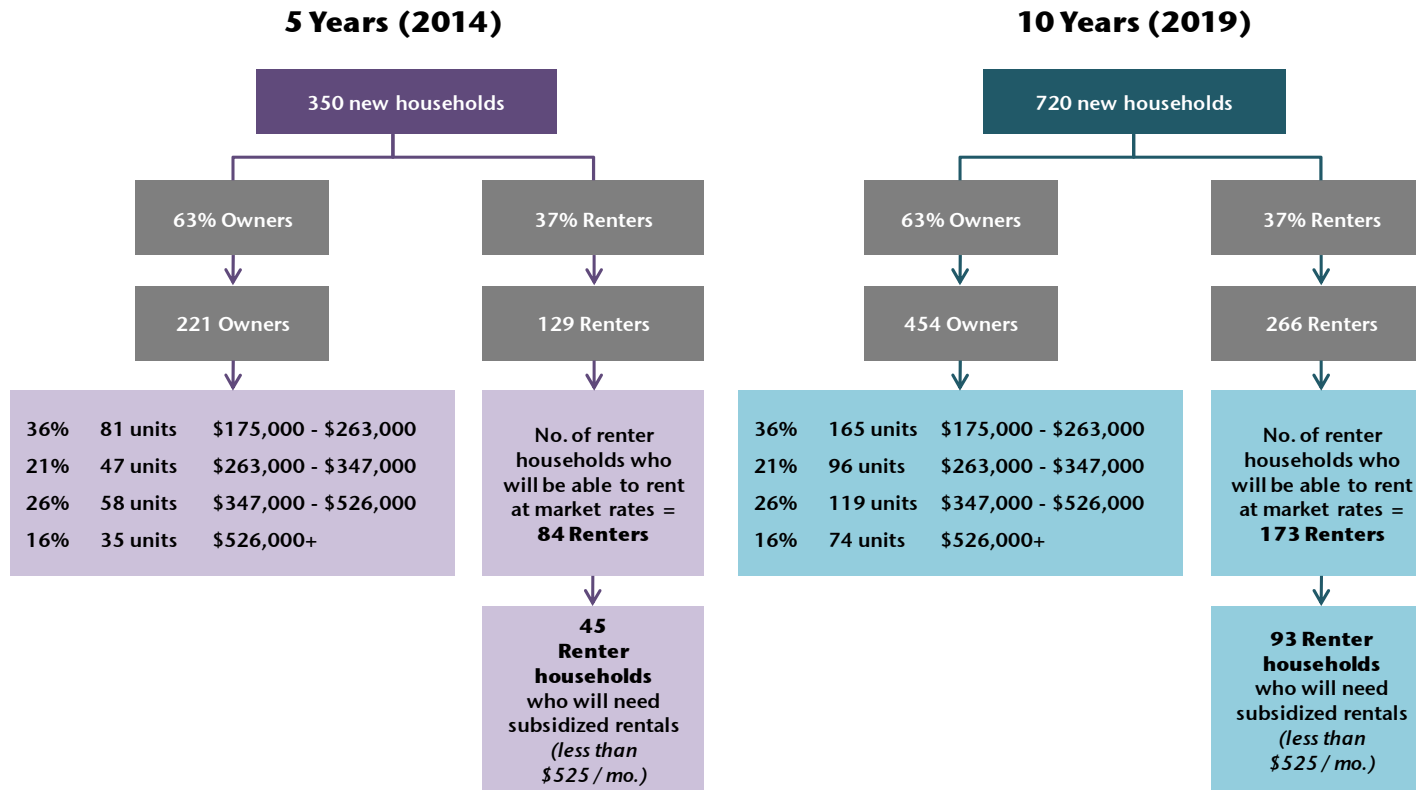
- If the county desires to raise its homeownership rate to 67 percent, there will be very little need to add to the rental supply. The homeowners who convert to renters will free up 95 percent of the units the county needs to house new renters. However, there will be new renters who need assistance with making their rent payments because the freed up units will not be affordable enough for them.

Future housing demand, at both the current and an improved homeownership rate, is summarized in Exhibits ES-9 through ES-13.

We also show individual needs flowcharts for the Town of Crested Butte, Mt. Crested Butte and the City of Gunnison. These charts show anticipated housing needs assuming the following:

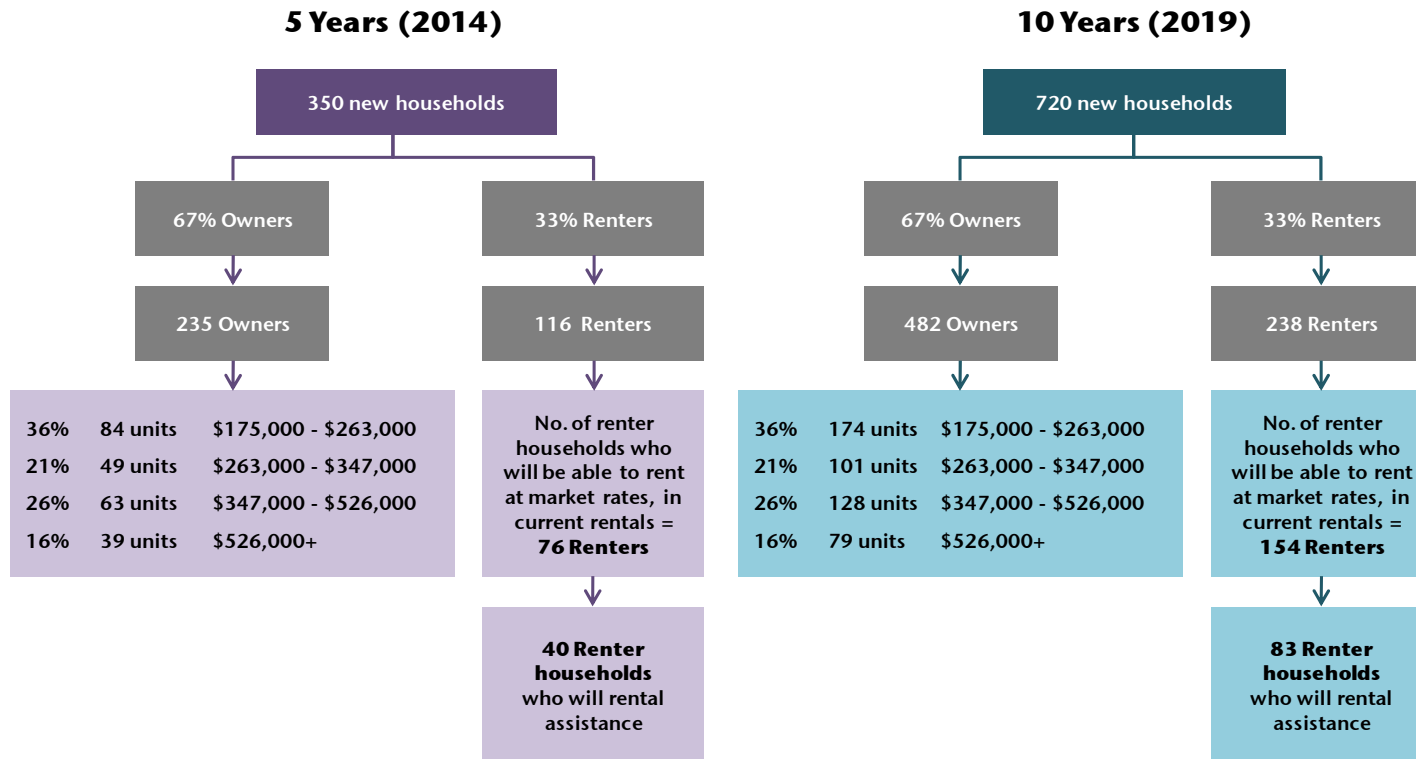
- The communities grow at the same rate as the county overall (based on historical growth during the current decade) and they maintain their proportionate share of the county's population as they have now;
- Current homeownership rate is maintained; and
- The communities' income distribution for renters and owners as it exists in 2009 is maintained (that is, there is no disproportionate gain in lower or higher income households).

Exhibit ES-9.
Future Housing Needs—Current Homeownership Rate, Gunnison County



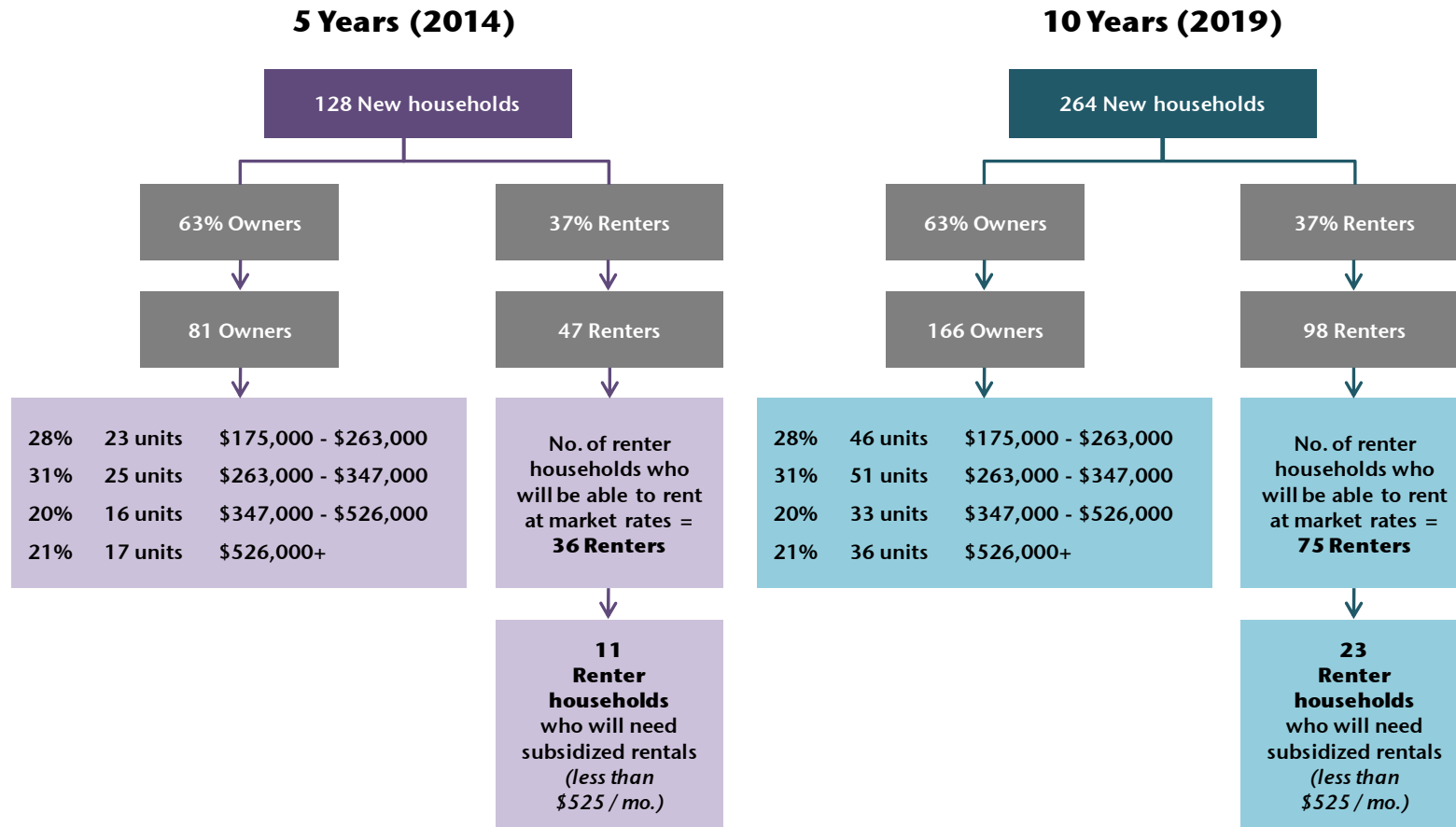
Source: BBC Research & Consulting.

Exhibit ES-10.
Future Housing Needs—67 Percent Homeownership Rate, Gunnison County



Source: BBC Research & Consulting.

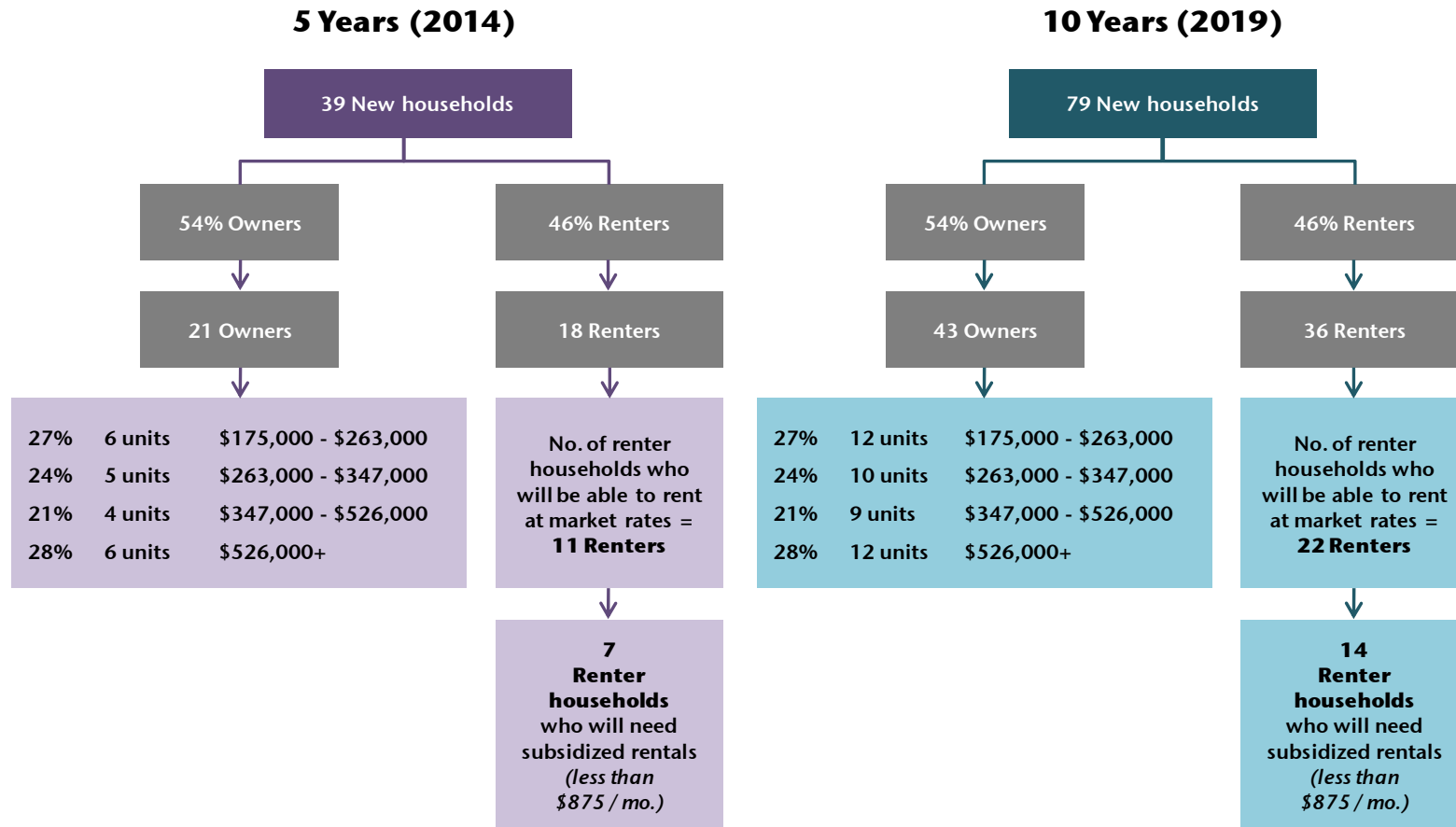
**Exhibit ES-11.
Future Housing Needs—City of Gunnison**



Note: For units with HOA fees, affordability ranges are: \$150,000 – \$237,000; and \$237,000 – \$312,000.

Source: BBC Research & Consulting.

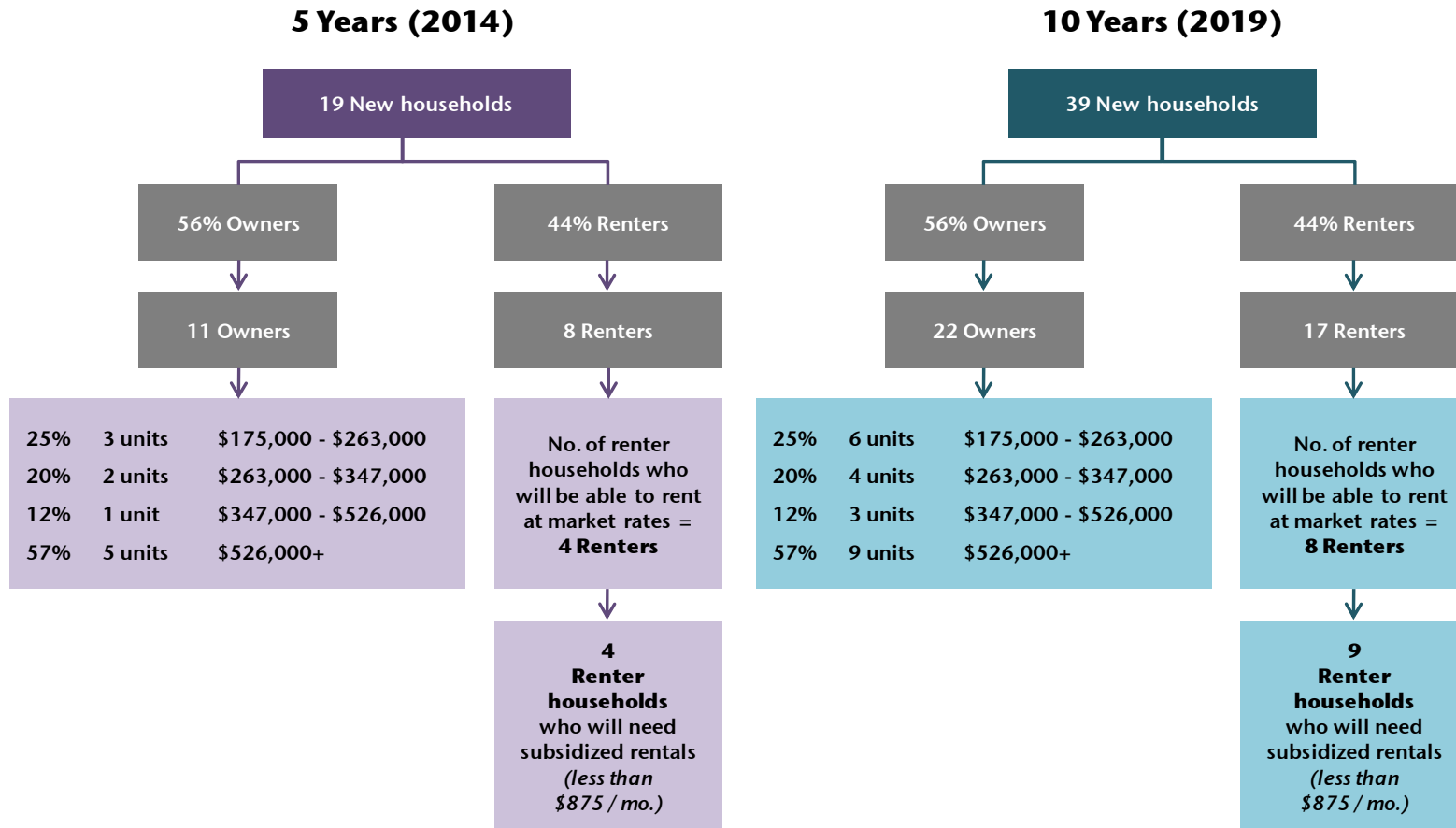
Exhibit ES-12.
Future Housing Needs—Town of Crested Butte



Note: For units with HOA fees, affordability ranges are: \$150,000 – \$237,000; and \$237,000 – \$312,000.

Source: BBC Research & Consulting.

**Exhibit ES-13.
Future Housing Needs—Mt. Crested Butte**



Note: For units with HOA fees, affordability ranges are: \$150,000 – \$237,000; and \$237,000 – \$312,000.

Source: BBC Research & Consulting.

SECTION I.

Introduction

SECTION I.

Introduction



In 2009, BBC Research & Consulting was contracted by the Gunnison County Housing Authority to conduct a countywide housing needs assessment. The purpose of the study was to identify residents in the county who have unmet housing needs and project how these needs will change in the future. In addition, the study provides information on the demographics, housing situations and preferences of residents not currently available from other data sources

Development of the needs assessment workscope was a collaborative effort by the county and representatives of the incorporated jurisdictions within the county.

Methodology

The primary data and information sources used in the study include the following:

- Population and household levels, housing units and vacancy rates from the State of Colorado, Department of Local Affairs;
- Rental and homeownership cost data from the citizen survey conducted for the study;
- Demographic and socioeconomic information from the citizen survey;
- Rental data from Gunnison Real Estate and Rentals and the State of Colorado Division of Housing;
- Data on home resales from the Multiple Listing Service.

It should be noted that Gunnison County Housing Authority received a grant from the Colorado Division of Housing (DOH) to conduct the study. The organization of this report, data and analysis reflect the requirements of the DOH template for housing needs assessments.

Report Outline

The remainder of the report is made up of the following sections:

- **Section II. Economic and Demographic Framework.** This section provides information on population growth, household characteristics, income and poverty and employment.
- **Section III. Housing Demand Analysis.** This section provides information on the county's existing housing stock in terms of tenure (renter/owner), cost and affordability and condition. It also contains the results of a modeling effort that compares supply of housing at various price point with demand—and pinpoints where the market is not supplying needed housing.
- **Section IV. Citizen Survey.** This section discusses the results of our citizen survey conducted for the study.

Our recommendations for addressing housing needs are contained in the Executive Summary.

SECTION II.
Economic and Demographic Framework

SECTION II.

Economic and Demographic Profile

This section of the report contains economic and demographic information about Gunnison County and the incorporated areas within the county to set the context for the housing analysis in the sections that follow.

Reviewing a county's demographics and economic base as part of a housing study is important because:

- Demographics can influence housing choices and needs. Single people are more likely to rent and live in smaller, denser housing. Families are more likely to prefer larger units, single family detached homes, often near desirable schools.
- As households age, their likelihood of becoming disabled increases. Seniors, particularly those over the age of 75 years, may need accessibility improvements to their homes. They often desire or need different living arrangements—e.g., patio homes or assisted living facilities.
- Income levels determine what households can afford to pay in rent or mortgage costs, and geographically where households can live.
- The types of jobs available in communities and their wage rates, relative to housing costs, determine if residents can live and work in the same community.

In addition, the data and information contained in this report is a required component of the Colorado Division of Housing's (DOH) template for housing needs assessments and for the U.S. Department of Housing and Urban Development's (HUD) Consolidated Plan regulations.

A note about data sources. The data for this section come from a variety of sources. The Colorado State Demographer produces estimates of population levels and projections of growth, which we have used as the starting point for our analysis. At the time of this report, Gunnison County was not large enough in population to be included in the annual American Community Survey conducted by the U.S. Census¹. As such, a comprehensive survey was conducted as part of this study to collect current demographic information about residents in the county and its communities. The survey data are included here where relevant. Section IV contains a full analysis of the citizen survey data.

¹ Three-year estimates are available for geographic areas with more than 20,000 individuals, but Gunnison County does not meet this threshold. Five-year estimates for smaller geographic areas will be made available by the Census in 2010.

Geographic Area of Analysis

The map in Exhibit II-1 shows Gunnison County and the incorporated municipalities within the county, which comprise the geographic area of analysis for this report. Where possible, we compiled and analyzed data at the following geographic levels:

- Gunnison County
- The City of Gunnison
- The towns of Crested Butte and Mt. Crested Butte
- The neighborhood of Crested Butte South

Exhibit II-1. Gunnison County Geographic Boundaries

Source:
BBC Research &
Consulting, 2009.



Community Characteristics

Population. The Colorado State Demography Office estimates the population of Gunnison County at 15,321 people in 2009. The U.S. Census Bureau estimates a total population of 15,150 in Gunnison County in 2008, very close to the Demographer's 2008 estimate.

Gunnison is by far the largest municipality within Gunnison County with an estimated 5,600 residents, or over a third of the total county population². Crested Butte had 1,670 residents, followed by the town of Mt. Crested Butte with 830 residents. There are only two other incorporated areas within the county—Pitkin and Marble—and these communities are very small with 117 and 108 individuals, respectively. Unincorporated areas of Gunnison County contain 6,900 residents.

² Data at the municipal level is available for 2008.

Exhibit II-2 shows population levels for the county overall and geographic areas within the county, according to state demographer estimates for 2008.

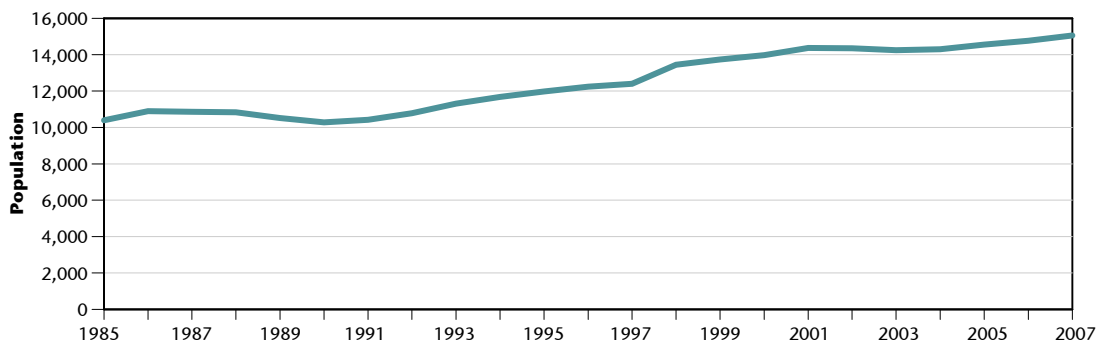
**Exhibit II-2.
Gunnison County Population
by City/Town, 2008**

Source:
Colorado State Demographer.

Community	Population	Percent of Total
Town of Crested Butte	1,671	11.0%
City of Gunnison	5,600	36.7%
Town of Marble	108	0.7%
Town of Mt. Crested Butte	830	5.4%
Town of Pitkin	117	0.8%
Unincorporated Gunnison County	6,933	45.4%
Total Gunnison County	15,259	100%

Population growth. Gunnison County’s population growth has historically been slow to moderate. Since 2000, growth in Gunnison County has averaged 1.1 percent per year. Exhibit II-3 demonstrates the population growth in the county since 1985.

**Exhibit II-3.
Population Growth 2000 to 2007, Gunnison County**

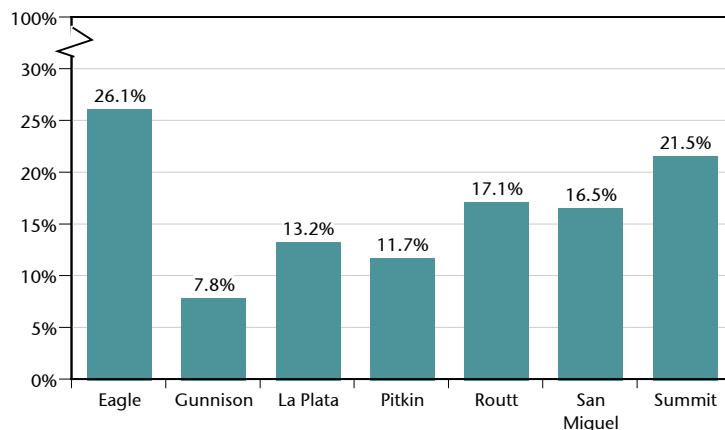


Source: Colorado State Demographer.

Comparative growth. Gunnison County has grown more slowly in the current decade than other Colorado resort counties. Exhibits II-4a. and b. compare Gunnison’s population and housing unit growth to that of Eagle, La Plata, Ouray, Pitkin, Routt, San Miguel and Summit Counties. Gunnison had the lowest rate of population growth at 7.8 percent, followed by Pitkin at 11.7 percent. Resort counties along the I-70 corridor experienced the highest rate of growth.

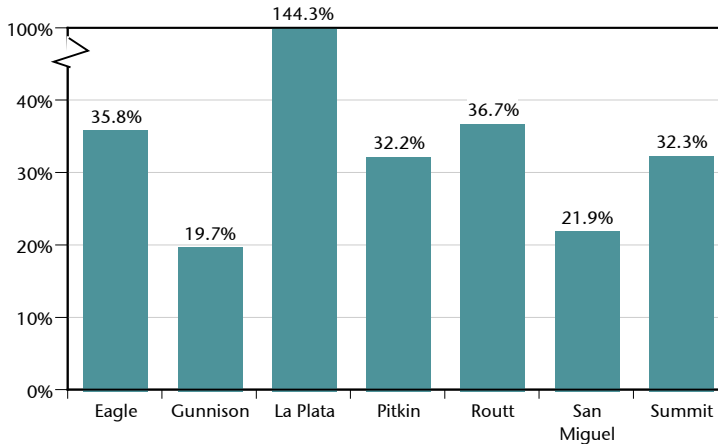
**Exhibit II-4a.
Population Growth
Comparison, by County,
2000 to 2007**

Source:
Colorado State Demographer.



**Exhibit II-4b.
Housing Unit Growth
Comparison, by County,
2000 to 2008**

Source:
Colorado State Demographer.

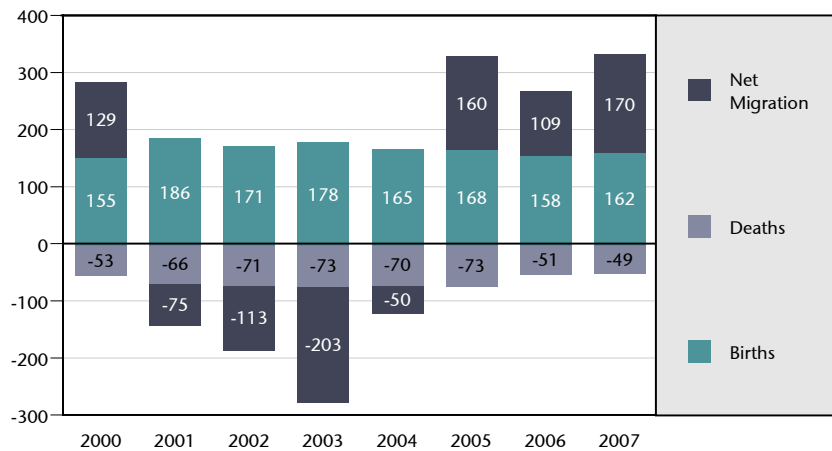


Why has Gunnison County grown? Exhibit II-5 shows the reasons that Gunnison County has grown since 2000, using data from the state demographer. “Natural population increase” is the difference between births and deaths; this measures how much of a community’s growth is internal. Natural population increase has been relatively stable in Gunnison County since 2000, contributing about 100 people to the county on average each year.

Net migration—more people moving into the county than moving out—has been the biggest factor for the county’s growth swings. Net migration has varied dramatically in the county, ranging from a net out-migration in 2003 of 203 residents to a net in-migration of 170 in 2007.

**Exhibit II-5.
Drivers of Population
Growth, Gunnison
County, 2000 to 2007**

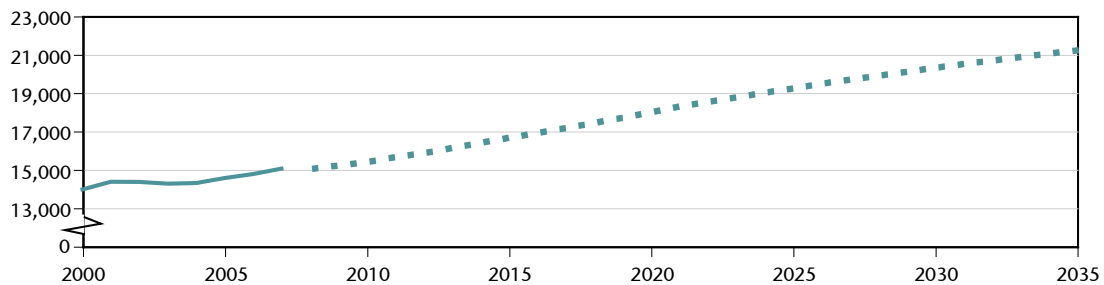
Source:
Colorado State Demographer.



Future growth. The Colorado State Demographer produces population forecasts at the county level. The most recent forecasts were prepared in October 2008 and estimate population growth through 2035. These estimates place Gunnison County’s population at 16,773 in 2015, 18,106 in 2020 and 21,322 by 2035. These growth estimates assume compound average growth of 1.5 percent in the next 10 years, which is higher than the 1.1 percent compound annual growth experienced in the county since 2000. Around 2025 the pace of growth is expected to slow to around 1 percent per year.

Growth in Gunnison County is expected to be lower than growth throughout Colorado, which is expected to be about 1.9 percent per year in the coming decade. It is not yet clear how the economic downturn will affect migration patterns and the future population within the county, but likely that, at least in the short-term, the county's annual growth rate will be less than the 1.5 percent initially projected. Exhibit II-6 shows the projected population growth for Gunnison County from 2007 to 2035.

Exhibit II-6.
Projected Population Growth, Gunnison County, 2007 to 2035

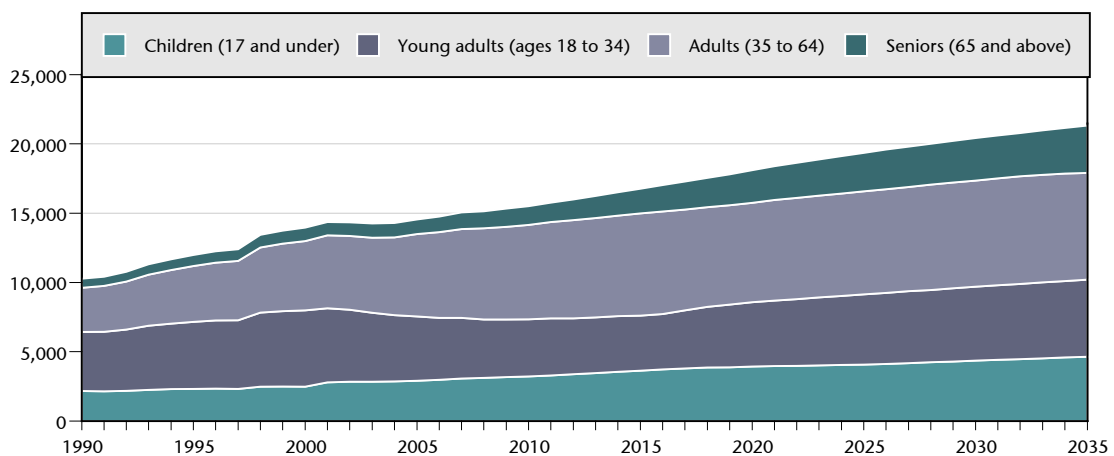


Source: Colorado State Demographer.

Senior population. Data from the state demographer shows that about 8 percent of the county's population are seniors (over the age of 65 years old). The senior population is relatively small in the county at about 1,300 people.

The county's senior population is expected to grow to 2,360 in 2020 and to exceed 3,000 in 2030. By 2035 it is expected to represent 16 percent of the county population—twice its current proportion. Exhibit II-7 shows the projected growth in the county's senior population relative to other age cohorts between 2009 and 2035.

Exhibit II-7.
Actual and Projected Growth in Population by Age Cohort, Gunnison County, 1990 to 2035



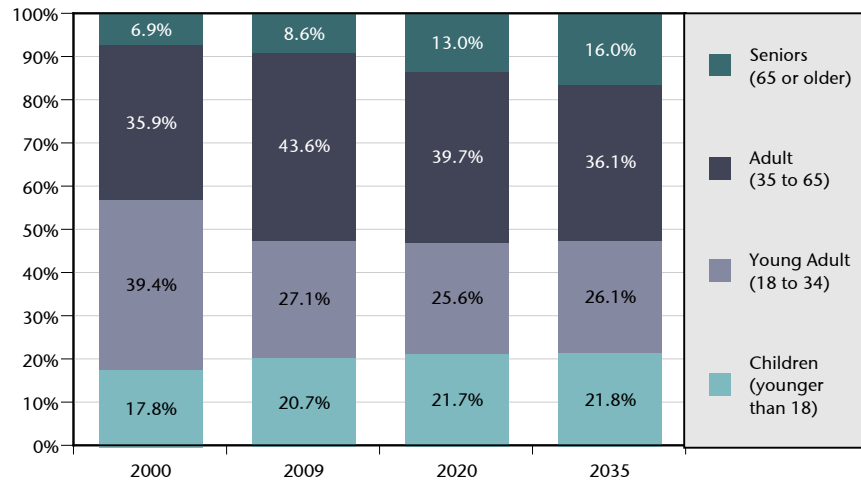
Source: Colorado State Demographer.

The growth in the county's senior population will be offset by a proportionate decline in the county's young adults (18 to 34) and, more gradually, middle age adults (44 to 64). The county's proportion of children—currently at about 21 percent—is projected to remain relatively consistent as the county grows.

Exhibit II-8 demonstrates these projected age shifts.

**Exhibit II-8.
Projected Shift in
Age Distribution,
Gunnison County
2000 to 2035**

Source:
Colorado State Demographer.



In 2009, according to the state demographer, the county was home to about 3,200 children, 4,200 young adults, 6,700 middle age adults and 1,300 seniors. By 2020, this breakdown is projected as: 3,900 children (an increase of 700), 4,600 young adults (400 more), 7,200 middle age adults (500 more) and 2,400 seniors (1,100 more).

Median age. Due to the recreational opportunities, the presence of a college and the employment base (resort and tourism jobs), Gunnison County is relatively young. According to estimates from the state demographer, its median age in 2008 was 35.9 years—lower than surrounding counties and closer to the median age in Colorado’s urban centers. This puts Gunnison County as the 18th youngest county in the state (out of 64 counties).

That said, the county is starting to age. In 2000, Gunnison County was one of Colorado’s youngest county with a median age of 30.4 years. This compared to a statewide median age of 34.4 years. However, since 2000, the median age has increased rapidly as older adults have moved into the county. The median age is now equal to the statewide median age of 35.9.

Household composition. The Colorado State Demographer provides data on household composition at a regional (multi-county) level, and the American Community Survey does not report data for less populated areas such as Gunnison County. The state demographer provides some information on household size, but not detailed information on the demographics of the households. The best secondary data on household composition for Gunnison County and its communities is available from commercial data providers, which use consumer credit data to update Census estimates³. To round out this information, we included several questions on household composition in our citizen survey.

The Census divides households into two broad categories, family and “nonfamily.” Family households consist of married couples, parents and grandparents with children and other types of arrangements where related persons are living together. Nonfamily households are generally unmarried partners, single persons and unrelated roommates.

³ The commercial data provider used in this analysis is Claritas.

In the citizen survey, we did not ask the respondents if they were related to the other people in their households, so the survey data are not comparable to the Census definition of family. Instead, we asked respondents to describe their household composition.

Exhibit II-9 shows the composition of Gunnison County’s households, according to the survey data and, where available, comparable data from commercial updates of Census data.

**Exhibit II-9.
Household Composition, Gunnison County, 2009**

	Census Update	Citizen Survey		Census Update	Citizen Survey
Type of household			Number of Adults in Households		
Single adult living alone	29%	22%	One		26%
Single adult living with roommates	19%	8%	Two		66%
Single parent	6%	6%	Three		6%
Couple, never had children		10%	More than three		2%
Couple, planning to have children		3%	Total		100%
Couple with children in the home	19%	30%	Households by Size		
Couple, grown children no longer at home		19%	1-person household	29%	21%
Other		2%	2-person household	39%	39%
Total		100%	3-person household	17%	16%
Average household size	2.25	2.52	4-person household	0.11	16%
Number of Children in Households			5-person household	3%	6%
None		63%	6-person household	1%	2%
One		15%	7 or more person household	0%	0%
Two		17%	Total	100%	100%
Three		4%			
More than three		2%			
Total		100%			

Source: Claritas and Gunnison County Citizen Housing Survey.

As shown above, Gunnison County’s households are mostly made up of couples (with and without children), following by single adults living alone or with roommates. On average, households contain slightly more than 2 people, with about 60 percent of households having one or 2 people. Most households (63 percent) do not have children and those households with children most often have one to 2 children.

According to the citizen survey conducted for the study, household composition varies widely by community. Crested Butte South has the highest proportion of families with children, followed by the City of Gunnison and then Crested Butte. Single persons are most common in Gunnison, Crested Butte and Mt. Crested Butte. Couples without children make up about one third to one fourth of households in every community except Crested Butte South.

Exhibit II-10.
Household Composition by Community, Gunnison County, 2009

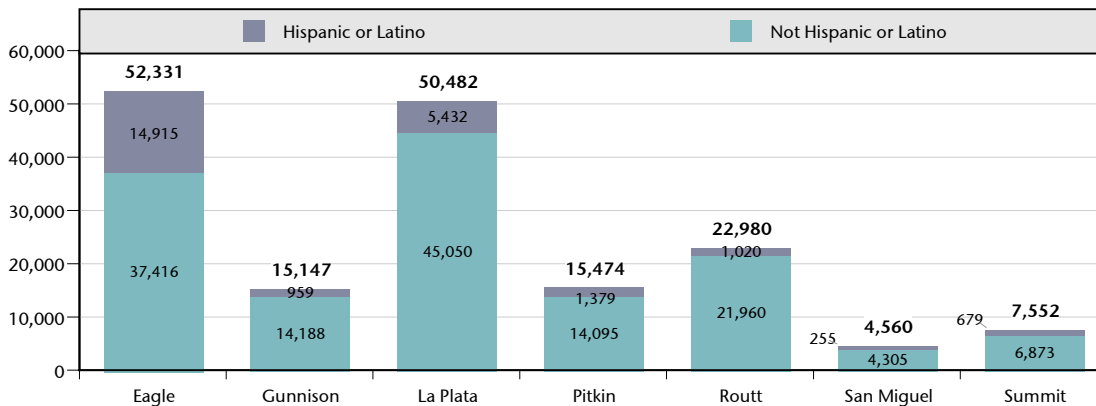
	Crested Butte	Mt. Crested Butte	Gunnison	Crested Butte South	Unincorporated County
Single adult living alone	20%	24%	29%	12%	16%
Single adult living with roommates	12%	23%	6%	7%	7%
Single parent	4%	0%	7%	3%	7%
Couple no children at home	32%	30%	26%	16%	37%
Couple with children living in the home	23%	18%	29%	49%	29%
Couple planning to have children	6%	1%	2%	11%	2%
Other household types	4%	4%	2%	2%	2%
Total	100%	100%	100%	100%	100%

Source: Gunnison County 2009 Citizen Housing Survey.

Racial and ethnic makeup. The Gunnison County population is predominantly Caucasian, non-Hispanic. According to 2008 estimates from the U.S. Census, about nine in ten of all Gunnison County residents are white; while over 6 percent are Hispanic and the remainder belong to some other racial group, including African American (0.6 percent), American Indian and Alaskan Native (0.8 percent) and Asian (0.8 percent). This is consistent with the citizen survey conducted for this study in which 92 percent of respondents identified their household race as White, 4.7 percent Hispanic, 2 percent mixed race and the remainder an other race or ethnic group.

Hispanics are the largest minority group in Colorado and have a large presence in some mountain communities. In Gunnison, the Hispanic population is estimated to be less than 1,000 persons (as of 2008), about the same level as Routt County and slightly less than Pitkin County.

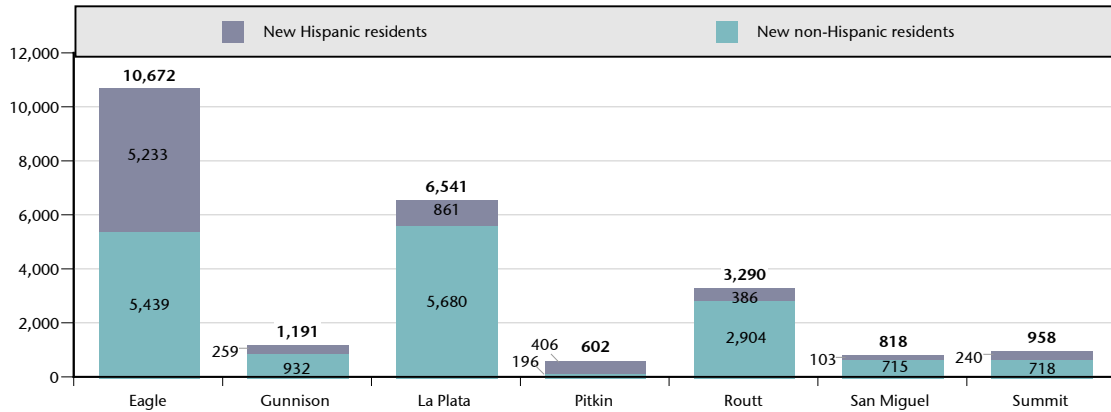
Exhibit II-11.
Hispanic Population, Gunnison and Comparison Counties, 2008



Source: U.S. Census 2008 Census Population Estimates.

Growth in the Hispanic population throughout Colorado has far outpaced the growth of the population as a whole. Hispanics have represented a remarkable 41 percent of the total population growth between 2000 and 2008, according to the U.S. Census. Exhibit II-12 shows the total population growth between 2000 and 2008 represented by Hispanics and non-Hispanics in Gunnison and comparison counties.

Exhibit II-12.
Growth of Hispanics and Non-Hispanics, Gunnison and Comparison Counties, 2000-2008



Source: U.S. Census 2008 Census Population Estimates.

Growth in the Hispanic population has been most remarkable in Eagle and Pitkin Counties, where Hispanics represented nearly half of population growth in Eagle and over two-thirds of the population growth in Pitkin between 2000 and 2008. Hispanics represented around 13 percent of total population growth in La Plata, Routt and San Miguel counties over this period, and a quarter of population growth in Summit County.

In Gunnison, Hispanics represented 22 percent of population growth between 2000 and 2008. This is much lower than rates statewide (41 percent); and lower than the rate in most surrounding counties. Nevertheless, growth of Gunnison’s Hispanic population has far outpaced the growth rate of the entire population—37 percent compared to 9 percent.

Immigrant services. Gunnison County’s Multicultural Resource Office (MRO), part of the Department of Health and Human Services, serves the county’s non-English speaking and immigrant community. In 2008, the MRO assisted 623 individuals in 253 families. Slightly less than half of these families have children, and most of the individuals seeking assistance from the MRO are women.

The great majority of the MRO’s clients are from Mexico (93 percent), another 5 percent are from Central and South America, and a small portion from places in Europe or Asia. Among the Mexican immigrants served by the MRO, one noteworthy group is the immigrant community of Cora Indians from Western Central Mexico. The Cora make up an estimated 40 percent of Gunnison’s Hispanic/Latino population and differ from other Mexicans in their language, religion and other customs.

Foreign/born population. According to the U.S. Census, the foreign-born population represented almost 3 percent of the total Gunnison County population, which was low compared to most surrounding counties such as Montrose (6 percent), San Miguel (7 percent), Pitkin (11 percent) and Saguache (15 percent). In the Colorado resorts, low-wage jobs are commonly filled by foreign workers, often working for a short period of time and then returning to their home countries.

The size of the foreign-born population can vary greatly for year to year, and reliable statistics on the size of this population will not be available until the release of the 5-year American Community Survey estimates for geographic areas with small populations such as Gunnison County.

Economic Profile

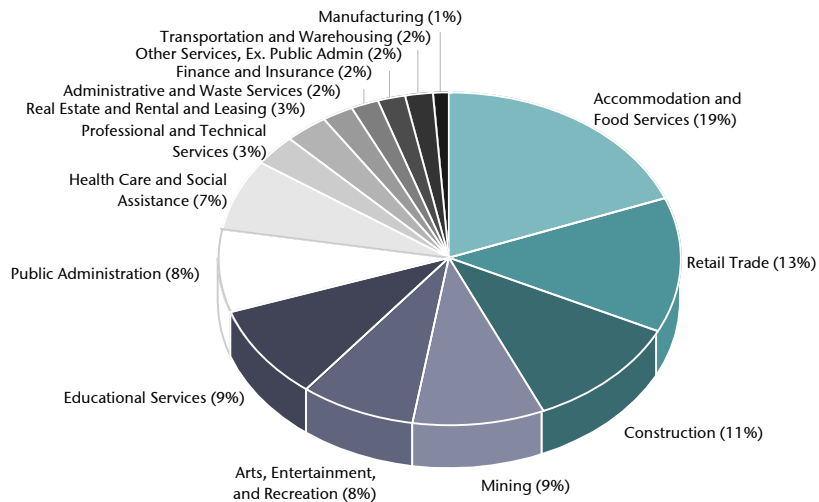
The economy of Gunnison County is characterized by a mix of trade, construction, services, extractive activities and recreation similar to many mountain communities in Colorado. Western State College and the Crested Butte ski resort play a major role in the area economy. Even with the economic downturn, unemployment is relatively low. Jobs that pay well are difficult to find, given the county’s key industries and many workers work multiple positions to afford to live in many areas of the county.

Employment. According to the Quarterly Census of Employment and Wages (QCEW), average employment over the 4 quarters in 2007 was 8,424 total jobs in Gunnison County. This compares to 7,994 as of 2008—a difference of 430 jobs.

Exhibit II-13 shows the breakdown of employment by industry for 2008.

**Exhibit II-13.
Dominant Employment
Industries, Gunnison
County, 2008**

Source:
Quarterly Census of Employment
and Wages.



Accommodation and food services are the largest employment industry in Gunnison County with almost one-fifth of area jobs; followed by retail trade (13 percent); construction (11 percent) and mining (9 percent). Together, these four industries represented half of area jobs.

The public sector, including local government and representatives of state and federal agencies and education services, made up another 17 percent of jobs.

Employment in Gunnison County has become somewhat more diversified in the past 7 years, as shown in Exhibit II-14 below. Job growth has been strongest in the industries of mining, health care, construction and public administration. Industries where job losses have occurred include arts, entertainment and recreation—the bulk of job losses—and then retail trade and manufacturing. The slowdown in the national economy has affected the local market through declining demand in tourism and the second home market. A recent study on second homes in Gunnison County found that almost 10 percent of jobs in the county were related to second home travel/visits and construction.

**Exhibit II-14.
Employment by Industry, Gunnison County, 2000 and 2008**

Industry	2000 Employment		2008 Employment		Change 2000-2008	
	Number	Percent	Number	Percent	Numeric	Percent
Mining	567	7.5%	759	9.2%	192	33.9%
Health Care and Social Assistance	386	5.1%	568	6.9%	182	47.2%
Construction	763	10.0%	887	10.7%	124	16.3%
Public Administration	532	7.0%	643	7.8%	111	20.9%
Administrative and Waste Services	96	1.3%	177	2.1%	81	84.4%
Other	197	2.6%	272	3.3%	75	38.1%
Professional and Technical Services	187	2.5%	259	3.1%	72	38.5%
Accommodation and Food Services	1,447	19.0%	1,492	18.1%	45	3.1%
Other Services, Ex. Public Admin	143	1.9%	177	2.1%	34	23.8%
Educational Services	688	9.0%	716	8.7%	28	4.1%
Transportation and Warehousing	179	2.4%	185	2.2%	6	3.4%
Finance and Insurance	166	2.2%	169	2.0%	3	1.8%
Real Estate and Rental and Leasing	237	3.1%	238	2.9%	1	0.4%
Manufacturing	123	1.6%	106	1.3%	-17	-13.8%
Retail Trade	1,027	13.5%	983	11.9%	-44	-4.3%
Arts, Entertainment, and Recreation	865	11.4%	634	7.7%	-231	-26.7%
Total	7,603	100%	8,265	100%	662	8.7%

Source: Quarterly Census of Employment and Wages.

The top two employment industries (accommodation/food services and retail trade) declined slightly in their share of total employment. The industries experiencing the largest absolute growth were construction and mining, adding 192 and 124 jobs to the local economy, respectively. Given the softening the real estate industry, however, construction will likely be a smaller proportion of jobs in the next few years. Arts and entertainment experienced a significant decline between 2000 and 2007, shedding 231 jobs over the period.

In the initial citizen survey we conducted for this study, we asked respondents to choose the industries in which they worked during the winter months. Survey respondents were asked to indicate all of the industries in which members of their household worked. Exhibit II-15 below shows the distribution of these responses by community⁴.

⁴ The number of responses are greater than the survey sample because respondents could check multiple responses for all the workers in their households.

Exhibit II-15.
Employment Profile of Survey Respondents, Gunnison County, 2009

	Crested Butte	Mt. Crested Butte	Gunnison	Rest of County	Total County
Business Services <i>(insurance, customer service, real estate)</i>	13%	15%	14%	15%	14%
Construction	11%	12%	12%	15%	15%
Education and Health <i>(hospital, school, college)</i>	15%	7%	21%	13%	17%
Financial Services <i>(financial planning, banking)</i>	2%	4%	4%	3%	3%
Government <i>(including schools)</i>	6%	7%	17%	15%	13%
Grocery/Food Services	3%	3%	6%	3%	4%
Hospitality/Housekeeping <i>(hotel, restaurant)</i>	11%	16%	6%	7%	7%
Information Technology <i>(information systems support, programmer)</i>	1%	1%	1%	1%	1%
Manufacturing	2%	1%	1%	0%	1%
Mining	0%	0%	2%	0%	0%
Nonprofit	6%	5%	3%	4%	4%
Retail	8%	4%	5%	5%	5%
Ski Industry	8%	13%	2%	5%	5%
Student	1%	3%	2%	1%	1%
Trade, Transportation and Utilities <i>(power, water, public transportation)</i>	5%	4%	2%	6%	4%
Other Services	8%	5%	2%	5%	4%
Agriculture/Rancher/Farmer	1%	0%	2%	2%	1%

Source: Gunnison County 2009 Citizen Housing Survey.

Survey respondents were most frequently employed in education and health (17 percent), business services (14 percent), construction (15 percent) and government (13 percent). The only community that differed was Mt. Crested Butte, where hospitality and housekeeping and the ski industry were among the most frequently cited industries, employing 16 percent and 13 percent of survey respondents and members of their households, respectively.

About 9 percent of respondents said they were retired or that someone else in their household was retired.

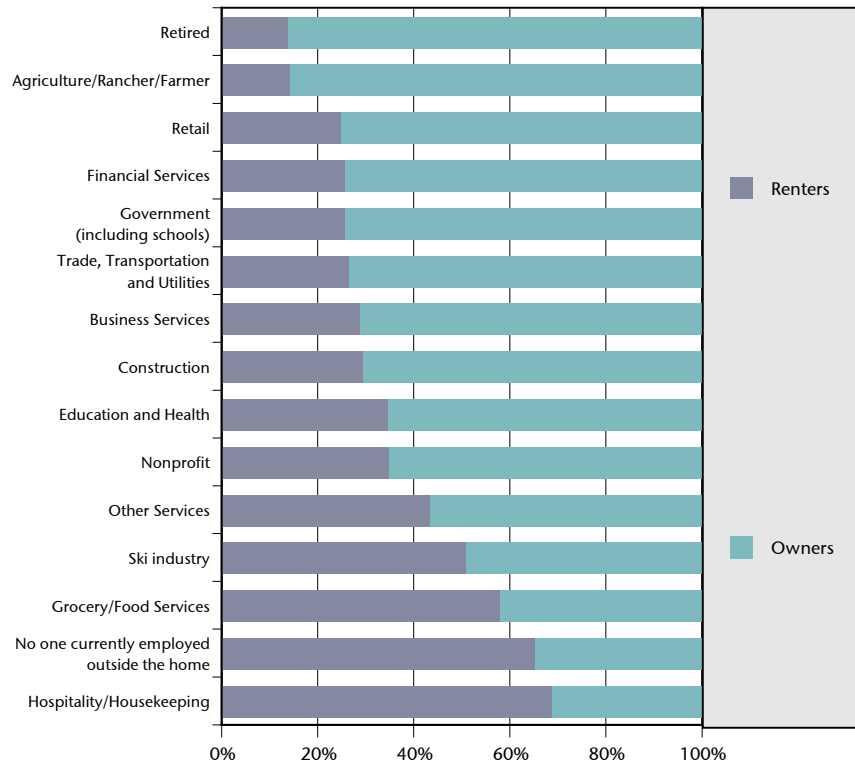
The industries with the greatest proportions of workers who rent their homes included hospitality/housekeeping (69 percent) and grocery and food services (58 percent). About 65 percent of unemployed persons seeking employment were renters.

Owners are much more likely to be retired and/or work in higher paying industries. A bit surprising is the high proportion of owners who work in the retail industry—perhaps because jobs are limited in other industries. In most communities, renters are much more likely than owners to fill retail jobs. The fact that retail jobs are mainly filled by owners in Gunnison County suggests that other, more desirable and higher paying jobs in the county are limited.

The following exhibit shows the proportions of renters and homeowners working in the county's major industries.

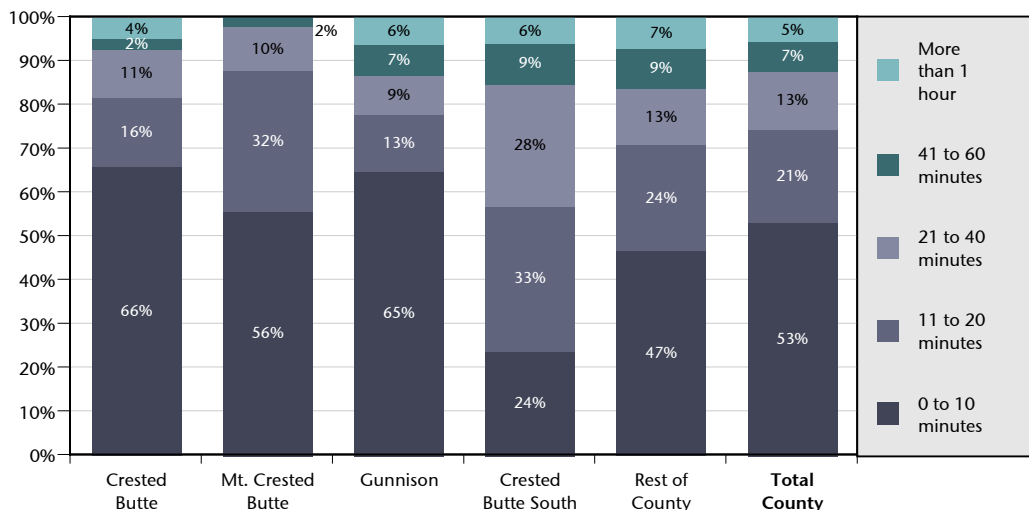
**Exhibit II-16.
Tenure by Industry
of Employment,
Gunnison County,
2009**

Source:
Gunnison County 2009 Citizen
Housing Survey.



Commuting. Respondents to the citizen survey were asked to indicate the length of the daily commutes of all the workers in their households. Of all the workers represented by the surveys (more than 1,200 workers), 53 percent had commutes of 10 minutes or less, 21 percent between 11 to 20 minutes, 13 percent between 21 and 40 minutes, and 12 percent 41 minutes or more. The following exhibit shows the commute times of workers living in different communities.

**Exhibit II-17.
Length of Commute by Community,
Gunnison County, 2009**



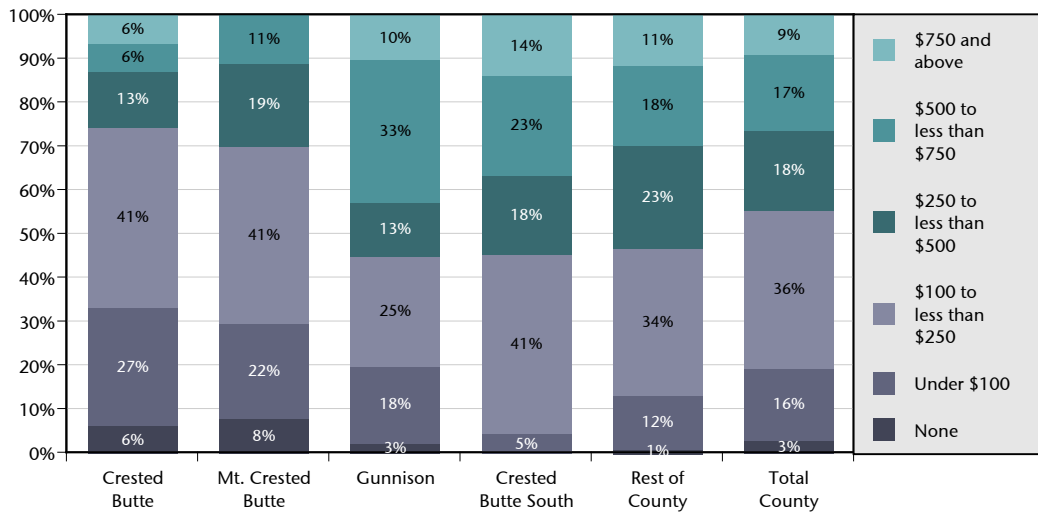
Source: Gunnison County 2009 Citizen Housing Survey.

The largest proportions of workers with short commutes live in Crested Butte and Gunnison, where approximately 65 percent of workers have commutes of 10 minutes or less.

Crested Butte South—a bedroom community to Crested Butte with few employment opportunities—had workers with the longest commute times. All of the workers living in Crested Butte South had commute times of 40 minutes and less, however, which was mostly true of Mt. Crested Butte as well.

Transportation costs. Respondents were also asked how much their households spent per month on transportation. Their answers are shown in Exhibit II-18 below.

Exhibit II-18.
Cost of Transportation, Gunnison County, 2009

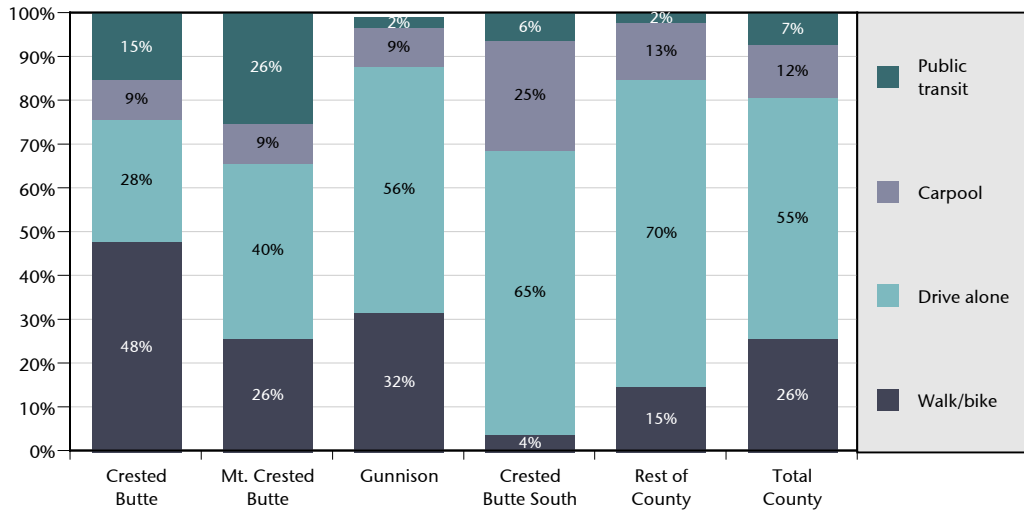


Source: Gunnison County 2009 Citizen Housing Survey.

Residents of Crested Butte South and Gunnison had the highest transportation costs, with 55 percent of residents in each community paying more than \$250 per month in transportation costs, compared to only 30 percent of employed residents of Mt. Crested Butte and 25 percent of employed residents of Crested Butte. These data are correlated with the mode of transportation, shown below. The more likely residents are to rely on auto-oriented transportation, the higher their transportation costs.

Mode of transportation. Finally, the surveys asked respondents to indicate all the modes of transportation the workers in their households use to get to work. Their responses are shown below, by community, in Exhibit II-19.

**Exhibit II-19.
Mode of Transportation to/from Work, Gunnison County, 2009**



Source: Gunnison County 2009 Citizen Housing Survey.

The survey data show that non-auto modes of transportation are very popular in the county. In the incorporated communities, between one-fourth and almost one half of residents walk or bike to their places on employment. These data are testament to the efforts the various communities have put in to walkability in their towns/city.

Still, many workers said they drove alone to work: 56 percent of City of Gunnison residents, 65 percent of residents of Crested Butte South, and 70 percent of residents in other incorporated areas. A relatively large proportion of residents in Crested Butte South said they carpoled (25 percent).

The Gunnison Valley Rapid Transit Authority (RTA) provided us with summary data from their winter 2008/2009 passenger survey effort. Average ridership in winter 2008/2009 was 500 passengers. Of these passengers:

- 69 percent lived in Gunnison;
- 7 percent lived in Crested Butte, another 7 percent in Mt. Crested Butte, and 6 percent in Crested Butte South;
- 8 percent lived outside the county and 3 percent lived in unincorporated Gunnison County.

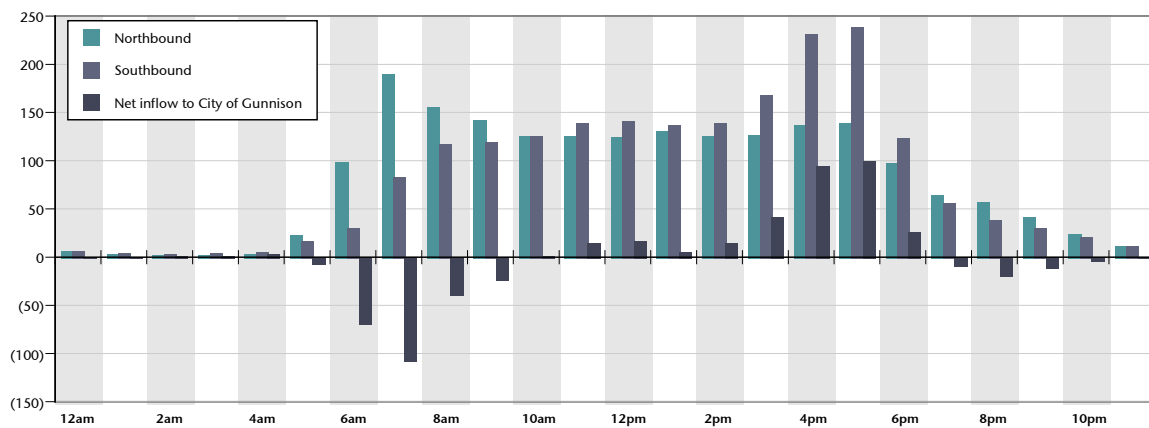
Most of the 500 passengers were “going to or from a recreation activity” (likely skiing): 235 passengers reported this was why they used the transit system. Thirty-eight percent, or 190 of the 500 passengers were taking the bus to/from work. The remainder of the passengers were taking the bus to school or to shop. Of the 500 passengers, 175, or 35 percent, are Western State College students.

Most passengers took the bus frequently, as 45 percent rode the bus 5 or more days per week. An additional 32 percent rode 2 to 4 days per week. Twenty-three percent rode 1 day a week or less.

Traffic counts. The Colorado Department of Transportation reports traffic counts at specific locations of road segments throughout the state. One of these locations where regular traffic counts are taken is along Highway 135, 3.5 miles north of the City of Gunnison on the way to Crested Butte. During the peak season (January and February), an average of 1,957 vehicles travel north toward Crested Butte, and an average of 1,990 travel south into Gunnison.

The flow of traffic flips from north to south throughout the course of the day. The exhibit below shows the average daily northbound and southbound traffic count for each hour of the day during the peak season (January through February), along with the net inflow of traffic to the City of Gunnison.

Exhibit II-20.
Peak Season Traffic Patterns, Highway 135 (City of Gunnison to Town of Crested Butte)



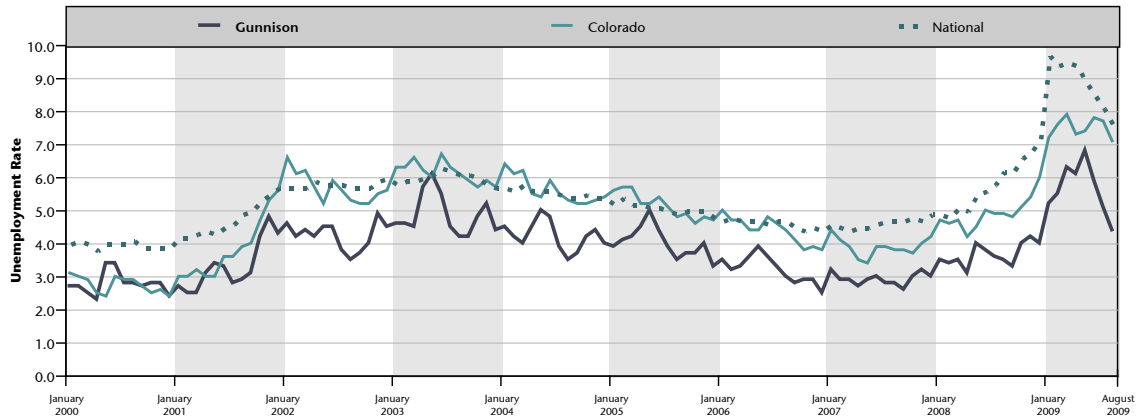
Note: Traffic count taken 3.5 miles north of Gunnison on Highway 135, near intersection with County Road 730
Source: Colorado Department of Transportation.

According to the Colorado Department of Transportation, there is a net outflow from of vehicles Gunnison of 236 on average between 6:00 and 10:00 a.m. on peak season mornings and there is a net inflow of vehicles of 262 on average between 3:00 and 7:00 p.m. It is not possible to separate these numbers into round-trip commuters, skiers, and vehicles passing through, but the data clearly show a strong trend of commuting from Gunnison to the resort communities to the north.

Unemployment. Exhibit II-21 shows annual trends in unemployment in Gunnison County as compared to the state and country as a whole.

Unemployment in Gunnison County has been well below the nationwide rate since 2000 below the statewide rate since 2002. This is an improvement from the 1990's, when the unemployment rate in Gunnison County surpassed the statewide and nationwide rates in most years. There was a rapid increase in unemployment in Gunnison County in the early part of the year, reaching 6.8 percent in May 2009, and then declining to an annual low of 4.4 percent in August.

Exhibit II-21.
Rate of Unemployment Comparison of Gunnison County, the State of Colorado and United States, 2000 to August 2009



Source: Bureau of Labor Statistics.

Wages. According to the Quarterly Census of Employment and Wage (QCEW), the average weekly wage for Gunnison County in fourth quarter 2008 was \$680. This would be equivalent to \$17 per hour or \$35,360 per year, assuming a 40-hour week worked all year.

Exhibit II-22 shows the average weekly pay for key industries in Gunnison County from 2000 through 2008. The data show relatively little increase in wages for the industries of manufacturing (\$35/week increase); accommodation and food services (\$57/week); and, to a lesser extent, retail trade (\$84/week). The largest increases occurred for the mining (\$578/week), finance/insurance (\$266/week), administrative and waste services (\$259/week) and professional and technical services industries (\$251/week).

As examined in Section III, these increases are inadequate to compensate for the increase in home prices over the same period.

Exhibit II-22.
Average Weekly Wage by Industry, Gunnison County, 2000 to 2007

Industry	Average Weekly Wage										Change 2000-2007	
	2000	2001	2002	2003	2004	2005	2006	2007	2008	Numeric	Percent	
Mining	962	975	1,010	1,107	1,235	1,220	1,238	474	1,540	578	60%	
Construction	487	495	512	522	549	561	590	143	666	179	37%	
Manufacturing	460	421	454	466	471	475	485	501	495	35	8%	
Retail Trade	340	349	355	360	375	381	395	424	424	84	25%	
Transportation and Warehousing	446	478	495	510	565	530	552	540	551	105	24%	
Finance and Insurance	647	659	622	739	763	772	796	927	913	266	41%	
Real Estate and Rental and Leasing	415	392	386	395	480	552	584	547	476	61	15%	
Professional and Technical Services	592	539	516	530	569	685	642	842	843	251	42%	
Administrative and Waste Services	286	305	329	325	385	405	416	484	545	259	91%	
Educational Services	543	562	567	620	605	599	602	692	714	171	31%	
Health Care and Social Assistance	435	441	481	516	545	548	560	555	599	164	38%	
Arts, Entertainment, and Recreation	320	360	330	320	373	413	425	469	470	150	47%	
Accommodation and Food Services	197	197	205	213	221	231	230	246	254	57	29%	
Other Services	297	322	324	332	328	340	353	363	387	90	30%	
Public Administration	515	544	592	606	634	665	680	722	738	223	43%	

Source: Quarterly Census of Employment and Wages.

Workers per household. According to the citizen survey conducted for this study, Gunnison County households have 1.68 workers on average per housing unit. (This ratio excludes retired households). Exhibit II-23 presents the average number of workers per household by community.

**Exhibit II-23.
Number of Workers per Household,
Gunnison County, 2009**

Source:
Gunnison County Citizen Housing Survey.

Number of Workers	
Crested Butte	1.71
Crested Butte South	1.84
City of Gunnison	1.59
Mt. Crested Butte	1.68
Other unincorporated	1.74
Overall	1.68

Income and poverty. The Bureau of Labor Statistics estimates the median household income in Gunnison County at \$49,333 in 2007. This means that half of households earn more than \$49,333 and half earn less. This is below the statewide median family income of \$55,517 during the same year.

HUD also estimates median income, which it calls median family income, or MFI. MFI for Gunnison County was \$66,100 in 2009. This is for a 4-person household. The HUD-calculated MFI is used to determine eligibility for housing programs. MFI is divided into several “low income” categories. Exhibit II-23 shows the breakdown of MFI for Gunnison County households as of 2009.

**Exhibit II-24.
Income Distribution by MFI,
Gunnison County, 2009**

Note:
The table is based on a 4-person MFI of \$66,100.

Source:
U.S. Department of Housing & Urban Development and
BBC Research & Consulting.

Income Range	
Extremely low income (0-30% of MFI)	\$0 to \$19,830
Very low income (31-50% of MFI)	\$19,831 to \$33,050
Low income (51-80% of MFI)	\$33,051 to \$52,880
Moderate income (81-100% of MFI)	\$52,881 to \$66,100
Median income	\$66,101 or more

Although housing programs use MFI for eligibility, it is easier for most community members to understand incomes in terms of levels⁵. Exhibit II-24 shows the range of household income levels in Gunnison County according to an interpolation of income data for Gunnison County from DOLA and the Census.

The extent to which the higher than average wages earned by workers in the mining and federal government industries affects the overall median income in the county is unknown. Our survey data show that workers in mining in Gunnison County are more likely to earn higher wages than workers overall: 50 percent earned more than \$75,000/year compared with 36 percent for workers overall.

Gunnison County has a balanced income distribution, with about 10 percent of households falling within each income range. About 23 percent of Gunnison County households earn less than \$25,000; about half (47 percent) earn less than \$50,000.

⁵ HUD’s median *family* income (MFI) is always higher than the median household income in a community because HUD’s MFI is calculated for a 4-person household, whereas household income includes all household types. Therefore, household income will capture one-earner households, where the 4-person MFI includes more two earner households.

**Exhibit II-24.
Income Distribution of Gunnison
County Households, 2007**

Note:
* Based on DOLA estimates for Region 10 (including Gunnison) and the change in income distribution for this region since the 2000 Census.

Source:
BBC Research & Consulting and Colorado Department of Local Affairs "Colorado Economic and Demographic Information System" (CEDIS).

Annual Household Income	DOLA 2007 Estimates*	
	Number	Percent
Less than \$15,000	647	11%
\$15,000 to \$24,999	734	12%
\$25,000 to \$34,999	683	11%
\$35,000 to \$49,999	790	13%
\$50,000 to \$74,999	1,164	19%
\$75,000 to \$99,999	675	11%
\$100,000 to \$149,999	874	14%
\$150,000 or more	571	9%
More than \$100,000	6,137	100%

The income distribution varies by household size, as shown in Exhibit II-25. The largest proportion of households in each income bracket are shaded. As the exhibit demonstrates, single households are much more likely to have very low incomes. The exhibit also suggests that it is necessary to have two or more earners in a household to reach moderate income levels—yet between one-fourth and one-third of the county’s households are one-person households.

**Exhibit II-25.
Income by
Household Size,
Gunnison
County, 2009**

Source:
Gunnison County 2009
Citizen Housing Survey.

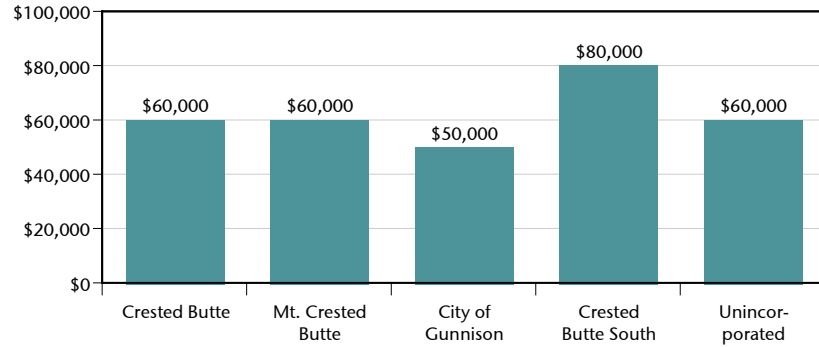
	1 person	2 people	3 people	4 people
Under \$15,000 per year	27%	8%	3%	6%
\$15,000 to less than \$25,000 per year	16%	9%	11%	2%
\$25,000 to less than \$35,000 per year	19%	5%	8%	1%
\$35,000 to less than \$50,000 per year	15%	14%	14%	8%
\$50,000 to less than \$75,000 per year	8%	25%	27%	22%
\$75,000 to less than \$100,000 per year	2%	13%	14%	19%
\$100,000 to less than \$150,000 per year	4%	11%	17%	27%
\$150,000 or more per year	3%	10%	5%	13%
No income	6%	4%	1%	2%
Under \$15,000 per year	100%	100%	100%	100%

Income varies slightly by community; with Crested Butte South households have the highest median household incomes and City of Gunnison having the lowest. Housing supply and pricing drives some of this: As demonstrated in Section III, the City of Gunnison is one of the least expensive places to buy a home in the county.

Exhibit II-26 compares incomes by household size by community, based on the citizen survey conducted for this study.

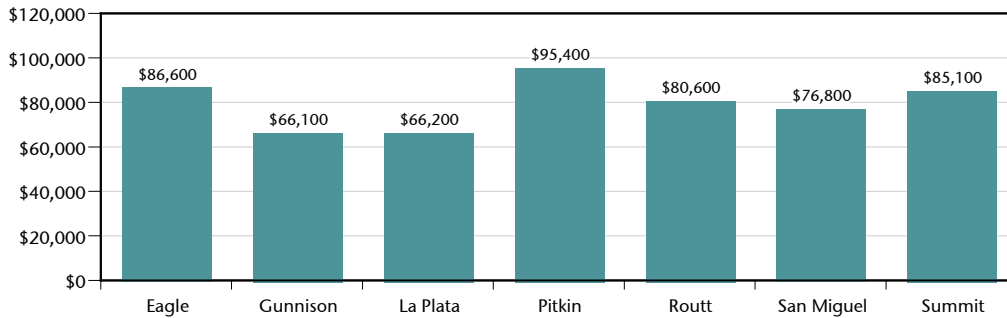
**Exhibit II-26.
Median Household
Income by Community,
Gunnison County, 2009**

Source:
Gunnison County 2009
Citizen Housing Survey.



Comparative income. Compared to other counties with resort areas, Gunnison’s median family income is relatively low. Exhibit II-27 compares median family income in Gunnison County with other, similar Colorado counties.

**Exhibit II-27.
Median Family Income, County Comparison**



Source: U.S. Department of Housing & Urban Development.

Poverty. The Small Area Estimates Branch of the U.S. Census estimates poverty levels and median income annually for all counties, including those do not meet the population threshold to be included in the annual or 3-year ACS estimates.

According to the 2007 estimates, there were 1,511 persons living in poverty in Gunnison County in 2007, representing 10.7 percent of the population. This rate was slightly lower than the statewide rate of 11.5 percent.

In 2007, 11.8 percent of children lived in poverty in Gunnison County, which was slightly higher than the rate overall. In most communities, poverty rates are highest for young children.

Cost of living. Colorado State College conducts a study every several years to calculate the cost of living in Colorado Counties. In 2007, Gunnison's cost of living index was 102.11, compared to a benchmark score of 100. This means the cost of living in Gunnison was slightly above that of the state as a whole. Of Colorado's 64 counties, Gunnison's 2007 cost of living index ranked as the 17th highest.

In the same year, Gunnison had a median family income of \$55,980, which was below the statewide MFI of \$59,400. Given a cost of living slightly above the state average and a median family income below the statewide median family income, purchasing power in is lower in Gunnison than it is statewide. In other words, Gunnison residents spend a greater proportion of their income than all Coloradoans to maintain the same standard of living. However, this standard of living does not reflect the desirability of living in a mountain community such as Gunnison and other intangibles.

SECTION III.
Housing Demand Analysis

SECTION III. Housing Demand Analysis

This section of the report contains an analysis of housing needs in Gunnison County. It begins with an overview of the housing inventory, discusses housing affordability, and concludes with an identification of the county’s unmet housing needs. The citizen survey completed for this study, discussed in detail in Section IV of this report, along with secondary data on market prices are used together to identify housing needs.

Gunnison County Housing Inventory

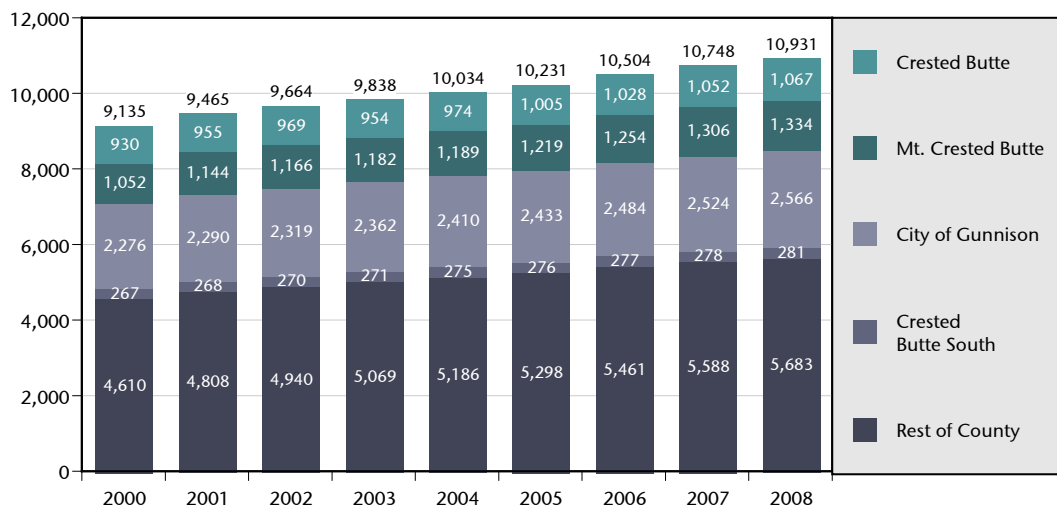
The Colorado Department of Local Affairs (DOLA) estimates a total of 10,931 housing units in Gunnison County as of July 2008. DOLA reports that 43 percent of these units are “vacant,” meaning they are not occupied by permanent residents¹. The county had 6,231 units occupied by permanent residents as of July 2008 according to DOLA.

In 2000, the county reported 9,135 housing units and a vacancy rate of 38 percent. Occupied units totaled 5,649.

Between 2000 and 2008, the number of housing units in Gunnison County increased by 1,796—a 19.6 percent increase in units. Of the 1,796 new units, 290 units (16 percent) were built in the City of Gunnison, 137 (8 percent) in Crested Butte, 282 (16 percent) in Mt. Crested Butte and 1,073 (60 percent) in unincorporated Gunnison County. New residential construction in the unincorporated county made up the lion’s share of new development from 2000 to 2008.

Exhibit III-1 shows the 7-year trend in housing units by community.

**Exhibit III-1.
Total Housing Units in Gunnison County, 2000-2008**



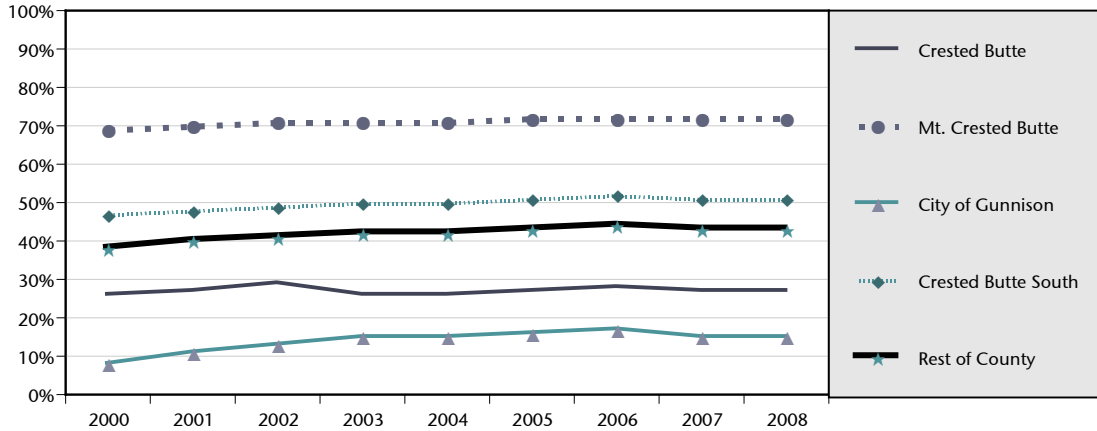
Source: Colorado Department of Local Affairs (DOLA).

¹ In this section, “vacant” units primarily mean units reserved for seasonal use that are not occupied by permanent residents.

Vacant/seasonal units. Vacant units made up 68 percent of the growth in overall residential units in the county between 2000 and 2008. In 2008, the county had 1,217 more vacant units than it did in 2000. As mentioned above, the countywide vacancy rate increased from 38 percent to 43 percent over this period. The growth in occupied housing units was 580—less than half of the growth in vacant units.

Vacancy rates differ significantly by community, as shown below in Exhibit III-2.

**Exhibit III-2.
Vacancy Rates by Community, Gunnison County, 2000-2008**



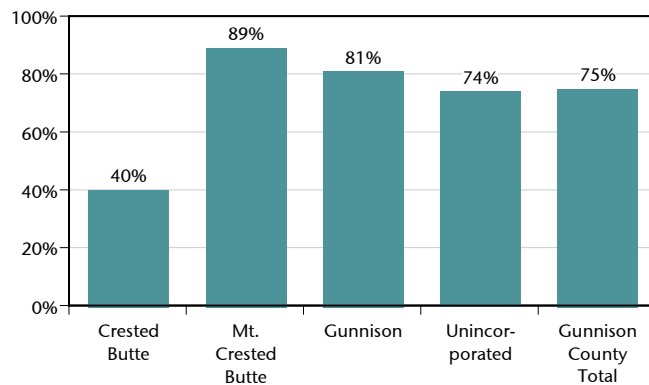
Source: Colorado Department of Local Affairs (DOLA).

Mt. Crested Butte had the highest vacancy rate, increasing from 69 percent to 72 percent between 2000 and 2007. The City of Gunnison saw its vacancy rate double from 8 percent to 17 percent between 2000 and 2006, before declining slightly to 15 percent. Crested Butte had the second lowest vacancy rate in the county after the City of Gunnison at 27 percent. The vacancy rate in unincorporated Gunnison County has hovered around 50 percent.

The proportion of newly developed units that are vacant was highest in Mt. Crested Butte (89 percent) and Gunnison (81 percent) and much lower in Crested Butte (40 percent). This comparison is shown in Exhibit III-3 for both the percent of developed units that were vacant/vacation and number of units.

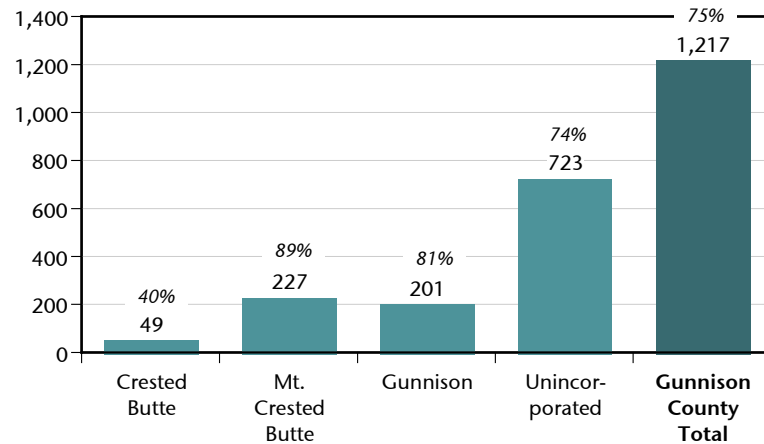
**Exhibit III-3a.
Percent of New Residential Development that is Vacant/Vacation Units, Gunnison County, 2000 to 2008**

Source: Colorado Department of Local Affairs (DOLA).



**Exhibit III-3b.
Number of New Residential
Development that is Vacant/
Vacation Units, Gunnison
County, 2000 to 2008**

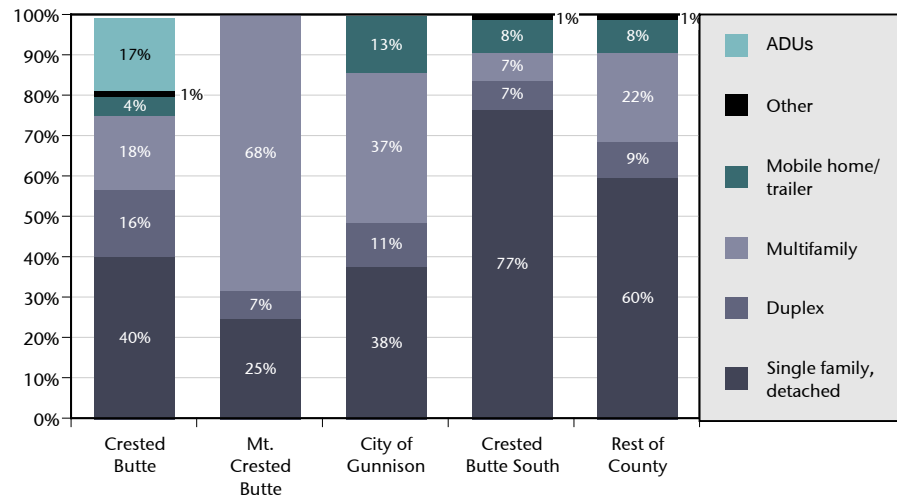
Source:
Colorado Department of Local Affairs (DOLA).



Type of housing units. Exhibit III-4 shows the proportion of the housing stock in Gunnison County and its communities that is represented by different types of housing, based on current unit totals from DOLA and the percentages estimated by Claritas (a commercial data provider which tracks housing development). These data represent all of the housing units in the county, both occupied and vacant.

**Exhibit III-4.
Types of Housing
as Percent of Total
Housing Units by
Community,
Gunnison County**

Source:
Claritas 2008, DOLA, Town of
Crested Butte and the City of
Gunnison.

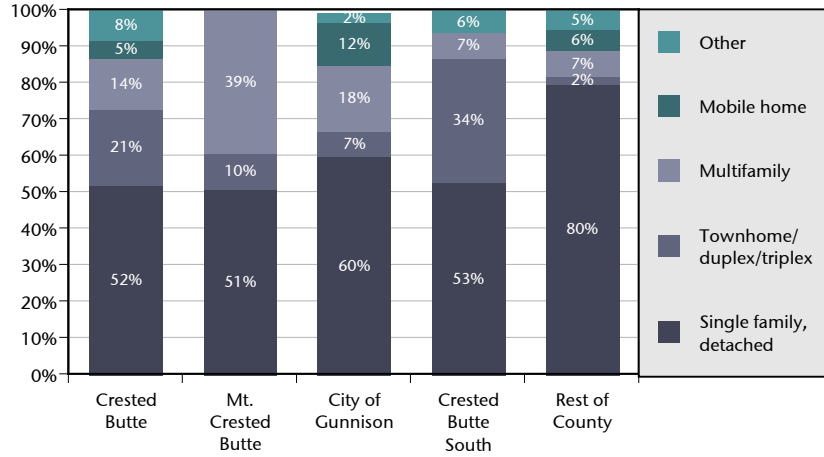


As shown above, the most of the housing units in Gunnison County are single-family detached units, followed by multifamily housing units. The City of Gunnison, Crested Butte and especially Mt. Crested Butte have much higher proportions of multifamily units than the rest of the county—in part due to units that are primarily used for vacation and student housing.

We asked respondents to the housing survey—who represent primary residents only (no second homeowners)—what types of units they live in. The breakdown of housing units by type **according to survey respondents** is shown in Exhibit III-5. The breakdown reported by survey respondents is fairly close to the Claritas estimates shown above except for Mt. Crested Butte, where far more multifamily units are reported when vacant units are included in the data (as in Exhibit III-4).

**Exhibit III-5.
Housing Type by
Community,
Gunnison County
Citizen Survey**

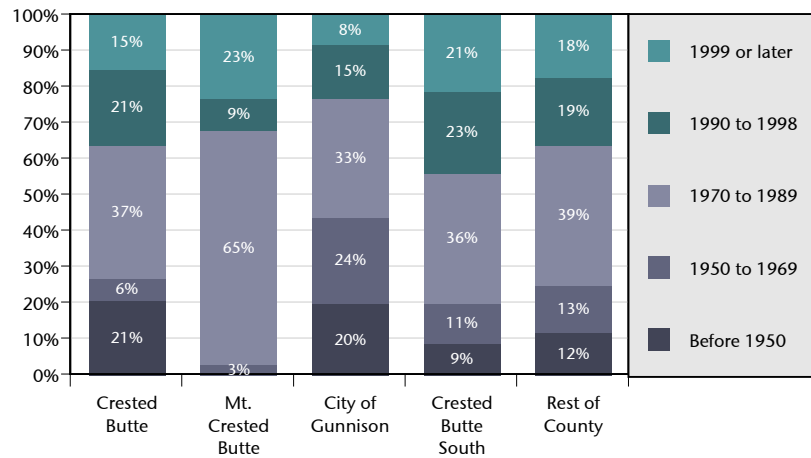
Source:
Gunnison County Citizen Housing
Survey.



Age of units. The exhibit below, drawn from 2008 Claritas estimates, shows the number of housing units by year built in Gunnison County and its communities.

**Exhibit III-6.
Age of Housing by
Community,
Gunnison County**

Source:
Claritas 2008.

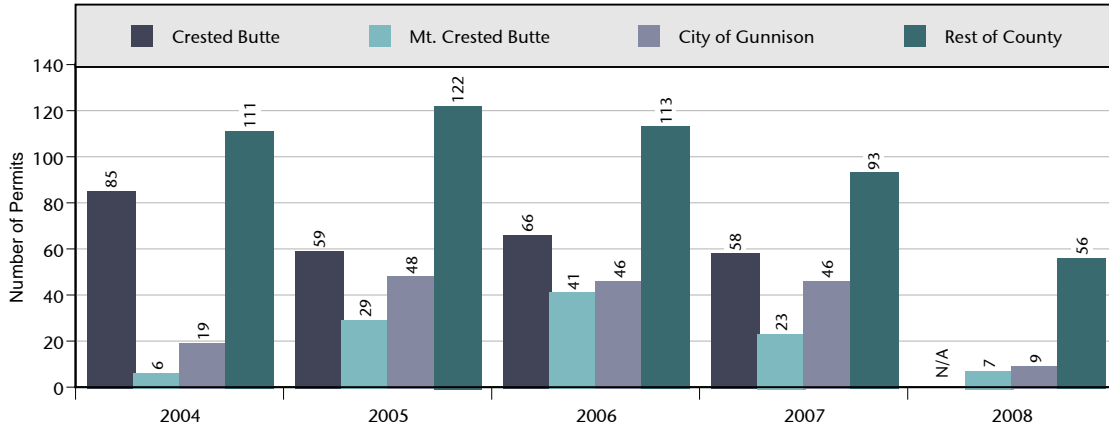


In the county overall, the largest proportion of housing units (39 percent) was built between 1970 and 1989. About 18 percent of units were built between in the decade between 1999 and 2008. About 63 percent of units were built before 1990 and 25 percent before 1970.

The age of the housing stock varied markedly by community. The City of Gunnison had the oldest housing stock, with the majority of units built before 1990 and 45 percent built before 1970. Crested Butte and unincorporated areas of the county had greater proportions of new housing, with 36 and 44 percent of units built since 1990, respectively. In Mt. Crested Butte, almost two-thirds of the units were built between 1970 and 1989, and the rest since 1990.

Building activity. Exhibit III-7 shows the number of building permits issued per year for new residential units by unit type (single- or multi-family). As the graph demonstrates, new construction has tapered off over the past few years after peaking in 2005 and 2006.

**Exhibit III-7.
Building Permits, Gunnison County**



Source: U.S. Census Bureau.

Tenure. Estimates of homeownership suggest that in 2009, 62 percent of occupied housing units in Gunnison County were owner-occupied. This estimate is slightly higher than data from the 2000 Census, in which 58 percent of units in Gunnison County were owner-occupied.

We estimate, based on the survey results, 32 percent of households in Gunnison County rent and 63 percent own. The remainder (5 percent) live in a home that they do not own but where they do not pay rent.

Exhibit III-8 shows tenure by community according to the citizen survey. Homeownership is highest in the unincorporated county and, to a lesser extent, the City of Gunnison and Crested Butte South. The Towns of Crested Butte and Mt. Crested Butte have the highest proportions of renters.

**Exhibit III-8.
Tenure by Community,
Gunnison County**

Source:
Gunnison County Citizen Housing Survey.

	Crested Butte	Mt. Crested Butte	City of Gunnison	Crested Butte South	Rest of County
Rent	46%	44%	37%	40%	20%
Own	54%	56%	63%	60%	80%

Tenure varies by income, as shown in Exhibit III-9. More than three times as many renters as owners earn less than \$25,000 per year. About 2/3 of renters earn less than \$50,000 per year, compared to a little less than one-third of owners.

**Exhibit III-9.
Income by Tenure,
Gunnison County**

Source:
Gunnison County Citizen Housing Survey.

	Renter	Owner
Under \$15,000 per year	16%	3%
\$15,000 to less than \$25,000 per year	19%	6%
\$25,000 to less than \$35,000 per year	15%	6%
\$35,000 to less than \$50,000 per year	15%	13%
\$50,000 to less than \$75,000 per year	15%	26%
\$75,000 to less than \$100,000 per year	9%	15%
\$100,000 to less than \$150,000 per year	8%	19%
\$150,000 or more per year	4%	12%
Total	100%	100%
<i>Less than \$25,000 per year</i>	35%	10%
<i>Less than \$50,000 per year</i>	64%	29%

Location by household type. Housing preferences, the supply of housing available to rent or purchase, and affordability all influence where households of certain types live. As discussed in more detailed in the next section, the citizen survey shows that couples with children are more likely to live in Crested Butte South than other household types, and single persons living alone are more likely to live in the City of Gunnison. Single parents are less likely to live in Crested Butte and Crested Butte South than couples with children, and more likely to live in the City of Gunnison or the unincorporated county. This is likely driven by affordability: More than 40 percent of the single parents surveyed earned less than \$25,000 per year.

Housing Affordability

This section describes the state of the housing market in Gunnison County in terms of affordability. It begins with a summary of how housing prices have changed since 2000, and then discusses the pricing and affordability of for sale housing, followed by the same for rental housing.

Price increases. In 2000, the U.S. Census Bureau reported a median home value of owned homes in Gunnison County of \$179,900. Crested Butte had the highest median value at \$249,200, compared to Mt. Crested Butte at \$213,200 and the City of Gunnison at \$135,400.

According to the county assessor, in 2000, single family homes sold had a median sales price of \$299,000 in the Town of Crested Butte; \$152,750 in the City of Gunnison; \$231,500 in Mt. Crested Butte; and \$164,500 in rural Gunnison County.

Our analysis of county assessor’s data in 2008 and 2009 showed a median sales price for single family residences during 2008 and 2009 at more than \$400,000. The median sales price for homes sold in 2008 and 2009 was \$832,500 in Crested Butte; \$290,500 for the City of Gunnison; \$655,000 million for Mt. Crested Butte and \$314,000 in rural Gunnison County.

We compared the assessor’s medians to median price of **all types of** homes for sale in May 2009 to get another indicator of median values. We also compared these data to the median values of homes from the Census (where available) to estimate price increases during the past 8 years. Exhibit III-10 shows the median prices of homes that were for sale in May 2009 by community compared to the 2000 median values from the Census².

**Exhibit III-10.
Price Changes,
Home Values (all
housing types),
Gunnison County,
2000 to 2009**

Source:
BBC Research & Consulting.

	2009 Median Price (for sale units)	2000 Median Value (all units)	Numeric Change	Percent Change
Crested Butte	\$802,500	\$249,200	\$553,300	222%
Mt. Crested Butte	\$477,500	\$213,200	\$264,300	124%
City of Gunnison	\$241,500	\$135,400	\$106,100	78%
Crested Butte South	\$399,000	N/A		
Rural Crested Butte	\$1,195,000	N/A		
Rural Gunnison	\$329,000	N/A		
Gunnison County	\$405,000	\$179,900	\$225,100	125%

According to this analysis, a Gunnison County household would need to earn about \$64,000 more in 2009 to be able to afford the median priced home than they would have needed to earn in 2000. The median income of Gunnison County households has increased since 2000 by about \$23,000—one-third of what is needed to keep up with the median home price.

This disparity is far greater in Crested Butte and Mt. Crested Butte. We estimate that in Crested Butte, households need to earn \$150,000 more in 2009 than in 2000 to afford the median priced home. To afford to buy in Mt. Crested Butte, household must earn \$75,000 more in 2009 than in 2000.

Single family v. condo price increases. Using the detailed assessor’s data from 2000 and 2008/09, we were able to separate single family homes from condominiums and analyze the price changes in these different types of units. Exhibit III-11 presents these data.

² The Exhibit presents a slightly more affordable picture in Mt. Crested Butte than the assessor’s median suggests, primarily because more multifamily units are incorporated into the median.

**Exhibit III-11.
Comparative Price Distribution and Median Sales Price, 2000 and 2008/09**

	Gunnison and Surrounding Areas		Town of Crested Butte		Mt. Crested Butte		Rural Gunnison	
	2000	2008/2009	2000	2008/2009	2000	2008/2009	2000	2008/2009
Single Family Housing								
\$0 to \$99,999	29.6%	3.1%	13.1%	2.6%	28.1%	0.0%	39.3%	13.0%
\$100,000 to \$149,999	18.4%	4.7%	8.3%	0.0%	9.4%	1.3%	8.3%	13.0%
\$150,000 to \$199,999	23.3%	10.9%	1.2%	0.0%	5.9%	1.3%	8.9%	8.7%
\$200,000 to \$249,999	10.7%	14.1%	9.5%	0.0%	10.3%	2.6%	10.7%	5.4%
\$250,000 to \$299,999	3.9%	19.5%	19.0%	2.6%	7.4%	5.3%	7.1%	8.7%
\$300,000 to \$349,999	1.5%	23.4%	13.1%	2.6%	5.9%	7.9%	2.4%	7.6%
\$350,000 to \$399,999	1.9%	6.3%	6.0%	0.0%	5.4%	7.9%	0.6%	4.3%
\$400,000 to \$449,999	1.0%	3.1%	0.0%	2.6%	3.9%	7.9%	3.0%	9.8%
\$450,000 to \$499,999	1.0%	1.6%	14.3%	7.9%	8.9%	3.9%	0.0%	2.2%
\$500,000 and up	8.7%	13.3%	15.5%	81.6%	14.8%	61.8%	19.6%	27.2%
TOTAL	206	128	84	38	203	76	168	92
Median Price	\$ 152,750	\$ 290,500	\$ 299,000	\$ 832,500	\$ 231,500	\$ 655,000	\$ 164,500	\$ 314,000
Increase in Median		\$ 137,750		\$ 533,500		\$ 423,500		\$ 149,500
Condos								
\$0 to \$99,999	59.7%	7.5%	7.5%	11.1%	33.6%	5.0%		
\$100,000 to \$149,999	11.7%	17.5%	25.0%	11.1%	22.4%	10.0%		
\$150,000 to \$199,999	9.1%	35.0%	32.5%	0.0%	14.9%	12.5%		
\$200,000 to \$249,999	3.9%	17.5%	12.5%	0.0%	13.4%	12.5%		
\$250,000 to \$299,999	13.0%	5.0%	10.0%	11.1%	8.2%	11.3%		
\$300,000 to \$349,999	2.6%	2.5%	5.0%	22.2%	5.2%	6.3%		
\$350,000 to \$399,999	0.0%	2.5%	7.5%	11.1%	0.0%	6.3%		
\$400,000 to \$449,999	0.0%	0.0%	0.0%	11.1%	0.0%	3.8%		
\$450,000 to \$499,999	0.0%	7.5%	0.0%	0.0%	0.7%	6.3%		
\$500,000 and up	0.0%	5.0%	0.0%	22.2%	1.5%	26.3%		
TOTAL	77	40	40	9	134	80		
Median Price	\$ 89,800	\$ 180,000	\$ 165,750	\$ 335,000	\$ 109,000	\$ 273,750		
Increase in Median		\$ 90,200		\$ 169,250		\$ 164,750		

Source: BBC Research & Consulting and Gunnison County Assessor.

As demonstrated by the exhibit, single family home prices in Crested Butte and Mt. Crested Butte increased significantly. The City of Gunnison and rural county experienced much lower increases—still, the overall medians for these areas, at approximately \$300,000, are high relative to incomes and wages in the county. To afford the median in the “lower priced” communities of the City of Gunnison and the rural county, a household would need to earn approximately \$100,000.

Rental price increases. The rental situation is much different: In 2000, the median rent in Gunnison County reported by the Census was \$593. According to the Colorado State Division of Housing’s (DOH) apartment vacancy survey, the median rent in the Gunnison market area as of first quarter 2009 was \$608—a negligible increase from 2000³. Renters who are unable to buy are fortunate that rents have not increased at the same pace as for sale housing. A renter would need to earn just \$24,000 to afford the median rent.

³ The equivalent rent per square foot as of 1Q09 is \$1.03.

Our citizen survey paints a slightly different picture of rental costs and provides more information about the difference in rent costs by community. The data show a median rent of \$780 for the county overall, with wide variations in rental cost from a high of \$920 in Crested Butte and Crested Butte South to a low of \$600 in the City of Gunnison. This variation in rental costs is consistent with 2000 Census data, when Mt. Crested Butte reported the highest median at \$916 and the City of Gunnison the lowest median rent at \$498.

Overall increases. Exhibit III-12 compares the change in the median prices of for sale and rental units with the change in the median income of households in Gunnison County and for the communities within the county. On the for sale side, income growth has been far below what is needed to keep up with for sale home price growth, except in the City of Gunnison. Rental cost increases have been much lower for Mt. Crested Butte and Crested Butte than for the county and the City of Gunnison.

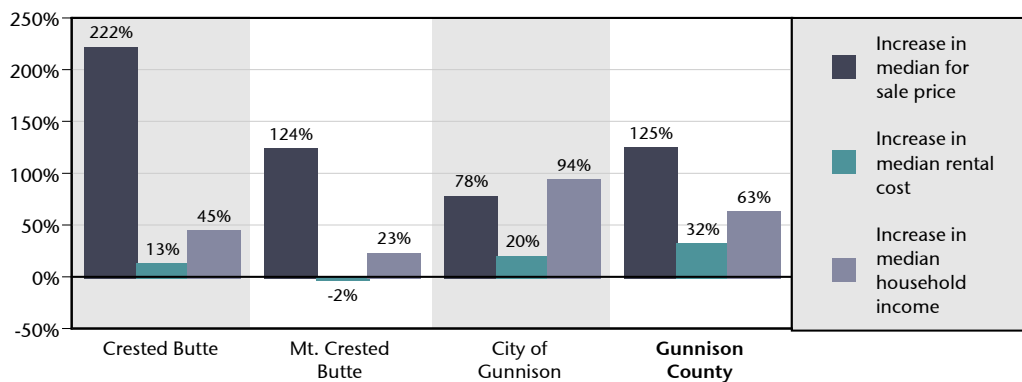
The data in the exhibit indicate that as for sale home prices have increased in the resort areas of the county, middle- and higher-income households have bought in the City of Gunnison and the unincorporated area of the county, boosting both home prices and incomes.

**Exhibit III-12.
Rise in For Sale Housing v.
Income Increases, Gunnison
County, 2000 to 2008/2009**

Note:
Increase in incomes and median rents compares the median household income from the 2000 Census to the medians from the citizen survey. The median home price is from county assessor summary reports.

Source:
U.S. Census Bureau, Gunnison County Citizen Housing Survey, Gunnison County Assessor and Gunnison Real Estate and Rentals.

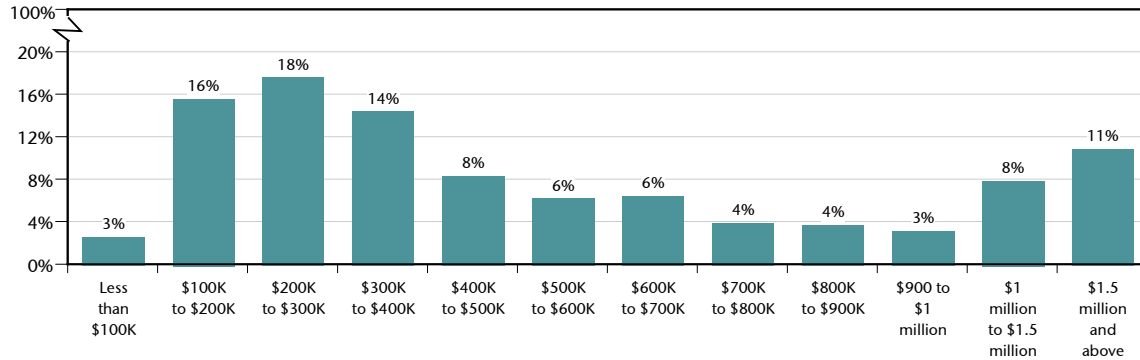
	Crested Butte	Mt. Crested Butte	City of Gunnison	Gunnison County
Increase in median for sale price	222%	124%	78%	125%
Increase in median rental cost	13%	-2%	20%	32%
Increase in median household income	45%	23%	94%	63%



Purchase options and affordability. New and existing residents in Gunnison County have many options for purchasing a home if they can afford a home priced at more than \$300,000; 63 percent of homes for sale are priced at more than \$300,000. Potential buyers looking for something more affordable have about one-third of homes on the market from which to choose. If buyers need homes priced at \$200,000 and less, about one-fifth of the market is affordable.

Exhibit III-13 shows distribution of listing prices for homes in Gunnison County as of May 2009, based on the Multiple Listing Service (MLS).

**Exhibit III-13.
Price Distribution of For Sale Home Listings, Gunnison County**

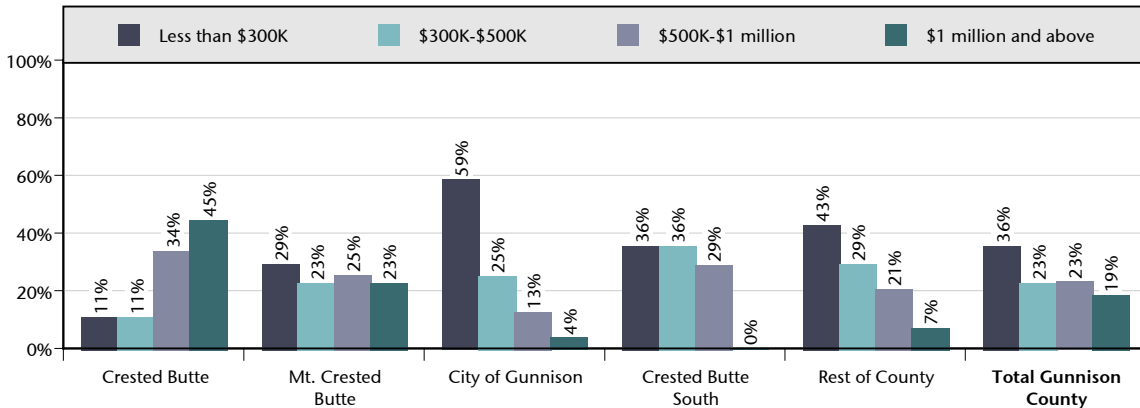


Note: Distribution is based on 907 properties.
Source: Gunnison County Multiple Listing Service (MLS), May 2009.

As in Exhibit III-13, there were very few units in the county priced less than \$100,000. One-fifth were priced at less than \$200,000; about one-third were priced at less than \$300,000. Another third (31 percent) were priced between \$400K and \$1 million. There is a large presence of expensive for sale properties in the county: listings priced at \$1 million or more totaled 169 and represented 19 percent of all listings.

Affordability by location. Buyers looking to spend less than \$300,000 on a home will have the best luck in the City of Gunnison, followed by the unincorporated areas in the county. The Town of Crested Butte has the lowest proportion of properties under \$300,000, as shown in Exhibit III-14.

**Exhibit III-14.
Price Distribution of For Sale Home Listings by Community, Gunnison County**



Source: Gunnison County Multiple Listing Service (MLS), May 2009.

According to the MLS, the City of Gunnison has the most affordable housing stock, with almost 60 percent of listings priced below \$300,000. Other areas of the county outside the immediate vicinities of incorporated cities and towns were also more affordable, with 43 percent of listings priced below \$300,000. Crested Butte clearly has the most expensive for sale housing stock in the county, with 45 percent of homes priced above \$1 million and only 22 percent priced below \$500,000. Mt. Crested Butte and the Crested Butte South neighborhood are moderately priced, with relatively large proportions of low-priced (less than \$300,000) along with far more expensive options.

Exhibit III-15 shows the pricing data by community in more detail, with median and average prices by unit type and the income required in order to afford the median priced home. We also included Lake City and surrounding areas for affordability comparisons.

The exhibit shows that, except for homes in Gunnison and attached units in the unincorporated areas of the county, households must earn \$100,000 and more to afford to purchase the median priced single family detached home, condo or townhome.

**Exhibit III-15.
MLS Listings and Prices by Community and Housing Type, Gunnison County**

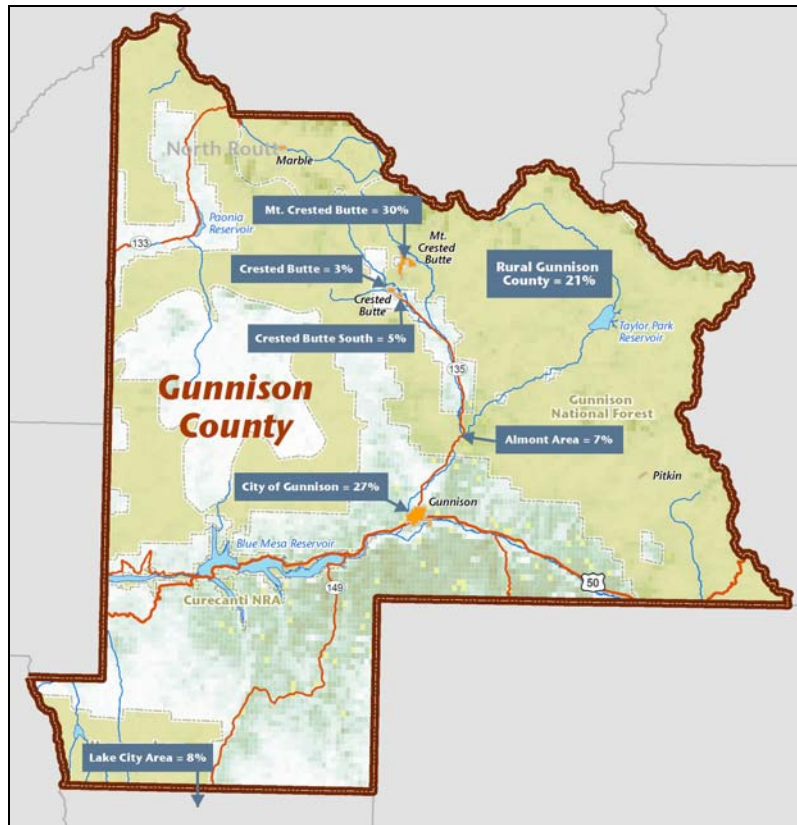
	Listings	Median Price	Income Required to Afford Median Priced Home	Average Price	Minimum	Maximum
Single Family Homes						
Crested Butte	51	\$995,000	\$283,363	\$1,132,410	\$190,000	\$2,990,000
Gunnison	65	\$279,000	\$79,455	\$351,098	\$149,900	\$2,399,000
Mt. Crested Butte	68	\$1,372,000	\$390,727	\$1,755,629	\$384,000	\$6,295,000
Crested Butte South	21	\$519,000	\$147,804	\$513,381	\$279,000	\$797,000
Rural Crested Butte	72	\$1,442,000	\$410,662	\$1,986,840	\$298,000	\$7,595,000
Rural Gunnison	103	\$339,000	\$96,543	\$499,898	\$59,500	\$2,800,000
Lake City & Area	77	\$349,500	\$99,533	\$570,489	\$99,900	\$4,500,000
Total/Median	485	\$585,000	\$166,600	\$961,022	\$59,500	\$7,595,000
Condo/Multifamily						
Crested Butte	27	\$440,000	\$125,306	\$523,104	\$155,000	\$1,500,000
Gunnison	45	\$184,500	\$52,543	\$179,349	\$65,000	\$495,000
Mt. Crested Butte	254	\$397,000	\$113,060	\$545,084	\$80,000	\$2,525,000
Crested Butte South	24	\$284,000	\$80,879	\$305,763	\$150,000	\$639,000
Rural Crested Butte	25	\$429,000	\$122,173	\$497,280	\$89,500	\$1,175,000
Rural Gunnison	18	\$229,475	\$65,351	\$246,947	\$94,900	\$519,500
Lake City & Area	2	\$312,000	\$88,853	\$312,000	\$229,000	\$395,000
Total/Median	411	\$325,000	\$92,556	\$459,069	\$65,000	\$2,525,000
Other Housing Types (all communities)						
Mobile homes	6	\$20,700	\$5,895	\$43,050	\$10,000	\$169,000
Duplex	3	\$179,000	\$50,977	\$172,833	\$150,000	\$189,500
Tri/fourplex	2	\$707,500	\$201,486	\$707,500	\$630,000	\$785,000
All Housing Types						
Crested Butte	78	\$802,500	\$228,541	\$921,496	\$155,000	\$2,990,000
Gunnison	115	\$241,500	\$68,776	\$278,761	\$26,900	\$2,399,000
Mt. Crested Butte	322	\$477,500	\$135,986	\$800,727	\$80,000	\$6,295,000
Crested Butte South	45	\$399,000	\$113,630	\$402,651	\$150,000	\$797,000
Rural Crested Butte	97	\$1,195,000	\$340,320	\$1,602,933	\$89,500	\$7,595,000
Rural Gunnison	124	\$329,000	\$93,695	\$459,060	\$24,900	\$2,800,000
Lake City & Area	79	\$349,500	\$99,533	\$563,945	\$99,900	\$4,500,000
Total/Median	907	\$405,000	\$115,339	\$724,327	\$10,000	\$7,595,000

Source: Gunnison County Multiple Listing Service (MLS), May 2009.

Exhibit III-16 shows where the units priced at less than \$300,000 are located geographically. As demonstrated above, the City of Gunnison offers the most affordable units, particularly for households earning less than \$100,000 per year.

**Exhibit III-16.
Units Priced Less Than
\$300,000, by Location,
Gunnison County**

Source:
Gunnison County Multiple Listing Service
(MLS), May 2009.



Affordability by unit type. In many high cost communities, the only affordable homes for low- to moderate income buyers are attached and multifamily homes or mobile homes. This is also true in Gunnison County, where multifamily homes (largely condos) are about \$250,000 less expensive than single family detached homes. However, in the communities of Crested Butte and Mt. Crested Butte, as well as some of the rural county, the prices of many of the newer multifamily homes are so high that the units are unaffordable, even with a large price differential⁴. Exhibit III-17 compares the median and average prices of for sale detached homes to condos by community.

⁴ In Mt. Crested Butte, there are many small, older, condominium units which are affordability priced. However, these units do not offer a comparable alternative to a single family detached home that a townhome or duplex offers.

Exhibit III-17.
Single Family Detached v. Multifamily Price Differential, Gunnison County

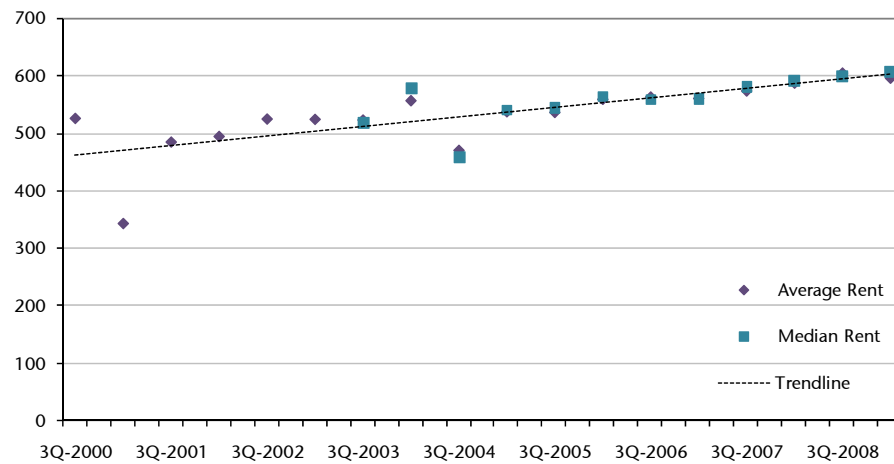
	Single Family Homes		Condo/Multifamily		Price Difference	
	Median	Average	Median	Average	Median	Average
Crested Butte	\$995,000	\$1,132,410	\$440,000	\$523,104	\$555,000	\$609,306
Mt. Crested Butte	\$1,372,000	\$1,755,629	\$397,000	\$545,084	\$975,000	\$1,210,544
Gunnison	\$279,000	\$351,098	\$184,500	\$179,349	\$94,500	\$171,750
Crested Butte South	\$519,000	\$513,381	\$284,000	\$305,763	\$235,000	\$207,618
Rural Crested Butte	\$1,442,000	\$1,986,840	\$429,000	\$497,280	\$1,013,000	\$1,489,560
Rural Gunnison	\$339,000	\$499,898	\$229,475	\$246,947	\$109,525	\$252,951
Lake City & Area	\$349,500	\$570,489	\$312,000	\$312,000	\$37,500	\$258,489
Total	\$585,000	\$961,022	\$325,000	\$459,069	\$260,000	\$501,953

Source: Gunnison County Multiple Listing Service (MLS), May 2009.

Rental options and affordability. As mentioned above, for the county overall, rent costs have changed little since 2000, according to the DOH quarterly surveys and the Census. Examining quarterly trends from 2000 reveals a slight uptick in rental costs—yet nowhere near the increases in for sale costs. Historical data from these DOH surveys for the Gunnison rental market area are shown in Exhibit III-18.

Exhibit III-18.
Average and Median Monthly Rental Cost, Gunnison County

Source:
 Dr. Gordon Von Stroh, Colorado
 Division of Housing.

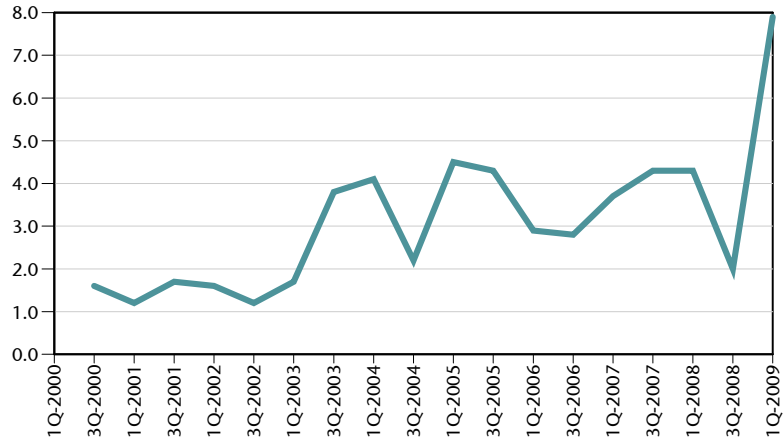


According to the DOH surveys, over the 5-year period between 2003 and 2008, the average cost of a rental unit in the market area increased by \$81. Since 2000, the annual increase in average monthly rent has been about \$17.

Vacancy rates have been erratic in the Gunnison area since 2000, according to the DOH surveys, which report vacancy rates for the first and third quarters of each year. The rental vacancy rate peaked at 4.5 percent in the first quarter of 2005 and was lowest (below 2 percent) through the first quarter of 2003. The vacancy rate in the most recent survey in first quarter was 7.9 percent—up substantially from 2 percent in third quarter 2008.

**Exhibit III-19.
Vacancy Rate, Gunnison
County Market Area,
First Quarter 2000—
First Quarter 2009**

Source:
Dr. Gordon Von Stroh, Colorado
Division of Housing.



Assisted housing. Subsidized housing other than deed restricted units is provided by the Gunnison County Housing Authority. The organization provides both rental and ownership housing for the county’s lowest income households.

In partnership with USDA Rural Development, the housing authority offers a Mutual Self Help program. This very affordable homeownership program uses “sweat equity” to help build their housing unit. Qualifying income limits range between \$37,050 for a 1-person household to \$61,350 for a 6-person household.

The housing authority also owns and manages the Mountain View Senior Apartments development. Located in Gunnison, the apartments have 28 1- and 2-bedroom rental units. Rents for the apartments range from \$592/month to \$770/month. The housing authority also administers the federal Section 8 voucher program, which provides rental assistance to low income households occupying private units.

Jobs, wages and affordability. A comparison of the increased incomes and housing prices appears in the previous Exhibit III-20. This section examines the price increases in the context of wage levels. It should be noted that income and wage comparisons can produce different measures of housing need and demand. Wages represent individual workers, whereas household income includes all household workers. Household incomes will also include retired and nonworking individuals, which will not be captured by wages.

Increases in wages v. housing prices. According to the Colorado Department of Labor and Employment, the average-wage worker in Gunnison County earned \$35,360 on average in 2008. This compares to about \$25,000 in 2000. During the past 8 years, the average worker’s buying power has increased by about \$15,000, enabling the average worker to pay \$75,000 more for a home purchase. This compares to an increase in the county median home price of \$260,000.

Workers at the average wage level in 2008 could afford to buy a home priced no more than \$124,000 after accounting for taxes, insurance and utilities. Two workers earning the average wage could afford a home priced at \$248,000.

The average worker—both one- and two-worker households—can afford the county’s median rent, although a one-worker household would have a little trouble renting the median unit in the county’s most expensive areas.

Buying is much more challenging. The average **one-worker** household would have the following purchase options in the Gunnison County market:

- Mobile homes in the unincorporated county;
- A multifamily unit in the City of Gunnison;
- A few single family detached homes in the Lake City area; or
- A handful of small (studio) multifamily unit in Mt. Crested Butte.

There were 38 affordable units to choose from that were affordable to the average one-worker household in May 2009.

The average **two-worker** household would have more than 200 units to choose from, consisting of the following purchase options:

- Mobile homes in the unincorporated county;
- Multifamily units in the unincorporated county, including Crested Butte South;
- A handful of multifamily units in Crested Butte;
- Multifamily and single family detached units in the City of Gunnison;
- Many multifamily units in Mt. Crested Butte; and
- Single family detached units in the Lake City area.

In sum, renting is not cost prohibitive for the one-earner household, but buying largely is. According to the citizen survey completed for this study, about 40 percent of the county's households have one earner. These one-earner households who are owners were lucky to buy into the market when it was more affordable than it is now, as their ability to buy in the current market is severely limited if they earn the average wage.

Jobs/housing ratio. The jobs/housing ratio in a community provides a measure of how well a community is housing its workforce. In 2008, the Colorado Department of Labor reported an annual average of 8,265 jobs in Gunnison County. This compares to 6,230 occupied housing units, for a jobs/housing ratio of 1.34.

A jobs-to-household ratio of less than "1" means that there is less than one job opportunity available within the workforce area for each household residing in that town. This suggests that residents leave their place of residence for work. Conversely, a ratio higher than 1 means that residents of other communities commute in for work and/or that residents are working more than one job to make ends meet.

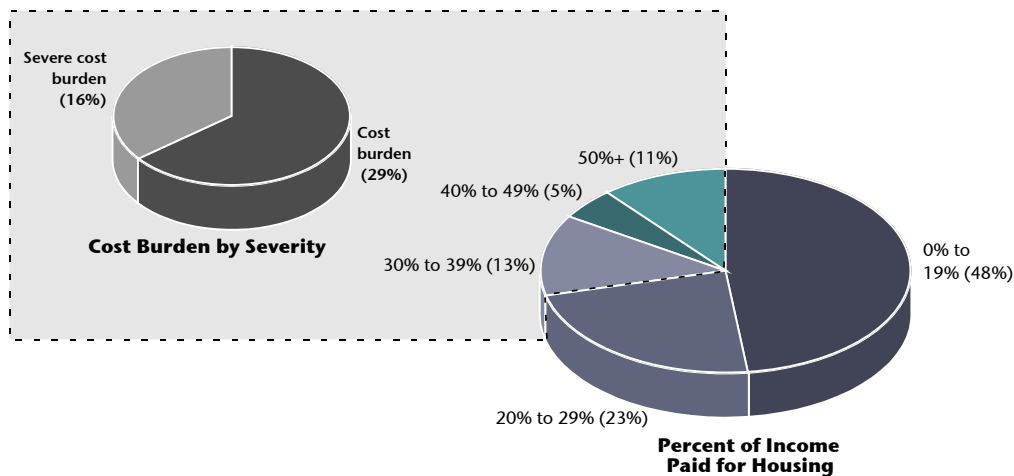
The ratio was the same as in 2000, indicating consistent growth in occupied housing units and jobs.

Cost burden. Using the income and housing cost data from the survey, we were able to calculate how much housing costs “burden” a household. In other words, we asked (and answered) ***What proportion of a household’s monthly income is needed to cover housing costs?***

A “cost burdened” household is one that is paying more than 30 percent of gross household income in housing costs. “Severe cost burden” is defined as 50 percent and more of income in housing costs. Cost burdened households (especially severely cost burdened) households are of concern because they may be close to being evicted, losing their homes to foreclosure, living on consumer debt to be able to manage housing costs and/or cutting back in other, critical areas to make their rent and mortgage payments.

Exhibit III-20 presents this data. As shown in the exhibit, 29 percent of households in Gunnison County (a total of 1,807 households) are cost burdened. Cost burden is lower than might be expected in a high cost community because 1) residents who own their homes bought before prices increased dramatically; 2) residents who own and bought recently were able to put a substantial amount down to reduce their mortgage payment to a manageable level; and/or 3) residents are renting and able to manage rental costs. As noted above, increases in rental costs have been minimal during the current decade.

**Exhibit III-20.
Percent of Household Income Paid in Housing Costs (Cost Burden), Gunnison County**

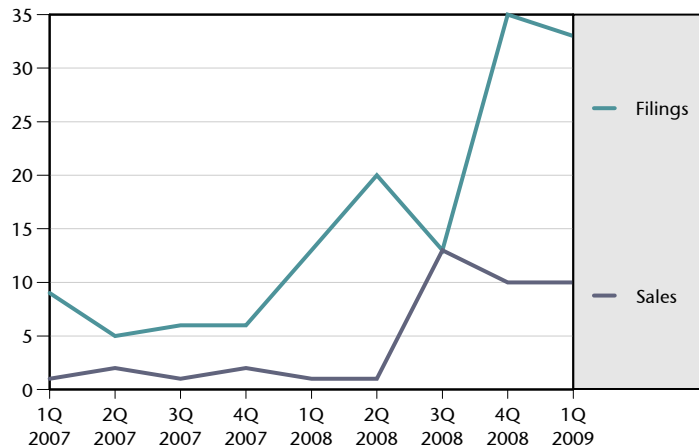


Source: Gunnison County Citizen Housing Survey.

Foreclosures. Foreclosures have become a serious problem in Colorado and throughout the nation in the past several years as a result of the housing market crisis. The exhibit below shows the number of foreclosure filings and sales between first quarter 2007 and first quarter 2009 that occurred in Gunnison County.

**Exhibit III-21.
Foreclosure Filings and Sales in
Gunnison County, First Quarter
2007 to First Quarter 2009**

Source:
Colorado Department of Local Affairs, Foreclosure Reports.



Foreclosure filings in Gunnison County have increased greatly over the past few years, from 9 filings in Q107 to 33 filings in Q109. Foreclosure filings in Gunnison County totaled 26 in 2007 and 81 in 2008.

In 2007, Gunnison County represented one in every 200 housing units in Colorado, but only 1 in every 1,535 foreclosure filings. However, in 2008 Gunnison County represented 1 in every 486 filings in Colorado, and in first quarter 2009 it had 1 in every 326 foreclosures in the state. These data suggest that the pace of foreclosure activity in Gunnison County has increasing rapidly compared to the state overall; however, the number of foreclosure filings as a proportion of all housing units remains below the state average.

Unmet Demand and Housing Needs

This section presents the results of data analysis to determine where housing is being undersupplied in the county relative to demand. This section addresses the following questions:

- How many renters want to buy in the county? What can they afford? How many units are needed at what price points to satisfy this need?
- Will renters buy deed-restricted units if they can't afford to purchase unrestricted units?
- For the renters who cannot buy and/or want to stay renters, are they paying more than they can afford? If yes, what is needed to alleviate cost burden?
- How many homeowners are paying more in housing costs than they can afford? What is needed to alleviate their cost burden?
- How will these factors change in 5 and 10 years?

Renters who want to buy. Half of the renters who responded to our survey said they wanted to buy a home in Gunnison County. This is equivalent to 1,150 renters in the county.

Of the renters who want to buy, 43 percent earned more than \$50,000 per year and 63 percent earned more than \$35,000. Our analysis of debt levels showed an average debt level of \$527 for renters earning \$35,000. If these renters were able to find a home to buy in the county, they would have about \$800 per month to spend on other household needs, after adjusting for utilities and consumer debt. These renters are unlikely to be able to afford private market housing and may have difficulty getting a mortgage—however; they are good candidates for the deed-restricted products offered in the resort areas of the county.

As such, for our estimates of housing demand, we assume that renters earning less than \$50,000 will remain renters, because, on average, their current debt levels make it difficult for them to obtain a loan in the current market.

Renters earning \$50,000 and more make up our pool of potential buyers. This equals 500 renters who could potentially be buyers.

Realistically, not all of these renters will become owners. Some will decide to move elsewhere, some will not have good enough credit to buy, others will decide buying is too difficult. If we assume that half of these renters would be able to buy if they could find affordable units, this would increase the county’s homeownership rate to 67 percent, from 63 percent currently.

The income distribution and the maximum affordable home price of these potential buyers appears in the following exhibit. We show the maximum affordable home price of condos separately to account for HOA dues on these units, which can add a substantial amount to monthly housing costs. Based on the citizen survey data, we assume that HOA fees are 10 percent of the monthly mortgage payment.

**Exhibit III-22.
Potential
Buyers
and Units
Demanded,
Gunnison
County**

Source:
BBC Research &
Consulting.

Income Distribution of Potential Buyers:		Maximum Affordable Price (Non-Condos)	Maximum Affordable Home Price (Condos)	Units Needed	Buyer Monthly Income After Debt and Utilities
Earning \$50,000	31%	\$ 175,567	\$ 158,010	78	\$1,515
Earning \$75,000	34%	\$ 263,352	\$ 237,017	86	\$2,660
Earning \$100,000	13%	\$ 347,629	\$ 312,866	34	\$3,761
Earning \$100,000+	21%	More than above	More than above	52	\$3,761+
Total	100%			250	

Our analysis of for sale homes found that there are enough units to serve all of the county’s potential buyers—but largely because of the small, condos located at Mt. Crested Butte. If we adjust the condos out of the supply—on the basis that they are largely appropriate for second homeowners and can have very large HOA fees which dilutes affordability—the county is short 100 units to meet demand.

In addition, for households earning less than \$100,000, these units may not be in demand⁵. The units are primarily multifamily units located in Mt. Crested Butte and single family units in the City of Gunnison and the unincorporated county (excluding Crested Butte South). The Towns of Crested Butte and Crested Butte South offer very few affordable options, even at the \$100,000 income level.

In addition, the county's market is very limited in its supply of townhomes, duplexes and triplexes—housing types that offer an affordable alternative to detached single family homes but not the restraints of multifamily units (primarily private outdoor space, storage areas, fewer shared walls and units that accept pets).

To better serve these potential buyers, the county needs to develop a wider variety of affordable townhome/duplex/triplex products, with a mix of price points, primarily in the most expensive areas of county where few affordable options exist. A few units have come onto the market recently; their market demand will be a good indicator of future demand to expand the supply of this product type.

The county should also continue its affordable homeownership programs (e.g., mutual self help housing) which enable potential buyers to become homeowners.

**Exhibit III-23.
Options for Potential Buyers, Gunnison County**

Income Distribution of Potential Buyers:	Maximum Affordable Home (Non-Condo)	Units Needed	Affordable Units in the Market in May 2009	Affordable Units Less Condos	Number of Affordable Units by Type				Number of Affordable Units by Location				
					Single Family, Detached	Multi-family	Townhome/ Duplex/ Triplex	Mobile Home	Crested Butte	Mt. Crested Butte	City of Gunnison	Crested Butte South	Rest of County
Earning \$50,000	\$ 158,010	78	93	31	24	63	1	6	1	30	21	2	29
Earning \$75,000	\$ 237,017	86	229	80	71	149	3	6	5	66	81	8	81
Earning \$100,000	\$ 312,866	<u>34</u>	<u>353</u>	<u>153</u>	<u>144</u>	<u>200</u>	<u>3</u>	<u>6</u>	<u>6</u>	<u>95</u>	<u>90</u>	<u>18</u>	<u>141</u>
	Total	250	353	153	144	200	3	6	6	95	90	18	141
				<i>Percent of Total</i>	39%	59%	1%	2%	2%	27%	26%	5%	40%

Source: BBC Research & Consulting.

Exhibit III-24 shows the data a bit differently and is based on assessor's sales data (rather than MLS listings). The Exhibit also separates out single family home and condominium units.

The exhibit can be read this way: In 2000, a potential buyer with a price limit of \$175,000 (annual earnings are \$50,000) could afford to buy 53 detached single family homes and 35 condos in the Town of Crested Butte. During 2008 and 2009, this same buyer could afford just &single family detached] db Zand ' condos.

⁵ Households earning \$100,000 and more have many options—both in type of housing and location—in the current market.

Exhibit III-24.
Change in Buyers' Options, 2000 to 2008/09

	Gunnison and Surrounding Areas		Town of Crested Butte		Mt. Crested Butte		Rural Gunnison	
	2000	2008/09	2000	2008/09	2000	2008/09	2000	2008/09
Single Family Homes								
No. of units affordable:								
\$0 to \$175,567	132	17	18	1	82	1	89	29
\$175,568 to \$263,352	38	35	11	1	31	6	28	12
\$263,352 to \$347,629	10	44	24	1	23	9	10	11
TOTAL	180	96	53	3	136	16	127	52
<i>Change in number of affordable units overall</i>	-84		-50		-120		-75	
Percent of all units:								
\$0 to \$175,567	64%	13%	21%	3%	40%	1%	53%	32%
\$175,568 to \$263,352	18%	27%	13%	3%	15%	8%	17%	13%
\$263,352 to \$347,629	5%	34%	29%	3%	11%	12%	6%	12%
TOTAL	87%	75%	63%	8%	67%	21%	76%	57%
<i>Change in proportion of affordable units</i>	-12%		-55%		-46%		-19%	
Condos								
No. of units affordable:								
\$0 to \$158,010	57	12	14	2	84	14	0	0
\$158,011 to \$237,017	7	18	15	1	28	17	0	0
\$237,018 to \$312,866	13	3	6	1	13	11	0	0
TOTAL	77	33	35	4	125	42	0	0
<i>Change in number of affordable units overall</i>	-44		-31		-83		0	
Percent of all units:								
\$0 to \$158,010	74%	30%	35%	22%	63%	18%	0%	0%
\$158,011 to \$237,017	9%	45%	38%	11%	21%	21%	0%	0%
\$237,018 to \$312,866	17%	8%	15%	11%	10%	14%	0%	0%
TOTAL	100%	83%	88%	44%	93%	53%	0%	0%
<i>Change in proportion of affordable units</i>	-18%		-43%		-41%		0%	

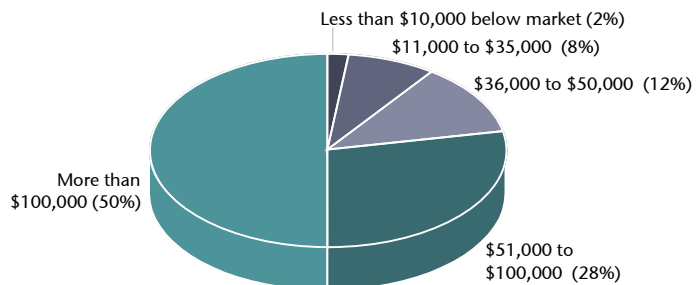
Source: BBC Research & Consulting and Gunnison County Assessor.

Deed-restricted options. The renters surveyed for this study expressed interest in buying deed-restricted units as an affordability option for ownership: 42 percent said they were “somewhat interested” and 37 percent “very interested” in purchasing a deed restricted home.

When asked how much below market value a restricted unit would need to be priced for them to consider buying it, most respondents said it would require a significant cost savings. Almost half said the unit would need to be at least \$100,000 below market value. This was partially offset by 22 percent who said the units would need to be less than \$50,000 below market.

Exhibit III-25.
Cost Savings Necessary to Consider Buying Restricted Unit, Gunnison County

Source: Gunnison County Citizen Housing Survey.



Our analysis shows support for deed-restricted units, albeit at a significant cost reduction from comparable private market units. Deed-restricted units will have the best market reaction in the county’s highest cost communities where alternative housing products are very limited—primarily in Crested Butte and Crested Butte South. In Mt. Crested Butte, deed restricted units should offer an alternative to the small, older, condominiums that are the only affordable alternative. That is, they should be townhomes and duplexes with some outdoor/private space that feel more like detached single family homes.

Renters who are cost burdened. According to the citizen survey, 40 percent of renters in Gunnison County are cost burdened (paying more than 30 percent of their gross income in housing costs) and 16 percent are severely cost burdened (paying more than 50 percent). This is equivalent to 927 cost burdened renters; 378 of whom are severely cost burdened.

To examine rental needs more closely, we compared the supply of rental units at various price points with demand, based on the income levels of renter household. This comparison found that:

- 230 renters earn less than \$25,000 per year and need rental units priced at less than \$525 per month to afford their rent and utilities without being cost burdened. These renters are renting units that are priced between \$525 and \$775 per month.
- Households earning more than \$25,000 per year have ample rental opportunities in the current market. However, these units may not be located where they desire to live or near their place of work if they are employed in the county’s resort areas, where rents are much higher than in the county overall and the City of Gunnison.
- Some households earning \$25,000 and more may be choosing to rent below or above their affordability threshold to save money (if renting “down”) or live in their desired location (if renting “up”).

These findings are detailed in the following exhibit.

**Exhibit III-26.
Rental Gap, Gunnison County**

Renter Income Range	No. of Renters	Percentage of Renters	Maximum Affordable Housing Payment	Utilities Payment	Maximum Affordable Rent payment	Rental units	Percentage of Units	Gap
Under \$15,000 per year	371	16%	\$ 375	\$ 75	\$ 300	289	12%	-82
\$15,000 to less than \$25,000 per year	442	19%	\$ 625	\$ 100	\$ 525	295	12%	-148
\$25,000 to less than \$35,000 per year	339	15%	\$ 875	\$ 100	\$ 775	625	26%	286
\$35,000 to less than \$50,000 per year	340	15%	\$ 1,125	\$ 250	\$ 875	214	9%	-126
\$50,000 to less than \$75,000 per year	346	15%	\$ 1,875	\$ 250	\$ 1,625	854	36%	509
\$75,000+	466	20%	\$ 2,500	\$ 250	\$ 2,250	120	5%	-346
	<u>2,304</u>	<u>100%</u>				<u>2,397</u>	<u>100%</u>	

Source: BBC Research & Consulting.

Homeowners who are cost burdened. According to the citizen survey, 25 percent of homeowners in Gunnison County are cost burdened (paying more than 30 percent of their gross income in housing costs); 9 percent are severely cost burdened (paying more than 50 percent). This is equivalent to 966 cost burdened owners; 342 of whom are severely cost burdened.

The 342 severely cost burdened owners need some assistance maintaining their homes and, for some of these owners, making their monthly mortgage and utilities payments.

Future housing needs. The analysis of housing needs described in this section determined that the county's current needs are:

- There are many renters in the county who desire to become buyers. More than half of these renters earn less than \$50,000 per year and many have high monthly consumer debt payments, which will make it difficult for them to become homeowners in the current market. Those renters earning more than \$50,000 who can manage their monthly debt can find homes available to buy in the current market, although renters earning \$50,000 to \$75,000 have very limited choices. These 150 renters could benefit from a broader supply of affordable attached housing products and small lot single family homes, particularly in the county's most expensive locations.
- 230 renters make less than \$25,000 per year and can't find units that are affordable for them. The maximum amount of rent these households can afford, accounting for utilities, is \$525/month. These renters are currently cost burdened and could benefit from monthly rental assistance to help them meet their rental obligation and have a sufficient amount of money left over each month for other household costs.
- About 350 homeowners are paying more than 50 percent of their gross household income to cover their mortgage, HOA fees and property and hazard insurance.

In the next 5 and 10 years, how will these needs change? In the next 5 years, if the county continues to grow at its current pace, there will be a need to house 350 new permanent households.

If the county's homeownership rate is kept the same at 63 percent, 129 of the 350 households will be renters. Eighty-four renter households will have incomes high enough to afford market rents, assuming the supply of rentals keeps up with growth. This leaves 45 renter households who will need some type of rental assistance—either through monthly subsidies or low-cost rental units—to help them avoid becoming cost burdened.

On the ownership side, by 2014, there will be 221 new owners by 2014. We assume that these owners will all earn more than \$50,000 per year (otherwise they will rent). About one-third of these owners will need housing units priced between \$175,000 and \$263,000 to afford to buy. One-fourth will need units priced between \$263,000 and \$347,000, and the remainder will be able to afford homes priced more than \$347,000.

In 10 years, there will be 720 new permanent households. Of these 173 renters will be able to afford market rents. Ninety-three renters will need some type of subsidy to avoid being cost burdened. There will also be 454 new owners.

If the county desires to raise its homeownership rate to 67 percent, there will be very little need to add to the rental supply. The homeowners who convert to renters will free up 95 percent of the units the county needs to house new renters. However, there will be new renters who need assistance with making their rent payments because the freed up units will not be affordable enough for them. This need will be:

- ***In 5 years*** 45 renters will need assistance.
- ***In 10 years*** 83 renters will need assistance.

At a 67 percent homeownership rate, housing needs for owners will increase to:

- ***In 5 years*** 235 new owners, with 84 needing units priced between \$175,000 and \$263,000; 49 needing units priced between \$263,000 and \$347,000.
- ***In 10 years*** 482 new owners, with 174 needing units priced between \$175,000 and \$263,000; 101 needing units priced between \$263,000 and \$347,000.

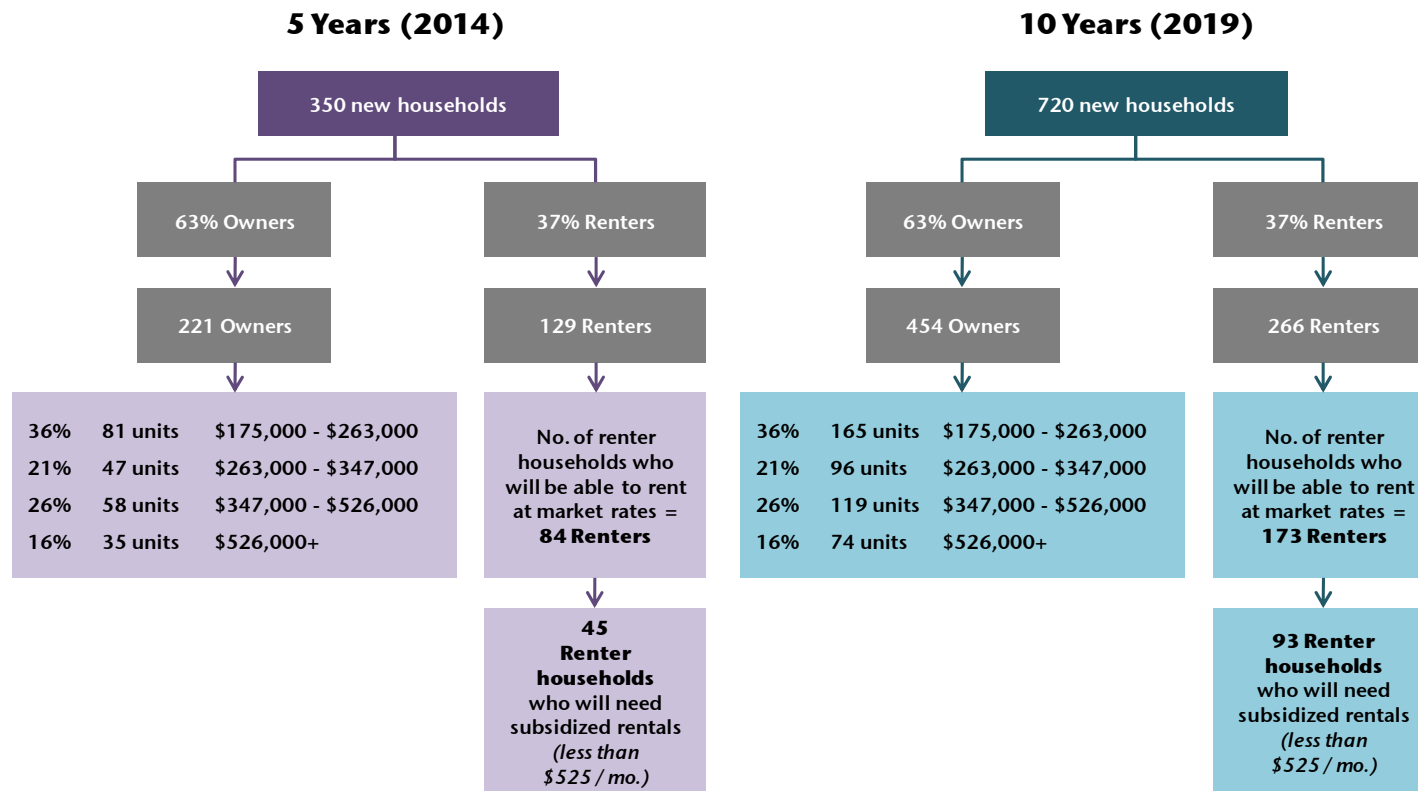
It should be noted that this analysis assumes that the student population at Western State College will be adequately housed through on- and off-campus housing.

The future housing demand is summarized in the following exhibits on the following page.

We also show individual needs flowcharts for the Town of Crested Butte, Mt. Crested Butte and the City of Gunnison. These charts show anticipated housing needs assuming the following:

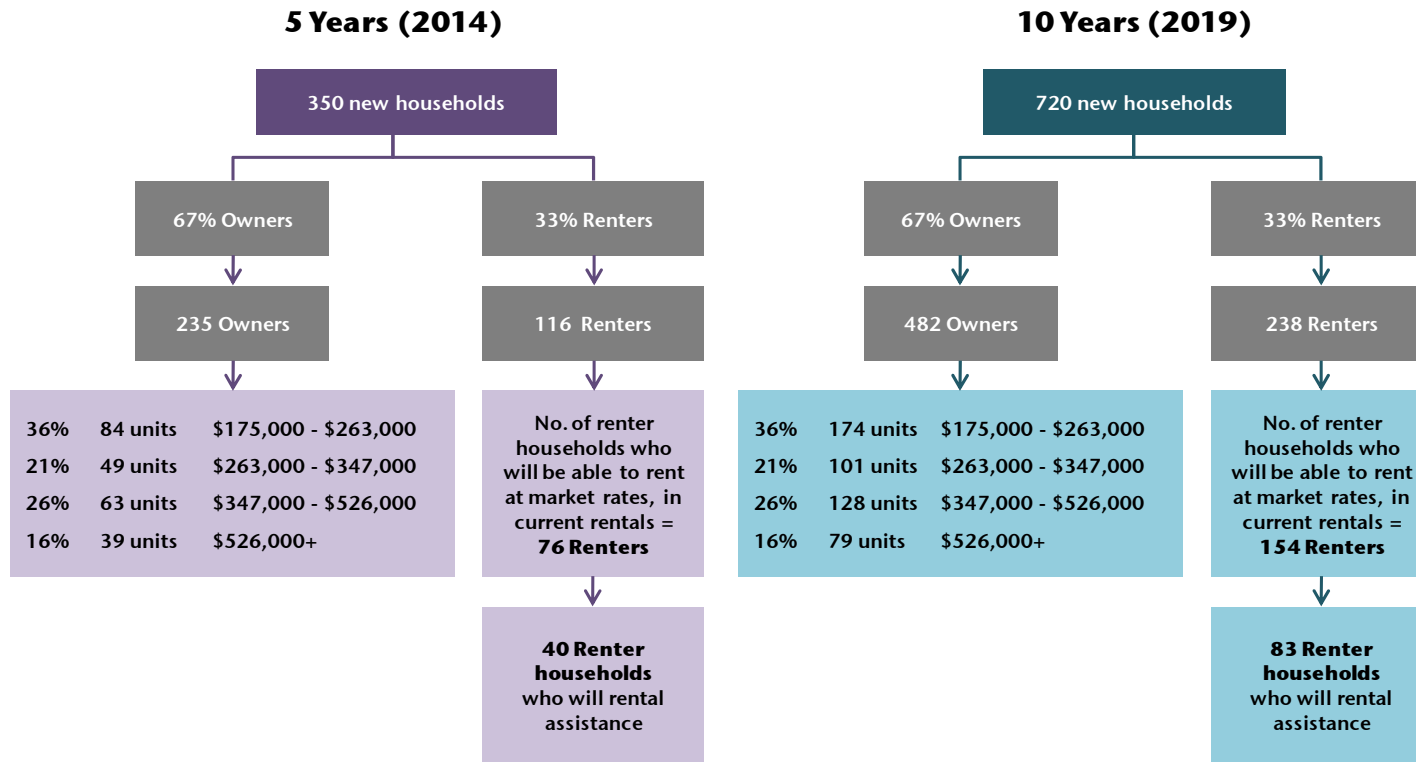
- The communities grow at the same rate as the county overall (based on historical growth during the current decade) and they maintain their proportionate share of the county's population as they have now;
- Current homeownership rate is maintained; and
- The communities' income distribution for renters and owners as it exists in 2009 is maintained (that is, there is no disproportionate gain in lower or higher income households).

**Exhibit III-25.
Future Housing Needs—Current Homeownership Rate, Gunnison County**



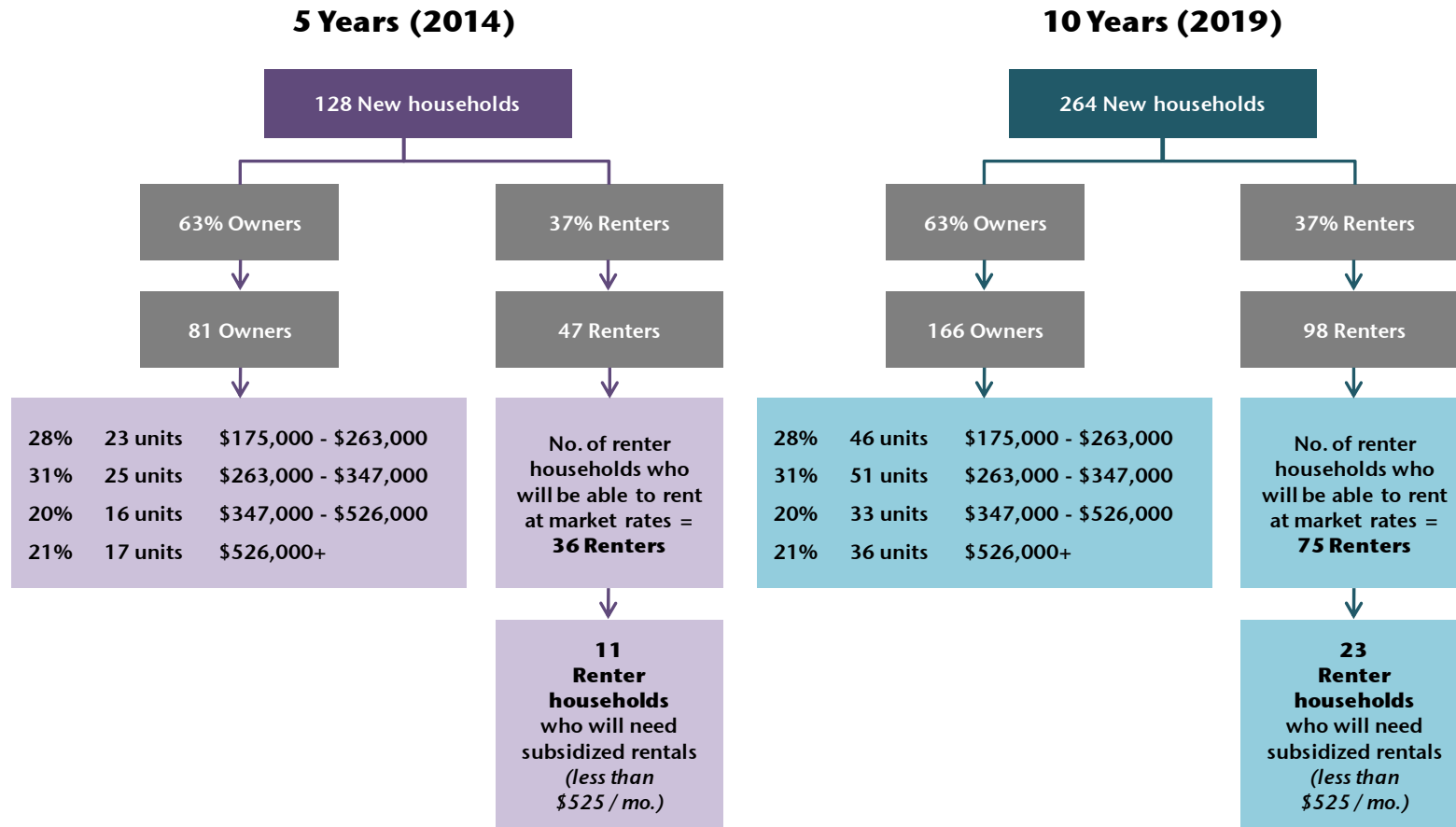
Source: BBC Research & Consulting.

Exhibit III-26.
Future Housing Needs—67% Homeownership Rate, Gunnison County



Source: BBC Research & Consulting.

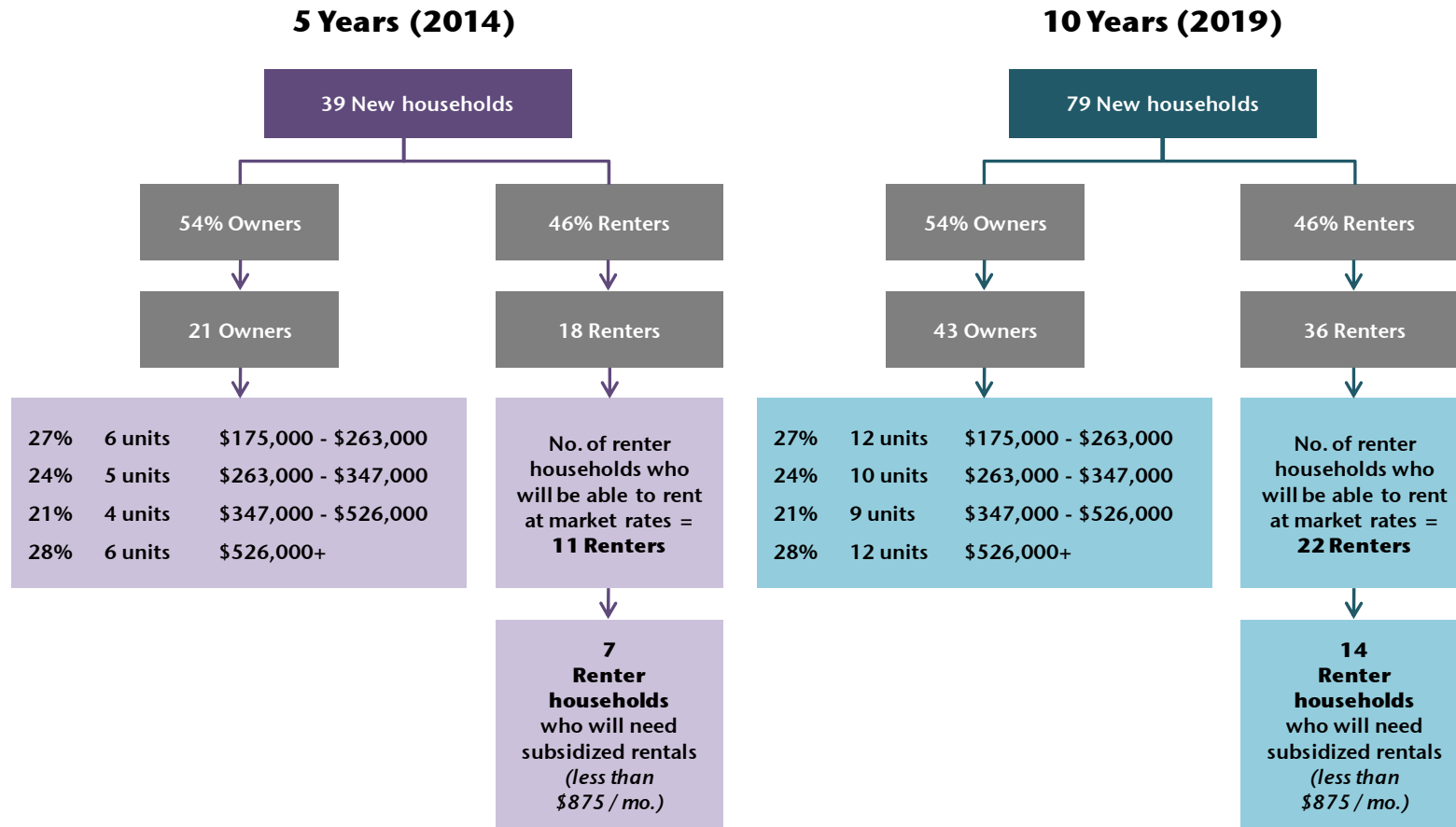
**Exhibit III-27.
Future Housing Needs—City of Gunnison**



Note: For units with HOA fees, affordability ranges are: \$150,000 – \$237,000; and \$237,000 – \$312,000.

Source: BBC Research & Consulting.

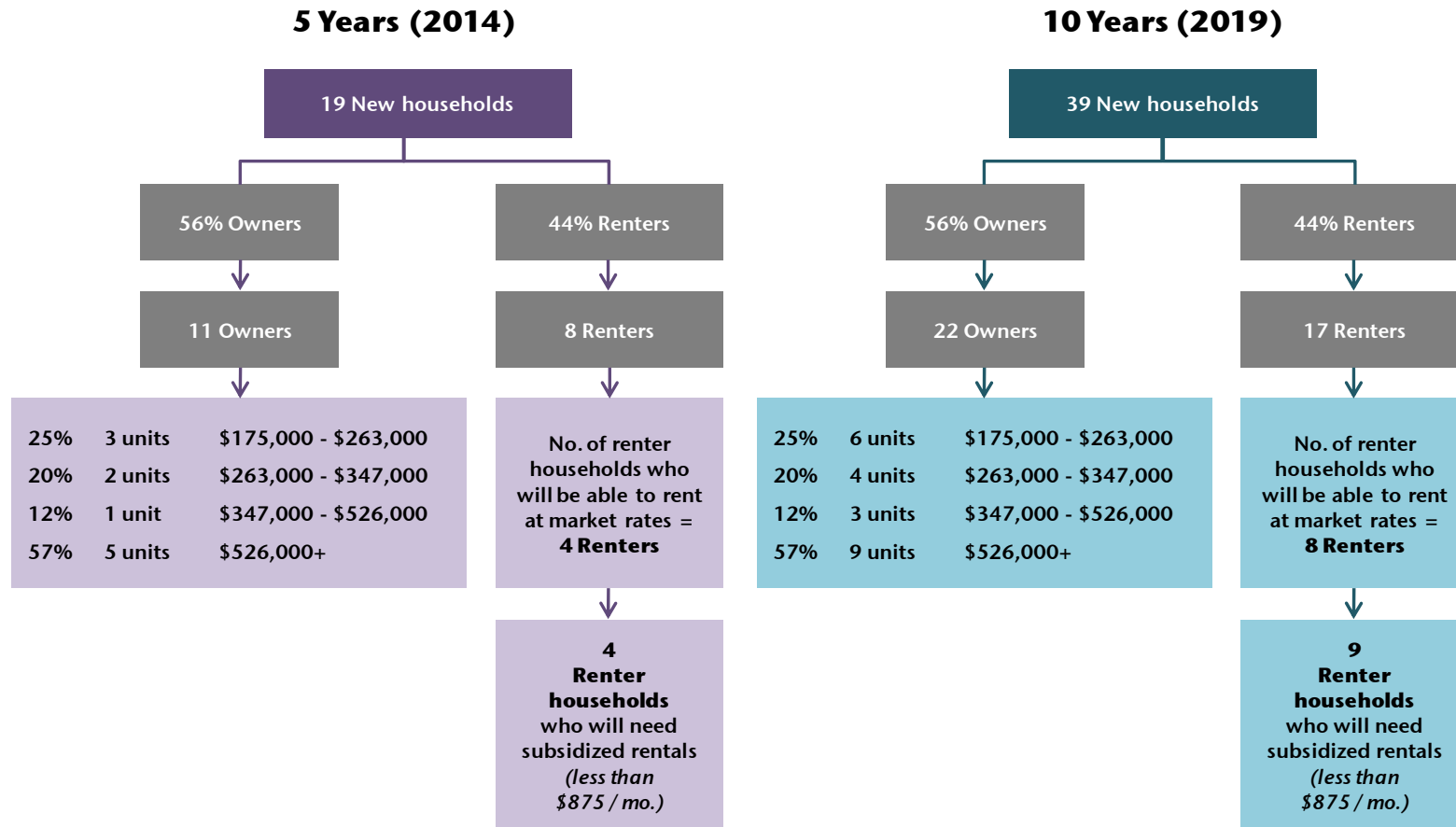
**Exhibit III-28.
Future Housing Needs—Town of Crested Butte**



Note: For units with HOA fees, affordability ranges are: \$150,000 – \$237,000; and \$237,000 – \$312,000.

Source: BBC Research & Consulting.

**Exhibit III-29.
Future Housing Needs—Town of Mt. Crested Butte**



Note: For units with HOA fees, affordability ranges are: \$150,000 – \$237,000; and \$237,000 – \$312,000.

Source: BBC Research & Consulting.

SECTION IV.
Citizen Survey

SECTION IV.

Citizen Survey

This section reports the results of several survey efforts of Gunnison County residents addressing their housing situations, preferences and needs.

Survey Methodology

One of the primary objectives of the Gunnison County Housing Needs Assessment was to produce updated demographic, economic and housing market data through a citizen survey effort. Because population levels in the county and the incorporated areas within the county are small, secondary socioeconomic and housing data are not produced on a regular basis as they are in larger communities. The 2000 Census provides the most recent data for some community characteristics, and although the county has not grown rapidly since 2000, its housing affordability has declined substantially. This section details the data collected from the citizen survey effort and includes updated demographic, economic and housing needs information for Gunnison County.

We used several methods to collect the survey data to ensure as much community representation and the highest response rates possible:

- A statistically significant telephone survey was conducted in March and April 2009. The phone survey was used to collect representative survey data at small geographic levels.
- An online version of the survey was available in both the spring and fall of 2009, the link to which appeared on the county's and incorporated areas' websites.
- A hard copy of the survey instrument was distributed to boxholders by the Town of Crested Butte.
- BBC staff visited Gunnison County in July 2009 and hand distributed the survey at county events, in coffee shops, through government offices and workforce networks. The survey instrument was also available online during the fall.

The central objective of a carefully designed survey methodology is to minimize bias—that is, to administer the survey in a way that will be reflective of the entire population targeted by the survey. Some types of individuals are more likely to respond to surveys than others, either because they are easier to reach or because they are more inclined to do so, perhaps because they have a vested interest in the survey topic. A sound survey methodology involves efforts to encourage responses from typically underrepresented groups and, oftentimes, statistical “corrections” on survey data after it has been collected.

In order to ensure the greatest and most broadly representative sample possible, BBC combined the survey data from the three survey efforts: the telephone survey, online survey and paper survey. To minimize duplication in response, we added screening questions asking if the respondent had already taken the survey.

The total number of responses to each survey are shown in Exhibit IV-1. It should be noted that not all of the 924 respondents completed the entire survey—some chose not to answer certain questions on the phone survey or left them blank in the online and paper surveys.

**Exhibit IV-1.
Survey Responses by Survey Type, Gunnison County**

Source:
Gunnison County 2009 Citizen Housing Survey.

Survey	Responses
Phone survey	548
Online survey	98
Paper survey	278
Total	924

Weighting. As an additional measure to minimize bias in the surveys, BBC weighted survey responses to better reflect those subgroups that are less likely to respond to the survey. As is the case in most survey efforts, renter and low income households were underrepresented in the Gunnison County survey, and so these responses were given greater weight in the analysis of survey responses. In addition, the survey had disproportionately more responses from Town of Crested Butte households than from other incorporated and unincorporated areas in the county; the survey data are adjusted to account for this as well.

Demographic Profile

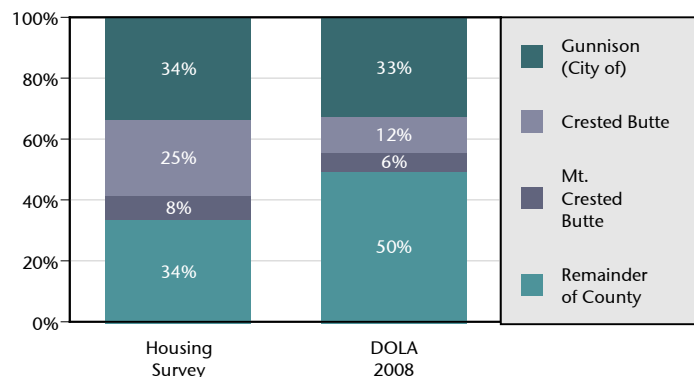
This section reports the basic characteristics of Gunnison County households, comparing the survey findings to data from the State Demographer and other sources where appropriate. It should be noted that the survey was administered to residents or workers in the county only; it was not meant for second homeowners.

Presence in community. Exhibit IV-2 shows the unadjusted breakdown of survey respondents by their reported community of residence as compared to the breakdown of occupied housing units in the county according to the Colorado State Demographer (Department of Local Affairs, or DOLA).

As demonstrated by the exhibit, residents of Crested Butte were oversampled in the citizen survey and residents of the unincorporated areas of the county were under-sampled. That is, Crested Butte residents participated in the survey at much higher levels than residents living in the unincorporated county. As mentioned above, in the survey analysis that is presented in the remainder of this section, the survey data are weighted to achieve a geographic distribution that is more consistent with where residents live in the county according to DOLA.

**Exhibit IV-2.
Geographic Representation of Unweighted Surveys, Gunnison County**

Source:
Gunnison County 2009 Citizen Housing Survey and Colorado Department of Local Affairs.



Tenure and length of residence. We estimate, based on the survey results, that 32 percent of households in Gunnison County rent and 63 percent own. The remainder (5 percent) live in a home where they do not pay rent.

Exhibit IV-3 shows tenure by community. Homeownership is highest in the unincorporated county and, to a lesser extent, the City of Gunnison and Crested Butte South. The Towns of Crested Butte and Mt. Crested Butte have the highest proportions of renters.

**Exhibit IV-3.
Tenure by Community,
Gunnison County**

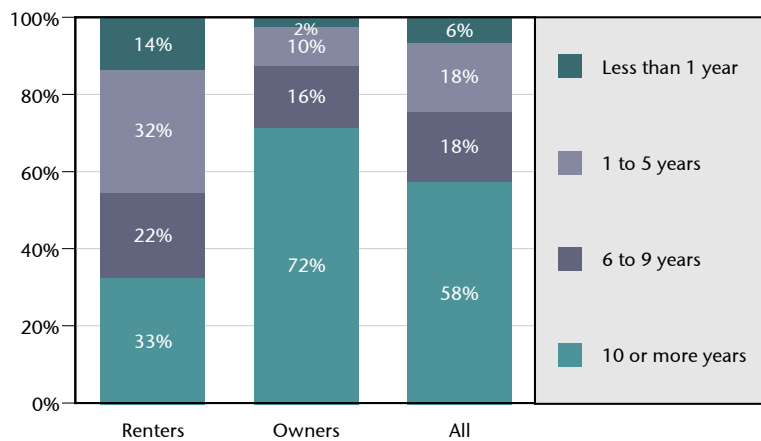
Source:
Gunnison County 2009 Citizen
Housing Survey.

	Crested Butte	Mt. Crested Butte	City of Gunnison	Crested Butte South	Rest of County
Rent	46%	44%	37%	40%	20%
Own	54%	56%	63%	60%	80%

Over half of survey respondents (58 percent) have lived in Gunnison County for more than 10 years, while 18 percent have lived in the area for 6 to 9 years, 18 percent for 1 to 5 years, and 6 percent for less than a year. These percentages vary significantly by tenure as shown below.

**Exhibit IV-4.
Length of Time in
County, Gunnison
County**

Source:
Gunnison County 2009 Citizen Housing Survey.

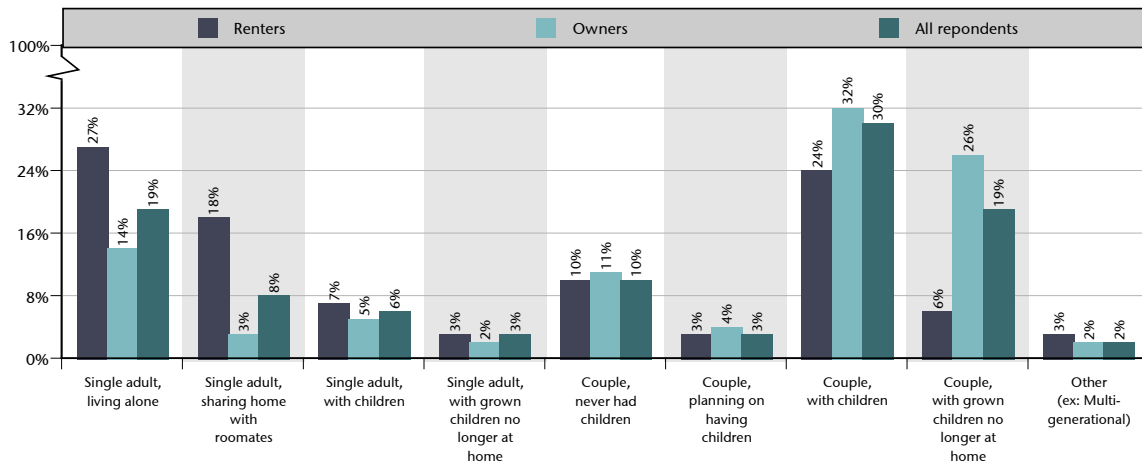


More than half of Gunnison County renters have been in the county for 5 years or less, whereas only 12 percent of owners arrived in the county within the past 5 years. Fully 72 percent of owners have been in the county for 10 years or more, compared to only 33 percent of renters.

Household composition. Gunnison County’s recreational attractions, college (Western State College) and ski resorts give it a diverse population of households that include families, couples, students and young resort workers.

The survey data showed that although there are a variety of household types in the county, the community is mostly made up of couples with and without children, followed by single adults living alone. The following exhibit shows household composition by tenure.

**Exhibit IV-5.
Survey Community Breakdown, Gunnison County**



Source: Gunnison County 2009 Citizen Housing Survey.

According to the survey data, most renter households in the county are single adults living alone (27 percent), couples with children (24 percent) or single adults sharing housing with other roommates (18 percent). Most owner households are couples with children (32 percent) and couples with children no longer at home (26 percent).

About one-third of all respondents reported having children in their households. Of these, 40 percent said they had one child, 44 percent said they had two children, and the remaining said they had 3 or more children. Of those respondents that said they lived with roommates (8 percent of all respondents), almost two-thirds said they live with one other adult, 20 percent said they live with two other adults, and 14 percent said they lived with 3 or more other adults.

Exhibit IV-6 shows household composition by community within the county.

**Exhibit IV-6.
Household Composition by Community, Gunnison County**

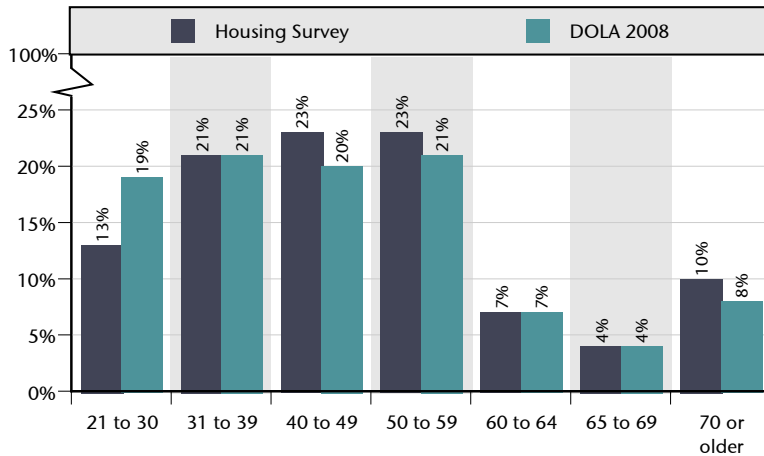
	Crested Butte	Mt. Crested Butte	Gunnison	Crested Butte South	Unincorporated County
Single adult living alone	20%	24%	29%	12%	16%
Single adult living with roommates	12%	23%	6%	7%	7%
Single parent	4%	0%	7%	3%	7%
Couple no children at home	32%	30%	26%	16%	37%
Couple with children living in the home	23%	18%	29%	49%	29%
Couple planning to have children	6%	1%	2%	11%	2%
Other household types	4%	4%	2%	2%	2%
Total	100%	100%	100%	100%	100%

Source: Gunnison County 2009 Citizen Housing Survey.

Age. According to the State Demographer, the median age in Gunnison County is 35.9 years as of 2008. Because the surveys only included adult respondents, the median age of survey respondents is higher (between 40 and 49 years). The following exhibit shows the percentage of survey respondents by age cohort as compared to the total population age 21 and older according to estimates from the State Demographer. As the exhibit demonstrates, the survey did a good job capturing residents by their age distribution, with just a slight underrepresentation of residents aged 21 to 30 years.

**Exhibit IV-7.
Age Profile of
Survey Respondents,
Gunnison County**

Source:
Gunnison County 2009 Citizen Housing Survey
and Colorado State Demographer.

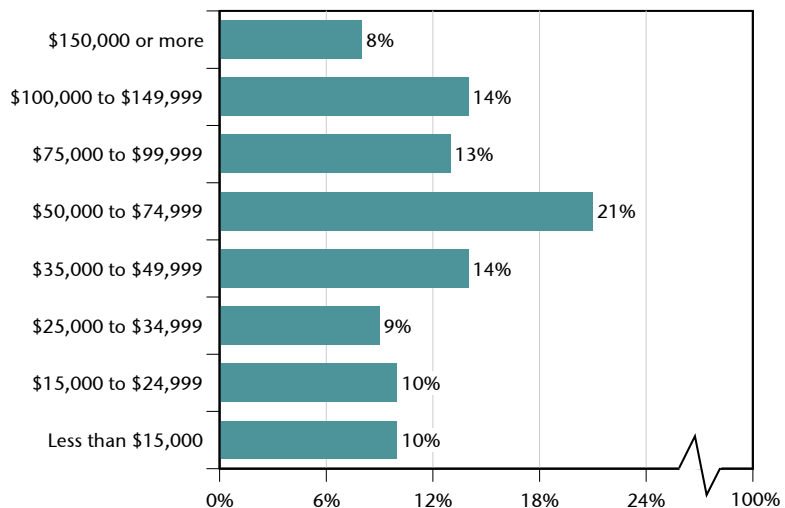


Race/ethnicity. The vast majority of respondents to the survey (92 percent) characterized their households as “white/Caucasian”. About 5 percent of households said they were Hispanic and 2 percent identified with some other race. These percentages are consistent with 2008 estimates from Claritas, which show 93 percent of Gunnison households to be white non-Hispanic and 6 percent Hispanic. Respondents to the telephone survey had the option to complete the survey in English or Spanish; 9 respondents chose to complete the survey in Spanish.

Income. Survey data were weighted to better reflect low income households, which were underrepresented in the raw sample. After weighting, the survey data reflect the income distribution shown in the exhibit below.

**Exhibit IV-8.
Income Distribution,
Gunnison County**

Source:
Gunnison County 2009
Citizen Housing Survey.



About 29 percent of respondents had incomes less than \$25,000 and can be considered low income.

Employment. The survey asked a number of questions about residents' employment situations. In the first wave of surveys, we asked residents where they worked during the winter months. Exhibit IV-9 shows these responses for the county overall and by community.

**Exhibit IV-9.
Employment Profile of Survey Respondents, Gunnison County**

	Crested Butte	Mt. Crested Butte	Gunnison	Rest of County	Total County
Business Services <i>(insurance, customer service, real estate)</i>	13%	15%	14%	15%	14%
Construction	11%	12%	12%	15%	15%
Education and Health <i>(hospital, school, college)</i>	15%	7%	21%	13%	17%
Financial Services <i>(financial planning, banking)</i>	2%	4%	4%	3%	3%
Government <i>(including schools)</i>	6%	7%	17%	15%	13%
Grocery/Food Services	3%	3%	6%	3%	4%
Hospitality/Housekeeping <i>(hotel, restaurant)</i>	11%	16%	6%	7%	7%
Information Technology <i>(information systems support, programmer)</i>	1%	1%	1%	1%	1%
Manufacturing	2%	1%	1%	0%	1%
Mining	0%	0%	2%	0%	0%
Nonprofit	6%	5%	3%	4%	4%
Retail	8%	4%	5%	5%	5%
Ski Industry	8%	13%	2%	5%	5%
Student	1%	3%	2%	1%	1%
Trade, Transportation and Utilities <i>(power, water, public transportation)</i>	5%	4%	2%	6%	4%
Other Services	8%	5%	2%	5%	4%
Agriculture/Rancher/Farmer	1%	0%	2%	2%	1%

Source: Gunnison County 2009 Citizen Housing Survey.

We asked the survey respondents how many jobs the members of their households worked and if these jobs are part- or full-time. As Exhibit IV-10 shows, the most common arrangement is a one-earner household, followed by a two-earner household and then no jobs (retired or unemployed). For this exhibit, part-time jobs are counted at ½ of a total job. Therefore, the exhibit shows the number of full-time equivalent jobs per household.

**Exhibit IV-10.
Total Number of Jobs in Household, Gunnison County**

Source: Gunnison County 2009 Citizen Housing Survey.

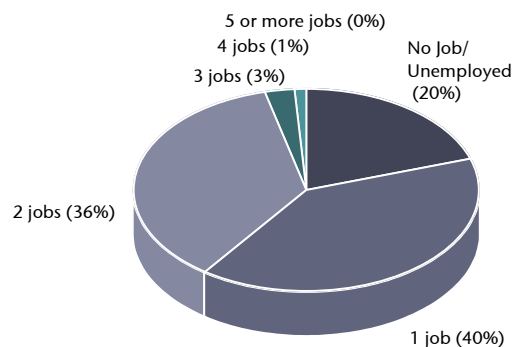


Exhibit IV-11 shows the number of jobs (using the same criteria as above) by community. The City of Gunnison and Mt. Crested Butte have the highest proportions of non-working households. Mt. Crested Butte also has the highest proportion of multiple job households (10 percent); more than twice the rate of other communities.

**Exhibit VI-11
Number of Full Time Jobs in Household by Community, Gunnison County**

Jobs per Household	<i>(Within town limits)</i>				
	Town of Crested Butte	Town of Mt. Crested Butte	City of Gunnison	Crested Butte South	Rest of County
No Jobs/Unemployed	17%	24%	26%	13%	15%
1 job	43%	36%	42%	40%	39%
2 jobs	37%	30%	29%	42%	42%
3 jobs	3%	4%	3%	4%	4%
4 jobs	0%	4%	0%	0%	0%
5 jobs	0%	2%	0%	0%	1%
Total	100%	100%	100%	100%	100%
3 or more jobs	3%	10%	3%	4%	5%

Source: Gunnison County 2009 Citizen Housing Survey.

Exhibit IV-12 shows the number of part-time jobs worked by households in the various communities. In Mt. Crested Butte, Crested Butte and Crested Butte South, between 17 and 25 percent of households work three or more part-time jobs.

**Exhibit IV-12.
Number of Part Time Jobs in Household by Community, Gunnison County**

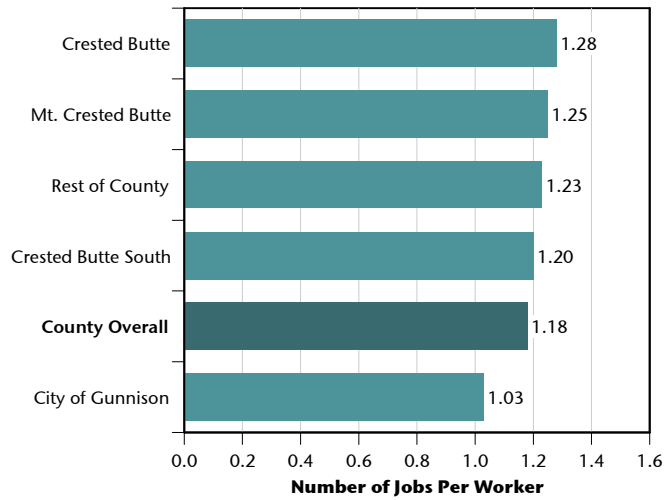
Jobs per Household	<i>(Within town limits)</i>				
	Town of Crested Butte	Town of Mt. Crested Butte	City of Gunnison	Crested Butte South	Rest of County
No Jobs/Unemployed	37%	40%	58%	39%	56%
1 job	27%	27%	25%	27%	23%
2 jobs	18%	8%	11%	19%	10%
3 jobs	7%	19%	2%	7%	5%
4 jobs	4%	2%	2%	2%	3%
5 jobs	7%	4%	2%	6%	4%
Total	100%	100%	100%	100%	100%
3 or more jobs	17%	25%	6%	15%	11%

Source: Gunnison County 2009 Citizen Housing Survey.

For those who have to work in the county, it is common to hold more than one full-time equivalent job. Exhibit IV-13 shows the jobs/worker ratio for the county overall and each community within the county. On average, workers held 1.18 full-time equivalent jobs.

**Exhibit IV-13.
Number of Jobs per
Worker, Gunnison County**

Source:
Source: Gunnison County
2009 Citizen Housing Survey.



Housing Situation

Housing type. The majority of county residents live in detached single family homes. Exhibit IV-14 shows types of housing citizens live in according to the survey.

**Exhibit IV-14.
Housing Type, Gunnison
County Overall**

Note:
The "other" responses mostly consisted of accessory dwelling units (ADUs), cabins and ranches.

Source:
Gunnison County 2009 Citizen Housing Survey.

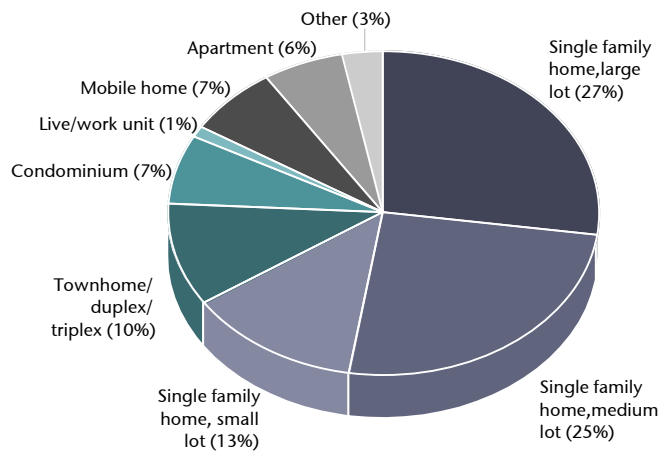


Exhibit IV-15 shows the housing type occupied by respondents to the citizen survey. The most common types of housing (highest proportions) are shaded. As the exhibit demonstrates, each community has a different housing niche. Residents in the City of Gunnison are more likely to occupy large and medium lot single family homes, apartment and mobile homes than residents of other communities. Residents of the Towns of Crested Butte and Mt. Crested Butte and Crested Butte South are most likely to live in small lot single family homes, townhomes/duplexes and condominiums. The unincorporated county is home to residents occupying large lot homes.

**Exhibit IV-15.
Occupied
Housing Type
by Community,
Citizen Survey**

Source:
Gunnison County 2009
Citizen Housing Survey.

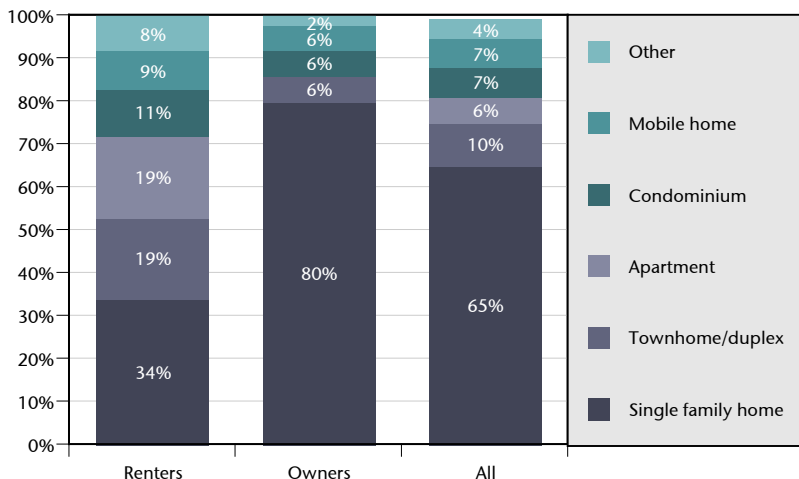
Housing Type	Crested Butte	Mt. Crested Butte	City of Gunnison	Crested Butte South	Rest of County
Single family home-large lot	8%	6%	23%	11%	45%
Single family home-medium lot	23%	25%	26%	24%	26%
Single family home-small lot	21%	20%	11%	18%	9%
Townhome/duplex/triplex	21%	10%	7%	34%	2%
Condominium	10%	35%	4%	7%	5%
Live/work unit	4%	0%	1%	0%	0%
Mobile home	5%	0%	12%	0%	6%
Apartment	5%	4%	13%	0%	1%
Other	4%	0%	0%	6%	5%
Total	100%	100%	100%	100%	100%

It should be noted that the data above differ from the distribution of housing units by type. The data above show the units occupied by the survey respondents. The City of Gunnison has a larger number of multifamily units in its overall housing stock than is shown by the citizen survey.

Examining the data by tenure shows that renters are much more likely to live in attached housing than owners (52 percent versus 15 percent).

**Exhibit IV-16.
Housing Type by Tenure,
Gunnison County**

Source:
Gunnison County 2009 Citizen Housing Survey.



Unit size. Most renters in Gunnison County reported living in a 2-bedroom, 1-bathroom home or apartment; owners most commonly lived in a 3-bedroom, 2-bathroom home. As expected, renters lived in smaller units—62 percent lived in units with 2 bedrooms or less, compared to 23 percent of owners.

Renters were far more likely to live in 1-bedroom units than owners: 71 percent of the households living in 1-bedroom units were renters. This changes with 2-bedroom units, where about half are occupied by renters and half owners. Larger units (3+ bedrooms) are predominantly occupied by owners.

The distribution of units by number of bedrooms and bathrooms is shown in the following exhibit.

**Exhibit IV-17.
Unit Size, Gunnison
County, 2009**

Source:
Gunnison County 2009 Citizen Housing
Survey.

Renter occupied housing	1 bath	1 ½ bath	2 bath	3+ bath
1 bedroom	21%	0%	0%	0%
2 bedrooms	26%	6%	7%	1%
3 bedrooms	5%	3%	20%	2%
4+ bedrooms	0%	0%	3%	5%
Owner occupied housing	1 bath	1 ½ bath	2 bath	3+ bath
1 bedroom	3%	0%	1%	0%
2 bedrooms	5%	7%	10%	1%
3 bedrooms	3%	3%	35%	8%
4+ bedrooms	1%	0%	12%	14%

Exhibit IV-18 shows where residents live by their home size, according to the citizen survey. Although there are modest differences in the proportions by unit size, overall, there is a balanced distribution of unit sizes across communities.

**Exhibit IV-18.
Distribution of Housing
Units by Size by Community,
Gunnison County**

Source:
Gunnison County 2009 Citizen Housing Survey.

	Number of Bedrooms			
	One	Two	Three	Four or more
Crested Butte	17%	14%	11%	11%
Mt. Crested Butte	10%	8%	4%	6%
City of Gunnison	40%	41%	37%	38%
Crested Butte South	10%	11%	13%	7%
Rest of County	23%	27%	34%	38%
Total	100%	100%	100%	100%

Overcrowding. Overcrowding can be roughly defined as a situation in which a household's ratio of occupants to bedrooms exceeds two. By this definition, only 1 percent of all respondents to the survey live in overcrowded conditions. Almost all of these respondents were renters, and approximately 2.5 percent of all renter households were overcrowded.

Housing Condition

The citizen survey asked Gunnison County residents if there were repairs that needed to be made to their home or apartment. About 46 percent of respondents said that there were one or more needed repairs that they (as homeowners) or their landlords had not made to their housing unit. This rate was about the same for renters and owners (43 percent of renters said they needed to make repairs compared to 47 percent of owners).

These respondents were asked to list up to three repairs needed by their homes. A wide variety of responses were given, and the ones most frequently cited were repairs/replacement of windows, roofing, painting and doors, as shown in Exhibit IV-19.

Exhibit IV-19.

What repairs do you need to make/have made to your home or apartment?

Type of Repair	Renters	Owners	Type of Repair	Renters	Owners
Roof	7%	16%	Drywall	2%	4%
Windows	10%	16%	Water leaks	9%	4%
Plumbing	4%	7%	Appliances	4%	1%
Bathroom	5%	5%	Carpet	3%	4%
Kitchen	1%	3%	Electricity	2%	2%
Siding	7%	1%	Heating	3%	2%
Flooring	1%	5%	Landscaping	0%	1%
Painting	13%	1%	Other	13%	13%
Insulation/weatherization	5%	6%	Total	100%	100%
Front/back door	10%	7%			

Source: Gunnison County 2009 Citizen Housing Survey.

Renters were also asked if their landlords make repairs when needed. Most said yes (64 percent), 9 percent said they weren't sure since they hadn't needed repairs since they've lived in the unit and the balance (27 percent) said no.

The City of Gunnison receives between 3 and 5 complaints per month by renters whose landlords are not making needed repairs. These complaints are mostly related to heaters not working properly and/or mold in their units.

Housing Costs

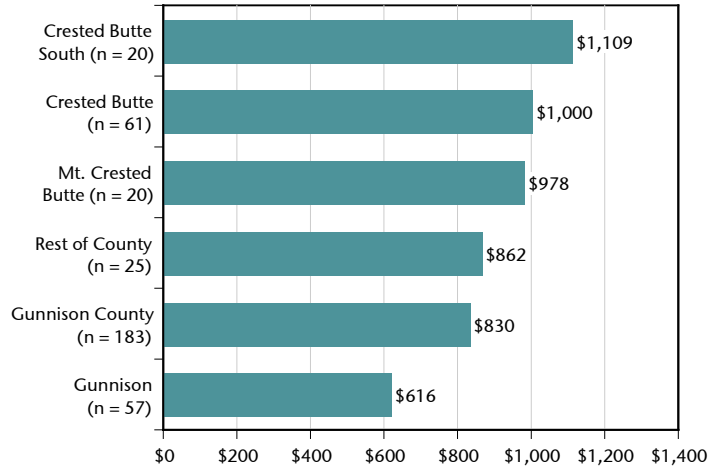
The cost of housing varies widely by community in Gunnison County. According to the citizen survey, the average monthly rental and mortgage costs in Crested Butte, Mt. Crested Butte, and the Crested Butte South neighborhood were more than 50 percent higher—and for mortgages, sometimes twice as high—than average costs in the City of Gunnison. Utilities costs were similar across the communities, although costs were about \$50 lower per month in Crested Butte South and the City of Gunnison.

Rental costs. The exhibits below show the average and median rental cost of housing units in Gunnison County, according to the surveys. We report both averages and medians, since, especially in high cost communities, averages can be very sensitive to a handful of very high priced units.

Median rental costs ranged from \$600 per month in the City of Gunnison to \$950 in Crested Butte South.

**Exhibit IV-20.
Average Monthly Rental Cost by
Community, Gunnison County**

Source:
Gunnison County 2009 Citizen Housing Survey.



**Exhibit IV-21.
Median Rent by Community,
Gunnison County**

Source:
Gunnison County 2009 Citizen Housing Survey.

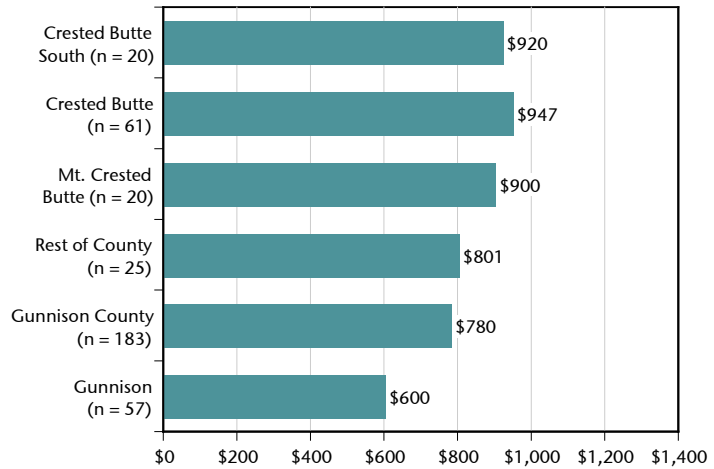
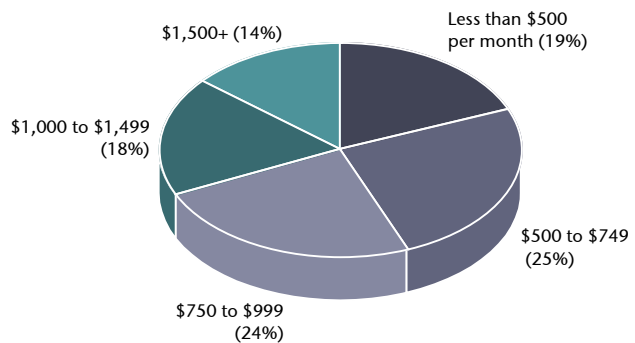


Exhibit IV-22 shows the distribution of rental costs for all Gunnison County residents by cost range.

**Exhibit IV-22.
Rent Ranges, Gunnison County**

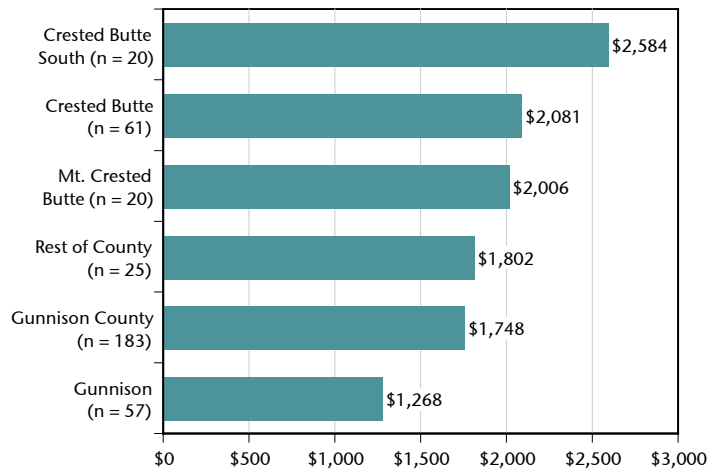
Source:
Gunnison County 2009 Citizen Housing Survey.



Mortgage costs. The exhibit below shows the median and average monthly mortgage payments of survey respondents by their community of residents. Median mortgage costs ranged from \$1,173 in Gunnison to \$1,800 in Crested Butte South.

**Exhibit IV-23.
Average Monthly Mortgage Payments by Community, Gunnison County**

Source:
Gunnison County 2009 Citizen Housing Survey.



**Exhibit IV-24.
Median Mortgage Payment by Community, Gunnison County**

Source:
Gunnison County 2009 Citizen Housing Survey.

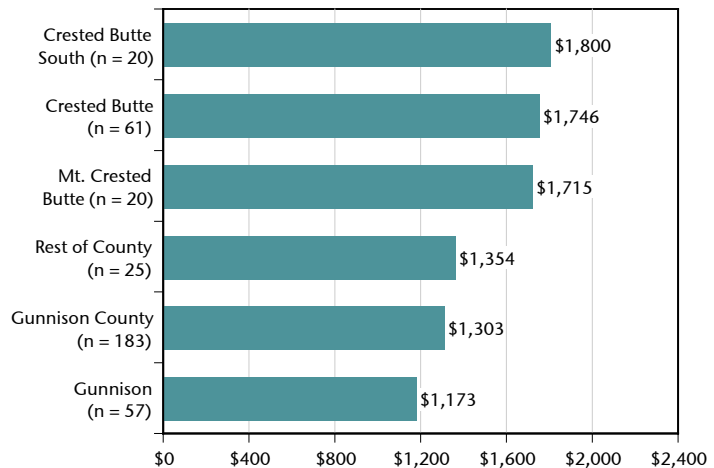
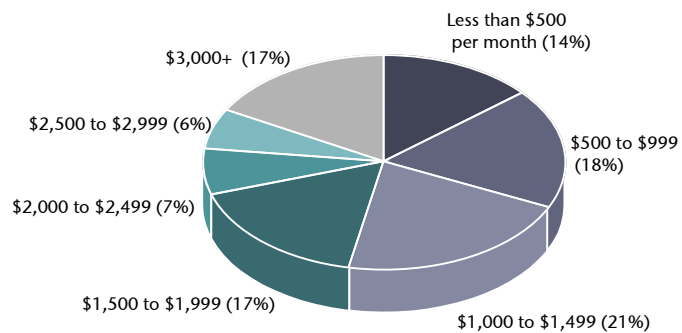


Exhibit IV-25 shows the distribution of mortgage costs for all Gunnison County residents by cost range.

**Exhibit IV-25.
Mortgage range, Gunnison County**

Source:
Gunnison County 2009 Citizen Housing Survey.



As the distribution shows, many homeowners in Gunnison County have mortgage payments on the lower end of the range of mortgage payments. This distribution of payments seems inconsistent with current home prices, as discussed in Section III. In other words, given the county's high housing prices, it seems like households should have higher mortgage payments. One explanation of this difference is that many of the homeowners with low mortgage costs bought homes in the county before prices started to rise dramatically. This is supported in part by the survey data. The data do show that in general, homeowners who are new to the county have much higher housing costs.

However, there are many homeowners with very expensive mortgages who have lived in the community for more than a decade. To illustrate: 71 percent of owners with mortgages of less than \$1,500 per month have lived in the county for more than 10 years, compared to 58 percent for owners with mortgages of more than \$3,000 per month.

Utilities. Respondents were asked how much they spent on utilities per month on average throughout the year¹. For those residents who pay utilities, the median cost was \$230, meaning half of respondents paid more than \$230 and half less than \$230 on utilities per month. The median monthly utilities payment of homeowners alone was also \$250 (average was \$285) and was \$200 for renters (average was \$248).

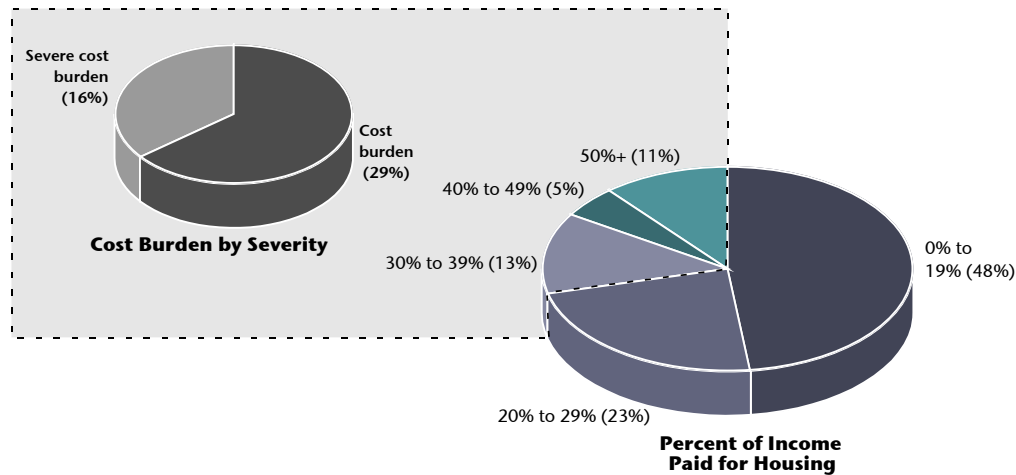
Homeowners fees. Exactly half of the homeowners captured in the survey paid homeowner fees to a homeowners association (HOA). The average amount of fees paid was \$104/month. The median value paid was \$50/month. The highest fee paid was \$700/month.

Cost burden. Using the income and housing cost data from the survey, we were able to calculate how much housing costs "burden" a household. In other words, what proportion of a household's monthly income is needed to cover housing costs? A "cost burdened" household is one that is paying more than 30 percent of gross household income in housing costs. "Severe cost burden" is defined as 50 percent and more of income in housing costs. Cost burdened households (especially severely cost burdened) households are of concern because they may be close to being evicted, losing their homes to foreclosure, living on consumer debt to be able to manage housing costs and/or cutting back in other, critical areas to make their rent and mortgage payments.

Exhibit IV-26 presents this data. As shown in the exhibit, the majority of households in Gunnison County are not cost burdened.

¹ For this question, we defined utilities as water, sewer, electric and gas.

Exhibit IV-26.
Percent of Household Income Paid in Housing Costs (Cost Burden) , Gunnison County



Source: Gunnison County 2009 Citizen Housing Survey.

Assistance with paying mortgage. Other indicators of housing affordability are related to the number of people who contribute to housing costs. To better understand who pays housing costs in Gunnison County, we asked survey respondents 1) How many household members paid housing costs and 2) If someone outside of the household—e.g., parents—helped pay housing costs.

Very few households reported having someone outside of the household help with the household’s rent or mortgage costs (4 percent). Another 2 percent said that household members help with other costs such as child care.

Forty-four percent of respondents reported that one household member pays housing costs; 52 percent reported that 2 household members contribute to housing costs. In less than 5 percent of the cases do 3 or more residents contribute to housing costs.

Debt levels. In some of the surveys, we were able to collect information about the household’s debt load. We asked survey respondents to think about how much they pay per month in debt items such as student loans, credit cards and car loans. Very few households (14 percent) were free of consumer debt. The average monthly debt payment was \$1,260; the median monthly debt payment was \$656.

Housing Preferences and Priorities

The surveys included several questions on housing preferences, ranging from desired amenities and neighborhood characteristics to demand for deed restricted units. This section presents the results of these questions.

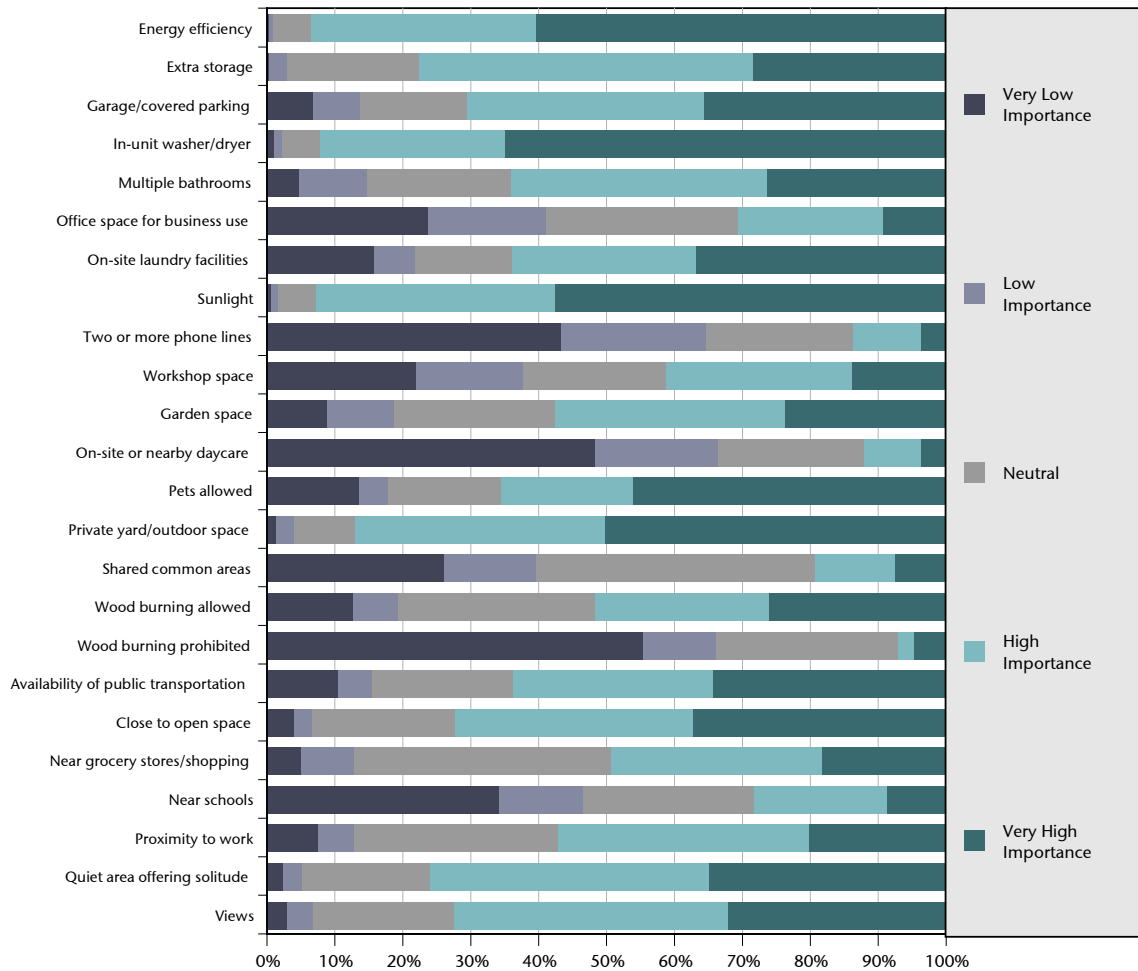
Housing amenities. Respondents to the online and paper surveys were asked to rate the importance of each of 24 housing amenities and location considerations². Exhibit IV-27 shows how respondents rated each amenity, which are ordered from the highest average score to lowest average score.

² This question was not included in the telephone survey because of its length.

The highest rated amenities were energy efficiency—with 93 percent of respondents rating its importance “high” or “very high”—in addition to the presence of in-unit washer and dryer (92 percent), sunlight (93 percent), private yard and outdoor space (87 percent). The high ranking of energy efficiency is not surprising given the high utility costs respondents reported (the median monthly payment for utilities for homeowners was \$250; for renters, \$200). The least important amenities to the survey respondents were multiple phone lines, a wood burning restriction, proximity to daycare and proximity to schools.

Exhibit IV-27 compares the importance ranking of the amenities included in the surveys.

Exhibit IV-27.
Importance of Housing Amenities, Gunnison County



Source: Gunnison County 2009 Citizen Housing Survey.

We also examined the amenities preferences by community. A comparison of the proportion of residents ranking each amenity as “very high importance” is displayed in Exhibit IV-28.

**Exhibit IV-28.
Percent Ranking Amenity of "Very High Importance" by Community, Gunnison County**

	Crested Butte	Mt. Crested Butte	City of Gunnison	Crested Butte South	Rest of County
Energy efficiency	66.7%	64.1%	52.3%	63.8%	55.1%
Extra storage	27.9%	30.8%	34.9%	35.6%	20.2%
Garage/covered parking	20.6%	45.0%	29.5%	47.8%	38.3%
In-unit washer/dryer	62.9%	67.5%	60.5%	63.8%	68.5%
Multiple bathrooms	30.6%	28.2%	25.6%	21.3%	25.7%
Office space for business use	11.1%	12.8%	4.5%	14.9%	7.5%
On-site laundry facilities	34.4%	47.4%	33.3%	24.4%	38.1%
Sunlight	58.1%	44.7%	48.8%	68.1%	61.5%
Two or more phone lines	3.2%	5.0%	2.3%	6.5%	1.9%
Workshop space	9.5%	15.0%	11.6%	8.5%	17.8%
Garden space	27.4%	15.4%	23.3%	27.1%	25.9%
On-site or nearby daycare	3.2%	0.0%	7.1%	8.3%	3.9%
Pets allowed	44.4%	23.1%	55.8%	54.3%	49.5%
Private yard/outdoor space	41.9%	21.1%	65.1%	55.3%	59.6%
Shared common areas	6.7%	2.6%	4.8%	10.9%	9.9%
Wood burning allowed	18.0%	15.8%	22.0%	19.6%	38.3%
Wood burning prohibited	3.2%	7.7%	2.3%	6.3%	4.0%
Availability of public transportation	51.6%	42.5%	15.9%	47.9%	19.8%
Close to open space	42.9%	18.4%	23.8%	40.4%	44.3%
Near grocery stores/shopping	27.4%	10.0%	11.6%	14.9%	18.3%
Near schools	14.1%	2.6%	11.6%	6.4%	6.8%
Proximity to work	31.7%	15.4%	18.6%	19.1%	14.2%
Quiet area offering solitude	31.3%	25.6%	25.6%	31.9%	44.9%
Views	34.9%	23.1%	9.5%	39.6%	40.0%

Source: Gunnison County 2009 Citizen Housing Survey.

In sum, the amenities that are most and least important by community include:

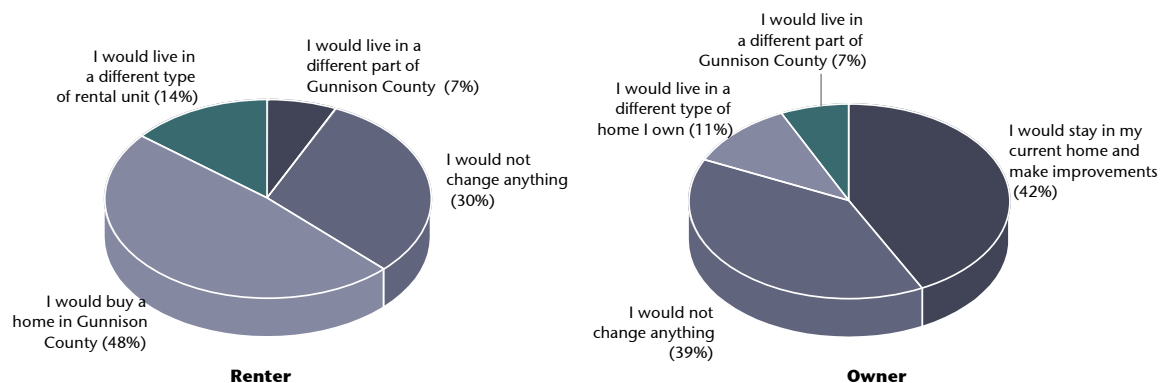
- **Town of Crested Butte.** Residents in Crested Butte put a premium on efficiency and convenience. They want housing that is energy efficient, contains in-unit washers and dryers and is close to public transit—but it should also be sunny.
- **Town of Mt. Crested Butte.** Mt. Crested Butte residents share some similar preferences to Crested Butte residents, putting high importance on energy efficiency and in-unit washers and dryers. They are more likely than other resident to place high value on garages/covered parking. Mt. Crested Butte residents are less likely to value units that take pets, private/outdoor space and proximity to open space.

- City of Gunnison.** Having a private yard and outdoor space was most highly valued by Gunnison residents, which is likely one of the reasons they sought housing in the city. These residents also place a premium on being able to have pets in their housing units. Gunnison residents are much less likely than other residents to value proximity to public transit and views/open space. That said, it should be noted that the city offers many recreational opportunities within and in close proximity to the city, as a result of a concerted effort by City Council to invest in recreation in recent years.
- Crested Butte South.** Transportation is important to residents in Crested Butte South. Like Mt. Crested Butte residents, CB South residents put a higher premium on garages/covered parking. They also place a higher value on housing units with close proximity to public transit than residents in most other communities. Energy efficiency, in-unit washers and dryers, allowing pets and sunlight is also very important.
- Unincorporated Gunnison County.** These residents were less likely to value extra storage and transportation convenience, more likely to value workshop space, and more likely to value natural amenities of views, proximity to open space and personal outdoor space. They also valued wood burning more highly than any other community. These values are reflective of preferences for a more rural housing experience.

Desired changes to housing situation. The responses to the amenity questions discussed above give the impression that residents in the county are generally satisfied with their housing situation. The preferences captured in the amenity questions also provide some explanation for why residents choose various communities in which to live.

To further examine how much of their choice is driven by preferences v. affordability, we asked residents directly what they would change to their current housing situation, if they could. These responses appear below by tenure.

**Exhibit IV-29.
Desired Changes to Housing Situation, Gunnison County**



Source: Gunnison County 2009 Citizen Housing Survey.

The “desired changes” question revealed that:

- **Renters want to buy.** Half of renters said they would prefer to own a home in Gunnison County. Over a quarter (30 percent) said they were satisfied with their current rental, and the remainder said they would like to move to a different rental, either to be in a different type of unit or to be in a more desirable area.
- **Homeowners are satisfied but need improvements.** A large majority (81 percent) of homeowners were generally satisfied with their homes—39 percent said they wouldn’t change their housing situation at all, and 42 percent said would just like to make some home improvements. The remaining 18 percent were not satisfied with their current homes and desired to move—either to live in a different type of housing unit (11 percent) or a different part of the county (7 percent).

Those homeowners that said they wanted to live in a different type of home were predominantly persons who **wanted to live in a detached single family home instead of attached housing**. A sizeable proportion said they wanted to live in a larger home, and only a small portion wanted to downsize.

Those renters and owners who said they wanted to live in a different part of the county overwhelmingly named Crested Butte as their community of choice. It is important to note that these are the minority of residents—most residents are satisfied with their current housing situation, including location. Others said they wanted to move to quieter or more isolated parts of their current communities.

Interest in restricted housing. Respondents were asked to indicate their interest in deed restricted housing. For obvious reasons, renters were much more open to the possibility of purchasing deed restricted housing than persons who already own a home. Of all renters, 42 percent said they were “somewhat interested” and 37 percent “very interested” in purchasing a deed restricted home.

When asked how much below market value a restricted unit would need to be priced for them to consider buying it, most respondents said it would require a significant cost savings. Almost half said the unit would need to be at least \$100,000 below market value.

**Exhibit IV-30.
Cost Savings Necessary to
Consider Buying Restricted Unit,
Gunnison County**

Source:
Gunnison County 2009 Citizen Housing Survey.

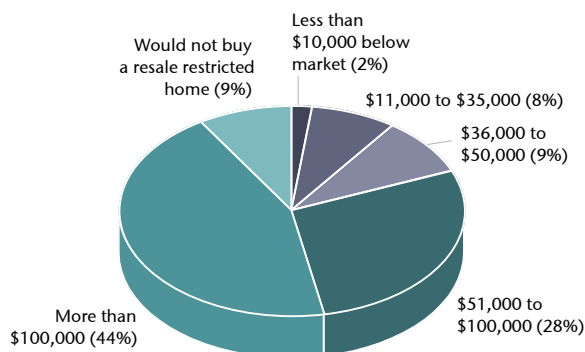


Exhibit IV-31 shows the interest in deed-restricted units by community. As the exhibit demonstrates, residents in Crested Butte show the highest level of interest—51 percent were very interested and 23 percent were somewhat interested, followed by Crested Butte South where 61 percent of respondents expressed an interest.

Exhibit IV-31.
Interest in Deed-restricted Units by Community

	Not at All Interested	Somewhat Uninterested	Somewhat Interested	Very Interested	Total
Town of Crested Butte <i>(within town limits)</i>	19%	7%	23%	51%	100%
Town of Mt. Crested Butte <i>(within town limits)</i>	34%	7%	41%	17%	100%
City of Gunnison <i>(within city limits)</i>	45%	7%	31%	17%	100%
Crested Butte South	27%	12%	45%	15%	100%
In another unincorporated area of Gunnison County	43%	6%	36%	15%	100%
Overall	34%	7%	35%	24%	100%

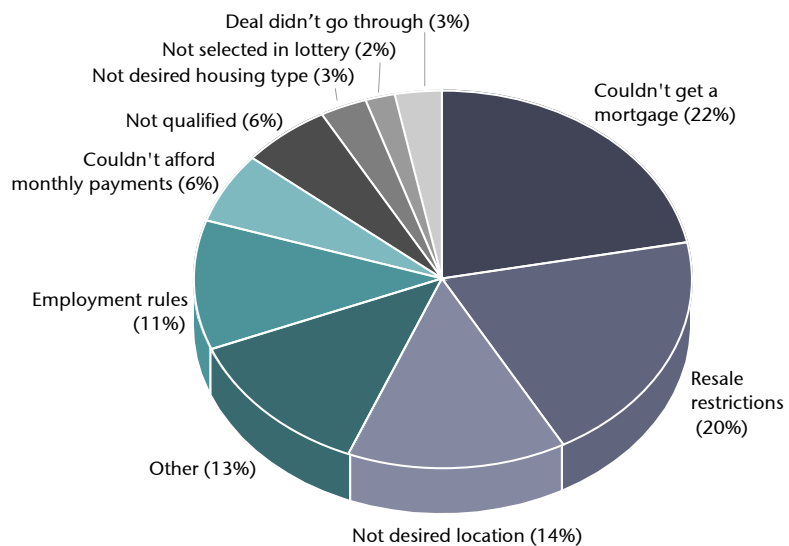
Source: Gunnison County 2009 Citizen Housing Survey.

Of the respondents who answered the deed-restricted question, one-fourth said they had looked into buying a deed restricted unit. They were also asked why they did not buy such a unit.

The most common reason for not buying a deed-restricted unit was the inability to get a mortgage payment; this was followed by resale restrictions. The third most common reason was “not my desired location.” The reasons given for not buying deed-restricted units are shown in Exhibit IV-32.

Exhibit IV-32.
What were the reasons you did not buy a deed restricted unit?

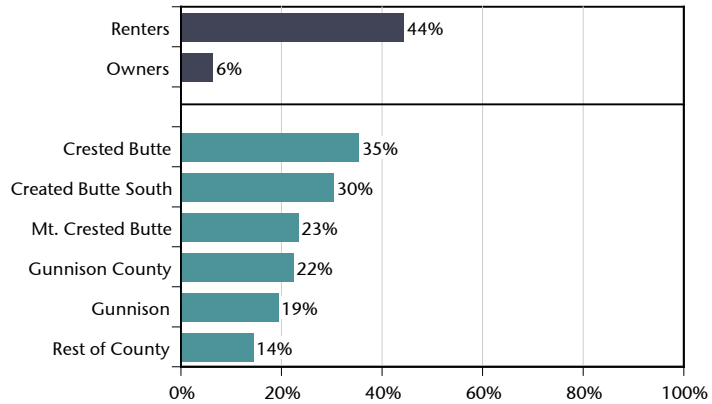
Source: Gunnison County 2009 Citizen Housing Survey.



Moving history. Respondents were asked if they have had to move in the past three years in spite of not wanting to move. Almost half of renters responded ‘yes,’ compared to just 6 percent of homeowners. Those persons living in Crested Butte were most likely to have moved in the past three years (33 percent), compared to only 19 percent of Gunnison residents and 14 percent of residents in the unincorporated areas of the county (excluding Crested Butte South).

Exhibit IV-33.
Percent Who Moved in the Past 3 Years , Gunnison County

Source:
Gunnison County 2009 Citizen Housing Survey.



Why did residents have to move? Of the reasons they gave, the top reasons included:

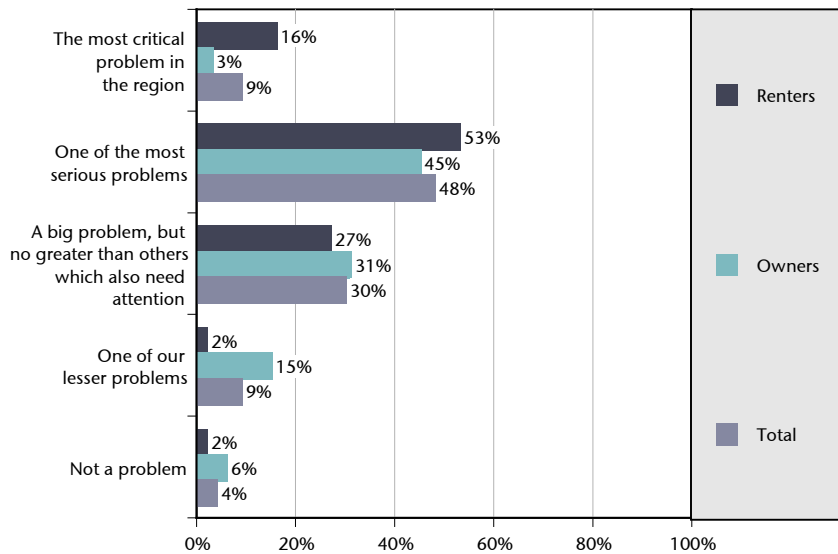
- 30 percent of the reasons were related to affordability. Residents found more affordable housing (14 percent) or their rent costs went up (16 percent).
- 14 percent changed jobs.
- 12 percent found more “suitable” housing.
- In 11 percent of the cases, the unit occupied by the renter was sold.

Severity of Housing Needs

The surveys asked respondents to gauge the seriousness of the housing affordability problem in Gunnison County. Their responses, by tenure, are shown below in Exhibit IV-34.

Exhibit IV-34.
Perception of Housing Problems in Gunnison County

Source:
Gunnison County 2009
Citizen Housing Survey.



A majority (57 percent) of all respondents perceived housing affordability to be the most serious or among the most serious problems facing the region, and 9 percent named it as the most critical problem. Renters were more likely than homeowners to call housing affordability a serious problem (69 versus 48 percent). Only 4 percent of renters said housing affordability was “not a problem” or was a lesser problem in the region, compared to 21 percent of homeowners.

Respondents were given the opportunity to name problems they perceived to be as serious or more serious than as housing affordability. These respondents most frequently cited the economy and job creation, public transportation, and the development of Snodgrass and Mt. Emmons mine (cited by individuals on both sides of each issue).

Location of Affordable Housing

Respondents were also asked where affordable housing should be located in Gunnison County. Respondents suggested it should be located in all communities in the county, but especially Gunnison (71 percent) and Crested Butte (69 percent), followed by Crested Butte South (60 percent) and Mt. Crested Butte (57 percent). A smaller proportion of respondents (40 percent) suggested that affordable housing should be located in unincorporated areas of the county.

APPENDIX A.
Fall and Student Surveys

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Fall and Student Surveys

This section reports the results of a fall survey effort of Gunnison County residents targeted at students and workforce. These surveys were distributed manually around Gunnison County through coffee shops, at local events and made available online during the late summer and fall months of 2009. This survey appendix supplements Section IV. Citizen Survey in the Housing Needs Assessment. Because the surveys were collected at different times of the year using different methodologies, the data are analyzed separately.

Demographic Profile of Fall Respondents

During the fall survey period, 205 surveys were completed. The surveys were largely completed by residents who hadn't been surveyed before for the study: 89 percent of respondents said they did not complete a similar survey for the study in the spring 2009.

Students. Eighteen percent of the surveys were completed by students: 15 percent were full time students, 3 percent were part time students.

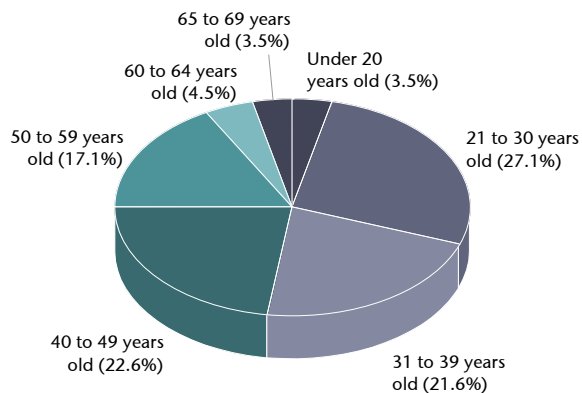
Seasonal workers. Just 6 percent of respondents overall said they were seasonal workers. Students, however, were more likely to be seasonal workers: 27 percent said they were seasonal workers (22 percent during summers; 5 percent during winters).

The vast majority of the respondents (90 percent) lived in Gunnison year-round (for students, 69 percent).

Age. Most survey respondents were between the ages of 21 and 49, as shown in Exhibit A-1.

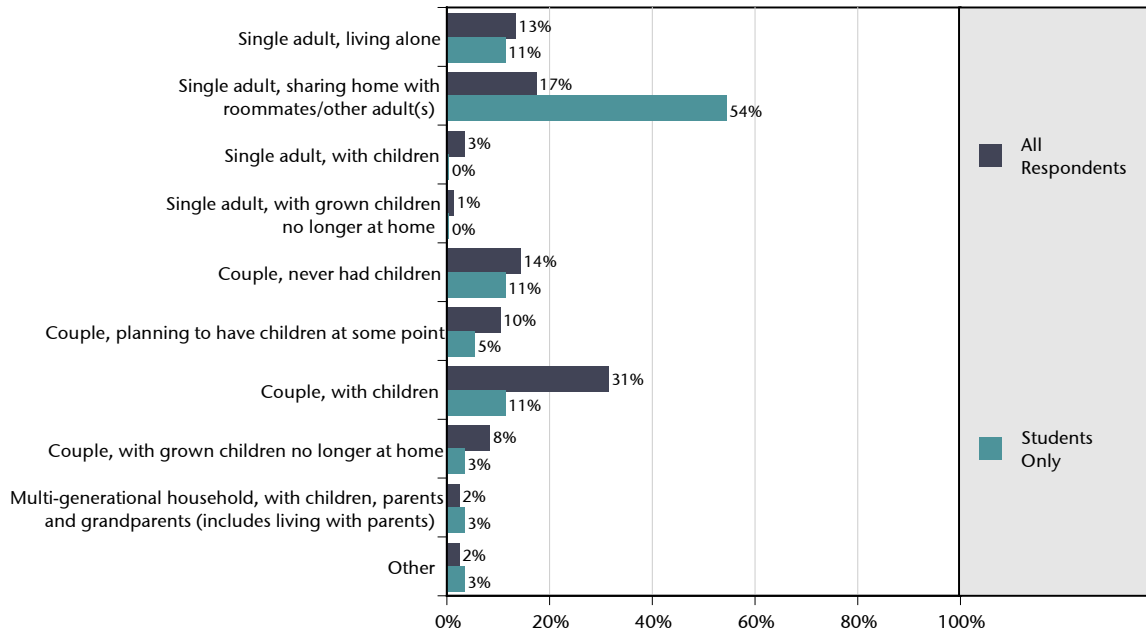
Exhibit A-1. Age Distribution of Fall Respondents

Source:
Gunnison County 2009 Fall Citizen Housing Survey.



Household composition. Exhibit A-2 shows the household composition of the respondents. Students were much more likely to be single adults sharing a home with a roommate.

**Exhibit A-2.
Household Composition**



Source: Gunnison County 2009 Fall Citizen Housing Survey.

Sixty-three percent of all respondents lived in households where there were two adults. Forty-three percent of students lived in households with two adults, followed by 27 percent in households with 3 adults. Of those couples with children, 93 percent had one or two children. Seventy-five percent of the student households did not have children.

Employment. Exhibit A-3 shows the industries in which the survey respondents worked during the *summer* months. The distribution was similar to the employment question that was asked in the spring survey about winter employment.

Students were more likely to work in grocery/food services, hospitality/housekeeping, recreation/tourism and more likely to be looking for work. They were less likely to work in professional services jobs which generally pay higher wages.

**Exhibit A-3.
Employment Profile of Survey Residents, Gunnison County**

	All Respondents	Students Only
Business Services (insurance, customer service, real estate)	11%	8%
Construction	12%	10%
Education and Health (hospital, school, college)	23%	8%
Financial Services (financial planning, banking)	3%	3%
Government (including schools)	9%	8%
Grocery/Food Services	2%	10%
Hospitality/Housekeeping (hotel, restaurant)	5%	13%
Information Technology (information systems support, programmer)	2%	0%
Manufacturing	0%	0%
Mining	0%	0%
Nonprofit	3%	3%
Retail	3%	3%
Ski Industry/Recreation/Tourism	10%	13%
Trade, Transportation and Utilities (power, water, public transportation)	3%	0%
Other Services	11%	5%
Unemployed, seeking work	4%	15%

Source: Gunnison County 2009 Fall Citizen Housing Survey.

The survey asked respondents how many jobs the workers in their households held. Forty-four percent said “two jobs,” followed by 20 percent with one job. Students had more jobs per household, with 19 percent having 3 jobs per household (compared to 11 percent for survey respondents overall).

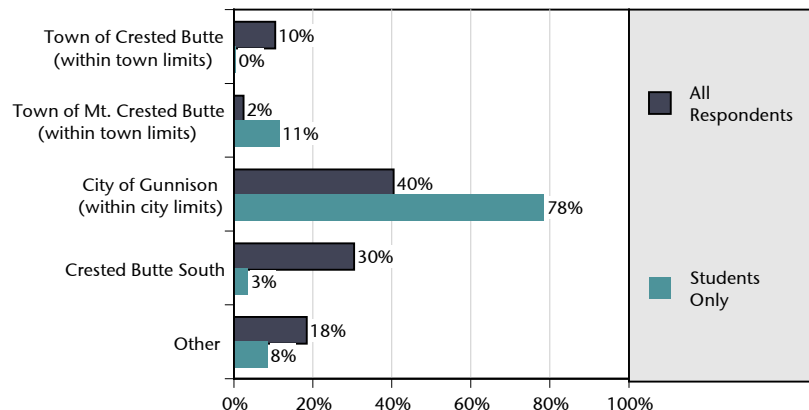
Income. The median income reported by survey respondents overall was \$57,600 per year. For students, it was \$24,000 per year.

Housing Profile and Needs of Fall Respondents

Exhibit A-4 shows where the fall survey respondents lived at the time the survey was completed. Most lived in Gunnison, followed by Crested Butte South. Students were more likely to live in the Town of Crested Butte than the survey respondents overall.

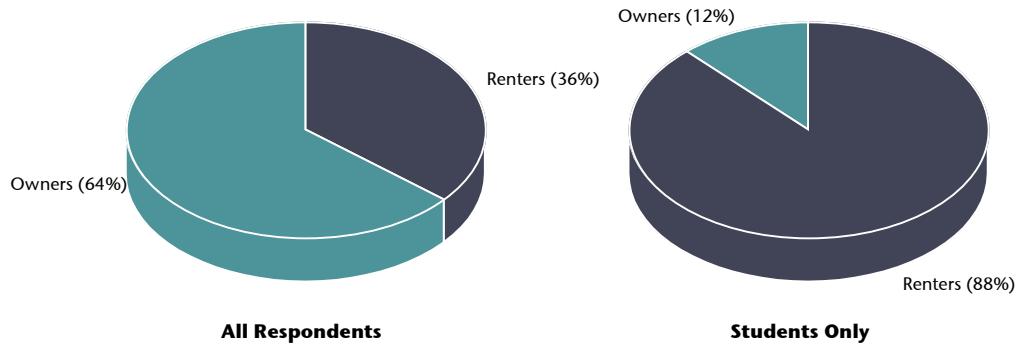
**Exhibit A-4.
Where do you currently live?**

Source: Gunnison County 2009 Fall Citizen Housing Survey.



Tenure. Eighty-eight percent of students were renters. This compares to 36 percent of respondents overall, as shown in the following exhibit.

**Exhibit A-5.
Tenure**

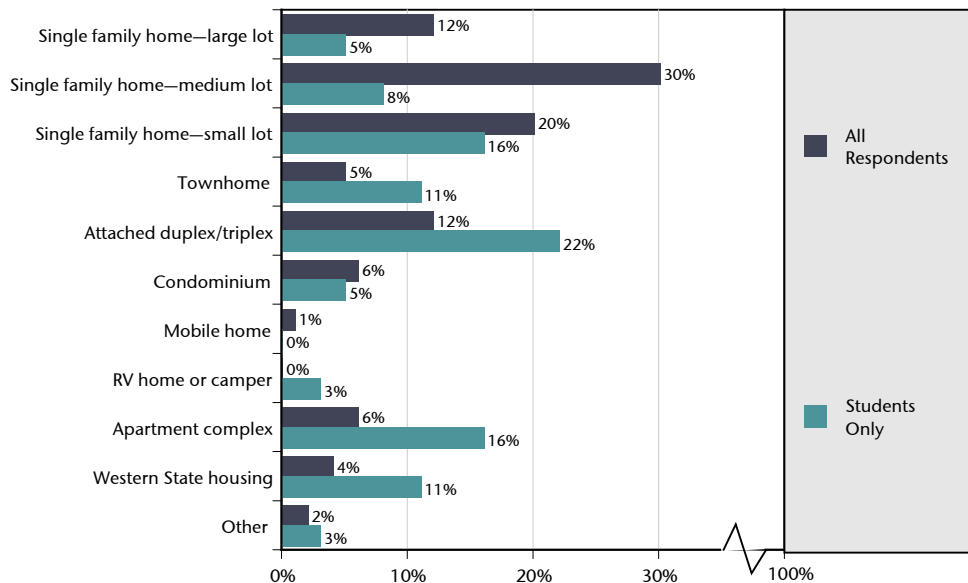


Source: Gunnison County 2009 Fall Citizen Housing Survey.

Housing type. Exhibit A-6 shows the type of housing units in which the respondents lived. Sixty-two percent of respondents overall live in detached single family homes. This compares with 65 percent in the spring survey, showing a predominance of single family homes in the county.

Students were much more likely to live in attached housing and apartments and less likely to live in single family homes—although one-third of students occupied single family homes at the time of the survey.

**Exhibit A-6.
What type of home do you currently live in?**



Source: Gunnison County 2009 Fall Citizen Housing Survey.

Housing cost. The median rent paid by survey respondents was \$800 per month; the median mortgage payment was \$1,600. Median HOA dues were a very small \$50/month, but they ranged considerably—from less than \$10 to \$900. On average, housing costs of the survey respondents were \$1,500 per month.

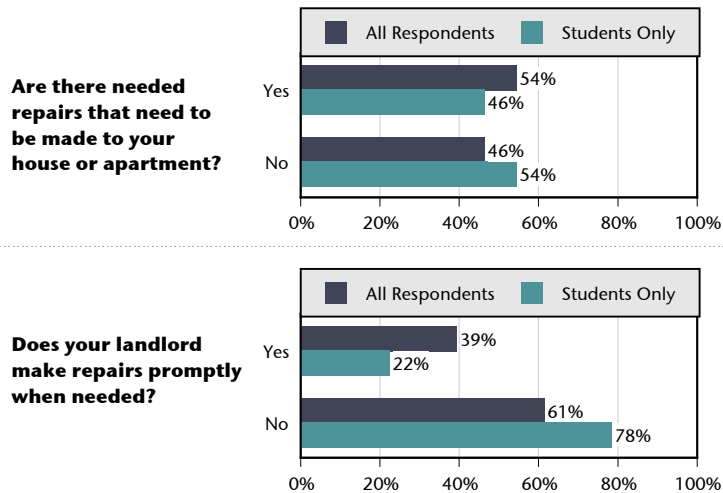
In addition to housing costs, survey respondents spent about \$200 per month on utilities and another \$200 on transportation. Their median debt service was \$600 per month—much greater than utilities or transportation costs alone.

Students reported a higher median HOA fee (\$200/month) than respondents overall, lower utilities (\$118/month median), transportation costs (\$100/month) and overall debt (\$375/month).

Needed repairs. We asked respondents if there were repairs that needed to be made to their home or apartment and, for renters, if their landlords made repairs when requested. Exhibit A-7 shows the answers to these questions. More than three-fourths of students said their landlords do not make repairs promptly when they are needed—this compares to 59 percent for the survey overall and only 27 percent of respondents in the spring 2009 survey.

**Exhibit A-7.
Needed Repairs**

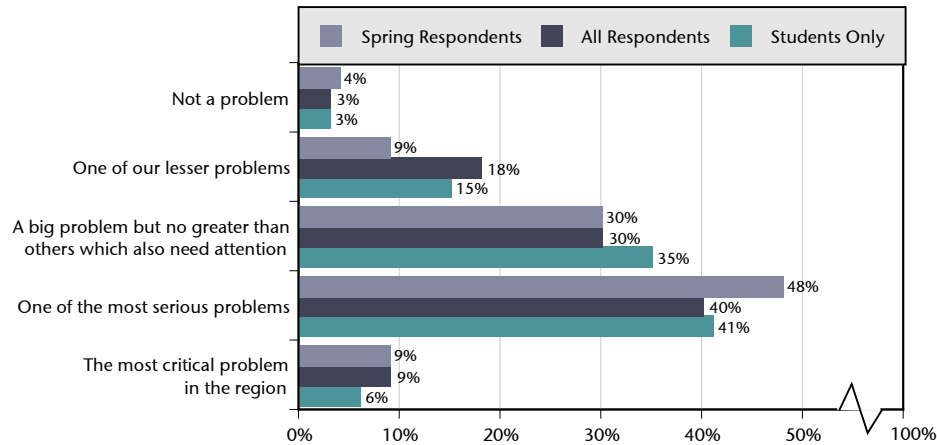
Source:
Gunnison County 2009
Fall Citizen Housing Survey.



Moving. The survey asked respondents if they had had to move within Gunnison County within the past three years but didn't desire to. Sixteen percent said "yes" (19 percent for students).

Severity of affordable housing problems. The survey also asked respondents' opinion on the seriousness of affordability problems in Gunnison County. The responses were similar for students and respondents overall. Respondents to the fall survey were slightly less likely to rank affordable housing as critical compared to spring survey respondents.

Exhibit A-8.
Perceptions of Housing Problems in Gunnison County



Source: Gunnison County 2009 Citizen Housing Survey.

When asked where affordable housing should be located in the county, the top locations were the City of Gunnison (78 percent agreed units should be located there), compared to 58 percent for the Town of Crested Butte, 44 percent for Mt. Crested Butte, 46 percent, Crested Butte South and 35 percent for other areas.

Interest in deed restriction. Fifty-four percent of respondents said they would be “somewhat” or “very” interested in buying a deed restricted home if that was the only way they could afford a home in their ideal location. Seventy-five percent said the unit would need to be more than \$35,000 less than a free market unit before they would buy a deed restricted unit.

When asked why respondents hadn’t bought a market or deed restricted unit, most said they don’t have enough for a downpayment and/or can’t find a unit they want to purchase.

Amenity preferences. Respondents were asked to rate the importance of each of 24 housing amenities and location considerations. The following exhibit shows how respondents rated each amenity, which are ordered from the highest average score to lowest average score.

Exhibit A-9.
Percent Ranking Amenity of “Very High Importance” by Community, Gunnison County

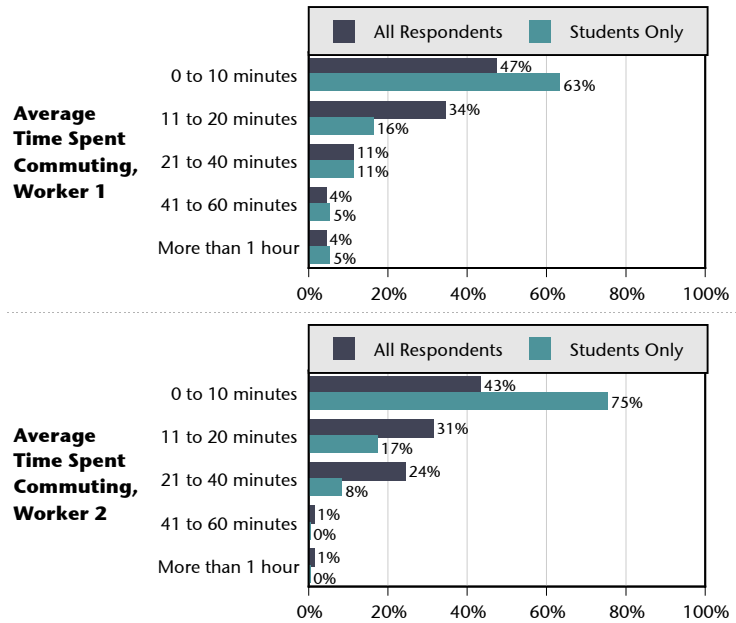
	All Respondents	Students Only		All Respondents	Students Only
Energy efficiency	51.2%	35.1%	Pets allowed	51.2%	35.1%
Extra storage	32.7%	27.0%	Private yard/outdoor space	45.0%	27.0%
Garage/covered parking	37.8%	21.6%	Shared common areas	6.5%	5.4%
In-unit washer/dryer	58.5%	37.8%	Wood burning allowed	25.9%	21.6%
Multiple bathrooms	28.9%	16.2%	Wood burning prohibited	2.5%	2.7%
Office space for business use	14.4%	8.1%	Availability of public transportation	31.3%	29.7%
On-site laundry facilities	38.8%	24.3%	Close to open space	30.3%	32.4%
Sunlight	51.2%	48.6%	Near grocery stores/shopping	14.4%	10.8%
Two or more phone lines	7.5%	8.1%	Near schools	13.9%	27.8%
Workshop space	13.9%	8.1%	Proximity to work	23.9%	18.9%
Garden space	21.4%	24.3%	Quiet area offering solitude	31.5%	21.6%
On-site or nearby daycare	6.0%	18.9%	Views	22.9%	16.2%

Source: Gunnison County 2009 Citizen Housing Survey.

Commute. Commutes were very short for the survey respondents, especially students, as shown below. These commutes were slightly shorter than the first round of surveys showed; the presence of students shortens the overall commute times.

**Exhibit A-10.
Commute Times**

Source:
Gunnison County
2009 Citizen Housing Survey.



For students, the most common modes of transportation were walking and driving alone to school/their place of work. For survey respondents overall, the most common modes were driving alone, biking and walking.