

# Fraser River Valley

## Housing Needs Assessment Findings

August 2022

# The Purpose of the Report

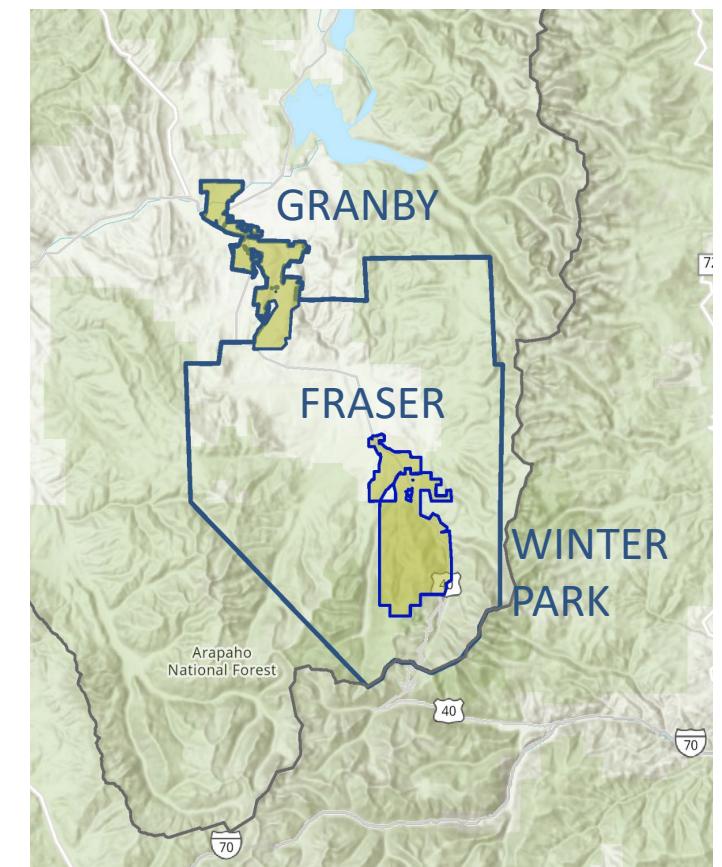
*The report identifies current and future housing demand, specific to local workforce.*



- Inform housing policies, priorities, and developments;
- Educate about the housing issues that affect the local workforce and employers; and
- Support access to financing for projects and programs.



Housing is **affordable** when the monthly payment is equal to no more than 30% of a household's gross income (i.e., income before taxes).



# Report Overview



Demographics &  
Economics



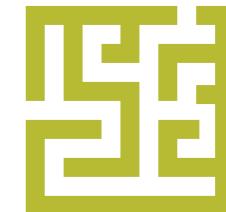
Housing Costs &  
Availability



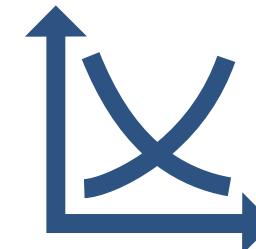
Capital Gap



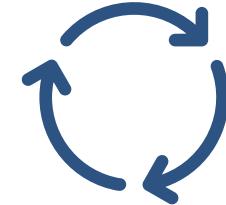
Housing Programs &  
Accomplishments



Housing Challenges



Housing Demand  
Analysis

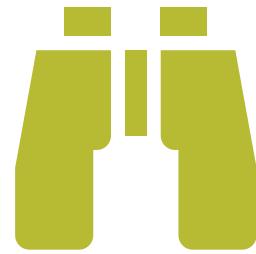


Return On  
Investment



Recommendations &  
Next Steps

# Process



Site Visits



Employer/Stakeholder  
Interviews



Local Guidance



Property Manager/Realtor  
Focus Group



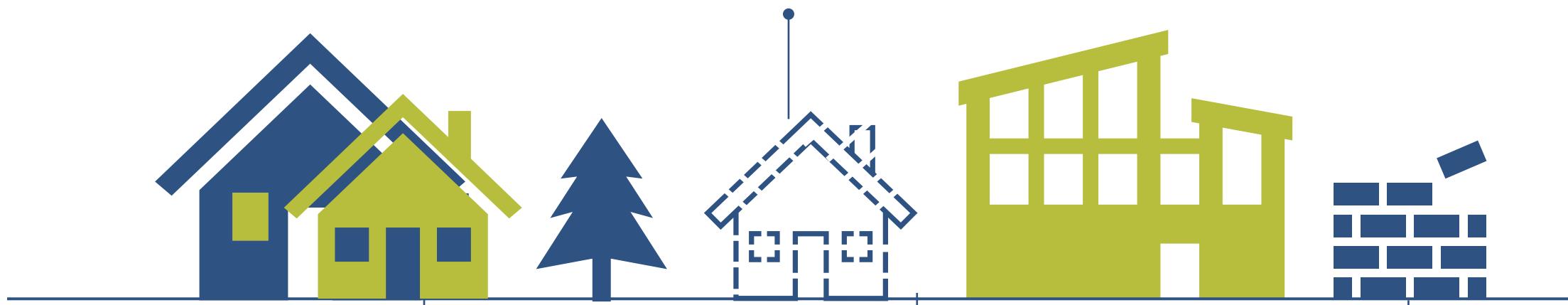
Data Analysis



Community Meeting  
and Final Report

# The Fraser Valley Housing Landscape

Lack of housing inventory, many developments are in the pipeline most of these homes are at price points for second homeowners.

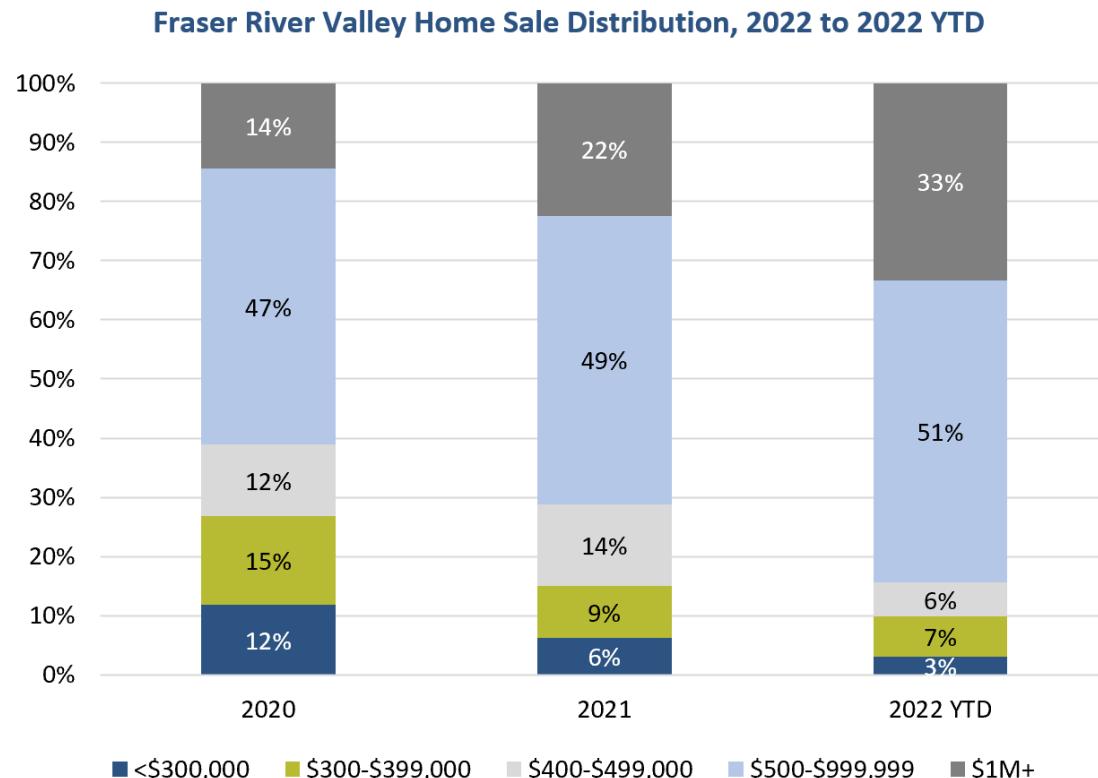


There is a shortage of long-term rentals and surplus of short-term rentals.

Market rate housing is out of reach for local workers in both the rental and for sale markets.

Construction is not keeping up with the production of jobs and the demand for worker housing.

# For-Sale Market



Note: inclusive of sales with a price greater than zero

[1] through June 2, 2022

Source: MLS, consultant team

Average sale price per finished square foot



Additional **barriers** for local prospective homebuyers:

- HOA fees
- Cash offers
- Bidding wars

# Rental Market

## 2022 Conditions



- Low Vacancy (1.6%)
- High demand, low supply
- Dramatic increases in asking rents
- Greatest need: 1 Bedroom Units



### Average Asking Rents

- \$1,600 – 1 bedroom
- \$2,700 – 2 bedroom
- \$4,500 – 3 bedroom

# Loss of Housing



## 9% of renters

in Grand County had been displaced due to long-term rental conversions to *short-term rentals*.



## 78% of homebuyers

in Grand County were from out of town in 2021. Remote workers or *“Zoom Boomers”* are moving into the County at higher rates adding pressure to the housing market .

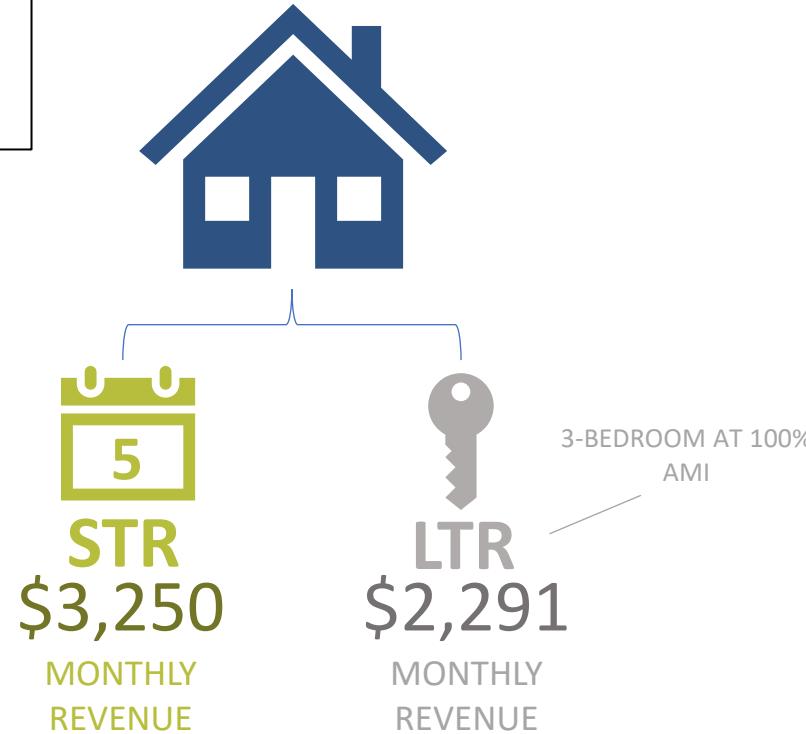


## 384 homes

were destroyed by the East Troublesome Fires in 2020. Only 99 permits have been issued so far to rebuild these homes.

## Demand: Disincentive to provide rental and ownership opportunities

STR: SHORT TERM RENTAL  
LTR: LONG TERM RENTAL



Short term rentals provide a median monthly revenue of \$3,250. There is a disincentive to rent units long-term at a rate affordable to the average locally employed household.



Market rate homes sold for a median \$635,027. A household making 200% AMI can afford \$495,100. Seller have a disincentive to sell homes to local wage earners.

# Fraser Valley Resident Experience

## HOUSING PRICE INCREASING FASTER THAN WAGES



21% increase in average sale price from 2020 to 2021. Only 6% increase in average annual pay.

## COST-BURDENED HOUSEHOLDS



About **one in three** households in the Valley pays more than 30% of their gross income for housing.

# Needs & Gaps



Total workforce housing units needed by 2027:  
**755 to 840**



FOR SALE

Price points needed:  
**\$170,000-  
\$380,000**



FOR RENT

Price point needed:  
**<\$1,800**

The **gap** between what the market can provide and what the workforce needs has increased by over **\$100,000** in the past seven years

# Housing Needs and Gaps

## Summary of Housing Units Needed through 2027

	Low	High
<b>Catch Up Need</b>	<b>450</b>	<b>450</b>
Unfilled Jobs (12% of jobs)	450	450
<b>Keep Up Need</b>	<b>305</b>	<b>390</b>
New Jobs	75	160
Retiring employees	230	230
<b>Catch-up and Keep-up through 2027</b>	<b>755</b>	<b>840</b>
Under construction	(112)	(112)
Adjusted Catch-up and Keep-up	645	730

Note: Seasonal housing needs are not included in these figures.

# Deed Restricted Housing

Fraser Valley – Deed Restricted Inventory 2022

		AMI							
Project Name	Own	Rent	Location	≤60%	61%-80%	81%-120%	121%-180%	181%-300%	Total
Previously Constructed									
Miller's Inn	10	8	Winter Park	-	8	10	-	-	18
Hideaway Junction	10	0	Winter Park	-	-	-	-	-	-
Wapiti Meadows	0	50	Fraser	50	-	-	-	-	50
Hideaway Place Apartments	0	38	Winter Park	-	-	38	-	-	38
<b>Subtotal</b>	<b>20</b>	<b>96</b>		<b>50</b>	<b>8</b>	<b>48</b>	<b>0</b>	<b>0</b>	<b>106</b>
% of subtotal	19%	91%		47%	8%	45%	0%	0%	100%
Under Construction									
Fireside Creek	-	50	Winter Park	-	-	50	-	-	50
Old Town Apartments	-	60	Fraser	60	-	-	-	-	60
Koselig on Main	-	2	Fraser	-	2	-	-	-	2
<b>Subtotal</b>	<b>-</b>	<b>112</b>	<b>-</b>	<b>60</b>	<b>2</b>	<b>50</b>	<b>-</b>	<b>-</b>	<b>112</b>
% of Subtotal	0%	100%	0%	54%	2%	45%	0%	0%	100%

Source: previous Housing Needs Assessments, interviews, consultant team

1,436  
new residences have been  
permitted since 2018



148  
were deed  
restricted  
(10%)

# Housing in Planning Stages

Fraser River Valley: Five Year Residential Projection

	Market Residences	Deed Restricted	Total	% Deed Restricted
Granby	801	200	1,001	20%
Fraser	500	130	570	23%
Winter Park	1,570	65	1,900	3%
Unincorporated Valley	600	40	640	6%
<b>Total</b>	<b>3,471</b>	<b>435</b>	<b>4,111</b>	<b>11%</b>
Annual average	694	87	822	

## Key Considerations:

- Planned market residences start at \$750,000, and are unlikely to be accessible to local workers
- Deed restricted housing will need significant financial support to be feasible.



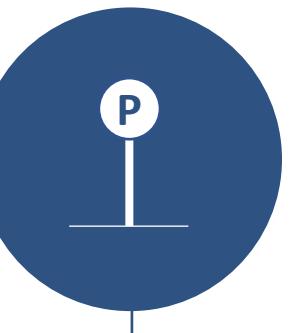
# Community Benefits

MORE PERMANENT  
RESIDENTS



INCREASED LOCAL  
EXPENDITURES

REDUCED VEHICLE  
MILES



PARKING  
SAVINGS



## MORE PERMANENT RESIDENTS

**36%**

of market rate homes are occupied by permanent residents

**100%**

of deed restricted homes are occupied by permanent residents



## INCREASED LOCAL EXPENDITURES

**\$8.9** million/  
YEAR

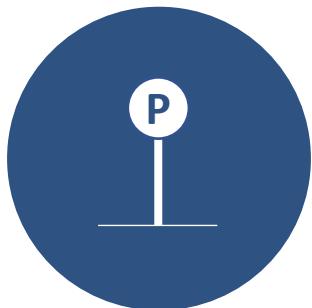
Is generated by the 225 households occupying deed restricted units in the Valley towards the local economy.



## REDUCED VEHICLE MILES

**\$825** Monthly Savings

For Valley employees that live locally – with the average commute of those workers living outside of the valley being 33 miles away. This translates to **330 miles** a week.



## PARKING SAVINGS

**\$10,000**

Per 1 surface parking space

In the Town of Winter Park. A structured parking space costs \$30,000 in Winter Park.

# Employer/Employee Benefits



housing for essential  
employees



stronger & more  
responsive services



improved customer  
service



cost savings on job  
recruitment/training

# housing essential employees benefits the whole community



## Housing for Essential Employees

The general community benefit of having employees live nearer to work means lower employee turnover, increased employee satisfaction, and lower incidence of tardiness or missed work-days due to commuting. This equates to improved quality of service for residents and visitors.



## Stronger and More Responsive Services

Having emergency service workers within the community mean that response times and emergency care will be shorter, and services will be available when needed. Health care employees support the public health and welfare of all residents.



## Improved Customer Service & More Vibrant Community

Visitor service employees are the engine of the resort economy. Satisfied and skilled employees improve customer service for residents and visitors, the bottom line of businesses and increase the vibrancy of the local community.

**530 PEOPLE**

turned down job offers in the past year because they lacked housing they could afford in the area.



Having more skilled health care employees in the community provides better support to the aging population, families, and children.

**76%**

of those in deed-restricted housing say they have reduced stress about housing by being able to stay in these units. **60%** report having *better quality of life*.



### **Employer Cost Savings: Job Recruitment and Training**

The lack of housing for employees that they can afford is the most critical problem for most employers in the Valley. The effect on recruiting and retaining employees is significant. When potential employees decline jobs or existing employees leave their job, the cost to businesses is significant.

### **170 EMPLOYEES**

left their employment this past year because they lacked housing they could afford in the area, representing 5% of jobs provided by contacted employers. This cost employers an estimated:

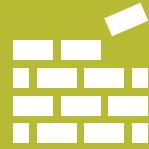
### **\$1.4 MILLION**

to recruit and train replacements.

Employers express that **the lack of housing is the biggest issue** impacting their ability to fill jobs and retain employees.

About **530** people turned down job offers in the past year because they lacked housing they could afford in the area.

# Recommendations



## Build More Community Housing

Increasing supply is key. See the projects that are in the pipeline through. This will take serious effort.



## Add momentum, capacity, and new partners to current initiatives, particularly the Housing Authority.



## Partner with Employers

Local jurisdictions and other professionals should partner and support employers to create employee housing.



## Increase Dedicated Funding

Ensure dedicated funding source and regional coordination.



## Preserve Existing Inventory

Preserving existing affordable housing must be paired with new construction.



## Promote Equity and Inclusion

Development and policy processes must be actively inclusive of populations so that housing is meeting the needs of all.

# Questions and Discussion

