



Keystone Town Council Work Session Agenda

The Keystone Town Council will have a Work Session on September 9, 2025, at 4:00 p.m. at 1628 Sts. John Rd, Keystone, CO 80435.

The Town of Keystone conducts hybrid meetings. This meeting will be held in person at Keystone Town Hall and will also be broadcast live over Teams. [Join the live broadcast available by computer here.](#) If you will need special assistance in order to attend any of the Town's public meetings, please notify the Town Clerk's Office at (970) 450-3500x1 via phone, or clerk@keystoneco.gov via e-mail, at least 72 hours in advance of the meeting.

- I. CALL TO ORDER, ROLL CALL**
- II. PUBLIC COMMENT PERIOD**
- III. HOUSING NEEDS ASSESSMENT**
- IV. RTA FORMATION COMMITTEE MOU**
- V. TOWN MANAGER EVALUATION PROCESS**
- VI. PRESENTATION ON 2026 BUDGET**
- VII. ORDINANCE 2025-O-15 – Establishing General and Special Funds**
- VIII. DISCUSSION OF MANAGER/COUNCIL ISSUES**
- IX. ADJOURNMENT**

HOUSING NEEDS ASSESSMENT

Town of Keystone

September 9, 2025



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

DENVER
LOS ANGELES
OAKLAND
SACRAMENTO



AGENDA

- Engagement Findings and Context
- Estimate of need
- Draft recommendations

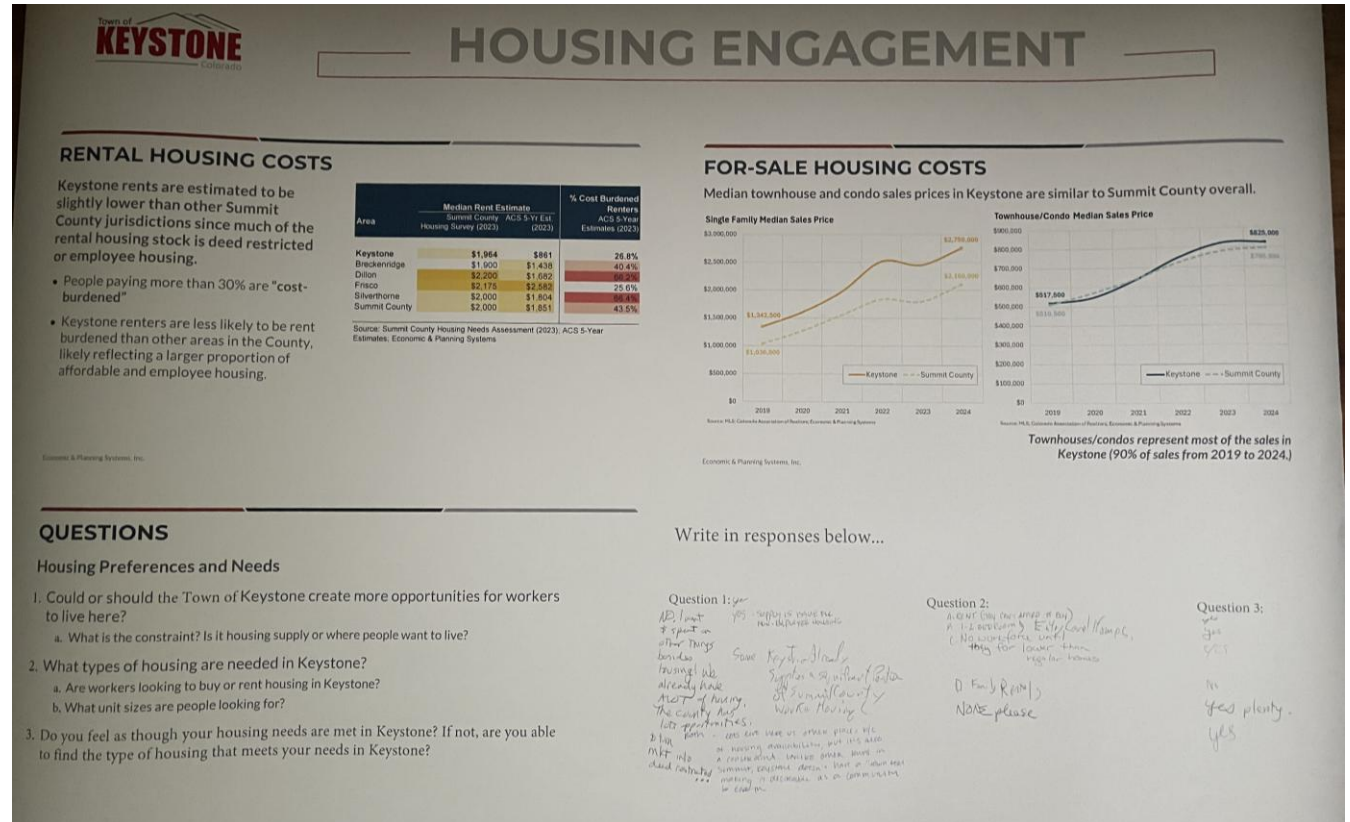
KEYSTONE CONTEXT

- Limited developable land remaining
- Small town: funding and staffing limits
- Recommendations reflect limited land, limited funding to develop projects
- Has established a Housing Fund to receive 5A and 6B revenues

ENGAGEMENT FINDINGS

THEMES FROM COMPREHENSIVE PLAN

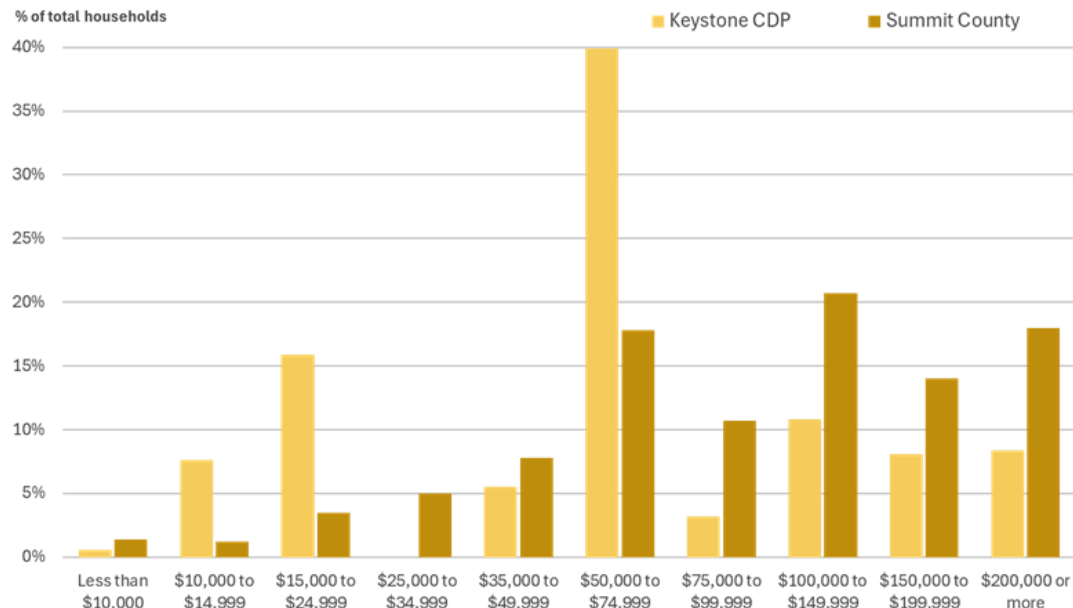
- Make Keystone more livable, attractive to full-time residents
- Not enough of a “Town Feel”
- Create more types of housing besides employee housing/dorms and affordable rentals



KEYSTONE CONTEXT

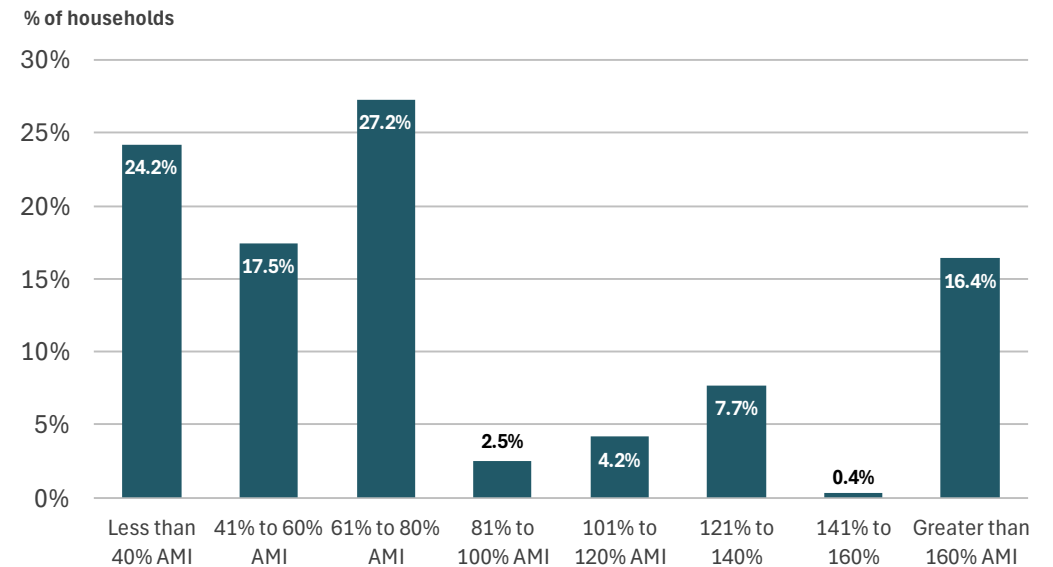
HOUSEHOLD INCOME (2023)

- Around 40% of households have incomes in the \$50,000-\$74,999 range
 - Lower income distribution than Summit County
 - Lower wage tourism jobs and aging population (fixed income)



Source: ACS 5-Year Estimates; Economic & Planning Systems

- 70% of Keystone households have household incomes less than 80% AMI for a 2-person household
- ~\$78,000 for 2-person household and ~\$68,000 for 1-person household

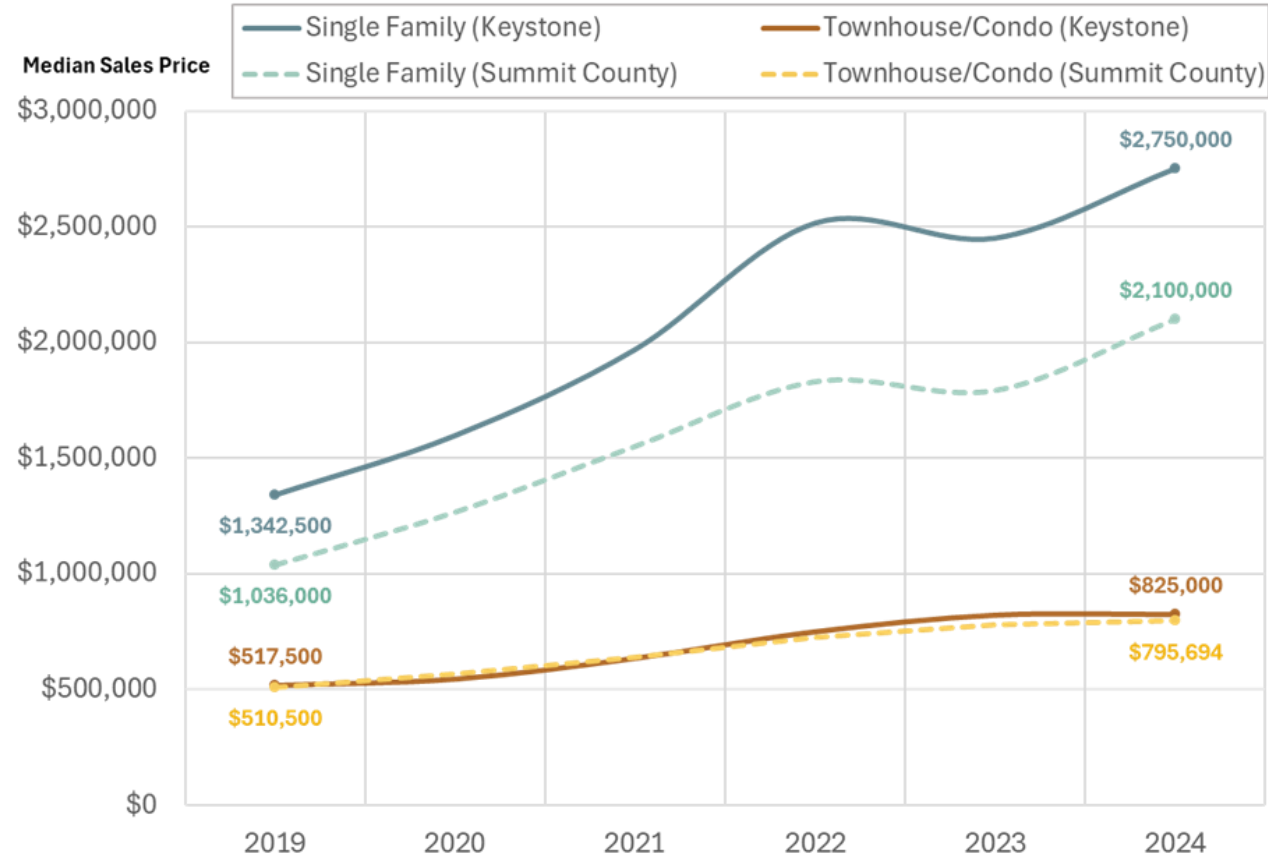


Source: ACS 5-Year Estimates; CHFA 2023 Income Limits (Summit County); Economic & Planning Systems

KEYSTONE CONTEXT

MEDIAN HOUSING PRICES

- Townhouse/condo median prices are aligned with Summit County
 - \$825,000 median sales price in Keystone in 2024
- Single family detached median prices are higher in Keystone (reflects a small number of sales).
 - \$2.75 million median sales price in 2024

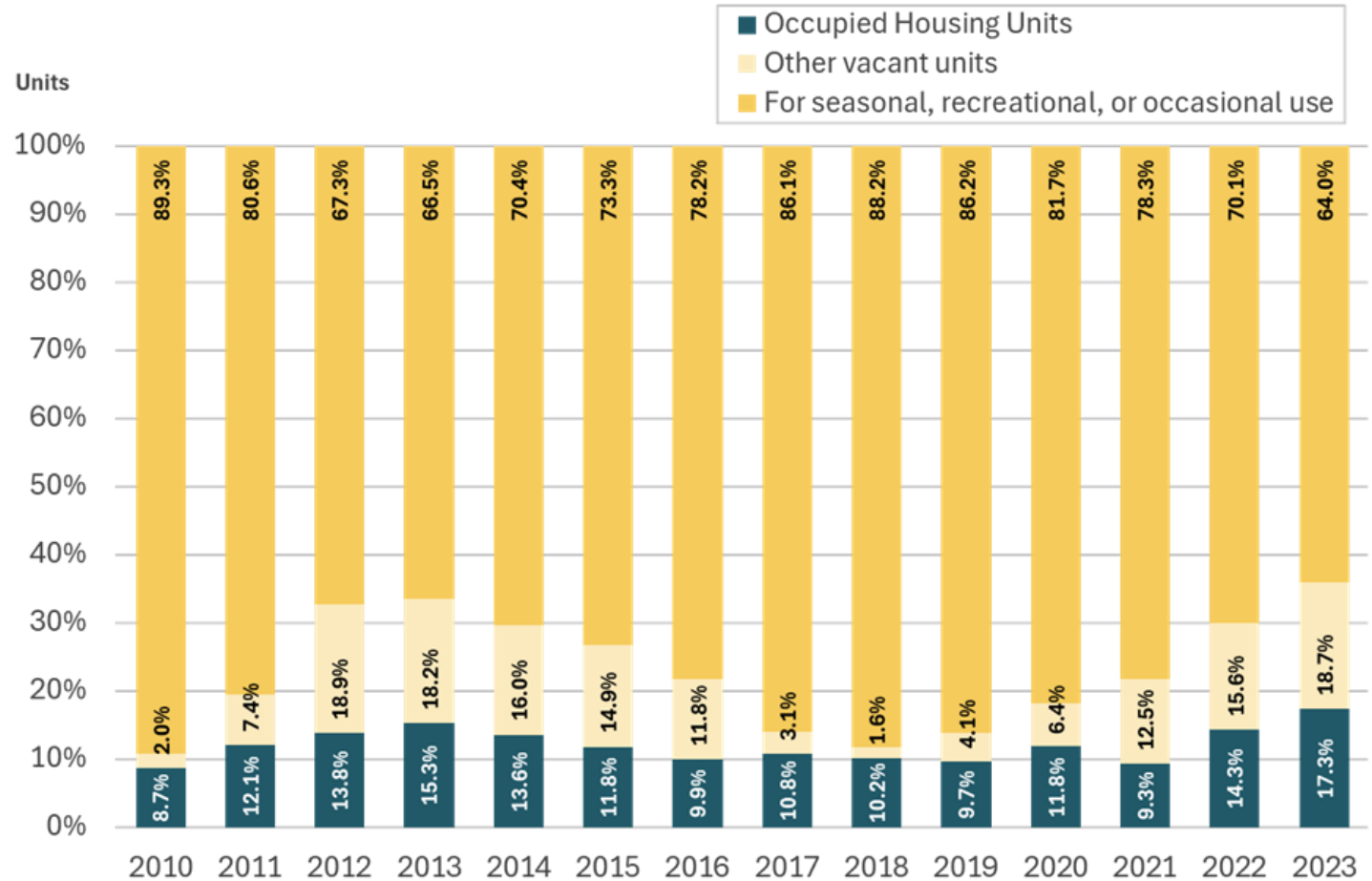


Source: Summit MLS; Economic & Planning Systems

KEYSTONE CONTEXT

HOUSING OCCUPANCY

- Most housing units are vacation/second homes
- In 2023:
 - Only around 17% of housing units occupied by full-time residents
 - Around 600 households, but over 3,500 housing units



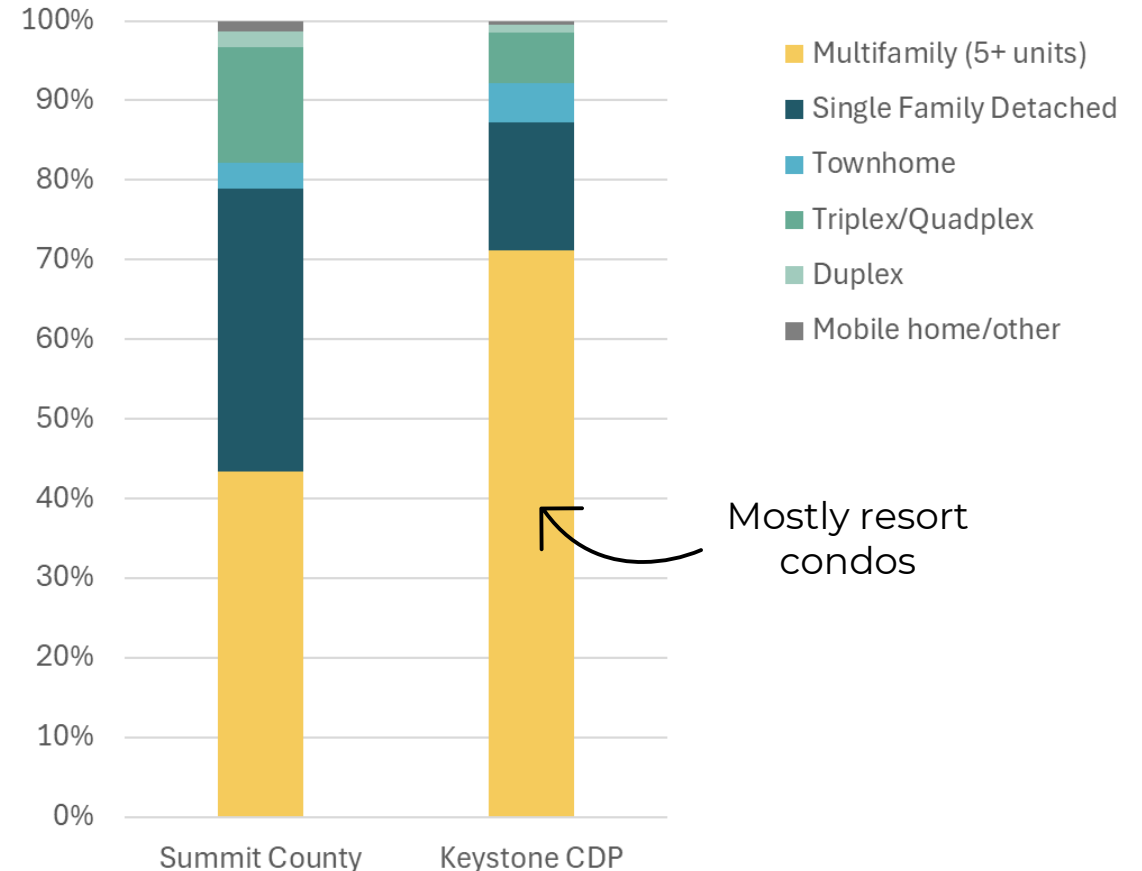
Source: ACS 5-Year Estimates; Economic & Planning Systems

KEYSTONE CONTEXT

HOUSING TYPE

- Multifamily units (primarily resort condo units) make up most of the housing stock
- Over 70% of total units are in a 5+ unit multifamily building
 - 43% in Summit County overall
- Over 800 employee housing or deed restricted units in Keystone

Housing Units by Type, 2023



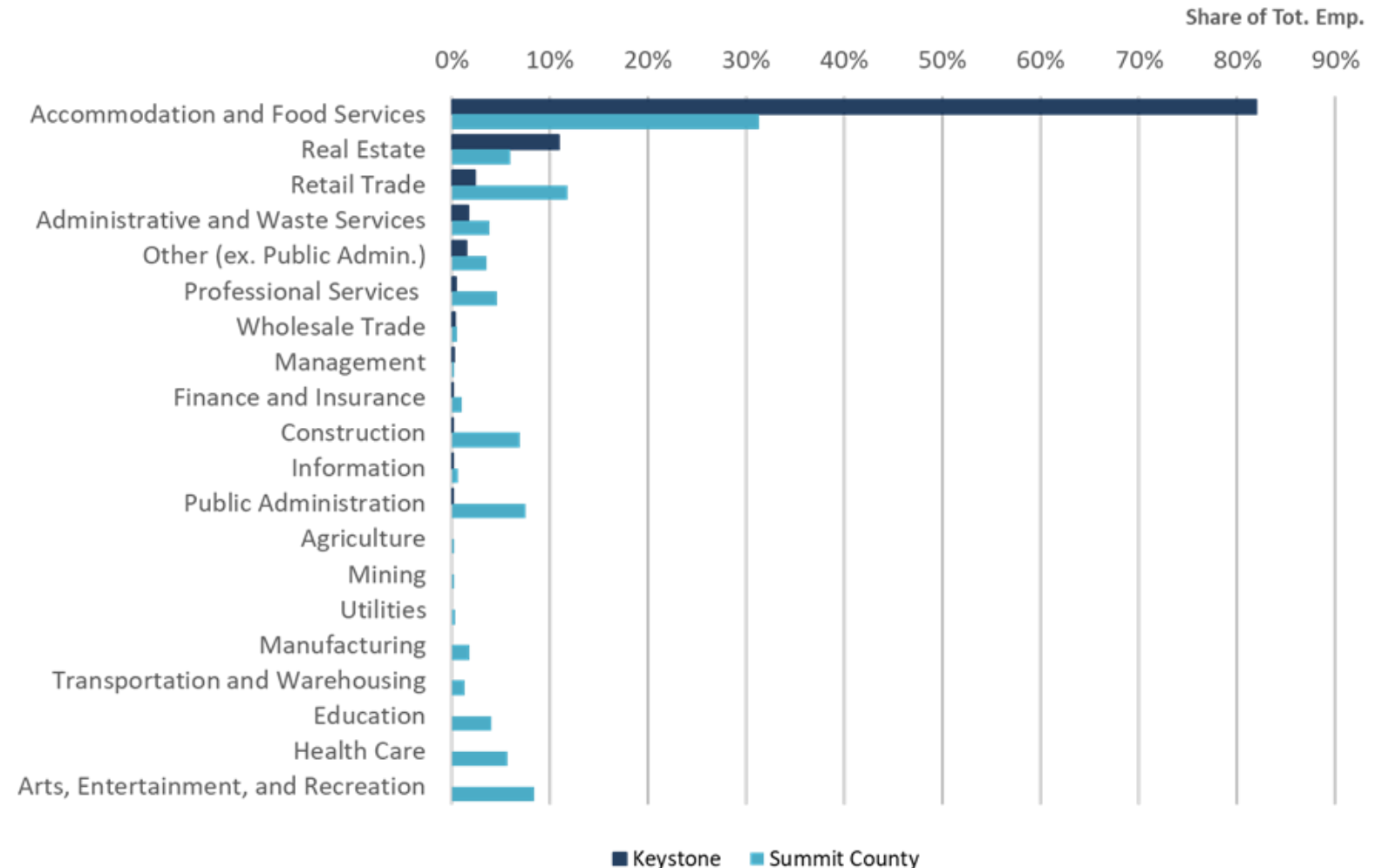
Source: ACS 5-Year Estimates; Economic & Planning Systems

KEYSTONE CONTEXT

EMPLOYMENT

- Around 2,300 total jobs in Keystone (22,600 in Summit County).
- Over 80% of jobs in Keystone are in the accommodation and food services employment sector.
- **Commuting:** Only about 20% of people who work in Keystone also live in Keystone.

Keystone and Summit County Jobs by Industry, 2024



Source: JobsEQ; Economic & Planning Systems

HOUSING DEMAND

ESTIMATE OF NEED

- SB-174 requirement
- Planning/policy targets, not a mandate
- Existing shortage: reduce in-commuting, unfilled jobs, overcrowding, temporary housing
- Projected need: keep up with job growth

Description	Existing Shortage			Projected Need			Total Housing Need		
	Owner	Renter	Total	Owner	Renter	Total	Owner	Renter	Total
Extremely Low Income (<30% AMI)	0	27	27	0	0	0	0	27	27
Very Low Income (31% - 50% AMI)	0	5	5	0	0	0	0	5	5
Low Income (51% - 80% AMI)	22	22	45	11	11	22	33	33	66
Moderate Income (81%-120% AMI)	4	4	8	4	4	8	8	8	16
Upper Income (>120% AMI)	<u>16</u>	<u>11</u>	<u>27</u>	<u>2</u>	<u>1</u>	<u>3</u>	<u>18</u>	<u>12</u>	<u>31</u>
Total	43	69	112	17	17	33	59	86	145
	38%	62%	100%	50%	50%	100%	41%	59%	100%

Source: JobsEQ, CTPP, CO State Demography Office, CHFA, ACS 5-Year Estimates, Economic & Planning Systems

HOUSING NEED COMPARISONS

- Difficult to isolate Keystone's needs from the larger region
- Markets don't care as much about local government boundaries
- Strong partnerships and collaboration needed to address regional needs

Study	Area	Time	Rental	Owner	Total Units
2023 SCHA (Root Policy)	Countywide/ Regional	5 years	1,261	1,506	2,767
2023 SCHA (Root Policy)	Keystone	5 years	199	66	265
2019 SCHA (EPS)	Snake River Basin	Current	n/a	n/a	285
2025 Keystone (EPS)	Keystone	Mostly current need	59	86	145
Range					150-275

DRAFT RECOMMENDATIONS

1. Funding
2. Land use regulations
3. Public-private partnerships
4. Housing preservation: Deed Restriction Incentive Program
5. ADU Incentive Program

Focus on P3s, housing preservation, and incremental/gentle infill

FUNDING

DRAFT RECOMMENDATIONS

- Consider an additional dedicated funding source
 - STR tax or regulatory fee
 - Lodging tax increase
- Formalize development incentives for affordable projects
 - Fee waivers, density bonuses, expedited permitting

	Dedicated Funding	Sales Tax	STR Tax/Fee	Other Tax
Keystone	Portion of SCHA Sales Tax & Impact Fees	✓		
Breckenridge	Portion of SCHA Sales Tax & Impact Fees STR regulatory fee (\$756/BR)	✓	✓	
Frisco	Portion of SCHA Sales Tax & Impact Fees 5% STR Tax	✓	✓	
Silverthorne	Portion of SCHA Sales Tax & Impact Fees	✓		
Dillon	Portion of SCHA Sales Tax & Impact Fees 5% STR tax		✓	
Vail	0.5% sales tax	✓		
Avon	4% use tax on construction materials Up to 10% of 2% RETT 2% STR Tax		✓	✓

LAND USE REGULATIONS

DRAFT RECOMMENDATIONS

- Consider an Inclusionary Housing and/or residential or commercial linkage program
 - May have limited impact since the Town is mostly built out
 - Determine if viable/worthwhile in context of existing PUDs
- ADU supportive zoning
 - Review/revise zoning to allow ADUs by right on all single-family lots
- Annexations
 - Annexation and development agreements
 - Breckenridge Annexation Policy: annexed properties required to provide 80% of units in deed restricted housing in exchange for access to utilities

	Housing Mitigation		
	Residential Type	Residential	Commercial
Breckenridge	Residential Linkage	✓	✓
Frisco	N/A		
Silverthorne	N/A		
Dillon	N/A		
Vail	Inclusionary Housing	✓	✓
Avon	Residential Linkage	✓	✓

PUBLIC-PRIVATE PARTNERSHIPS

- Messaging that the Town is open for business – looking for development partners
- Willingness to contribute gap financing and other incentives with affordability
- Put Town-owned land “into the deal”
 - Low/free land costs are critical for affordable housing
- Common model, numerous examples



DEED RESTRICTION INCENTIVE PROGRAM

DRAFT RECOMMENDATIONS

- Many examples of “Housing Helps” programs in Summit County
- Purchase a long-term or permanent deed restriction on existing homes
 - Typically limits sale and occupancy of the home to someone living full time in the area
 - Often has employment requirements within the local area
- Identify target areas
 - Loveland Pass Village area
 - Others?



ADU INCENTIVE PROGRAM

DRAFT RECOMMENDATIONS

- Grant or loan program from Housing Fund paired with fee waivers
 - Since ADUs can be costly to build
- Funding tied to a deed restriction
 - Must work in Summit County
 - Cannot be rented short term
- The same areas targeted for deed restriction acquisitions could also be candidates for an ADU incentive program





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

TOWN OF KEYSTONE HOUSING NEEDS ASSESSMENT – DRAFT 2

DRAFT REPORT

Prepared for:
Town of Keystone

Prepared by:
Economic & Planning Systems, Inc.

September 5, 2025

EPS #243102

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Glossary of Terms

Affordable: A home is affordable when a person or household spends 30% of their gross income or less on rent or mortgage payments. For renters, this is defined as rent plus utilities. For homeowners, it is defined as mortgage payments comprised of principal, interest, taxes, and insurance. Thirty percent of gross income is the standard used by the U.S. Department of Housing and Urban Development (HUD) and is commonly used in housing policy work.

American Community Survey: The American Community Survey (ACS) is a nationwide survey conducted by the U.S. Census Bureau that provides detailed information about the social, economic, and housing characteristics of the U.S. population annually. Unlike the decennial census, which is taken every 10 years, the ACS is an ongoing survey. In places under 65,000 people, the smaller sampling size limits the annual data reported to a compilation of estimates over a five-year period for statistical and margin of error reasons. These estimates typically lag by about two years from the current year; i.e., 2023 ACS five-year estimates are the most recent ACS data available for Keystone CDP.

Area Median Income (AMI): Refers to the median income limits published annually for counties by HUD and the Colorado Housing and Finance Authority (CHFA). HUD calculates median family income, adjusted for inflation, for annual updates. AMI varies by household size and is used to set income and rent limits for affordable housing programs statutorily linked to HUD income limits (e.g., Low Income Housing Tax Credits or LIHTC).

Cost burdened: A household that pays more than 30% of its gross income to rent or mortgage payments (principal, interest, taxes, and insurance) is defined as cost burdened.

Deed-Restricted Housing: Refers to residential property with legal restrictions on its use or sale. These restrictions may require residency requirements, require that occupants meet income limitations, or limit the sale price to a certain percentage of appreciation, often to ensure affordability of housing over a long period of time.

Employee Housing: Sometimes referred to as employer-provided housing, it is residential accommodation provided by an employer to its employees. These types of housing are typically owned, leased, or managed by the employer.

Family household: Two or more people related by blood or marriage living in one occupied housing unit.

Household: All people, related or unrelated, who occupy a housing unit. One household is numerically equivalent to one occupied housing unit.

Household Income: As defined by the U.S. Census Bureau, Household Income is the sum of the income of all people 15 years and older living in the household. Household income is comprised of wages and salaries (earned income), government benefits (transfer payments), and investment and retirement income.

Housing Unit: As defined by the U.S. Census Bureau, a Housing Unit is a house, an apartment, a mobile home or trailer, a group of rooms, or a single room occupied as separate living quarters, or if vacant, intended for occupancy as separate living quarters.

Market Rate Housing: Housing that is available at the prevailing market cost, without any restrictions on who can purchase or occupy it.

Tenure: Tenure describes how a household or person occupies their home, specifically whether they rent it or own it.

1. Introduction

The Town of Keystone hired Economic & Planning Systems (EPS) to prepare its first Housing Needs Assessment (HNA). Keystone became a formally incorporated Town on February 8, 2024. This HNA was prepared in parallel with the Town's first Comprehensive Plan, as the Town begins charting a course for its future.

This report is intended to serve two purposes:

- Meet the requirements of Colorado SB-174, requiring local governments to prepare a HNA to be eligible for certain State funds.
- Serve as a guide to the Town in defining its role in housing and developing housing policy.

This is a working draft that will be refined after discussions with Town staff and potentially Town Council. Draft initial recommendations are found in the last Chapter.

Study Area

The Study area is the Town of Keystone and the Keystone Census Designated Place (CDP) which is slightly larger than the incorporated boundary. Since the Town is so new, federal and state demographic and economic data sources do not yet report figures for the Town boundary. Attempting to make estimates of demographic variables for the Town would introduce potential errors and would require extensive labor time beyond the scope of this work.

2. Demographic Trends

This chapter documents demographic trends and conditions in Keystone, including population, households, and household income. While most trends are analyzed at the Keystone CDP level, some data points include a comparison to Summit County overall.

Population and Households

The population of the Keystone CDP is estimated at 1,100 people as of 2023 (**Table 1**). Since 2010, population in the Keystone CDP increased by 346 people, an increase of nearly 50%. As a share of the County, the Keystone CDP is 3.6% of the population and comprised 9.2% of the growth in population.

The US Census defines households as the people (related or unrelated) who occupy a housing unit (such as a house or apartment) as their usual place of residence, while housing units are physical structures and include vacant units. Housing units far outnumber the number of households in Keystone, due to the high proportion of housing units occupied by part-time residents or used as second homes/vacation rentals, which are considered vacant. The Keystone CDP has an estimated 621 households as of 2023, and 3,589 housing units, resulting in an occupancy rate of just 17.3% (**Table 1**). Put another way, Keystone CDP has 5.0% of total households in Summit County, and 11.3% of total housing units.

Table 1. Population and Households, 2010-2023

Geography	2010	2023	2010-2023		
	Total	Total	Change	Ann. #	Ann. %
Population					
Keystone CDP	765	1,111	346	27	2.9%
Keystone CDP as a % of Summit County	2.8%	3.6%	9.2%		
Summit County	27,105	30,857	3,752	289	1.0%
Households					
Keystone CDP	269	621	352	27	6.6%
Keystone CDP as a % of Summit County	2.5%	5.0%	19.6%		
Summit County	10,553	12,347	1,794	138	1.2%

Source: ACS 5-Year Estimates; Economic & Planning Systems

Age

Keystone residents are younger on average than in Summit County as a whole, with a median age of 30.1 compared to 39.2 countywide. More than three quarters of the population in Keystone is in the 18 to 44 age range. Since 2010, the population in the 25 to 44 age range has increased (Table 2).

Table 2. Age Distribution and Median Age, 2010-2023

Description	Keystone CDP			Summit County		
	2010	2023	2010-23 Change	2010	2023	2010-23 Change
Median Age	26.6	30.1	3.5	36.2	39.2	3.0
% of Total Population						
Under 5 years	4.6%	0.5%	-4.1%	5.7%	3.6%	-2.1%
5 to 17 years	2.4%	2.8%	0.4%	12.3%	12.8%	0.5%
18 to 24 years	30.8%	26.7%	-4.1%	9.8%	5.7%	-4.1%
25 to 44 years	36.5%	50.0%	13.5%	37.4%	35.5%	-1.9%
45 to 54 years	14.6%	4.1%	-10.5%	15.9%	13.7%	-2.2%
55 to 64 years	6.7%	7.9%	1.2%	11.5%	13.3%	1.8%
65 to 74 years	3.4%	5.4%	2.0%	5.5%	11.2%	5.7%
75 years and over	1.0%	2.6%	1.6%	1.9%	4.1%	2.2%

Source: ACS 5-Year Estimates; Economic & Planning Systems

Household Type and Size

Keystone has small households and the area's average household size has contracted since 2010. The average household size in Keystone has decreased from 2.8 in 2010, to 1.4 in 2023 (Table 3). This is likely due to a growing presence of retirees and new deed-restricted apartments built within the past five years.

Table 3. Household Type and Size, 2010-2023

Household Type	2010		2023		2010-2023		
	Total	% Total	Total	% Total	Change	Ann. #	% Total
Total households	269	100.0%	621	100.0%	352	27	
Family households	81	30.1%	82	13.2%	1	0	-16.9%
Families with children	5	2.0%	26	4.2%	21	2	2.2%
Nonfamily households	188	69.9%	539	86.8%	351	27	16.9%
Living alone	44	16.4%	277	44.6%	233	18	28.2%
Living with roommates	144	53.5%	262	42.2%	118	9	-11.3%
Average household size	2.8		1.4		-1.4		
Average family size	3.0		2.6		-0.4		

Source: ACS 5-Year Estimates; Economic & Planning Systems

One or 2-person households represent the majority of renters in Keystone (90.5 percent). In comparison, 71.3 percent of owner-households are 1 or 2-person households, and 28.7 percent are 3-person households (**Table 4**).

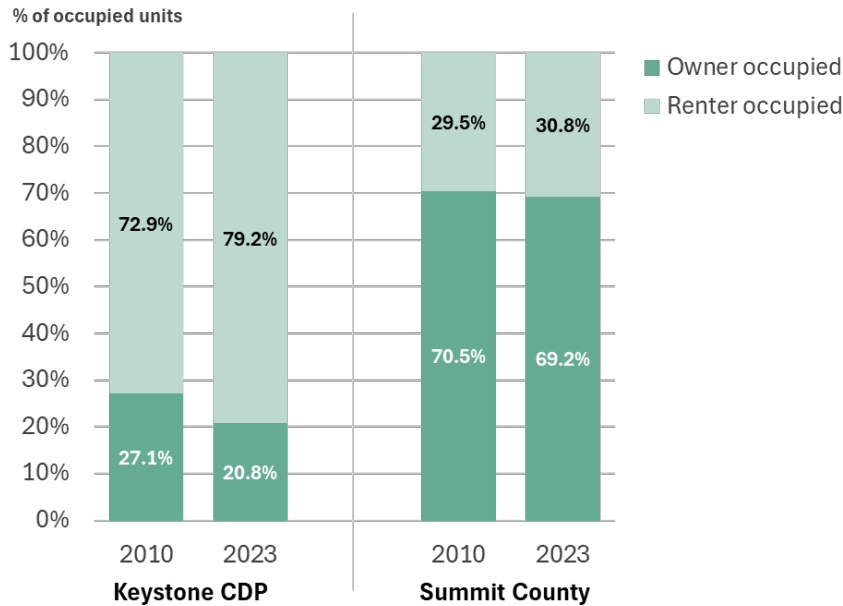
Table 4. Household Size by Tenure, 2010-2023

Description	Keystone CDP		
	2010	2023	2010-23 Change
<i>Average Household Size</i>	<i>2.84</i>	<i>1.40</i>	<i>-1.44</i>
% Occupied Housing Units			
1-person household	16.4%	44.6%	28.2%
2-person household	67.7%	41.9%	-25.8%
3-person household	9.3%	13.5%	4.2%
4-or-more-person household	6.7%	0.0%	-6.7%
% Owner-Occupied Housing Units			
1-person household	60.3%	48.8%	-11.5%
2-person household	39.7%	22.5%	-17.2%
3-person household	0.0%	28.7%	28.7%
4-or-more-person household	0.0%	0.0%	0.0%
% Renter-Occupied Housing Units			
1-person household	0.0%	43.5%	43.5%
2-person household	78.1%	47.0%	-31.1%
3-person household	12.8%	9.6%	-3.2%
4-or-more-person household	9.2%	0.0%	-9.2%

Source: ACS 5-Year Estimates; Economic & Planning Systems

Housing Tenure

In 2023, 79.2 percent of households in Keystone are renter households compared to 30.8 percent in the county. Since 2010, the share of renter households in Keystone has increased from around 73% to nearly 80%, which may be due to the construction of new affordable rental housing (**Table 5** and **Figure 1**).

Figure 1. Tenure, Keystone CDP and Summit County, 2010-2023

Source: ACS 5-Year Estimates; Economic & Planning Systems

Table 5. Tenure, 2010-2023

Description	Keystone CDP		
	2010	2023	2010-23 Change
Occupied Housing Units	269	621	352
Owner-occupied	73	129	56
Renter-occupied	196	492	296
% Occupied Housing Units			
Owner-occupied	27.1%	20.8%	-6.4%
Renter-occupied	72.9%	79.2%	6.4%

Source: ACS 5-Year Estimates; Economic & Planning Systems

Household Income

The median household income in Keystone is much lower than Summit County at large.

In 2023, the median household income of Keystone CDP residents is just over \$50,000. In comparison, the median household income for Summit County residents is \$106,255, more than double that of Keystone CDP. When adjusted for inflation, the median household income in Keystone declined by over \$25,000 (-3.0% per year) since 2010 (Table 6).

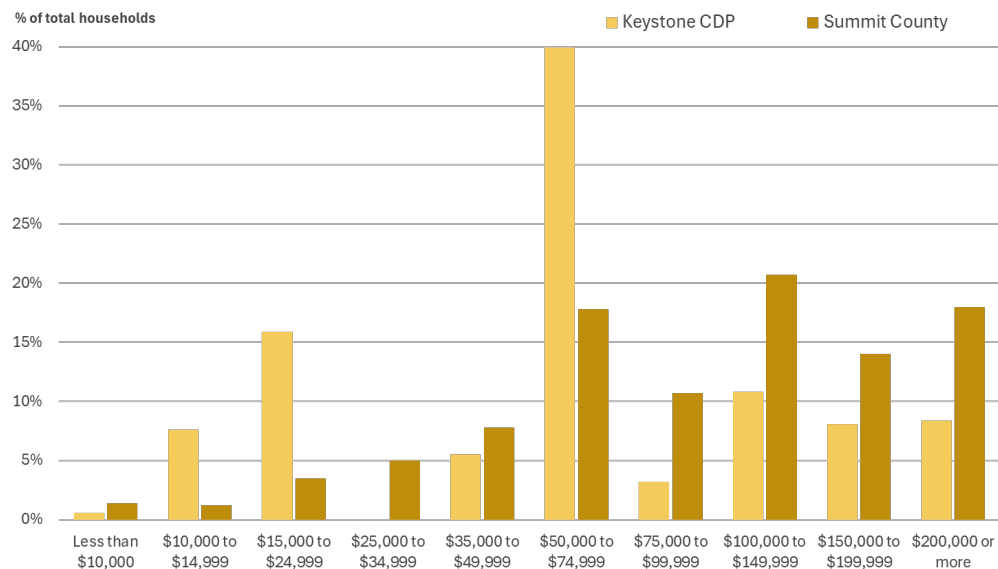
Table 6. Median Household Income

Description	2010	2023	2010-2023		
			Change	Ann. #	Ann. %
Median Household Income <i>(Inflation Adjusted to 2023 dollars)</i>					
Keystone CDP	\$76,820	\$51,369	-\$25,451	-\$1,958	-3.0%
Summit County	\$103,652	\$106,255	\$2,603	\$200	0.2%

Source: ACS 5-Year Estimates; BLS (CPI-U); Economic & Planning Systems

In 2023, nearly 40 percent of households in Keystone had an annual household income in the \$50,000 to \$74,999 range, likely attributed to the area's employment characteristics, and availability of affordable housing units.

Summit County as a whole has a higher percentage of full-time resident households with incomes in higher income tiers. Data from the Summit County Housing Survey (2023), part of the Summit County Housing Needs Assessment, shows that 24% of respondents in the Keystone/Montezuma area have household incomes below \$35,000, which aligns with data from the ACS shown in **Figure 2**.

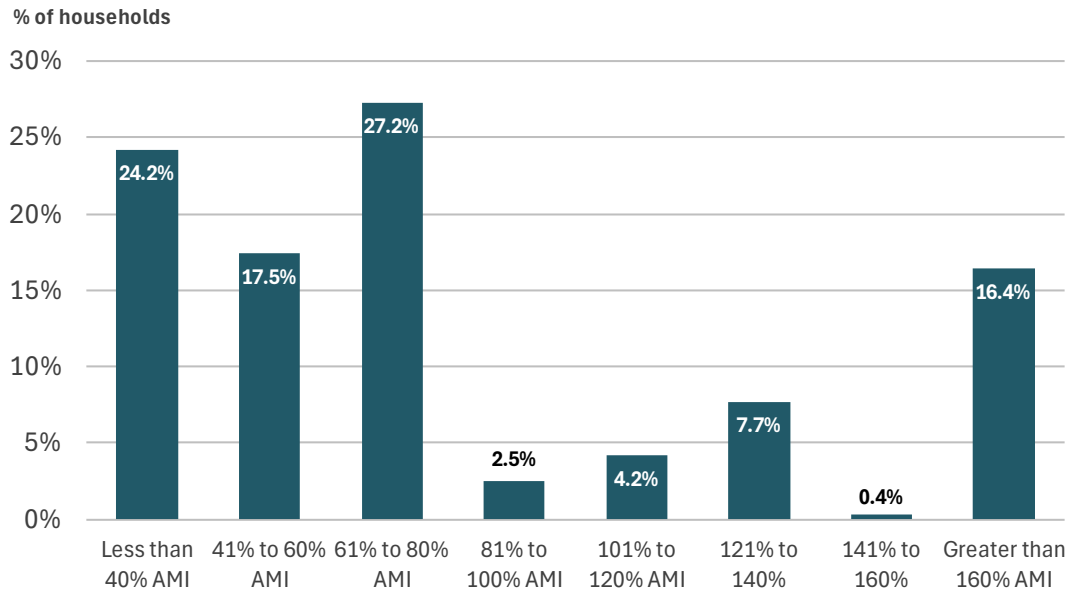
Figure 2. Household Income Distribution, Keystone CDP & Summit County, 2023

Source: ACS 5-Year Estimates; Economic & Planning Systems

Based on Summit County’s 2023 income limits from the Colorado Housing and Finance Authority (CHFA), nearly 70% of Keystone households have household incomes that translate to less than 80% of the AMI for a 2-person household.

Figure 3 shows the Keystone CDP’s household income distribution converted to a percentage of Summit County’s 2023 Area Median Income (AMI) for a 2-person household. Approximately a quarter (24.2 percent) of households have low incomes translating to less than 40% of the AMI, around 43% of households are within the 40 to 80% AMI range, and around 16% of households have incomes that translate to over 160% of the AMI (which equates to an income of \$141,920).

Figure 3. Household Income Distribution by AMI, Keystone CDP, 2023



Source: ACS 5-Year Estimates; CHFA 2023 Income Limits (Summit County); Economic & Planning Systems

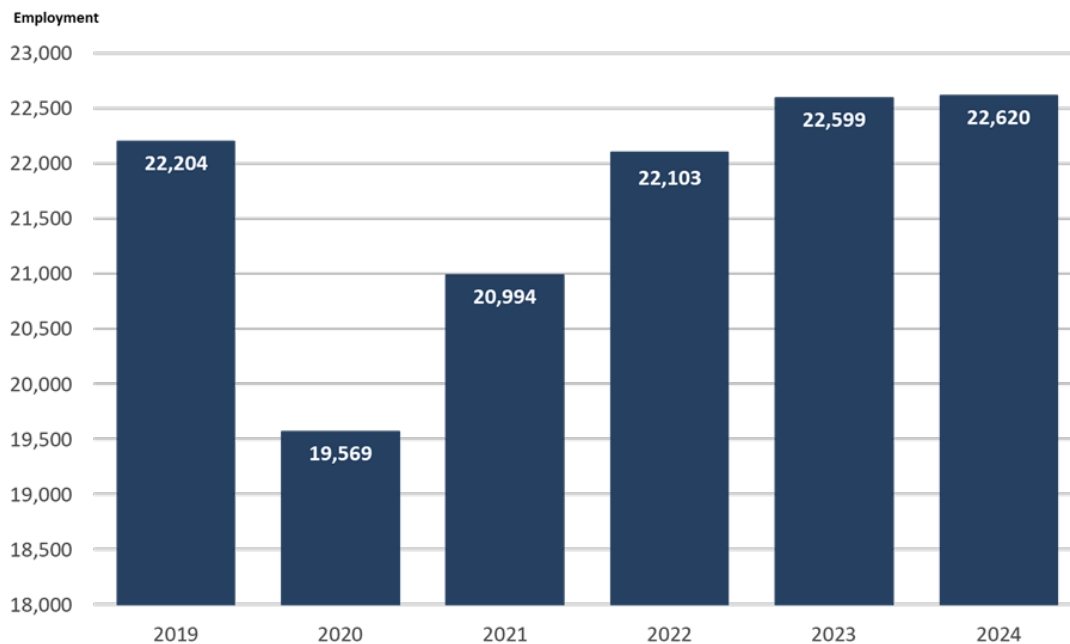
3. Economic Trends

This chapter documents economic conditions in the Keystone CDP and Summit County, focusing specifically on employment and wage trends. Keystone’s economy is heavily shaped by the ski resort, and employment is highly concentrated in lower wage accommodation and food service industries. Summit County’s economy is also heavily driven by tourism, but the industry mix is more dispersed. Both economies were affected by the COVID pandemic, but employment numbers have since rebounded. Employment growth in both Keystone and Summit County has been slow but steady after the Pandemic rebound.

Employment

Summit County employment has rebounded to pre-Pandemic levels but has not grown significantly past that level. From 2019 to 2020, the County lost 2,645 jobs (**Figure 4**). By 2022, nearly all the jobs that were lost during the Pandemic were regained. The County then saw an increase in jobs from 2022 to 2023, adding 496 jobs, representing 2.2% annual growth. From 2023 to 2024 however, just 21 jobs were added, suggesting a flattening of employment growth in the County.

Figure 4. Summit Country Covered Employment, 2019-2024



Source: JobsEQ; Economic & Planning Systems

While Summit County regained the jobs it lost during the Pandemic, the distribution of jobs changed, with increases in professional, real estate, and office-based jobs and losses in retail, construction, and transportation related jobs. The Accommodation and Food Services industry remains the largest industry in the County at 33.2% in 2024, adding 104 jobs since 2019 (Table 7). However, industries such as Real Estate, Professional Services, Public Administration, and Arts, Entertainment, and Recreation all added jobs, while industries such as Construction, Retail Trade, and Transportation and Warehousing all lost jobs.

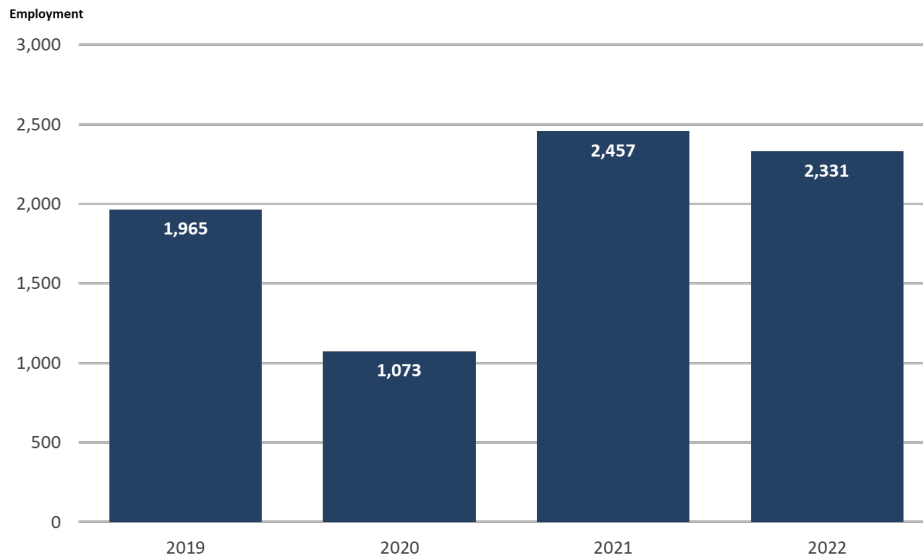
Table 7. Summit County Employment by Industry, 2019-2024

Description	2019		2024		2019-2024		
	Count	% Total	Count	% Total	Change	Ann. #	Ann. %
Agriculture	19	0.1%	29	0.1%	11	2	9.4%
Mining	81	0.4%	54	0.2%	-27	-5	-7.8%
Utilities	89	0.4%	86	0.4%	-2	0	-0.5%
Construction	1,468	6.6%	1,342	5.9%	-126	-25	-1.8%
Manufacturing	234	1.1%	399	1.8%	164	33	11.2%
Wholesale Trade	175	0.8%	123	0.5%	-52	-10	-6.8%
Retail Trade	2,826	12.7%	2,785	12.3%	-40	-8	-0.3%
Transportation and Warehousing	347	1.6%	288	1.3%	-59	-12	-3.6%
Information	170	0.8%	137	0.6%	-33	-7	-4.2%
Finance and Insurance	263	1.2%	224	1.0%	-39	-8	-3.1%
Real Estate	1,137	5.1%	1,272	5.6%	135	27	2.3%
Professional Services	695	3.1%	864	3.8%	169	34	4.5%
Management	44	0.2%	59	0.3%	16	3	6.4%
Administrative and Waste Services	1,001	4.5%	797	3.5%	-204	-41	-4.5%
Education	912	4.1%	929	4.1%	17	3	0.4%
Health Care	1,345	6.1%	1,263	5.6%	-82	-16	-1.3%
Arts, Entertainment, and Recreation	1,777	8.0%	1,931	8.5%	154	31	1.7%
Accommodation and Food Services	7,402	33.3%	7,505	33.2%	104	21	0.3%
Other (ex. Public Admin.)	591	2.7%	716	3.2%	125	25	3.9%
Public Administration	1,629	7.3%	1,812	8.0%	182	36	2.1%
Unclassified	1	0.0%	5	0.0%	4	1	43.8%
Total - All Industries	22,204	100.0%	22,620	100.0%	416	83	0.4%

Source: JobsEQ; Economic & Planning Systems

Keystone employment bounced back from Pandemic-lows faster than the County and has well surpassed pre-Pandemic levels. Keystone lost 892 jobs during the pandemic, but quickly rebounded, adding 1,384 jobs the following year (**Figure 5**). From 2021 to 2022, Keystone employment decreased by 126 jobs, suggesting a normalization of employment growth following the extreme post-pandemic bump.

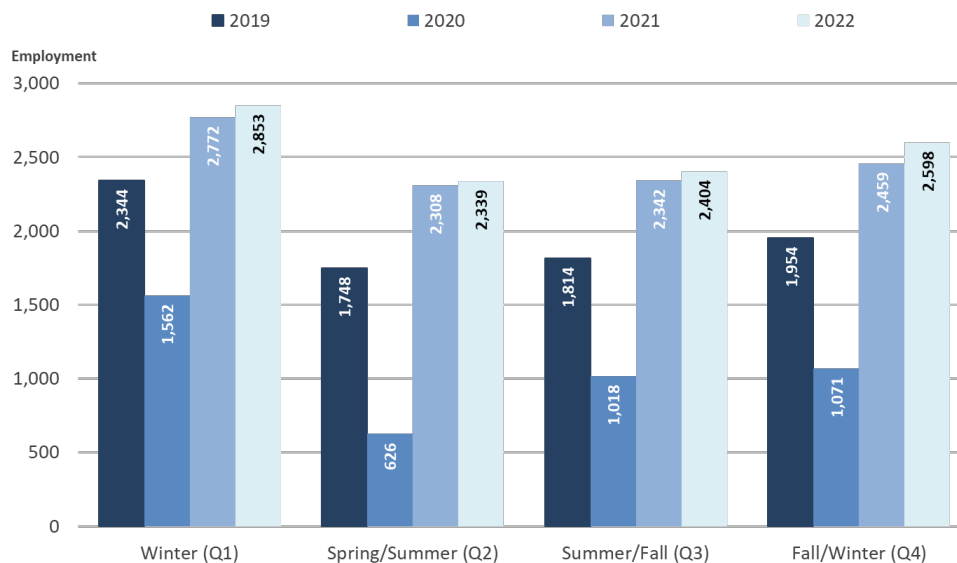
Figure 5. Keystone Covered Employment, 2019-2022



Source: LEHD; Economic & Planning Systems

Keystone's economy is heavily dependent on Keystone Resort, indicated by the seasonality of employment in the Town. Keystone's employment is highest during Q1, followed by Q4, Q3, and Q2, (**Figure 6**).

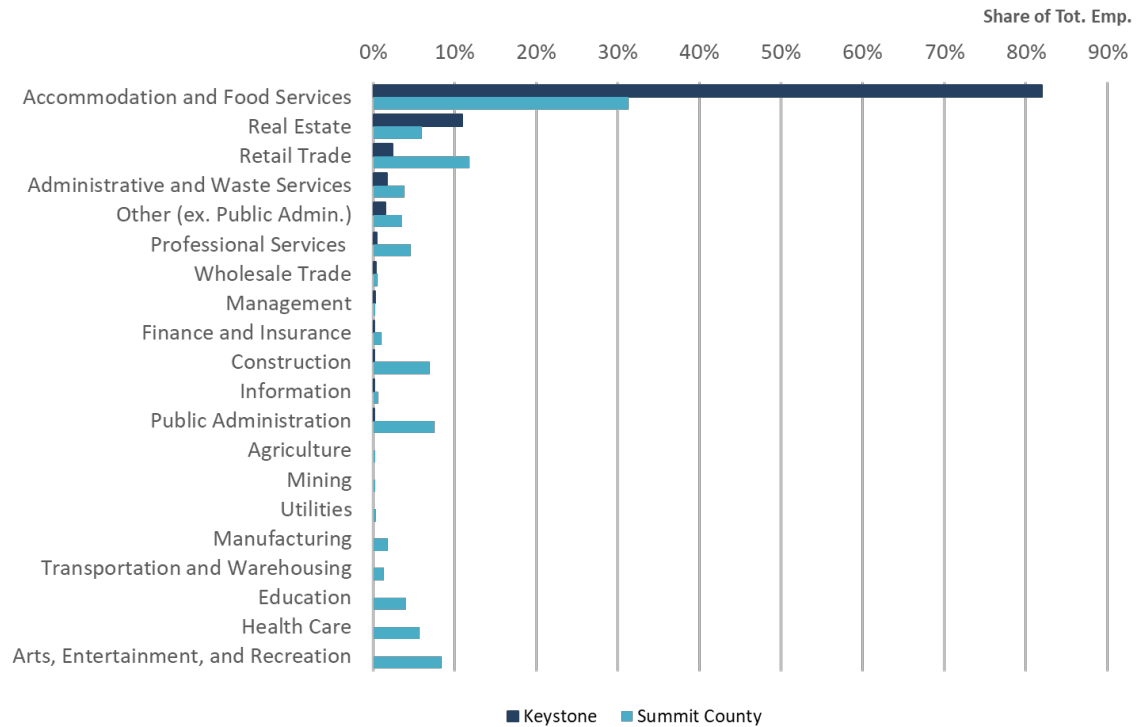
Figure 6. Keystone CDP Covered Employment by Season, 2019 Q1- 2022 Q4



Source: Census LEHD; Economic & Planning Systems

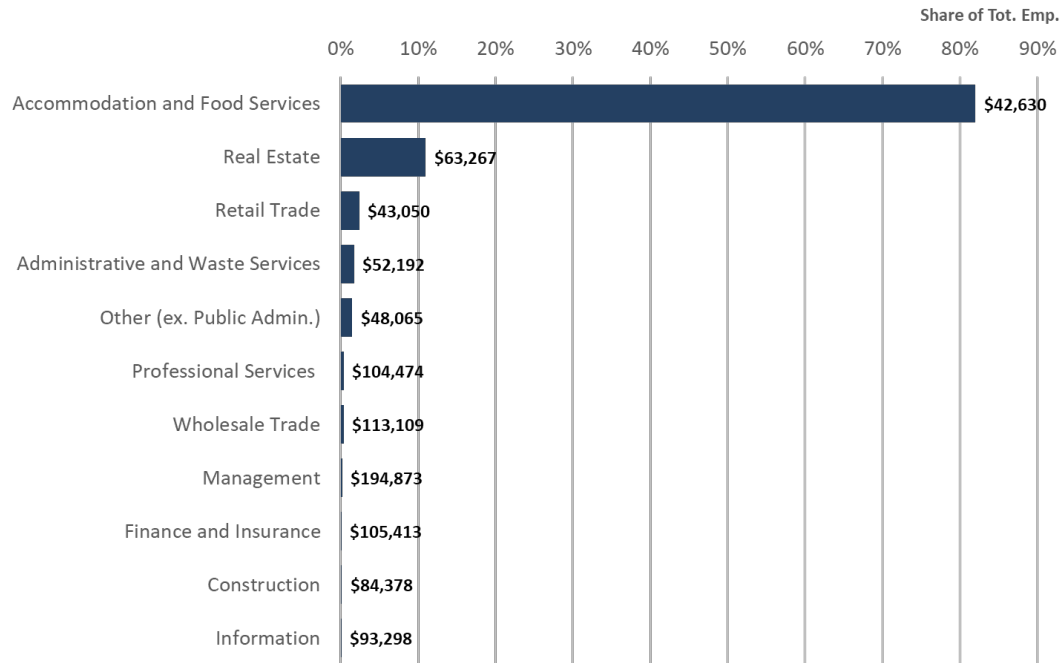
Keystone's economy is significantly more concentrated in the Accommodation and Food Services industry than Summit County. Over 80% of Keystone's employment base works in this industry, compared to just over 30% of the County's employment base (**Figure 7**). The only other industries in Keystone that account for 2 percent of jobs or more are Real Estate and Retail Trade. Summit County meanwhile, has a more evenly distributed employment base, with six different industries containing 5 percent or more of the employment base respectively.

Figure 7. Keystone vs. Summit County Employment Distribution by Industry, 2024



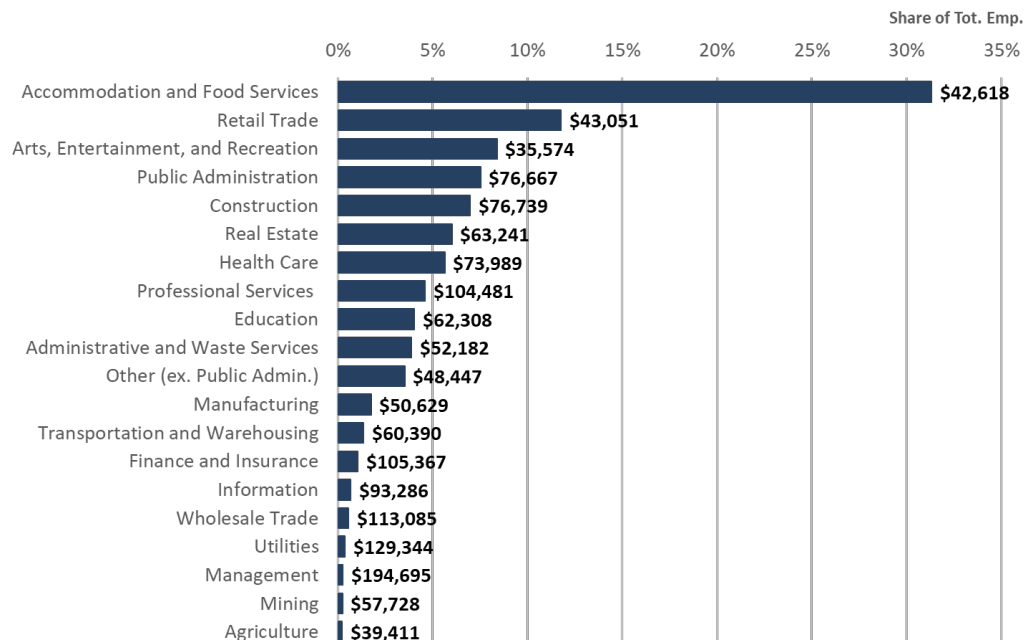
Wages

Because a large share of Keystone's jobs are in Accommodation and Food Services, the town's average wages are heavily influenced by this lower-paying industry, resulting in a limited middle-wage job market. In 2024, the average annual wage in Keystone was \$53,749, compared to \$42,630 in the Accommodation and Food Services sector (**Figure 8**). Although they represent a small share of total employment, industries such as Professional Services and Management offer significantly higher wages.

Figure 8. Keystone CDP Share of Total Jobs, Avg. Ann. Wage by Industry, 2024

Source: JobsEQ; Economic & Planning Systems

Because there is a wider range of industries in Summit County, a wider range of wages are present. Industries like Public Administration, Construction and Health Care combined consist of approximately 20% of the employment base offer wages in the \$70,000 to \$80,000 range (Figure 9).

Figure 9. Summit County Share of Total Jobs, Avg. Ann. Wage by Industry, 2024

Source: JobsEQ; Economic & Planning Systems

4. Housing Inventory

Housing Units

There are approximately 3,859 total housing units in the Keystone CDP as of 2023, accounting for 11.3 percent of the total housing units in Summit County. From 2010 to 2023, the Keystone CDP added just over 500 housing units (equivalent to around 39 units per year) which reflects an average annual growth rate of 1.2 percent (**Table 8**). Occupied housing units, which represent units occupied by full-time residents, accounted for most of this growth. This growth is primarily attributed to the Wintergreen project, a multi-phased workforce housing development which began delivering new homes around 2019.

Table 8. Total Housing Units, Keystone CDP and Summit County, 2010-2023

Description	2010		2023		2010-2023		
	Total	% Total	Total	% Total	Change	Ann. #	Ann. %
Keystone CDP							
Occupied housing units	269	8.7%	621	17.3%	352	27	6.6%
Vacant housing units	2,817	91.3%	2,968	82.7%	151	12	0.4%
Total housing units	3,086	100.0%	3,589	100.0%	503	39	1.2%
Summit County							
Occupied housing units	10,553	36.1%	12,347	38.8%	1,794	138	1.2%
Vacant housing units	18,661	63.9%	19,502	61.2%	841	65	0.3%
Total housing units	29,214	100.0%	31,849	100.0%	2,635	203	0.7%

Source: ACS 5-Year Estimates; Economic & Planning Systems

Unit Type

Keystone's multifamily housing units are concentrated in resort condominium buildings.

In 2023, approximately 71.2 percent of housing units in the Keystone CDP are in multifamily structures with 5 or more units (**Table 9**). Data from the 2023 Summit County Housing Needs Assessment shows that 46% of survey respondents living in Keystone/ Montezuma live in multifamily buildings (condos/apartments).

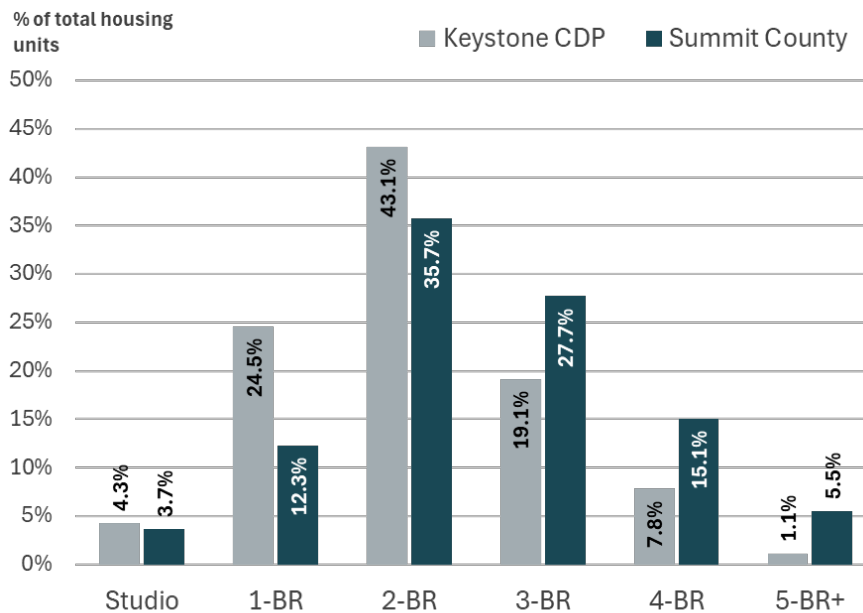
Table 9. Housing Units by Type, 2023

Unit Type	2023	
	Total	% Total
Keystone CDP		
Single Family Detached	575	16.0%
Townhome	181	5.0%
Duplex	36	1.0%
Triplex/Quadplex	224	6.2%
Multifamily (5+ units)	2,555	71.2%
Mobile home/other	18	0.5%
Total housing units	3,589	100.0%

Source: ACS 5-Year Estimates; Economic & Planning Systems

The housing unit mix in Keystone reflects a large amount of resort condominium units in the area rather than larger vacation rental houses.

Keystone has a higher proportion of smaller housing units (studio to 2-bedroom units) than Summit County does. As of 2023, roughly 68 percent of units in Keystone have 1 or 2-bedrooms and only 8.9 percent of units in Keystone have 4 or more bedrooms (Figure 10).

Figure 10. Housing Units by Bedroom Count, 2023

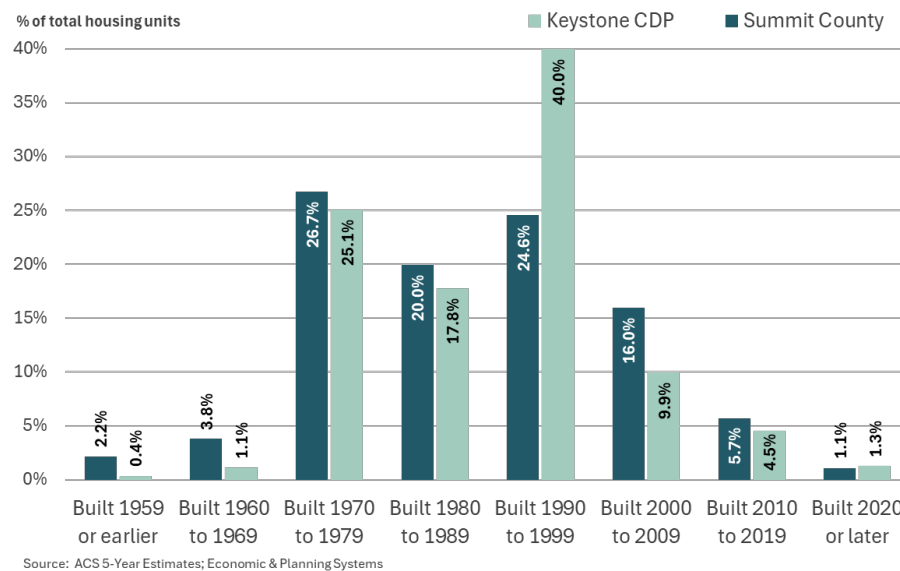
Source: ACS 5-Year Estimates; Economic & Planning Systems

Development Trends

Approximately 40 percent of housing units in the Keystone CDP were constructed in the 1990's. Much of this growth is attributed to the construction of River Run Village at the ski area base.

Over three-quarters (82.8 percent) of units in the Keystone CDP were built between 1970 and 2000 (Figure 11).

Figure 11. Housing Units by Year Built, 2023



Development Pipeline

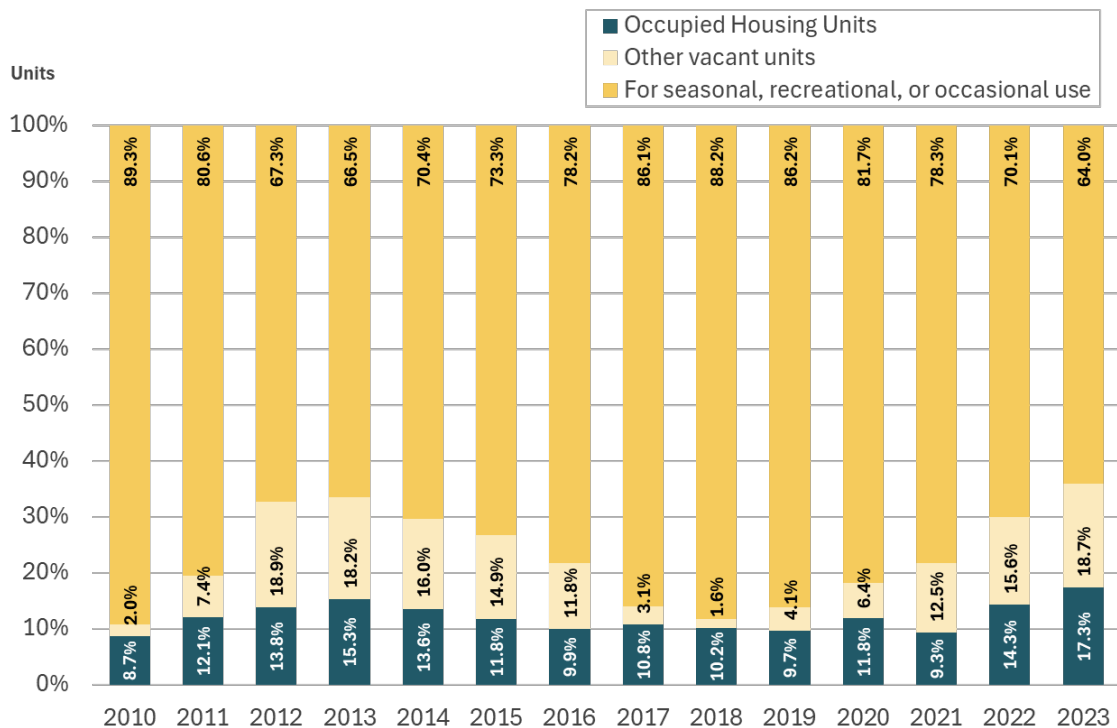
Properties in Keystone's development pipeline include Kindred Resort and Brightwood at Keystone. Kindred Resort is a 107-room luxury resort property that is under construction and slated to open during the 2025/26 ski season.

Brightwood is also under construction as of mid-2025 and features one to three-bedroom condominium residences priced from \$700,000 to over \$1.5 million.

Housing Occupancy

Housing occupancy rates indicate how many homes are estimated to be full-time resident homes compared to part-time resident or vacation/second homes which are classified as vacant. A low percentage of housing units in Keystone are classified as occupied housing units (17.3 percent), which indicates that most of Keystone's housing units are not occupied by full-time residents (Figure 12).

Since 2010, the occupancy rate in Keystone has increased, which shows that more full-time residents may be moving there. There have been some affordable housing developments built since 2010 which may also account for the higher share and total number of full-time households and housing units.

Figure 12. Occupied Housing Units, Keystone, 2010-2023

Source: ACS 5-Year Estimates; Economic & Planning Systems

Second/Part-time Homes

The majority of the vacant units in Keystone are used as vacation/part-time homes, as shown by the large proportion of vacant units “for seasonal, recreational, or occasional use” in **Figure 12**.

Local Ownership

A small percentage of ownership housing in Keystone is owned by local, full-time residents. Local ownership was estimated by analyzing owner addresses from Summit County Assessor parcel data.

As shown in **Table 10**, only approximately 60.7 percent of total housing units in Keystone are owned by individuals with Colorado addresses, and around 15 percent are owned by people with addresses in Summit County. Only 1.2 percent of total units and 4.5 percent of single-family units are owned by individuals with addresses within Keystone.

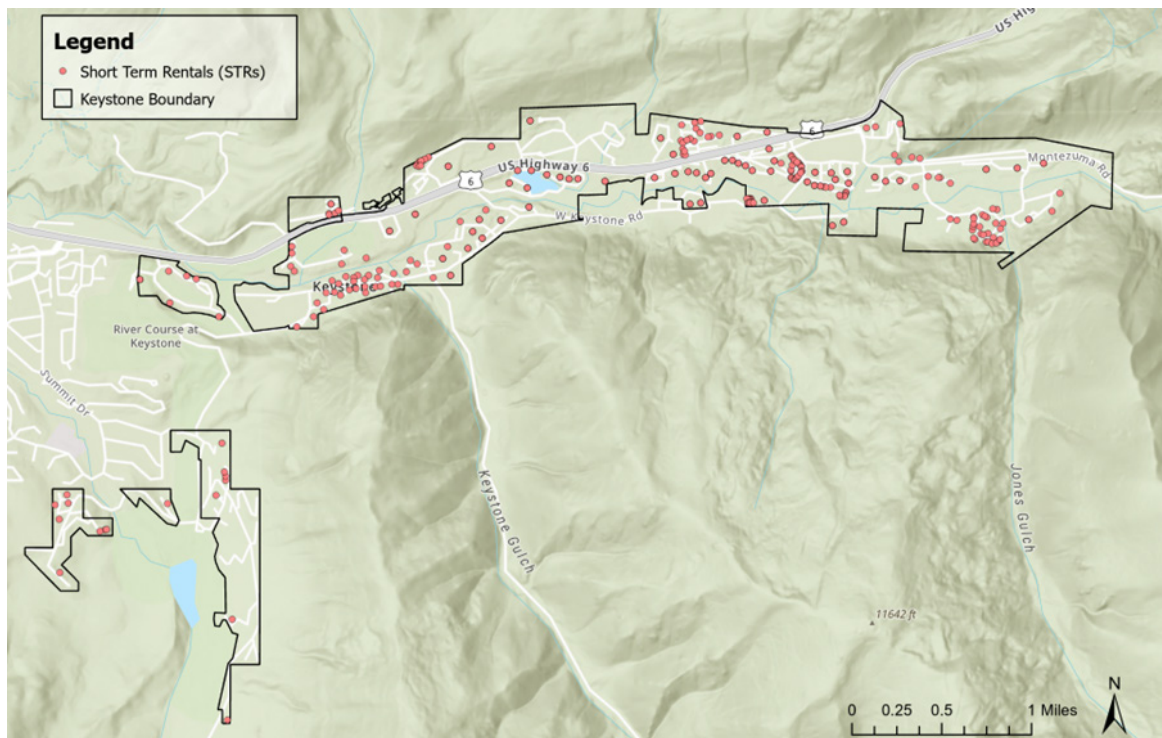
Table 10. Keystone Housing Units, Local Ownership

	Single Family		Townhome		Condo		All Residential	
	Units	% Total	Units	% Total	Units	% Total	Units	% Total
Owner Location								
Keystone	23	4.5%	5	1.0%	15	0.6%	43	1.2%
Summit County	225	43.6%	160	31.1%	314	12.1%	521	14.3%
Colorado	<u>299</u>	<u>57.9%</u>	<u>312</u>	<u>60.7%</u>	<u>1,594</u>	<u>61.3%</u>	<u>2,205</u>	<u>60.7%</u>
Total	516	100.0%	514	100.0%	2,601	100.0%	3,631	100.0%

Source: Summit County Assessor; Economic & Planning Systems

Short Term Rentals

There are nearly 2,000 active short-term rentals (STRs) in Keystone which comprise around 54% of the total housing stock. **Figure 13** shows where STRs are in Keystone.

Figure 13. Keystone Short Term Rentals

Affordable/Deed-Restricted Housing

Keystone’s affordable housing inventory primarily includes multifamily properties serving Vail Resort employees. Out of over 800 total affordable units in Keystone, approximately 500 are rental units intended for resort employees, 200 are affordable rental units, and just under 100 are deed-restricted ownership units (Table 11).

Table 11. Workforce/Affordable Housing by Type

Property Name	Total Affordable / Workforce Units	Employee Housing Units	Affordable Rental Units	Affordable Ownership Units
Wintergreen Ridge	47	0	47	0
Village at Wintergreen	196	36	160	0
West Hills	66	0	0	66
Tenderfoot	125	125	0	0
Hidden River Lodge	16	0	0	16
Sunrise 1, 2, 3	198	198	0	0
Sagebrush	144	144	0	0
Other Properties	<u>17</u>	<u>0</u>	<u>8</u>	<u>9</u>
Total	809	503	215	91
<i>% of Total Affordable Units</i>		62.2%	26.6%	11.2%

Source: Town of Keystone; Summit Combined Housing Authority; Summit County; Economic & Planning Systems

Approximately 500 units at the Sunrise, Sagebrush, and Tenderfoot properties, as well as 36 units at the Village at Wintergreen currently provide employee housing for Vail Resort employees. The Village at Wintergreen and Wintergreen Ridge, both developed by Gorman & Company, include over 200 affordable units intended for residents employed full-time in Summit County at specified AMI levels and 36 units for seasonal Vail Resort employees. Based on the Village at Wintergreen’s website, 2-bedroom units are currently leasing for \$2,800 and up.

Deed restricted ownership product includes West Hills, delivered in 2018 and 2019, which includes for-sale duplex, triplex and condo units, and Hidden River, a ski area base condo property that includes 16 deed restricted units for Summit County employees (Table 12).

Table 12. Deed Restricted Properties and Units, Keystone

Property	Address	Unit Mix	Tenure	Restrictions	AMI %	Year Built	Units
Wintergreen Ridge ^[1]	0590 Antlers Gulch Rd	1-BR, 2-BR, 3-BR	Rental	Full-time Summit County employees	30 & 60% AMI	2024	47
Village at Wintergreen	235 Antlers Gulch Rd	Dorm-style, 1-BR, 2-BR	Rental	Full-time Summit County employees; Vail Resort Employees	30-100% AMI	2020	196
West Hills	Wayback Dr	2-BR, 3-BR duplex, triplex, condos	Ownership	Full-time Summit County employees	70-110% AMI	2019	66
Tenderfoot	1515-1530 Lone Pine Rd	2-BR, 3-BR	Rental	Vail Resort Employees		2000	125
Hidden River Lodge	22714 US-6	1-BR, 2-BR, 3-BR condos	Ownership	Full-time Summit County employees		1999	16
Sunrise 1, 2, 3	0065 Tennis Club Rd	Dorm-style, Studio, 1-BR, 2-BR	Rental	Vail Resort Employees		1987	198
Sagebrush	1440 East Keystone Rd	Dorm-style	Rental	Vail Resort Employees		1977	144
Other Deed Restricted Ownership Units							9
Other Deed Restricted Rental Units							<u>8</u>
Total							809

Source: Town of Keystone; Summit Combined Housing Authority; Vail Resorts; CoStar; Economic & Planning Systems

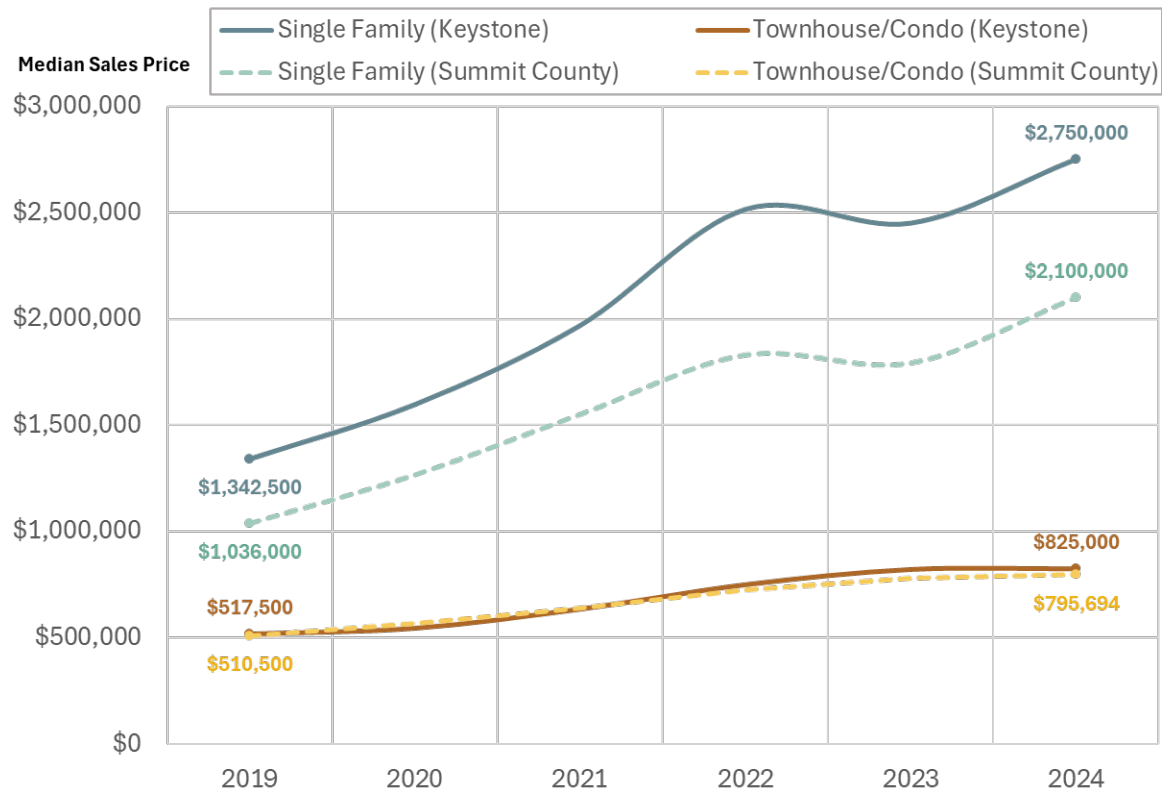
^[1] Wintergreen Ridge and Village at Wintergreen are partially outside of Town of Keystone boundaries.

5. Housing Market Trends

For-Sale Market

The median sales price of single-family homes in Keystone, which account for a small percentage of the housing stock, increased dramatically from 2019 to 2024. Prices for townhomes and condominium units, which represent most of the housing units sold in Keystone from 2019 to 2024, have also increased. Recent townhouse and condo sales prices in Keystone are aligned with prices in Summit County at large, while countywide median sales prices for single family homes have been lower than Keystone (Figure 14).

Figure 14. Median Sales Price by Type, Keystone & Summit County, 2019-2024



Source: Summit MLS; Economic & Planning Systems

In 2024, townhouse and condominium units sold for a median price of \$825,000 in Keystone, while single family detached homes commanded much higher prices. The median sales price of single family detached homes was over \$2.7 million in 2024, compared to \$1.3 million in 2019. Median townhouse and condo prices increased by \$280,000 from 2019 to 2024, which equates to an annual increase of around \$61,000 and an annual growth rate of 9.8% on average. In comparison, median single family detached home prices increased by 15.4% per year on average during this period (Table 13).

Table 13. Median Sales Price by Type, Keystone, 2019-2024

Unit Type	2019	2020	2021	2022	2023	2024	2019-2024		
							Change	Ann. #	Ann. %
Single Family									
Median Sales Price	\$1,342,500	\$1,599,000	\$1,970,000	\$2,515,000	\$2,450,000	\$2,750,000	\$1,407,500	\$281,500	15.4%
Average Sales Price	\$1,527,214	\$1,679,000	\$2,085,036	\$2,653,772	\$2,669,238	\$2,444,125	\$916,911	\$183,382	9.9%
Townhouse/Condo									
Median Sales Price	\$517,500	\$545,000	\$635,000	\$750,000	\$822,000	\$825,000	\$307,500	\$61,500	9.8%
Average Sales Price	\$544,730	\$580,007	\$676,508	\$842,165	\$878,122	\$1,085,258	\$540,528	\$108,106	14.8%

Source: Summit MLS; Economic & Planning Systems

Townhouses and condos represent the large majority of Keystone’s housing inventory and sales. From 2019 to 2024, townhouse and condo units accounted for 90.2% of the total residential sales in Keystone (Table 14).

Table 14. Sales Count, 2019-2024

Unit Type	2019	2020	2021	2022	2023	2024	2019-2024		
							Total	Ann. Avg.	% Total
Single Family	22	35	28	17	21	16	139	23	9.8%
Townhouse/Condo	<u>264</u>	<u>229</u>	<u>254</u>	<u>219</u>	<u>132</u>	<u>187</u>	<u>1,285</u>	<u>214</u>	<u>90.2%</u>
Total Sales	286	264	282	236	153	203	1,424	237	100.0%

Source: MLS; Economic & Planning Systems

Rental Market

Rental rates in Keystone are typically lower than other areas of Summit County, according to various data sources (**Table 15**). Based on recent Zillow and Facebook Group listings, average rents for a 1-bedroom unit in Keystone are generally in the \$2,400 to \$2,500 range, while 2-bedroom units range from around \$2,700 to \$3,000.

The Summit County Housing Needs Assessment, conducted by Root Policy Research in 2023 includes a Housing Survey. In this survey, median rents reported by respondents living in Keystone/Montezuma were \$1,964. Combined with median utilities costs (\$275), this adds to a total housing cost of \$2,239 for renters in the Keystone area. Additionally, this survey found that 26% of Keystone/Montezuma respondents reported that they could use assistance with rental costs.

Table 15. Rent Estimate by Source

Area	Median Rent		Average Rent		
	Summit County Housing Survey (2023)	ACS 5-Yr Est. (2023)	Zillow (June 2025)		
			<i>Overall</i>	<i>1-BR</i>	<i>2-BR</i>
Keystone	\$1,964	\$861	\$2,500	\$2,400	\$3,000
Breckenridge	\$1,900	\$1,438	\$3,900	\$2,400	\$3,300
Dillon	\$2,200	\$1,682	\$3,500	\$2,100	\$3,500
Frisco	\$2,175	\$2,582	\$3,900	\$2,000	\$3,500
Silverthorne	\$2,000	\$1,804	\$3,300	\$2,300	\$3,000
Summit County	\$2,000	\$1,851	\$3,500	--	--

Source: ACS 5-Year Estimates; Zillow Rentals data; Economic & Planning Systems

Affordability Analysis

Affordable housing is typically defined as housing that costs no more than 30 percent of a household's gross income. For ownership housing, this includes mortgage principal, interest, property taxes, and insurance. For rental housing, this includes rental payments not including utilities, internet, or other additional costs. Households paying more than 30 percent of their income towards housing are considered "cost burdened" and those paying over 50 percent are considered "severely cost burdened." Ideally, in a balanced housing market, housing is affordable in the private market without government subsidies or income restrictions.

A household's spending capacity varies based on the size of the household and the income earned by all household members. In many high-cost communities, residents may work multiple jobs to increase their income, and/or live with multiple roommates (or families) to spread housing costs over multiple earners. In data, this may present as housing appearing more affordable, while not reflecting desired community conditions. Area Median Income (AMI) metrics reflect household income in the county (all wage earners, all jobs), and not wages or salaries on their own, as defined by the U.S. Department of Housing and Urban Development (HUD) and the Colorado Housing and Finance Authority (CHFA).

Income Limit Definitions

Table 16 shows the Colorado Housing and Finance Authority's (CHFA) 2024 income limits by AMI for Summit County. These income limits by household size are used to determine eligibility for affordable housing and are updated annually. As shown below, income limits increase with household size and AMI. These income definitions are used for housing program compliance and are not a demographic statistic, although local and regional demographic data is used to determine these limits.

Table 16. Summit County, 2024 Income Limits by AMI Percentage

Household Size	AMI				
	60%	80%	100%	120%	150%
1 Person	\$51,180	\$68,240	\$85,300	\$102,360	\$127,950
2 Person	\$58,500	\$78,000	\$97,500	\$117,000	\$146,250
3 Person	\$65,820	\$87,760	\$109,700	\$131,640	\$164,550
4 Person	\$73,080	\$97,440	\$121,800	\$146,160	\$182,700
5 Person	\$78,960	\$105,280	\$131,600	\$157,920	\$197,400
6 Person	\$84,780	\$113,040	\$141,300	\$169,560	\$211,950
7 Person	\$90,660	\$120,880	\$151,100	\$181,320	\$226,650
8 Person	\$96,480	\$128,640	\$160,800	\$192,960	\$241,200

Source: CHFA Income Limits (2024); Economic & Planning Systems

Ownership Affordability

Table 17 shows how income limits by AMI translated to affordable home purchase prices. For this analysis “affordability” is defined as spending less than 30% of household income on housing costs. This analysis utilizes the following assumptions: a 6.0% mortgage interest rate, 5% down payment, 30-year loan term, \$2,500/year home insurance, and current property tax rates in Keystone.

Based on these assumptions, a 2-person household with an annual income at 100% of the AMI (\$97,500) can afford to purchase a home priced at \$373,800.

Table 17. Affordable Purchase Price by AMI

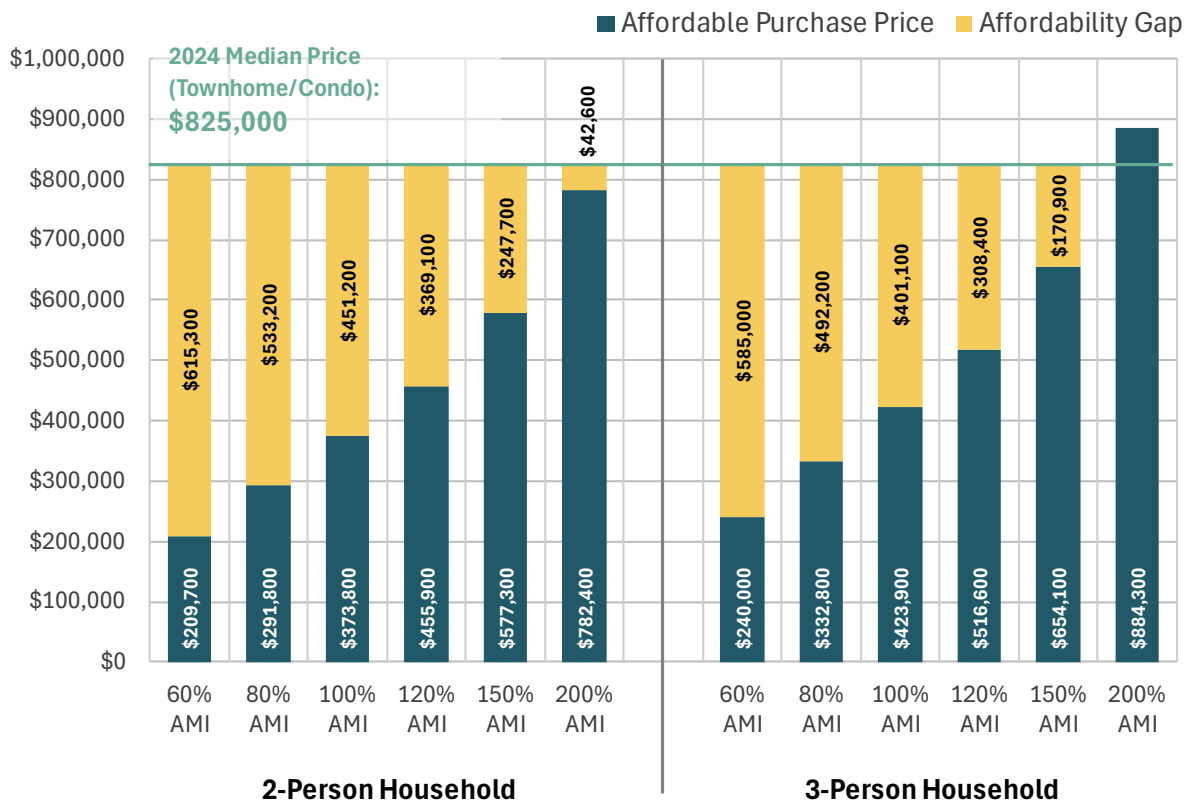
Factors			60% AMI	80% AMI	100% AMI	120% AMI	150% AMI	200% AMI
Household Income (2024 Income Limits)	Household Size							
	2.0 Person		\$58,500	\$78,000	\$97,500	\$117,000	\$146,250	\$195,000
Monthly Housing Payment	30%		\$1,463	\$1,950	\$2,438	\$2,925	\$3,656	\$4,875
Affordable Monthly Payment								
Less: Insurance	\$2,500 / Year		-\$208	-\$208	-\$208	-\$208	-\$208	-\$208
Less: Property Taxes	6.7% ass't rate	51.7 mills	<u>-\$60</u>	<u>-\$80</u>	<u>-\$100</u>	<u>-\$120</u>	<u>-\$160</u>	<u>-\$210</u>
Net Affordable Monthly Mortgage Payment			\$1,194	\$1,662	\$2,129	\$2,597	\$3,288	\$4,457
Valuation Assumptions								
Loan Amount			\$199,200	\$277,200	\$355,100	\$433,100	\$548,400	\$743,300
Mortgage Interest Rate	6.0%		6.0% int.	6.0% int.	6.0% int.	6.0% int.	6.0% int.	6.0% int.
Loan Term	30-year term		30-year term	30-year term	30-year term	30-year term	30-year term	30-year term
Downpayment (as % of Purchase Price)	5.0% down pmt		5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Affordable Purchase Price			\$209,700	\$291,800	\$373,800	\$455,900	\$577,300	\$782,400

Source: MLS; CHFA 2024 Income Limits; Economic & Planning Systems

The gap between affordable home purchase prices and the median sales price in 2024 (for townhouse/condos units) is shown in **Figure 15**.

In 2024, households earning 100% of the Summit County AMI for a 2-person household (\$97,500) would need an additional \$451,200 to afford a townhome/condo at the median sale price in Keystone of \$875,000. Even 2-person households earning 200% of the AMI (\$195,000) would need an additional \$42,600 to afford a home at this price. Since income limits increase with household size, a 3-person household earning 100% of the AMI (\$109,700) would need an additional \$401,100 to afford a median-priced townhome/condo. At 200% of the AMI, a 3-person household (with an annual income of \$219,400) could afford to purchase a \$825,000 unit.

Figure 15. Affordability Gap, Median Priced Townhome/Condo (2024)



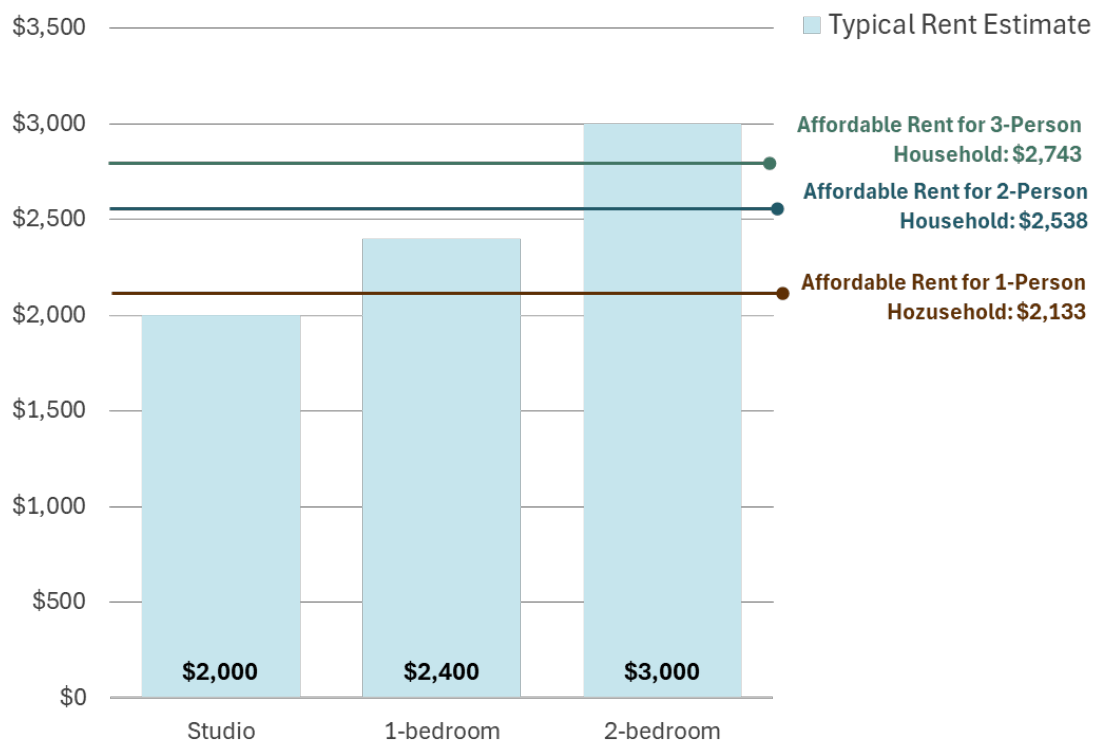
Source: MLS; CHFA 2024 Income Limits; Economic & Planning Systems

Rental Affordability

Based on the assumption that affordable rents mean a household spends no more than 30 percent of their gross income on housing, **Figure 16** compares estimated current market rents by bedroom count in Keystone with affordable rents by household size. The affordable rents shown are derived from Summit County's 2024 income limits for households at 100% of AMI.

Estimated average market rents for 2-bedroom units are higher than what is affordable for two and three-person households at 100% AMI incomes (\$97,500 and \$109,700, respectively). The average estimated market rate rent for a one-bedroom unit is also higher than what is affordable for a one-person household earning 100% of Summit County's AMI (\$85,300 in 2024), which means that an individual living alone at this income level may have difficulty finding rental housing in the region without being rent burdened unless they live in a studio unit.

Figure 16. Affordable vs. Market Rate Rent, Keystone



Source: CHFA 2024 Income Limits; Zillow; Property websites; Economic & Planning Systems

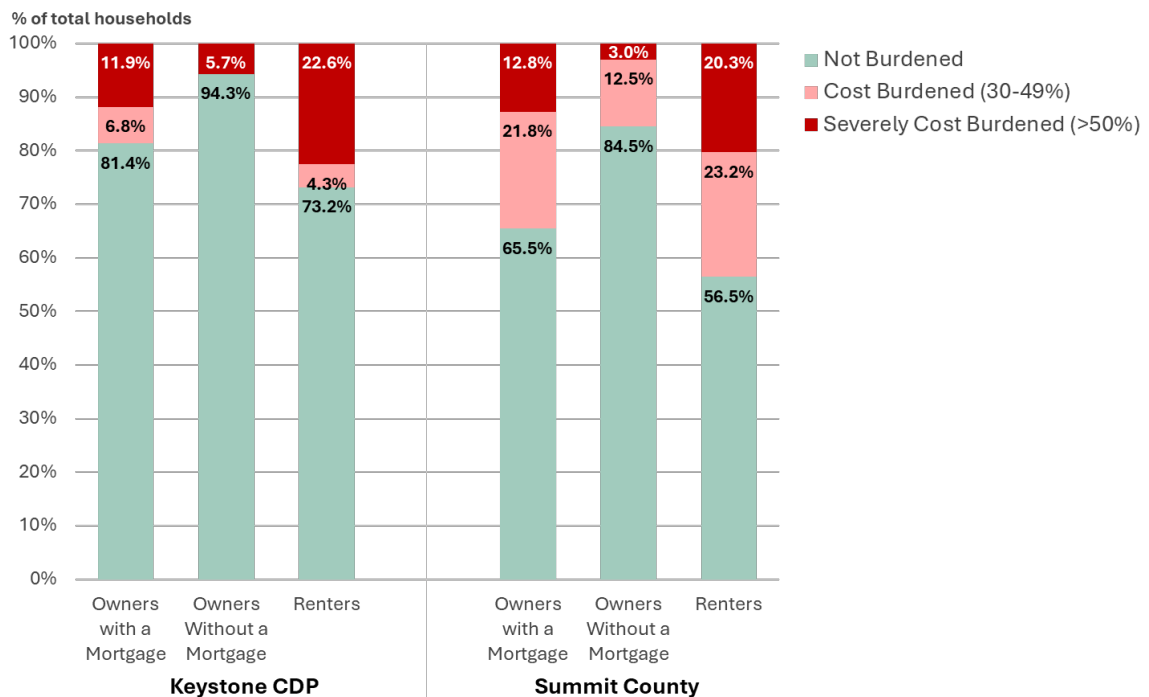
6. Housing Problems

Alongside data on demographic, economic, and housing market trends, analyzing specific housing problems in an area helps identify additional factors that contribute to housing challenges.

Cost Burden

Cost burden can serve as an indicator for displacement risk. Cost burdened households spend 30 percent or more of their gross income towards housing costs, “severely cost burdened” households spend 50 percent or more. **Figure 17** shows the distribution of housing cost burdened renters and owners (with a mortgage and without) in Keystone and Summit County. Nearly 80% of full-time households in the Keystone CDP are renters and around a quarter of these renters are severely cost burdened. It is important to note data reliability considerations in this data for an area with a small number of full-time residents, and an even smaller number of full-time owner-occupied units such as Keystone.

Figure 17. Housing Cost Burden, 2023



Overcrowding

Overcrowding is defined as a living arrangement with more than one person per room (total rooms, not just bedrooms). This includes units with several roommates, multiple couples sharing one unit, or entire families living in a single bedroom. As with homelessness and temporary housing, data on overcrowding can be difficult to obtain and is likely an undercount. There are gaps in data availability related to overcrowding in Keystone, with Census data showing no overcrowded units in the Keystone CDP in 2023.

Survey results reported in the 2023 Summit County Housing Needs Assessment found that 17% of respondents in Summit County lacked sufficient bedrooms in their homes, and 14% of respondents reported doubling up.

Temporary Housing and Homelessness

Temporary housing situations can include living with friends or family, living in a camper or RV, staying in a private vehicle not suited for habitation, or living in a hotel/motel. Similar to overcrowding, accurate data on temporary housing data can be hard to obtain, and Census data does not estimate any households living in a Boat, RV, Van in 2023.

While limited temporary housing data is available specifically for Keystone, the following countywide survey findings shown in the Summit County Housing Needs Assessment are related to temporary housing:

- 75 to 100 renters reported currently sleeping in their cars
- 21% of households in the resident survey reported providing housing for someone who is sleeping on a couch or the floor

Displacement Risk

Displacement risk is the likelihood that residents may be forced to move involuntarily due to economic pressures or physical conditions. Many factors can influence displacement risk, including economic circumstances, demographics, and housing age and condition.

The analysis of median sale prices compared to household incomes (**Figure 15**) shows that housing prices are far above what people earning local wages and with local household incomes can afford. This difference is due to the influence of the vacation home and part-time resident home (“second home”) market. Buyers of vacation and second homes can outcompete local buyers on housing prices because their incomes and assets are often far greater than local buyers. The low percentage of full-time housing occupancy in Keystone indicates that the for-sale housing market mostly serves vacation home and second home buyers. If market rate attainable housing becomes available for sale, there is a strong likelihood it

will be purchased by a second home buyer, thus reducing the amount of housing available for the local workforce and residents.

Market pressure from non-local buyers has also contributed to increased assessed values of existing housing units and increasing associated property taxes. Rising property taxes creates further burden on long-time residents and increases the risk of displacement.

Survey results reported in the 2023 Summit County Housing Needs Assessment related to displacement found that:

- Countywide, almost half (49%) of Spanish speaking respondents indicated they have experienced displacement, over twice the 19% rate reported by English speaking respondents.
- 36% of Keystone/Montezuma respondents (40 respondents) reported being displaced in the past 5 years

7. Housing Resources

This Chapter summarizes housing resources available in Keystone and Summit County. The Town of Keystone has not developed its own housing programs yet and is using this HNA to inform development of housing policies and programs. Most jurisdictions in Summit County have extensive policies, regulations, and programs to support affordable housing development and housing assistance. It is beyond the scope of this work to identify every program or policy that exists throughout Summit County. This Chapter contains a high-level summary of the types of policies available, funding sources, and countywide programs and funding through the Summit Combined Housing Authority (SCHA).

Land Use Regulations and Funding

Most jurisdictions in Summit County have adopted development regulations that require new development to create affordable and deed restricted housing. The major regulations and funding sources from each community are summarized in **Table 18**. The Town can consider adopting these types of policies to increase the supply of affordable housing.

Table 18. Summit County Jurisdiction Funding Comparison

Jurisdiction	Housing Mitigation	Dedicated Housing Funding	STR Fees or Taxes
Breckenridge	Residential & Commercial linkage	<ul style="list-style-type: none"> Sales tax and impact fee sharing through SCHA STR regulatory fee 	\$756/BR annual fee
Frisco	N/A	<ul style="list-style-type: none"> Sales tax and impact fee sharing through SCHA STR tax 	5% STR tax
Silverthorne	N/A	<ul style="list-style-type: none"> Sales tax and impact fee sharing through SCHA 	\$150-\$500 annual fee
Dillon	N/A	<ul style="list-style-type: none"> Sales tax and impact fee sharing through SCHA 	5% STR excise tax; \$700 annual fee
Summit County	N/A	<ul style="list-style-type: none"> SCHA 0.725% sales tax and impact fee (up to \$2/sq. ft.) Dedicated property tax (1A) 	2% STR Tax; \$290-\$550 annual fee

Inclusionary Housing Ordinances (IHO)

An IHO, also referred to as inclusionary zoning, requires that new residential development allocate a percentage of homes in the project as affordable deed restricted homes. Many Colorado mountain communities have IHOs which have been in place for many years.

- Vail has an inclusionary zoning ordinance which requires new residential development in certain zone districts to provide employee housing (for employees of Eagle County businesses). The mitigation rate for this policy is 10%, meaning residential developments need to provide employee housing for 10% of the proposed project's square footage, or pay a fee in lieu of \$675 per square foot.

Housing Linkage Ordinances

A linkage ordinance “links” the jobs generated by new development to the housing required to mitigate the housing demand created by new development. Linkage ordinances are typically fee based, similar to an impact fee. Linkage ordinances can require payment of a fee, construction of housing units, or allow a combination of both. The employment generated for mitigation can be the one-time construction impacts and the ongoing operational impacts of the homes and their economic impact in the community, e.g. maintenance, property management, other services, and resident or visitor spending in the community. A nexus study is required to establish employment generation rates, which vary by community and the market conditions under which their nexus studies were conducted.

- Breckenridge has linkage requirements for all new commercial development and the following residential development types: Boarding House, Condominium/Hotel, Divisible Unit, Hotel/Lodging /Inn, Timeshare Interests. Breckenridge's linkage policy requires new development to provide employee housing for 35% of the employees generated by a development (based on employee generation rates that vary by development type). Developers need to construct employee housing either on-site or off-site or pay a fee in lieu of \$284 per square foot.

Summit Combined Housing Authority

The Summit Combined Housing Authority (SCHA) was formed in 2006 as a multijurisdictional housing authority operating as a separate governmental entity, political subdivision, and public corporation of the State of Colorado. Its member jurisdictions include the Town of Keystone as well as Breckenridge, Dillon, Frisco, Montezuma, Silverthorne, and Summit County.

SCHA's main functions are:

- Collecting and distributing regional sales tax funding
- Providing homebuyer assistance and education programs
- Maintains resources to connect renters to affordable rental properties
- Managing the lottery process when deed restricted ownership homes become available for sale.

Funding

Summit County voters passed the Summit Combined Housing Authority Referred Measure 5A in November 2006 and renewed the measure in perpetuity in November 2015, authorizing a sales and use tax of one eighth of one percent (0.125%). In 2021, voters also approved Measure 6B which extended a 0.60% sales and use tax through 2046. SCHA collects the sales tax throughout Summit County, retains a portion of it, and distributes the rest to the municipalities and County. The Towns and County collect the associated use tax, and a Development Impact Fee of approximately two dollars per square foot for new construction. The Impact Fee is actually an excise tax but is referred to as an “impact fee”.

As a new member of the SCHA, Keystone will receive an estimated amount of around \$1 million per year in funding from the sales tax sharing formula.

Housing Assistance Programs

Deed Restriction Acquisition

Housing Helps is a deed restriction acquisition program in Summit County and individual jurisdictions (Breckenridge, Frisco, and Silverthorne). The goal of this program is to incentivize current and future homeowners (as well as local businesses) to place deed restrictions on their market rate property to help maintain local ownership. This program offers funds to homeowners who are willing to place a deed restriction on their non-deed restricted home.

- **Breckenridge:** The Town will pay owners, buyers, and local businesses 15-25% in return for a deed restriction on homes that are currently unrestricted. The amount that will be paid for a deed restriction will vary depending on the market and the request for either the light or full deed restriction. Recipients may use the funds for down payment, home repairs, special assessments, etc. In return, the recipients are required to execute a deed restriction.
- **Frisco:** The Town estimates that the value of the deed restriction will likely be in the range of 10-15% of the market value of the property. The amount paid for a deed restriction will vary depending on the market and how well

the home meets the current needs in the community. Participants may use the funds for anything, including using it as part of their down payment. Frisco offers six different options in this program (listed on the town website).

- **Silverthorne:** Silverthorne pays varying amounts for deed restrictions depending on the size of the unit, the location of the unit, the proximity to jobs and or transit and how well the unit meets the housing needs in the community. Like Frisco, the value of the deed restriction may be in the range of 10-15% of the market value of the property.
- **Dillon:** Dillon also partners with the County and SCHA on a Housing Helps program. Like Frisco and Silverthorne, this program typically purchases deed restrictions on market rate housing units at a price of 10%-15% of the current property value.

Down Payment Assistance

The Summit Combined Housing Authority (SCHA) administers the Summit Revolving Loan Fund (SRLF) Down Payment Assistance Loan Program which helps moderate-income families purchase homes. The program aims to support local workforce housing by helping qualified families achieve homeownership in Summit County by providing down payment assistance loans to households with an annual income between 50 and 160% of the Area Median Income (AMI).

Other eligibility requirements include: a minimum credit score of 620, and at least one household member must work 30+ hours/week serving Summit County businesses or residents, and the purchased property must be the buyer's primary residence (occupied year-round). Eligible homebuyers must contribute a minimum of 2% of the home purchase price, complete a homebuyer education course, schedule a housing support meeting with a SCHA HUD-certified staff member. The maximum loan amount is \$40,000 and loan terms range from 10 to 20 years depending on the amount borrowed.

Special Assessments (HOA) and Rehabilitation/Maintenance Repairs Loan Program

SCHA also administers the Summit Revolving Loan Fund (SRLF) Special Assessments (HOA) and Rehabilitation/Maintenance Repairs Loan Program which helps moderate-income families with HOA special assessments and property rehabilitation/maintenance repairs. This loan is only applicable to deed restricted properties in Summit County. Like the Down Payment Assistance program, eligible household must be within the 50 to 160% AMI threshold, have a minimum credit score of 620, at least one household member must work 30+ hours/week serving Summit County businesses or residents, and the property must be a primary, year-round residence. Loans range from \$5,000 to \$40,000 and amortize over 10 to 20 years depending on the amount.

8. Housing Development Challenges and Opportunities

The housing needs in Keystone and Summit County are exacerbated by development challenges. Limited land development opportunities and high construction costs make it infeasible to create affordable housing without public financial support and subsidies.

Development Challenges

Key development challenges include:

- **Land Scarcity:** There is a limited amount of land in the region that may be developed for community housing. Large portions of the area are federally protected public lands administered by the USDA Forest Service and Bureau of Land Management. These public lands generally cannot be developed by local governments or private entities. There are some very limited examples of public land swaps for affordable housing nationally and in Summit County, but these are rare opportunities. Undeveloped land is often constrained by steep mountainous topography, does not have the necessary utility infrastructure, and is often far from job centers. The market for expensive vacation and part-time resident homes has also pushed up land costs beyond what affordable housing developers can pay.
- **Utility Access:** The potential to develop available land is further restricted by the need to develop infrastructure to support such development. The ability to obtain and develop new water rights, treatment, and delivery systems, and other utility systems can add to development costs and time, impeding feasibility.
- **Development Costs:** In addition to the costs associated with the acquisition of land, increasing costs of material and labor across the state, and especially in mountain communities, make the construction and overall development of affordable housing prohibitively expensive without financial assistance.
- **Non-local Demand for Housing:** As a resort and destination community, there is significant demand for housing from non-residents for vacation and second homes. This creates competition for housing and land, further increasing the costs of housing. Additionally, remote work opportunities have allowed new higher-income households to relocate to or spend more time in the region, creating additional demand for housing.

Development Opportunities

As summarized in **Chapter 7**, Summit County and its individual jurisdictions have created land use policies, regulations, and funding sources to assist residents with acquiring stable housing.

9. Current and Projected Housing Needs

This chapter outlines the current and projected housing needs in Keystone over the next 10 years (2025-2035). By understanding the different components of need, the town can set informed goals and priorities and better target their available resources. The amount of housing need that is addressed within the town ultimately depends on local capacity, resources, partnerships, and policy. This need also does not necessarily represent demand for new development, but rather the number of units needed to address housing challenges and gaps in the housing market.

Analysis Framework

The estimate of need is comprised of two components:

- **Existing Shortage (Catch Up)** – These are the housing units needed to address existing deficiencies and housing problems.
- **Projected Housing Need (Keep Up)** – This is the estimated number of homes needed to accommodate projected job growth.

Housing needs are translated from jobs to housing through the following factors:

- 1.6 jobs per person (to convert jobs to employees), derived from the Household Survey contained in the 2019 Summit County Housing Needs Assessment (HNA).
- 1.9 employees per household (to convert employees to housing), derived from the 2019 Household Survey
- 5% vacancy rate (to convert housing needs to total housing units), based on standard market assumptions that a 5-10% residential vacancy rate is a healthy balance between supply and demand

SB-174 requires that a HNA allocate housing needs by tenure and income based. EPS used the following data and assumptions for those allocations:

- For the current housing need, households are distributed by income and AMI based on the 2023 income distribution in Keystone from the ACS, the latest data available at the time of analysis
- For the projected housing need, housing needs are directly based on job growth and occupation distribution in 2024, the latest data available at the time of analysis. Hence, the housing need is distributed based on wages and household formation converted to 2024 AMI levels

- All households below 50% AMI are assumed to be renters
- Households between 50% and 120% AMI are distributed as 50% owners and 50% renters
- Households above 120% AMI are distributed as 60% owners and 40% renters

Summary of Need

The housing needs for the Town of Keystone are calculated to be needs 145 units by 2035. This includes 203 homes to address existing housing shortages, and 33 units to address 10 years of projected housing needs (**Table 19**). This is only the local need. There are far greater housing needs throughout Summit County and it is difficult to isolate the needs of just one community from the needs of the regional economy and housing market.

The housing needs are comprised of a mix of deed-restricted ownership housing, affordable rental housing, and free market rental housing. The allocation by tenure is approximately 40% ownership housing and 60% rental housing.

The housing need is particularly concentrated in units affordable between 50% and 80% of AMI based on the current income distribution in Keystone. There is also need in the less than 30% AMI category and the greater than 120% AMI category. This largely reflects the current distribution of household incomes in Keystone, and may be due to lower incomes of part-time seasonal workers and full-time residents aging in place and on fixed incomes.

Table 19. Summary of Housing Need

Description	Existing Shortage			Projected Need			Total Housing Need		
	Owner	Renter	Total	Owner	Renter	Total	Owner	Renter	Total
Extremely Low Income (<30% AMI)	0	27	27	0	0	0	0	27	27
Very Low Income (31% - 50% AMI)	0	5	5	0	0	0	0	5	5
Low Income (51% - 80% AMI)	22	22	45	11	11	22	33	33	66
Moderate Income (81%-120% AMI)	4	4	8	4	4	8	8	8	16
Upper Income (>120% AMI)	<u>16</u>	<u>11</u>	<u>27</u>	<u>2</u>	<u>1</u>	<u>3</u>	<u>18</u>	<u>12</u>	<u>31</u>
Total	43	69	112	17	17	33	59	86	145
	38%	62%	100%	50%	50%	100%	41%	59%	100%

Source: JobsEQ, CTPP, CO State Demography Office, CHFA, ACS 5-Year Estimates, Economic & Planning Systems

The largest factors affecting housing need are the number of current in-commuters and the number of unfilled jobs. In-commuters comprise 46.3% of total housing need, and unfilled jobs account for 30.8% of total housing need (**Table 20**).

Table 20. Housing Need by Source

Description	Total	% of Total
Existing Housing Shortage		
Commuters	67	46.3%
Unfilled Jobs	45	30.8%
Boat/RV/Van	0	0.0%
Overcrowding	0	0.0%
Total Existing Housing Shortage	112	77.0%
Projected Housing Need		
Employment Growth 2025-2035	33	23.0%
Total Projected Housing Need	33	23.0%
Total Units Needed Through 2025	145	100.0%

Source: JobsEQ, CTPP, CO State Demography Office, CHFA, ACS 5-Year Estimates, Economic & Planning Systems

Existing Housing Shortage (Catch-Up)

This section provides more detail and explanation of how the estimates of existing housing shortages were estimated, following the SB-174 guidelines. The existing housing shortage was estimated using the following four factors:

- Reducing long commutes
- Addressing housing needs associated with unfilled jobs
- Eliminating overcrowding
- Eliminating temporary housing situations, for more permanent housing

The total existing housing shortage is estimated at 112 homes. In-commuting and unfilled jobs are the largest contributors to the existing housing shortage in Keystone representing 60.1% and 39.9% of the need respectively (**Table 21**). No overcrowded housing units (defined as more than 1 occupant per room in a household) were reported by the ACS in Keystone. Nor were any households living in temporary housing units (boats, RVs, or vans) reported by the ACS.

Table 21. Summary of Existing Housing Shortage

Description	Total	% of Total
Commuters	67	60.1%
Unfilled Jobs	45	39.9%
Boat/RV/Van	0	0.0%
Overcrowding	0	0.0%
Total Existing Housing Shortage	112	100.0%

Source: Economic & Planning Systems

The existing housing shortage is distributed across a wide range of income levels. The largest amount of housing need is in the 51% to 80% AMI group, accounting for 45 units or about 40% of the total need (**Table 22**). There is a need for about 27 units in the less than 30% AMI group, and 27 units in the greater than 120% AMI group, both accounting for about 24% of the total need.

Table 22. Existing Housing Shortage by AMI

Description	Conceptual Tenure Mix		Units Needed			
	Owners	Renters	Owner	Renter	Total	%
Extremely Low Income (<30% AMI)	0%	100%	0	27	27	24.2%
Very Low Income (31% - 50% AMI)	0%	100%	0	5	5	4.8%
Low Income (51% - 80% AMI)	50%	50%	22	22	45	39.9%
Moderate Income (81%-120% AMI)	50%	50%	4	4	8	6.7%
Upper Income (>120% AMI)	60%	40%	16	11	27	24.4%
Total	32%	68%	43	69	112	100.0%

Note: Figures may not sum due to rounding

Source: ACS 5-Year Estimates, CTPP, Economic & Planning Systems

Commuting

The purpose of including in-commuters in the existing housing shortage is to create housing opportunities for people commuting long distances who may prefer to live locally. Providing housing opportunities for in-commuters closer to their workplace will significantly improve quality of life, safety, access to opportunity, and benefit the overall region by improving the environmental and social impacts caused by long commutes.

To estimate the housing needs of in-commuters, EPS converted total Keystone in-commuters into households. EPS included workers judged to have long commutes, which we defined as people who live outside Summit County (Park and Grand Counties), and people living in/around Copper Mountain, Breckenridge, and Blue River within Summit County. These workers comprise approximately 11% of people who work in Keystone (**Table 23**).

EPS then applied an employee per household factor and tenure split factors to derive the number of household demand by tenure. Specifically, in-commuting currently generates need for 21 renter households and 47 owner households, or 67 total households.

Table 23. Keystone CDP In-Commuter Households

Description	Total
In-commuters to Keystone CDP (employees)	1,130
Long commutes	11%
Effective In-Commuters	128
% Renters (<i>est'd from Summit County tenure</i>)	31%
% Owners (<i>est'd from Summit County tenure</i>)	69%
Commuters - renter	39
Commuters - owner	88
Employees per household	1.9
Renter commuter households	21
Owner commuter households	47
Total	67

Source: CTPP, U.S. Census Bureau, Economic & Planning Systems

Unfilled Jobs

Unfilled jobs are positions that would otherwise be filled if not for the lack of housing in the region, therefore contributing to the existing housing shortage. The Colorado Department of Labor and Employment provides data on monthly unfilled job openings by county. EPS used this resource to derive a monthly average of unfilled job openings over the 12-month period of June 2024 through May 2025. EPS then applied Keystone’s share of total jobs in Summit County to estimate the unfilled jobs in Keystone. Using this methodology, EPS estimated 136 unfilled jobs in Keystone (**Table 24**). After adjusting for multiple job holders and multiple earners in a household, the estimated housing need attributed to unfilled jobs is 45 housing units. This assumes that each unfilled job requires housing, which may overestimate the need. However, lack of or difficulty finding housing is a commonly cited challenge in hiring and retaining workers in Summit County and other high-cost mountain areas.

Table 24. Keystone Unfilled Jobs, Jun '24-May'25

Description		Count
Summit County Unfilled Job Openings (Jun 24 - May 25 Monthly Avg.)		1,052
Keystone Share of Summit County Jobs		12.9%
Keystone Unfilled Jobs		136
Multiple job holders	1.6 jobs/employee	85
Households	1.9 employees/household	45

Source: CDLE; Economic & Planning Systems

Projected Housing Need (Keep-Up)

Projected housing need is estimated using a 10-year job growth projection (2025-2035). Projected jobs are then converted to employees, and employee households and equivalent housing units.

Employment Growth Projections

Employment growth is based on the SDO 10-year job projection for Summit County and the current distribution of occupations in Keystone. SDO estimates that Summit County will grow at an annual rate of 0.8% between 2025 and 2035. This annual growth rate is applied to the 2024 occupation distribution in Keystone, resulting in 196 total jobs added from 2025 to 2035. This analysis assumes that the current occupation distribution in Keystone will remain unchanged over this period. Therefore, since 52.3% of total occupations in Keystone are Food Preparation and Serving Related, 52.3% or 103 of the projected jobs added will be in this sector (Table 25).

Table 25. Current and Projected Jobs by Occupation

Description	Occupation Dist. - 2024	Median Wage - 2024	Projected Job Growth 2025-2035
Keystone CDP, CO			
Management Occupations	4.2%	\$127,600	8
Business and Financial Operations Occupations	3.1%	\$80,400	6
Computer and Mathematical Occupations	0.5%	\$107,600	1
Architecture and Engineering Occupations	0.1%	\$90,300	0
Life, Physical, and Social Science Occupations	0.0%	\$85,200	0
Community and Social Service Occupations	0.1%	\$62,400	0
Legal Occupations	0.1%	\$158,400	0
Educational Instruction and Library Occupations	0.1%	\$58,500	0
Arts, Design, Entertainment, Sports, and Media Occupations	0.4%	\$67,200	1
Healthcare Practitioners and Technical Occupations	0.2%	\$108,900	0
Healthcare Support Occupations	0.3%	\$50,700	1
Protective Service Occupations	0.9%	\$66,800	2
Food Preparation and Serving Related Occupations	52.3%	\$42,700	103
Building and Grounds Cleaning and Maintenance Occupations	11.3%	\$43,500	22
Personal Care and Service Occupations	1.6%	\$43,200	3
Sales and Related Occupations	7.2%	\$55,600	14
Office and Administrative Support Occupations	9.0%	\$50,200	18
Farming, Fishing, and Forestry Occupations	0.0%	\$46,400	0
Construction and Extraction Occupations	0.4%	\$60,600	1
Installation, Maintenance, and Repair Occupations	4.0%	\$61,100	8
Production Occupations	1.8%	\$49,600	4
Transportation and Material Moving Occupations	2.4%	\$48,000	5
Total - All Occupations	100.0%	\$59,900	196

Source: JobsEQ, CO State Demography Office, Bureau of Labor Statistics QCEW, Economic & Planning Systems

These 196 new jobs are translated to household demand of 32 households by applying a factor of 1.6 jobs per employee, 1.9 employees per household, and a 50% capture rate of employees living in Keystone (Table 26). The households are distributed per occupation distribution and converted to AML using the median wage for each occupation.

Table 26. Housing Demand Derived from Employment Growth, 2025-2035

Occupation Sectors	Median Ann. Wage 2024 Q4 wages	Household Income [1] 1.90 empl./hh	% AML for 2.5-person HH \$103,600	2025-2035				
				New Jobs	New Employees 1.60 jobs/empl	Live in Keystone 50%	New Households 1.90 empl./hh	% New Households
Management Occupations	\$127,600	\$242,440	234.0%	8	5	3	1	4.2%
Business and Financial Operations Occupations	\$80,400	\$152,760	147.5%	6	4	2	1	3.1%
Computer and Mathematical Occupations	\$107,600	\$204,440	197.3%	1	1	0	0	0.5%
Architecture and Engineering Occupations	\$90,300	\$171,570	165.6%	0	0	0	0	0.1%
Life, Physical, and Social Science Occupations	\$85,200	\$161,880	156.3%	0	0	0	0	0.0%
Community and Social Service Occupations	\$62,400	\$118,560	114.4%	0	0	0	0	0.1%
Legal Occupations	\$158,400	\$300,960	290.5%	0	0	0	0	0.1%
Educational Instruction and Library Occupations	\$58,500	\$111,150	107.3%	0	0	0	0	0.1%
Arts, Design, Entertainment, Sports, and Media Occupations	\$67,200	\$127,680	123.2%	1	0	0	0	0.4%
Healthcare Practitioners and Technical Occupations	\$108,900	\$206,910	199.7%	0	0	0	0	0.2%
Healthcare Support Occupations	\$50,700	\$96,330	93.0%	1	0	0	0	0.3%
Protective Service Occupations	\$66,800	\$126,920	122.5%	2	1	1	0	0.9%
Food Preparation and Serving Related Occupations	\$42,700	\$81,130	78.3%	103	64	32	17	52.3%
Building and Grounds Cleaning and Maintenance Occupations	\$43,500	\$82,650	79.8%	22	14	7	4	11.3%
Personal Care and Service Occupations	\$43,200	\$82,080	79.2%	3	2	1	1	1.6%
Sales and Related Occupations	\$55,600	\$105,640	102.0%	14	9	4	2	7.2%
Office and Administrative Support Occupations	\$50,200	\$95,380	92.1%	18	11	6	3	9.0%
Farming, Fishing, and Forestry Occupations	\$46,400	\$88,160	85.1%	0	0	0	0	0.0%
Construction and Extraction Occupations	\$60,600	\$115,140	111.1%	1	0	0	0	0.4%
Installation, Maintenance, and Repair Occupations	\$61,100	\$116,090	112.1%	8	5	2	1	4.0%
Production Occupations	\$49,600	\$94,240	91.0%	4	2	1	1	1.8%
Transportation and Material Moving Occupations	\$48,000	\$91,200	88.0%	5	3	1	1	2.4%
Total - All Occupations	\$59,900	\$113,810	109.9%	196	123	61	32	100.0%

[1] Assuming one earner makes median wage of occupation and remaining earners make median wage of that same occupation

Source: JobsEQ, CO State Demography Office, CHFA, Economic & Planning Systems

Household demand is converted to unit demand by applying a 2% vacancy adjustment to owner-occupied units and a 5% adjustment to renter-occupied units (**Table 27**). The greatest future need for both rental and home ownership housing is between 50% AMI and 80% AMI (between \$47,125 and \$75,400 for a 2.5-person household in 2023). Since the projected housing demand is tied to job growth, once a household is earning a wage, they are automatically in a higher income category. In practice, there is likely to always be some future need in the lowest income categories.

Table 27. Projected Housing Need by Income and Tenure

Description	Tenure Split		Households (2025-2035)			Units Needed (2025-2035)			Unit Distribution by AMI		
	Owners	Renters	Owner	Renter	Total	Owner	Renter	Total	Owner	Renter	Total
<i>Vacancy Adjustment</i>						2%	5%				
Extremely Low Income (<30% AMI)	0%	100%	0	0	0	0	0	0	0.0%	0.0%	0.0%
Very Low Income (31% - 50% AMI)	0%	100%	0	0	0	0	0	0	0.0%	0.0%	0.0%
Low Income (51% - 80% AMI)	50%	50%	11	11	21	11	11	22	64.0%	66.5%	65.2%
Moderate Income (81%-120% AMI)	50%	50%	4	4	8	4	4	8	24.9%	25.8%	25.3%
Upper Income (>120% AMI)	60%	40%	2	1	3	2	1	3	11.1%	7.7%	9.4%
Total			16	16	32	17	17	33	100%	100%	100%

Source: JobsEQ, CO State Demography Office, CHFA, Economic & Planning Systems

10. Draft Strategies & Recommendations

This Chapter contains an outline of draft strategy and policy recommendations for discussion with Town Staff. These ideas will be refined and expanded on in future revisions and can be presented to and discussed with Town Council.

Overall Strategy

From this analysis combined with public input received for the Comprehensive Plan, we have identified the following overarching strategies for the Town to consider. These strategies address themes identified in the Comprehensive Plan:

- **Making Keystone a more livable place** – Keystone is largely known as a purpose-built resort community. As such, it has not yet created a broader set of community features and amenities that would make it more appealing as a complete community for full-time residents. Suitable housing is a big part of rounding out a mountain community as a place to live full time.
- **Diversifying housing for residents beyond employee housing** – Comments in the public outreach process, supported by data in this report, show that the Town needs a more diverse range of housing to make it appealing to full-time residents and the workforce. Most existing housing options fall into two ends of the spectrum: employer-owned rental housing and affordable rentals, and condominiums oriented to short-term vacation stays and use as second homes. Other housing includes large expensive single family homes and townhomes, far out of reach of most local residents. Keystone needs a range of other options including deed-restricted for-sale housing and non-employer rental housing.
- **Establishing housing policies and programs** – Newly incorporated, the Town has not yet determined if it should adopt a set of land use regulations and other programs to expand resident housing, or identified what types of resident housing it would like to prioritize.

The four main recommendations are:

- Determine if the Town should implement land use regulations that require affordable housing in new development.
- Consider if the Town should ask voters to approve a new dedicated funding source for housing programs, potentially bundled with funding for other capital projects.
- Establish a deed restriction purchase incentive program.
- Establish an incentive program and supportive zoning for Accessory Dwelling Units (ADUs).

These recommendations were chosen mainly because:

- The Town is largely built out, so new development opportunities to create new affordable housing are few.
- The Town has limited funding resources to fund or finance new affordable housing development. Preserving existing affordable and attainable housing by purchasing deed restrictions, and incentivizing ADUs may be a more cost-effective approach with limited funds.

Funding and Incentives

Having a reliable funding source would allow the Town to develop programs, however small, that they could fund annually and predictably. Annual funding can be budgeted for, and programs planned around it. In contrast, land use regulations that require affordable housing production only create affordable homes or fee revenue during development cycles.

Housing Fund

The Town has already established a Housing Fund in its Budget. This fund will receive the shared sales tax revenues distributed by SCHA under Measure 5A and 6B sales taxes. For 2025, the Town estimates they may receive about \$170,000 from Measure 5A and \$800,000 from Measure 6B. This is a meaningful amount of funding for a community of this size.

Dedicated Funding

Keystone can consider implementing a similar STR tax or regulatory fee to create another dedicated funding source for housing.

Like other Summit County jurisdictions, Keystone receives a portion of the Summit Combined Housing Authority's 0.725% sales tax and impact fee revenue. In addition to this revenue, other jurisdictions have enacted a Short Term Rental (STR) tax or regulatory fee dedicated to affordable housing. In 2023, Breckenridge's STR regulatory fee generated \$7.3 million and Frisco's 5% STR tax generated over \$3.4 million in revenue. Keystone could consider a ballot initiative to either increase its lodging tax, dedicating the increase to housing (and other capital projects potentially), or a specific tax on short-term rentals operating in residential property.

Affordable Housing Development Incentives

As Keystone develops housing policies, various incentives should be considered to encourage the development of workforce housing.

Other jurisdictions in the County also provide incentives for the development of affordable/workforce housing such as density bonuses, fee waivers and expedited permitting.

- Frisco provides density bonus incentives for developments where at least 50% of “bonus” units are deed restricted.
- Silverthorne waives system development and building permit fees for “single apartments that meet the definition of deed restriction unit, and which are restricted to the 100% Area Median Income (AMI) rental rate for Summit County, and which are also restricted to tenants whose incomes are at or below 100% AMI”.
- Dillon provides water and sewer tap fee reimbursements to accessory dwelling unit (ADU) owners who deed restrict their ADU to provide housing for the local workforce (working 30+ hours in Summit County).

Housing Supply and Land Use Policy

The Town has few developable sites remaining. Without policy or regulatory intervention, these sites will likely produce more housing for vacation and part-time resident use.

Land use regulations

Consider adopting land use regulations such as an inclusionary housing ordinance (IHO) and/or a housing linkage policy.

Most jurisdictions in Summit County, and in other mountain areas in Colorado, have such policies. An IHO requires new residential development to create a percentage of the homes in the project as permanently affordable (deed restricted) homes. A linkage policy is a form of an impact fee and requires new development to pay a fee or provide units based on the number of employees it generates (“links” employment generation to new development). Linkage policies can be applied to residential and/or non-residential development.

Both of these policies rely on new development to create affordable homes and fee revenue. These programs are less reliable when land is limited and development is slow-paced. When large development projects occur, however, substantial fee revenue or affordable homes can be created. Given the limited development opportunities, Keystone could also consider whether gaining affordable housing through developer agreements may be more effective.

Deed Restriction Incentive Program

Consider programs to acquire deed restrictions on existing homes.

Since the costs are so high to develop new affordable housing and there is less land available, many mountain communities are shifting to strategies to preserve

existing “naturally occurring” or de-facto affordable housing by purchasing deed restrictions on existing homes.

In these deed restriction incentive programs, local jurisdictions are using a funding source to pay (incentivize) a homeowner to place a long-term or permanent deed restriction on their home. The deed restriction typically limits sale and occupancy of the home to someone living full time in the area, often has employment requirements within the local area, and sometimes income limits and resale appreciation caps. These programs can help existing residents stay in their home, address costly deferred maintenance, or rectify delinquent mortgage or tax payments. The value paid to the homeowner ranges from roughly 15 to 30% of the appraised value depending on the type of deed restriction placed on the home. Some communities also purchase aging market rate apartments and motels for renovation and preservation as affordable housing.

There are several examples of these programs in Summit and Eagle Counties, and beyond. Many Summit County communities have implemented Housing Helps, a deed restriction acquisition program started by the Summit Combined Housing Authority (SCHA) which incentivizes homeowners to deed restrict their market rate property to preserve housing for the local workforce. The deed restriction lets the local worker be the owner or a renter and it does not have an appreciation cap, income caps or rental caps.

Keystone can partner with SCHA to implement a Housing Helps program tailored to the community. Matching funds and promoting the program in Keystone would be the most direct way to partner. The Town can also identify areas targeted for these incentives. One potential area could be the neighborhoods in the vicinity of County Road 67/Rasor Drive. Assuming a home price of \$1.0 million, and a deed restriction value of \$200,000 (20% of market value), the Town could purchase roughly four deed restrictions per year if willing program participants can be found. This money may go further than funding new development, as the subsidy per unit of new construction will be much higher, roughly in the \$500,000 per unit range or higher.

ADU Incentive Program

The housing fund could also be used to provide incentives or loans for accessory dwelling units (ADUs) with deed restrictions. The same areas targeted for deed restriction acquisitions could also be candidates for an ADU incentive program. ADUs can be costly to build, with rough estimates at \$500 per square foot for new construction in mountain communities, putting a 700 square foot ADU at about \$350,000. Grants (with deed restriction requirements) plus fee waivers would be needed for an effective ADU strategy. The Town will also need to review its land use regulations for ADUs. An effective incentive program needs to be coupled with permissive zoning regulations that ideally allow ADUs in all single family zones by right, irrespective of dimensional standards.

TOWN OF KEYSTONE, COLORADO

STAFF REPORT

TO: Mayor & Town Councilmembers
THROUGH:
FROM: John Crone, Town Manager
DATE: September 9, 2025
SUBJECT: RTA Formation Committee MOU

Executive Summary:

The purpose of this MOU is to establish a formation committee to consider asking voters to establish a regional transit authority. The MOU is non-binding.

Background:

Over the last several months the Summit County Transit Advisory Board has been considering whether or not to ask the voters to form a regional transit authority. The RTA would need voter approval to form. The election would be jurisdictionally based (if the voters of Keystone rejected it, we would not be part of the RTA, but we could still likely contract for service).

If formed, the RTA would be an independent political body. Its board would consist of one member of the elected council from each jurisdiction. The RTA would originally be funded using the current Summit County transportation tax; however, the authority would have the ability to go to voters with a tax question.

This MOU does not commit the Town of Keystone to anything other than appointing people to serve on the RTA formation committee and the technical advisory committee. The formation committee member should be an elected official. The

technical advisory committee would be made up of managers and other appointed employees.

This is not a decision to support an RTA or to even send it to ballot. This is simply an agreement to move forward in considering whether to bring an RTA ballot question to the voters in 2026.

Financial Impact:

This MOU will not have financial impact for the Town.

Proposed Motion:

If the Council wishes to join the proposed MOU, it may do so by adopting the following motion:

I move to instruct the Mayor to sign the MOU for the RTA Formation Committee.

If the Council approves the motion, a councilmember needs to be appointed to serve on the committee.

MEMORANDUM OF UNDERSTANDING
ESTABLISHING A REGIONAL TRANSPORTATION AUTHORITY FORMATION COMMITTEE

STATEMENT OF PURPOSE

This Memorandum of Understanding ("MOU") formalizes an effort by the local governments of Summit County, Colorado to create a Regional Transportation Authority Formation Committee ("RTA Formation Committee") for the purpose of researching and proposing a structure for a potential Regional Transportation Authority covering the jurisdictional boundaries of each of the local governments to serve the community pursuant to C.R.S. §43-4-601 *et seq.*

PARTIES

The parties (individually a "Party" and collectively the "Parties") to this MOU are:

- Town of Breckenridge
- Town of Keystone
- Town of Frisco
- Town of Silverthorne
- Town of Dillon
- Town of Montezuma
- Town of Blue River
- Summit County Government

Additional Parties may be added to the MOU by written amendment.

WHEREAS, each of the Parties have identified the creation of a Regional Transportation Authority ("RTA") as a desirable way to plan, finance, implement and operate a regional public transportation system that better meets the needs of residents, visitors, and businesses in Summit County; and

WHEREAS, an RTA is an organization, enabled by Colorado state statute, that can be formed by agreement between political subdivisions of the state, subject to the approval of a majority of voters within the geographic boundaries of a proposed RTA.

WHEREAS, each of the Parties desire to improve transit options for getting to work, school and activities; they desire greater transportation connections for Summit County's workforce; they seek to reduce traffic, parking and environmental pressures from transportation; they seek improved and safer roadway conditions; and they desire improved pedestrian access to bus

stops with improved amenities.

WHEREAS, there is a collective desire amongst the Parties to have an independent entity that can plan and implement a regional transportation system that serves Summit County, and may also serve communities in adjacent Counties.

WHEREAS, the Parties desire to proceed with preparation of a proposed intergovernmental agreement (“IGA”) to create an RTA, carry out a comprehensive community engagement process, and move forward with the intention to refer one or more ballot questions for the formation of an RTA and a potential funding question to the November 2026 general election.

NOW, THEREFORE, the Parties to this MOU agree as follows:

1. NO LEGAL OBLIGATIONS. This MOU is only a statement of intentions to facilitate coordination among Parties and shall not be construed to create, and shall not in fact create, any financial or other obligations or liabilities for any Party to this MOU.
2. ELIGIBLE PARTIES TO THIS MOU. The Parties to this MOU are limited to those entities identified in §43-4-602, C.R.S., as entities authorized to create an RTA.
3. RTA FORMATION COMMITTEE. The RTA Formation Committee shall consist of one representative of each Party to this MOU. Each representative shall have one vote in matters considered by the Committee. Each Party may designate a primary representative and one alternate which shall be limited to elected officials and full-time staff persons. The RTA Formation Committee shall also have the following organizational duties:
 - a. Select a chair and vice chair;
 - b. Establish a meeting schedule and timeline for completion of activities;
 - c. Provide parameters for staff support for the RTA Formation Committee provided by participating entities;
 - d. Establish a schedule for communications and meetings with municipal/county staff and elected officials to inform them on status and upcoming developments;
 - e. Determine the details of a proposed RTA, including but not limited to:
 - i. Determine the name and purpose of the RTA, including an explanation of all regional transportation systems to be provided and preliminary expectations regarding types and service levels;
 - ii. Determine geographic boundaries, districting, and rules for modification of a regional public transportation authority;
 - iii. Determine the form of governance and board representation on the RTA;

- iv. Recommend an initial organizational structure and staffing for the RTA;
 - v. Recommend the structure of the relationship with existing transit systems, including recommendations related to the transfer of assets, liabilities, or personnel;
 - vi. Analyze potential dedicated funding sources and structures for public transportation and make recommendations regarding type and level;
 - vii. Develop a proposed IGA, meeting the requirements of C.R.S. § 43-4-601, for signature by interested and eligible entities.
- f. Review the Scope of Work for third party facilitators and consultants to assist with community engagement and the RTA formation process as needed;
 - g. Determine the details and wording on any ballot measures to be referred to the voters for the formation of an RTA; and
 - h. Provide legal, financial, marketing and political support for a potential future ballot measure.
4. RTA TECHNICAL ADVISORY COMMITTEE. The RTA Technical Advisory Committee (“RTA Technical Advisory Committee”) will be an advisory body to the RTA Formation Committee and is created for the purpose of sharing information, analyzing costs, and submitting feedback associated with various proposals for regional transit enhancement generated by the RTA Formation Committee, as well as making recommendations on such proposals to the RTA Formation Committee. In addition, the RTA Technical Advisory Committee will assist in identifying operational issues related to proposed structures that may require additional consideration by the RTA Formation Committee. The RTA Formation Committee may change, amend, supplement, fill vacancies or remove any person on the RTA Technical Committee without notice or cause. The RTA Formation Committee may invite or add other persons or representation from other entities that may provide relevant technical advice and information.
- a. The RTA Technical Advisory Committee shall initially consist of the following members unless and until changed by the RTA Formation Committee:
 - i. Chris Lubbers, Transit Director, Summit Stage
 - ii. Shannon Haynes, Town Manager, Town of Breckenridge
 - iii. John Crone, Town Manager, Town of Keystone
 - iv. Tom Fisher, Town Manager, Town of Frisco
 - v. Mark Leidal, Town Manager, Town of Silverthorne
 - vi. Nathan Johnson, Town Manager, Town of Dillon
 - vii. Town Staff Member or Designee, Town of Montezuma
 - viii. Dave Rossi, County Manager, Summit County Government
 - ix. Resort Representative, to be assigned by the Formation Committee

- x. Business Leader, to be assigned by the Formation Committee
 - xi. Community Leader, to be assigned by the Formation Committee
 - xii. Nonprofit Leader, to be assigned by the Formation Committee
- b. Members of the RTA Technical Advisory Committee serve at the pleasure of the RTA Formation Committee and appointments to the committee do not constitute contractual obligations of the RTA Formation Committee or of any of its representative entities. The RTA Technical Advisory Committee shall terminate upon establishment of an RTA as a separate legal entity pursuant to C.R.S. § 43-4-601, *et seq.*
- 5. RTA COMMUNITY STAKEHOLDERS COMMITTEE. The RTA Formation Committee may request the convening of a Community Stakeholders Committee to consist of all interested local governments that are not Parties to this MOU, interested nonprofit or community organizations, and interested private business entities that desire to participate on the RTA Community Stakeholder Committee. The purpose of the RTA Community Stakeholder Committee would be to facilitate the community engagement process, including the sharing and dissemination of information related to the RTA, facilitate broader understanding of the RTA formation process and the technical and financial aspects of proposed RTA operations, and facilitate providing broad community input to the RTA Formation Committee. The scheduling, organization and conduct of RTA Community Stakeholder Committee meetings shall be facilitated by the RTA's consultant as contemplated in this MOU.
- 6. CONTEMPLATED ROLES OF AN RTA. The specific roles of an RTA would be researched and determined during the study and community engagement process. The following list describes the potential roles of an RTA that are being contemplated at the time of execution of this MOU. Parties to the MOU acknowledge and agree that the roles of a RTA set forth herein are expected to be revised and refined through the community engagement process and may differ from what is ultimately agreed to in an IGA and referred to the voters as a ballot measure.
 - a. Assume some or all operations, assets and functions of Summit Stage ("Summit Stage" as defined Section 9) and/or other transportation systems of participating entities;
 - b. Continue planning and development for the enhancement and operation of regional transportation system into and out of Summit County, to include operation and/or financial support for multimodal surface transportation;
 - c. Study, design, financially support and implement, with partnerships as appropriate, first and last mile improvements to enhance transit ridership, including but not limited to the development of park and ride facilities, bus stops, and pedestrian crossings;

- d. Study, design, financially support and implement, with partnerships as appropriate, improvements to the regional transit system to support, advance and achieve climate action goals, including but not limited to conversion of bus fleet to zero or reduced greenhouse gas emission rolling stock, zero or reduced greenhouse gas emission transit facilities, and increase of transit ridership that reduces passenger vehicle miles travelled;
 - e. Study and identify transportation improvements to neighboring communities—including Grand, Lake and Park counties and the nearby municipalities in those counties—and how to engage those elected representatives in the RTA process;
 - f. Identify any other transportation improvements impacting Summit County, including road improvements and capacity increases;
 - g. Coordinate with the Colorado Department of Transportation ("CDOT") and federal governing agencies to enhance regional transit, including but not limited to improvements to connections to the RTA area via Bustang and other statewide bus programs;
 - h. Represent the Summit County RTA area with regard to state and federal legislation affecting available funding to support regional transit operations and with regard to legislation affecting operations; and
 - i. Study, design, financially support and implement, other regional transportation and mobility programs and operations.
7. **RETAINING THIRD PARTY FACILITATORS AND CONSULTANTS.** Summit County and the Summit Stage have already retained third party facilitators and consultants to assist with the administrative, legal, and technical details in the formation of an RTA, assist with the community engagement process, and assist with determining consensus and community support for any ballot issues which may be referred to the voters. Third party facilitators and consultants will be retained by Summit County pursuant to such contract terms as may be approved by the County, in its sole discretion. Summit County will administer such contracts as it deems appropriate in its sole and absolute discretion, and shall accept no responsibility for or liability associated with the product or services provided by such third party facilitators and consultants
8. **FUNDING CONTRIBUTION.** At this point, funding for this project is being done through Summit Stage. The consultants and Summit Stage are working to identify grant opportunities to assist with the overall project cost. If additional funding is necessary, the Parties may be asked to consider a shared, pro-rated funding request. The pro-ration will be determined by the Formation Committee. At the time of such funding request, the Parties will be able to review the scope of work for the project. The scope of work for any additional third-party facilitators and/or consultants funded by the Parties shall be reviewed and approved by the RTA Formation Committee. The

Formation Committee may also ask non-Summit County jurisdictions wanting to participate in the RTA to contribute to the effort.

9. ADMINISTRATIVE SUPPORT. Summit Stage as a department of Summit County Government and the current cross-jurisdictional transportation provider, has been engaged in the planning, design, and development of a regional transit system for the County. Summit Stage ("Summit Stage") will provide administrative, technical and planning assistance to the RTA Formation Committee until the establishment of a statutory RTA, with assistance from other entities as may be mutually agreed. Summit Stage's responsibilities may include the following:
 - a. Assist the RTA Formation Committee in engaging professional and consulting services to manage the work of the RTA Formation Committee;
 - b. Act as the fiscal agent of funds received for the formation process;
 - c. Disperse appropriate payments of funds for services rendered specifically to the RTA Formation Committee, including those of contracted consultants;
 - d. Serve as the applicant for any appropriate grant funding opportunities for which the RTA Formation Committee may be eligible for its work;
10. TERM. The term of this MOU shall end on November 1, 2026 unless the Parties to this MOU extend the term of this MOU by written agreement. All committees created by this MOU shall be deemed disbanded upon termination of the MOU.
11. TERMINATION. Any Party may terminate its participation in this MOU by delivering fourteen (14) days written notice to the elected board or council for the other participating entities.
12. TABOR. This MOU shall not create any multi-year fiscal obligation of any Party to this MOU and any funding contribution or other financial commitment shall be subject to annual budget and appropriation of each Party.

SUMMIT COUNTY, COLORADO

By: _____
Eric Mamula, Chair

ATTEST:

By: _____
Taryn Power, Clerk and Recorder

TOWN OF BLUE RIVER

By: _____
Nick Decicco, Mayor

ATTEST:

By: _____
Town Clerk

TOWN OF BRECKENRIDGE

By: _____
Kelly Owens, Mayor

ATTEST:

By: _____
Town Clerk

TOWN OF DILLON

By: _____
Carolyn Skowyra, Mayor

ATTEST:

By: _____
Town Clerk

TOWN OF FRISCO

By: _____
Rick Ihnken, Mayor

ATTEST:

By: _____
Town Clerk

TOWN OF MONTEZUMA

By: _____
Leslie Davis, Mayor

ATTEST:

By: _____
Town Clerk

TOWN OF SILVERTHORNE

By: _____
Ann-Marie Sandquist, Mayor

ATTEST:

By: _____
Town Clerk

TOWN OF KEYSTONE

By: _____
Ken Riley, Mayor

ATTEST:

By: _____
Town Clerk

TOWN OF KEYSTONE, COLORADO

STAFF REPORT

TO: Mayor & Town Council Members

From: John Crone, Town Manager

Prepared by: Heikela Fawkes, Finance Director

DATE: September 9, 2025

SUBJECT: Draft 2026 Budget

Executive Summary: Pursuant to Section 10.7 of the Home Rule Charter and the Colorado Local Government Budget Law, the Town Manager is responsible for presenting the annual proposed budget to Council. This draft of the 2026 Budget was prepared in coordination with the Finance Director and reflects input from all department heads and is the first look at the 2026 Budget draft. The budget complies with State law, is balanced in all funds and maintains reserves (including TABOR). It includes funding for core operations, housing, law enforcement, and road maintenance. The draft also includes the addition of a new Assistant Town Manager position to support housing and other initiatives, with a portion of the salary funded from the Housing Fund.

What the Budget Does

- **General Fund:** Covers day-to-day operations of the Town, staffing, contributions for law enforcement, Includes potential lease-purchase financing for the Town building with a \$1M balloon payment in the future, pending additional information.
- **Lodging Tax Fund:** Holds the 2% lodging tax revenue and is restricted to voter-approved uses. The fund helps pay for:
 1. Capital infrastructure and capital projects.
 2. Highway 6 safety improvements.
 3. Maintenance and improvements to streets, trails, and related public facilities.
 4. Public safety.

We have included an interfund transfer from the General Fund to the Lodging Tax Fund to share in the cost of the law enforcement contract, as well as a transfer from the Housing Fund. The transfer from the Housing Fund reimburses the General Fund for staff time and costs dedicated to housing programs, including a portion of the new Assistant Town Manager position. This approach improves transparency and follows GFOA best practices by clearly showing how general revenues, restricted lodging tax revenues, and dedicated housing funds are contributing to services that cross multiple funds. Presenting the transfers in this way allows Council and the public to see how costs are aligned with the revenue sources that benefit from those services.

Workforce Housing Fund: Accounts for 5A/6B revenues with funding for down payment assistance and a transfer to reimburse the General Fund for staff time spent on housing. A portion of the new Assistant Town Manager's salary is budgeted here since this position will support housing projects.

- **Conservation Trust Fund:** Uses lottery proceeds for park and recreation projects.

We have also included the Fee Schedule and Pay Range Scale drafts for Council review, as these will be part of the budget approvals in December. Council is still considering additional fees related to traffic and code enforcement, which may be incorporated prior to final adoption.

Background: Colorado law requires adoption of the annual budget by December 15. Keystone's Charter assigns the Town Manager responsibility for presenting a proposed budget, with staff and department heads providing input to ensure completeness and accuracy. The attached draft incorporates requests and feedback from each department to ensure that operational priorities are addressed. The draft is being presented early so Council has time to review, provide input, and make any changes before the October workshop and November public hearing. Some budget items are still pending further information and will be updated once received.

Other Council Goals to Be Addressed as Information/Funding Becomes Available

- First phase of the north side sidewalk/path.
- Median replacement along Highway 6.
- Housing programs to support local workforce housing needs.

- IT and technology equipment to establish the Town's Wi-Fi network.
- Security improvements for the Town building.

Alternatives:

1. Provide preliminary direction to staff.
2. Recommend adjustments to allocations, transfers, or program priorities for inclusion in the next draft.
3. Request that staff bring back specific revisions, scenarios, or funding options for further Council consideration.

Financial Considerations:

- Revenues are budgeted conservatively.
- All funds are balanced and reserves are maintained.
- Transfers are included to cover program costs that cross funds, such as law enforcement and housing support.
- Lease-purchase of the Town building is being considered. Staff is waiting on updated information regarding terms, including the \$1M balloon payment.
- Some numbers will change as more information comes in on pending items.

Previous Council Actions: This is the first draft of the 2026 Budget for Council review. No action has been taken before this point. Council was previously given the 2026 budget calendar with the following key dates:

- **September 23, 2025** – Council Workshop: Revised draft budget (all funds), review goals, provide feedback, and confirm reserves including TABOR.
- **October 21, 2025** – Council Meeting: Public hearing on the budget with notice published as required by C.R.S. 29-1-106.
- **November 25, 2025** – Council Workshop: Finalize changes and review appropriation and budget resolutions to make sure all funds are balanced and reserves are set.
- **December 9, 2025** – Council Meeting: Adoption of final budget and appropriation.

Next Steps: Council discussion and feedback on the draft budget. Council will then review the updates at the next workshop on September 23.

Suggested Motions: This item is for discussion only. Council directions to staff will guide revisions to be presented at the September 23 workshop.

Attachment:

Draft 2026 Budget (all funds)

2026 Fee Schedule

2026 Pay Range Scale

Draft

	A	B	C	D	E	F	H	I	L
6						Approved			
7					Approved	Amended			
8			2024	2024	2025	2025	2025	2026	
9			<u>Budget</u>	<u>Actuals</u>	<u>Budget</u>	<u>Budget</u>	<u>Estimates</u>	<u>Proposed</u>	<u>Notes</u>
10									
11									
12		Sales Tax	2,614,224	2,682,678	3,440,698	3,440,698	3,440,698	3,440,698	Estimating sales tax to be flat
13		Other Tax Revenue							
14		* Highway Users Tax Fund	48,627	0	66,612	66,612	20,000	30,000	Based off estimates from CML
15		Cigarette Tax	5,092	8,815	7,115	7,115	7,115	4,980	estimate is based on 30% decrease due to no flavored nicotine
16		* Nicotine Tax	59,628	0	83,315	83,315	243,257	170,280	IGA will change for 2026. Revenue is committed to human service and tobacco cessation contributions
17		* Road and Bridges Tax	91,684	80,122	103,774	103,774	89,737	90,000	Road and Bridge funds are distributed from the county based on assessed property value. We receive 50% of the county's Road & Bridge tax, proportional to our share of the county's total assessed valuation.
18		Specific Ownership Tax	25,348	0	34,723	34,723	0	0	Since we don't levy property taxes we don't qualify for SO tax
19		Auto Ownership Tax	9,970	130	13,657	13,657	30,000	14,000	25 has 24 revenues from the County that were disbursed to use after year end closing
20		Total Other Tax Revenue	240,348	89,067	309,196	309,196	390,109	309,260	
21		Fees							
22		Building Permits	203,203	62,085	40,641	40,641	50,000	40,000	10% revenue from SC on building permit review and grading and excavating permits. \$18K in 2025 is restricted for open space from SC building fee transferred to us.
23		**Comm Dev Reimbursable Costs		0	20,000	20,000	0	0	received once a development occurs expense. See other **
24		Franchise Fees		0	1,500	1,500	1,500	1,500	
25									
26			203,203	62,085	62,141	62,141	51,500	41,500	
27		Licenses							
28		Business Licenses		0	34,000	34,000	3,750	3,750	expecting 75
29		Short Term Rentals	541,732	514,240	547,150	547,150	547,150	541,500	based on 1900 @\$285
30		Liquor Licenses		4,349	1,750	1,750	5,250	5,775	based on 33 @ \$175
31		Tobacco Licenses		800			800	800	based on 4 @ \$200
32			541,732	519,389	582,900	582,900	556,950	551,825	
33		Fines							
34		Fines & Penalties		0	40,000	40,000	0	40,000	New IGA estimated
35		Code Enforcement Fines		0	5,000	5,000	0	0	eliminating this line item as it will tie in with fines and penalties
36		*** Court Reimbursable Costs		0	19,382	19,382	0	0	will receive once cost occurs. See other *** under expenditures
37									
38			0	0	64,382	64,382	0	40,000	
39		Other Income							
40		Grants		80,513	215,000	215,000	340,000	130,000	Town Manager Grant & CPW bear proof grant. If we get awarded any other grants we will do a supplemental budget as necessary
41		Interest on Investments		17,527	68,000	68,000	68,000	50,000	
42		Admin Miscellaneous Income		85	0	0	122,500	0	25 has contribution for sidewalk
43									Includes an interfund transfer from the Housing Fund to the General Fund to reimburse staff time and administrative support dedicated to housing programs. Wages only.
44		Transfer from Housing Fund						65,000	
45			0	98,125	283,000	283,000	530,500	245,000	
46									
47		Total Revenue	3,599,507	3,451,344	4,742,317	4,742,317	4,969,756	4,628,283	

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6						Approved			
7					Approved	Amended			
8			2024	2024	2025	2025	2025	2026	
9			<u>Budget</u>	<u>Actuals</u>	<u>Budget</u>	<u>Budget</u>	<u>Estimates</u>	<u>Proposed</u>	<u>Notes</u>
48									
49									
50									
51		Mayor and Town Council							
52		Council/Mayor Wages	44,000	41,122	48,000	48,000	48,000	48,000	
53		Medicare Tax Town Council	638	596	696	696	696	696	
54		Colorado Unemployment Tax Town Council	832	498	96	96	96	10	
55		Reinterment Contribution Match Town Council	4,840	2,944	3,840	3,840	3,840	3,840	
56		Workman's Comp Town Council	945	984	950	950	136	150	
57		Cell Phone Allow Town Council	5,775	5,344	6,300	6,300	6,300	6,300	
58									
59			57,030	51,488	59,882	59,882	59,068	58,996	
60									
61		Community Support Town Council		0	100,000	100,000	100,000	115,000	\$40,000 for grants for bear-proof containers and \$75, 000 community grant will be funded from this allocation
62		Travel and Training Town Council		0	5,000	5,000	1,000	5,000	
63		Misc Expense Town Council	1,251	5,697	1,401	1,401	7,000	10,000	includes Town Council dinners
64		Total Mayor and Town Council	58,281	57,185	166,283	166,283	167,068	188,996	
65									

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9			<u>Budget</u>	<u>Actuals</u>	<u>Budget</u>	<u>Budget</u>	<u>Estimates</u>	<u>Proposed</u>	<u>Notes</u>
66		General Government Administration							
67		General Government Administrative Wages	465,830	395,111	772,717	772,717	748,440	930,000	Includes Town Manager, Asst Town Manager, Clerk, Deputy Clerk, Finance Director, Community Development Director and Planner with a 6% COLA and Merrit increase pool
68		Medicare Tax Administration	6,755	5,729	11,204	11,204	10,852	13,485	
69		Colorado Unemployment Tax Administration	8,804	4,783	1,545	1,545	1,497	1,860	
70		Payroll Taxes additional in budget			21,215	21,215	0	0	
71		Keystone Housing Administration	24,500	19,000	36,000	36,000	36,000	42,000	
72		Wellness Reimbursement Administration	10,132	8,020	15,000	15,000	15,000	17,500	
73		Health Insurance Administration	76,205	60,327	100,300	100,300	152,976	207,122	
74		Health Ins Employee Contributions Administration		(11,181)			(30,595)	(41,424)	
75		Reinterment Contribution Match Administration	51,241	36,966	82,838	82,838	74,844	102,300	
76		Cell Phone Administration	3,600	2,784	5,400	5,400	5,400	6,300	
77		Workman's Comp Administration	9,764	10,620	10,725	10,725	1,700	2,000	
78			656,831	532,159	1,056,945	1,056,945	1,016,114	1,281,143	
79		Flexible Spending Account (FSA & HSA)	5,774	1,473	12,000	12,000	1,200	1,600	
80		Telephone	2,830	2,410	3,168	3,168	2,500	2,700	
81		Office Lease	50,700	50,900	196,158	196,158	196,158	500,000	This line will be updated once we have commitment
82		Office Building Utilities						20,000	Based on Keystone Policy Center actuals
83		Office Building Maintenance	3,700	1,350	3,504	3,504	0	40,000	estimated
84		Office Supplies	11,054	9,788	9,000	9,000	9,000	7,000	includes printing
85		Postage	2,607	11	4,919	4,919	500	6,200	includes election mailings
86		Prof Services/Membership Fees	10,429	16,605	17,000	17,000	20,000	15,000	Employers Council, CAST, Employers Council, I70 Co., CGFOA, CML, NWCOG
87		Dues and Subscriptions	7,936	1,782	7,000	7,000	5,000	6,000	DocuSign, Bill, Smartsheet, Mailchimp, Survey Monkey
88		Training	6,802	6,052	14,011	14,011	14,011	16,000	all departments staff training
89		Travel/Meals/Lodging	9,409	7,402	16,930	16,930	14,011	16,000	includes local travel
90		Uniforms/Clothing	1,700	4,105	5,000	5,000	5,000	5,000	
91		Insurance	5,000	3,104	7,500	7,500	8,500	18,000	This amount will be updated once we receive quote for building. Current insurance is \$13,149. Will updated once we know more
92		Bank and Misc Fees	0	100	0	0	80	80	
93		IT/Technology	72,966	42,157	87,900	87,900	87,900	96,000	Verticomm, SIPA, Caselle, Paylocity, Adobe and doc access
94		Website	6,802	542	0	0	5,000	10,000	upgraded website annual cost
95		Equipment Repairs/Leases	5,526		7,589	7,589	0	10,000	
96		Community Engagement	8,502	22,054	20,000	20,000	20,000	10,000	
97		Elections	12,000	7,750	0	0	0	9,000	
98		Town Attorney Contract	90,688	144,825	150,000	150,000	150,000	150,000	
99		Smoking Cessation (fr Nicotine Tax)	59,628	0	27,000	27,000	90,355	170,255	IGA will change for 2026
100		Accounting Contract (M&W)	63,494	52,763	10,000	10,000	50,000	0	finances will be inhouse
101		Annual Audit Contract	0	0	19,266	19,266	17,500	19,000	
102		Short Term Rental Contract Support	116,761	86,250	120,264	120,264	210,264	100,000	2025 includes enhancements
103		Miscellaneous Administrative Expense	0	10	19,009	19,009	6,000	6,000	
104		Contingency						10,000	line item added per charter
105		Total General Government Administration	1,211,137	993,592	757,219	757,219	912,979	1,243,835	
106									
107		Community Development							
108									
109		Building Permit/Inspections	162,562	483	0	0	0	0	
110		GIS	9,069	0	9,341	9,341	5,000	5,000	
111		**Professional Services (Contracted)	11,336	0	20,000	20,000	0	0	
112		Planning Supplies/Printing	5,668	710	5,838	5,838	5,838	1,000	
113		Local Travel	2,834	0	5,838	5,838	500	1,000	
114		Communications	2,721	365			500	1,000	
115		Miscellaneous Comm Dev Expense	0	0	2,500	2,500	2,500	2,500	
116									
117		Total Community Develop	194,190	1,558	43,517	43,517	14,338	10,500	
118									

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9			<u>Budget</u>	<u>Actuals</u>	<u>Budget</u>	<u>Budget</u>	<u>Estimates</u>	<u>Proposed</u>	<u>Notes</u>
119		Public Works							
120		Public Works Wages	45,344	29,307	93,409	93,409	93,409	98,079	with a 6% COLA and Merrit increase pool
121		Medicare Tax Public Works	657	425	1,354	1,354	1,354	1,422	
122		Colorado Unemployment Tax Public Works	857	355	187	187	187	196	
123		Keystone Housing Public Works	3,000	1,750	6,000	6,000	6,000	6,000	
124		Wellness Reimbursement Public Works	2,026	625	2,500	2,500	2,500	2,500	
125		Health Insurance Public Works	3,629	3,300	20,060	20,060	32,097	36,911	
126		Health Ins Employee Contributions Public Works		(660)			(6,419)	(7,382)	
127		Reinterment Contribution Match Public Works	4,988	3,008	9,995	9,995	10,275	10,789	
128		Cell Phone Public Works	450	225	900	900	900	840	
129		Workman's Comp Public Works	672	684	700	700	250	300	
130			61,624	39,018	135,105	135,105	140,552	149,655	
131		Communications PW	2,721				0	500	
132		Engineer Consultant	5,668		11,000	11,000	11,000	10,000	
133		Planning and Printing Supplies	2,834		2,500	2,500	0	500	
134		Snow Removal Services		22,511	168,767	168,767	120,000	168,000	
135		Road Maintenance		9,202	77,866	77,866	82,866	125,000	includes tree removal
136		Noxious Weed Control		0	17,514	17,514	0	0	PW said the County sprays
137		Trail Maintenance		0	50,000	50,000	0	50,000	
138		Signage		224	15,500	15,500	3,000	3,000	
139		Engineering Services		4,267	30,000	30,000	30,000	0	also in lodging tax capital
140		Miscellaneous Public Works Expense		130	19,000	19,000	3,000	5,000	
141		Other maintenance					5,000	5,000	
142		Total Public Works Expenses	72,846	75,352	527,252	527,252	395,418	516,655	
143									
144		Public Safety							
145		Communications		18,141	33,394	33,394	23,600	25,000	911 Support
146		Law Enforcement Contract Support		115,288	556,414	556,414	0	0	will be a transfer from GF to LT Fund
147		Animal Control		4,189	3,923	3,923	2,618	0	Dillon IGA does not breakout animal control
148									
149		Total Public Safety Expenses	0	137,618	593,731	593,731	26,218	25,000	
150									
151		Municipal Court							
152		Judge			7,589	7,589	0	0	IGA states expenditures will be 3 years in the rears
153		Prosecutor			11,209	11,209	0	0	
154		Miscellaneous Exp Municipal Cout			584	584	0	0	
155									
156		***Total Court Expenses	0	0	19,382	19,382	0	0	
157									
158									
159		Transfer to Lodging Tax Fund					762,500	650,000	GF contribution for Law Enforcement contract and \$122,500 contribution for hwy 6 sidewalk in 2025
160		Total Operating Expenditures	1,536,454	1,265,305	3,164,328	3,164,328	3,294,636	3,916,129	
161									

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162		Capital and Non-Routine Projects							
163		Repayment for Incorporation Costs	180,000	148,013					
164		Summit County fee for Cash advance	5,000	5,000					
165		Office Set Up-Furniture, Supplies and Equipment	41,500	0	45,500	45,500	45,500	20,000	
166		Facility Modifications	50,000	0				40,000	
167		Staff Hiring Expense	5,000	544	1,200	1,200	1,200	0	
168		Start Up Consultant Support (Clerk/Community Dev/F	32,500	0				0	
169		IT-Infrastructure/Software/Computers/Printers/Set up	109,900	16,288	89,000	89,000	89,000	0	
170		Website	15,000	0	30,000	30,000	20,000	0	
171		Town Signage Capital	30,000	0	4,000	4,000	4,000	15,000	historical signs for pathways
172		Interim Town Manager (\$150/hr, 10 weeks)	60,000	67,890	0	0	0	0	
173		Engineering Assessment Town Maintained Roads	40,000	24,285,718	8,000	8,000	8,000	0	
174		Flood Plain Plan	20,000	0	15,000	15,000	0	0	
175		Trails and Open Space Master Plan	30,000	0	30,000	30,000	30,000	30,000	2025 connectivity plan and 2026 will be master plan
176		Comprehensive Use Plan		5,414	100,000	100,000	200,000	0	
177		Strategic Plan			60,000	60,000	60,000	40,000	
178		Way Finding Plan						25,000	
179		2 Police Vehicles and equipment	260,000		0	0	0	0	
180		Vehicle and equipment			70,000	70,000	35,000	70,000	\$35K in 2025 for Gator & plow purchase and \$70K in 2026 for truck purchase
181		Total Capital and Non-Routine Expenditures	878,900	24,528,867	452,700	452,700	492,700	240,000	
182									
183		Economic Development and Marketing		0	100,000	100,000	0	100,000	
184									
185		Total Economic Development Expenditure	0	0	100,000	100,000	0	100,000	
186									
187		Total Operating Expenditures	2,415,354	25,794,172	3,717,028	3,717,028	3,787,336	4,256,129	
188									
189		Total Revenue (from above)	3,599,507	3,451,344	4,742,317	4,742,317	4,969,756	4,628,283	
190									
191		Operating Surplus (Deficit)	1,184,153	(22,342,828)	1,025,289	1,025,289	1,182,421	372,154	
192		Other Sources (Uses)							
193		Contrib Capital for Roads		24,285,718	0	0	0		
194		Summit County Adv - Sales Tax		1,400,000	0	0	0		
195		Summit County Adv - Repayment		(1,400,000)	0	0	0		
196									
197		Total Other Sources (Uses)	0	24,285,718	0	0	0		
198									
199		Beginning Fund Balance	0	0	1,102,678	1,102,678	1,942,890	3,125,311	
200									
201		Ending Fund Balance - General	1,184,153	1,942,890	2,127,967	2,127,967	3,125,311	3,497,465	
202									
203		TABOR Restricted Funds		103,540	111,811	111,511	149,093	138,848	
204		Unrestricted Funds		1,839,350	2,016,156	2,016,456	2,976,218	1,007,820	
205		Proposed Balloon Payment for Building						1,000,000	
206		35% restricted for reserves						1,350,797	35% is held in reserves, which also covers the TABOR restriction shown above
207		Fund Total - General		1,942,890	2,127,967	2,127,967	3,125,311	3,497,465	
208									

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209		Housing Fund				Approved			
210					Approved	Amended			
211			2024	2024	2025	2025	2025	2026	
212			<u>Budget</u>	<u>Actuals</u>	<u>Budget</u>	<u>Budget</u>	<u>Estimates</u>	<u>Proposed</u>	<u>Notes</u>
213									
214									
215		Revenue and Other Financing Sources							
217		Revenue 5A (17.2%) 2 mos Est.	135,572	148,754	226,361	226,361	170,000	170,000	projecting revenues to be flat with 2025 estimates
218		Revenue 6B (82.8%) 2 mos Est	652,638	716,094	1,089,689	1,089,689	805,000	805,000	
219		DPA Loan Interest					676	878	
220		Interest Income on Taxes		3,344	49,850	49,850	25,100	20,000	
221		Total Revenues	788,210	868,192	1,365,900	1,365,900	1,000,776	995,878	
222									
223		Expenditures							
224		Housing Authority Fees	52,064	52,470	58,929	58,929	86,000	88,000	
225		Building Contribution		90,000					
226		Land Purchase			600,000	600,000	600,000		
227		Professional Services			150,000	150,000	0	150,000	conceptual site plans
228		Down Payment Assistance				100,000	100,000	0	
229		DPA Loan Principal Payment (contra)					3,189	4,275	
230		Additional Programming						20,000	
									Includes an interfund transfer from the Housing Fund to the General Fund to reimburse staff time and administrative support dedicated to housing programs.
231		Transfer to General Fund			0	0	0	65,000	
232									
233		Total Expenditures	52,064	142,470	808,929	908,929	789,189	327,275	
234									
235		Surplus after other sources (uses)	736,146	725,722	556,971	456,971	211,587	668,603	
236									
237		Fund bal - Beginning Housing Fund	0	0	895,592	895,592	725,722	937,309	
238		Fund bal - Ending Housing Fund	736,146	725,722	1,452,563	1,352,563	937,309	1,605,912	
239		Conservation Trust Fund				Approved			
240					Approved	Amended			
241			2024	2024	2025	2025	2025	2026	
242			<u>Budget</u>	<u>Actuals</u>	<u>Budget</u>	<u>Budget</u>	<u>Estimates</u>	<u>Proposed</u>	<u>Notes</u>
243									
244									
245		Revenue and Other Financing Sources							
246		Conservation Trust Revenue	12,920	0	12,920	12,920	0	10,000	CTF distributions are based on certified population from the prior year. Certified in the 2025, with distributions beginning in 2026.
247		Interest Income					0	300	
248		Total Revenues	12,920	0	12,920	12,920	0	10,300	0%
249									
250		Expenditures							
251		Conservation Trust Expenses			0	0	0	0	
252		Transfer to General Fund			0	0	0	0	
253									
254		Total Expenditures			0	0	0	0	
255									
256		Surplus after other sources / uses	12,920	0	12,920	12,920	0	10,300	
257									
258		Fund bal - Begin Cons Trust Fnd	0	0	12,920	12,920	0	0	
259		Fund bal - Ending Cons Trust Fnd	12,920	0	25,840	25,840	0	10,300	

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9			<u>Budget</u>	<u>Actuals</u>	<u>Budget</u>	<u>Budget</u>	<u>Estimates</u>	<u>Proposed</u>	<u>Notes</u>
260		Lodging Tax Fund				Approved			
261					Approved	Amended			
262			2024	2024	2025	2025	2025	2026	
263			<u>Budget</u>	<u>Actuals</u>	<u>Budget</u>	<u>Budget</u>	<u>Estimates</u>	<u>Proposed</u>	<u>Notes</u>
264									
265									
266		Revenue and Other Financing Sources							
267		Lodging Tax			1,600,000	1,600,000	1,600,000	1,600,000	
268		Interest Income			32,000	32,000	12,000	8,000	
									Includes an interfund transfer from the General Fund to the Lodging Tax Fund to cover the Town's contribution for the Law Enforcement contract and \$122,500 development contribution toward the Highway 6 sidewalk project in 2025
269		Transfer from General Fund					762,500	650,000	
270									
271		Total Revenues	0	0	1,632,000	1,632,000	2,374,500	2,258,000	
272									
273		Expenditures							
274		Police Services			200,000	200,000	1,212,500	1,250,000	
275		Police Capital Equipment			250,000	250,000	0	0	We currently do not have any capital expenses for Police
276		Misc. Public Safety Expenses			15,000	15,000	15,000	0	
277		Road Construction / Maint			400,000	400,000	773,265	700,000	
278		Trail Construction / Maint			80,000	80,000	0		
279		Engineering / Design Services			250,000	250,000		150,000	
280		Building Maint.						0	
281									
282		Total Lodging Tax Expenditures	0	0	1,195,000	1,195,000	2,000,765	2,100,000	
283									
284		Surplus after other sources / uses	0	0	437,000	437,000	373,735	158,000	
285									
286		FUND BALANCE - Beginning Lodge Tax	0	0	0	0	0	373,735	
287		FUND BALANCE - Ending Lodge Tax	0	0	437,000	437,000	373,735	531,735	
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Development Review Fee Schedule	
Work Sessions:	
Planning Commission Only	\$2305
Planning Commission & Town Council	\$7790
Zoning:	
Preliminary	\$5,240 plus \$235 per unit/lodge room
Final	\$3,440 plus \$235 per unit or lodge room
PUD Amendments	
Major	\$5,240 plus \$235 per unit/lodge room
Minor	\$1,760 plus \$235 per unit or lodge room
Site Plans	
Multifamily	\$5240 plus \$235 per unit or lodge room
Commercial	\$5,240 plus \$875 per 1,000 sq ft for the first 30,000 sq ft, and \$170 per 1,000 sq ft thereafter
Other Site Plan Reviews	Hourly rate
Variances	
All Types	\$2,305
Renewals	\$1,125
Conditional Use Permits (CUPs)	
All Types	Hourly rate
Temporary Use Permits (TUPs)	
All Types	Hourly rate
Non-Conforming Parcel Plan Review	
Un-platted Parcels	\$2,305
Renewals	\$1,125
Subdivisions	
Preliminary	\$5,240 plus \$235 per lot
Final	\$2,380 plus \$235 per lot
General Subdivision Exemptions	All \$2,530 plus \$235 per lot
Marijuana	

Medical	\$3,890 plus hourly rate after initial 10 hours of review time
Retail	\$3,890 plus hourly rate after initial 10 hours of review time
Home Occupations	
Low Impact	\$205
Moderate	\$3,255
Code Amendments	
All	\$2,305 plus hourly rate after initial 10 hours of review time
Development Agreements	
All	\$2,305 plus hourly rate after initial 10 hours of review time
Signs	
Sign Programs	\$1,855 plus hourly rate after initial 10 hours of review time
Sign Program Amendments	\$1,125 plus hourly rate after initial 10 hours of review time
Sign Permit	\$205
All Other Applications	
All	Hourly Rate
Hourly Rate	
Planning	\$205.00/hour
Engineering	\$210.00/hour
Other consultants (including attorney review)	As provided by agreement

Colorado Open Records Act Request Fee Schedule	
Research & Retrieval Fees	
First hour	Free
Each additional hour	\$33.58 per hour, pro-rated by the quarter of an hour
Photocopy fees	
Copies of a public record	\$0.25/page

Liquor Licensing Fee Schedule	
Application Fees	
Application Fee	\$1,000
Application Fee with Concurrent Review	\$1,000
Application Fee Transfer of Ownership	\$750
Application Fee Additional Liquor-Licensed Drugstore	\$1,000
Application Fee Additional Liquor-Licensed Drugstore	\$1,000
Application Late Renewal Fee (Not more than 90-days of license expiration date)	\$500
Application Reissue Fee (More than 90-days but less than 180-days of license expiration date)	\$500
Application Reissue Fine (More than 90-days but less than 180 days of license expiration date)	\$25.00 per day beyond 90-day expiration date
Annual Renewal Application Fee	\$100
Annual Art Gallery Fee	\$100
Retail License Fees	
Local license fees will be assessed in accordance with the license fees outlined in C.R.S § 44-3-505.	
Additional Fees	
Change of Location	\$750
Corporate/LLC Change (Per Person)	\$100
Manager Registration (Hotel & Restaurant; Tavern; Lodging & Entertainment; Campus Liquor Complex)	\$30

Tobacco Licensing Fee Schedule	
Application Fee	\$600
Renewal Fee	\$200

Road and Bridge Fee Schedule	
Floodplain Development	
Permits	\$1,255
Grading Permits	
Single Family	\$1,835 +\$55 for each inspection over the allowed 3
Duplex	\$2,760 +\$55 for each inspection over the allowed 3
Multi Family, Commercial	\$2,760 plus \$35.00/1,000 SF of disturbance over 10,000 SF + \$55 for each inspection over the allowed 5
Road Construction	Same as above
Plan Review	\$55.00 Plan review projects not requiring a grading permit
Right of Way/Road Easement Vacation	
Review	\$1,160.00
Variance to Road and Bridge Standards	
Individual Request	\$365.00
Project Request	\$765.00
Bond/Letter of Credit Admin Fee	
Less than or equal to \$5,000	\$365.00
Greater than \$5,000	2% of the bond/letter of credit amount plus \$365.00 to a maximum fee of \$6,455.00

Short Term Rental Fee Schedule	
License Fee (renewals & new licenses)	\$285



**Town of Keystone Pay Ranges and Job Classifications – Fiscal
Year 2026**

<u>Salary Grade</u>	<u>Job Title</u>	<u>Range Minimum</u>	<u>Range Maximum</u>
<u>500</u>		\$156,566	\$216,246
	Town Manager (e)	\$75.27/hr.	\$103.96/hr.
<u>400</u>		\$107,120	\$173,848
	Community Development Director (e)	\$51.50/hr.	\$83.58/hr.
	Finance Director (e)		
	Assistant Town Manager (e)		
<u>300</u>		\$96,815	\$134,625
	Town Clerk (e)	\$46.55/hr.	\$64.72/hr.
<u>200</u>		\$86,531	\$108,895
	Public Works Director (e)	\$41.60/hr.	\$52.35/hr.
	Town Planner (e)		
<u>100</u>		\$70,035	\$93,285
	Deputy Clerk / Admin Assistant (e)	\$33.67/hr.	\$44.85/hr.

*(e) – exempt position

TOWN OF KEYSTONE, COLORADO

STAFF REPORT

TO: Mayor & Town Councilmembers
THROUGH: John Crone, Town Manager & Jennifer Madsen, Town Attorney
FROM: Heikela Fawkes, Finance Director
DATE: September 9, 2025
SUBJECT: **ORDINANCE 2025-O-15** – Establishing General and Special Funds

Executive Summary: This ordinance is presented on First Reading. The ordinance formalizes the Town's fund structure, creating the General Fund, and three Special Funds, Lodging Tax Fund, Conservation Trust Fund, Housing Fund, consistent with the Home Rule Charter and Colorado Budget Law. It clarifies allowable uses and deposit requirements for each fund, improves transparency, and aligns budgeting and reporting with voter direction and state law.

Background: The Charter authorizes a General Fund with a contingency line, and Special Funds established by ordinance. This ordinance implements that authority and supports compliance with the Colorado Local Government Budget Law, which requires appropriations and proper accounting by fund. The ordinance was drafted by the Town Attorney to ensure compliance with the Charter and state law.

What the ordinance does

- **General Fund**, catches all general revenues, pays for day to day town operations, includes a contingency line.
- **Lodging Tax Fund**, all 2 percent lodging tax goes here, uses include Highway 6 safety and mobility, streets and trails, public facilities, and public safety.
- **Conservation Trust Fund**, state lottery CTF dollars go here, uses are for parks and recreation capital and maintenance, not general operations or programs.

- **Workforce Housing Fund**, countywide housing tax and similar housing revenues go here, uses are for affordable and workforce housing projects, programs, and related costs.

Alternatives:

1. Approve the ordinance as presented.
2. Approve the ordinance with modifications.
3. Do not adopt the ordinance at this time.

Financial Considerations: No new spending is approved by this action. It organizes how we receive, track, and spend funds, improves transparency, and keeps restricted dollars in the right place.

Previous Council Actions: Town voters approved the lodging tax on November 5, 2024, Conservation Trust Fund and Housing Fund are budgeted consistent with Charter and law.

Next Steps: If approved on first reading, schedule the public hearing and second reading, upon adoption, the ordinance takes effect thirty days after final publication.

Suggested Motions:

I move to adopt Ordinance 2025 O xxxx, Establishing General and Special Funds

Alternative Motion (if amendments are made): I move to adopt the Ordinance 2025 O xxx with the following changes: (specify amendments).

Attachment: Ordinance 2025 Oxxx

**TOWN OF KEYSTONE
ORDINANCE NO. 2025-O-15**

**AN ORDINANCE OF THE TOWN COUNCIL OF THE
TOWN OF KEYSTONE, COLORADO, ESTABLISHING THE
STRUCTURE OF FINANCIAL FUNDS PURSUANT TO THE
HOME RULE CHARTER, INCLUDING CREATION OF SPECIAL FUNDS FOR
LODGING TAX, CONSERVATION TRUST, AND
WORKFORCE HOUSING PURPOSES**

WHEREAS, the Town of Keystone, Colorado, is a Home Rule Municipality organized under Article XX of the Colorado Constitution and its Home Rule Charter ("Charter"); and

WHEREAS, Sections 10.9, 10.10, and 10.11 of the Charter provide for the establishment of a General Fund, a contingency line item within that fund, and the creation of Special Funds by ordinance for special purposes as determined by the Town Council; and

WHEREAS, the Town Council recognizes that establishing a clear fund structure is essential to maintaining fiscal discipline, transparency, and accountability in the Town's financial operations; and

WHEREAS, the establishment of defined funds, including the General Fund, contingency line item, and Special Funds, will allow the Town to engage in responsible budgeting practices that allocate revenues and expenditures in accordance with Council priorities; and

WHEREAS, this ordinance will assist the Town in preparing and adopting an annual budget that complies with the Colorado Local Government Budget Law of 1975, C.R.S. § 29-1-101, et seq., which requires that all expenditures be authorized by appropriation and all revenues be properly accounted for in designated funds, and Section 10.7 of the Charter; and

WHEREAS, regarding a Lodging Tax Fund, the registered electors approved a lodging tax on short-term rentals, in approving the ballot question, Town Council recognized that lodging tax revenues should be reinvested into the community through expenditures such as capital infrastructure, public safety, and transportation improvements to support both residents and visitors; and

WHEREAS, regarding a Conservation Trust Fund, the Town of Keystone is the recipient of state Conservation Trust Fund (CTF) revenues derived from lottery proceeds, which must be used in accordance with state law and regulations to acquire, develop, and maintain parks, trails, and recreational facilities, and may not be expended for general operating purposes or recreational programs; and

WHEREAS, the Town is the recipient of sales tax revenues approved by Summit County voters for workforce housing, these revenues are segregated to address the

shortage of affordable workforce housing in the community and to dedicate revenues toward the workforce housing expenditures; and

WHEREAS, the Town Council desires to establish the defined funds, including the General Fund and Special Funds, as set forth in this ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO:

Section 1. The foregoing recitals are hereby affirmed and incorporated herein by this reference as findings of the Town Council.

Section 2. Town Council adopts the following regulations related to the establishment of defined funds including the General Fund and Special Funds.

GENERAL AND SPECIAL FUNDS

Section 1. General Fund Established.

- (a) Pursuant to Section 10.9 of the Charter, there is hereby established a fund to be known as the General Fund. All revenues not specifically allocated by Charter or ordinance to any other fund shall be placed in the General Fund.
- (b) All general governmental functions of the Town shall be financed by expenditures from the General Fund.
- (c) Pursuant to Section 10.10 of the Home Rule Charter, the General Fund shall contain a line item designated for contingencies. Such contingency line item shall be available to provide for unforeseen or emergency expenditures as authorized by the Town Council.

Section 2. Lodging Tax Fund Established.

On November 5, 2024, a majority of the qualified electors of the Town of Keystone voting in the municipal election approved the imposition of a lodging tax on short-term rentals. Pursuant to Section 10.11 of the Home Rule Charter, there is hereby created a Lodging Tax Fund. Monies in the Lodging Tax Fund shall be expended only for the purposes approved by the voters.

- (a) All revenues derived from the Town's lodging tax shall be deposited in the Lodging Tax Fund.
- (b) Expenditures from this fund shall be limited to:
 - (1) Capital infrastructure and capital projects;
 - (2) Highway 6 safety improvements;

- (3) Maintenance and improvements to streets, trails, and related public facilities; and
- (4) Public safety.

Section 3. Conservation Trust Fund Established.

Pursuant to and consistent with C.R.S. §§ 29-21-101, et seq., and the implementing regulations, the State of Colorado Conservation Trust Fund distributes monies to the Town for a conservation trust fund. Pursuant to Section 10.11 of the Home Rule Charter, there is hereby created a Conservation Trust Fund. Monies in the Conservation Trust Fund shall be expended only for the purposes approved by Colorado law.

- (a) All monies received by the Town from the State of Colorado Conservation Trust Fund shall be deposited into the Conservation Trust Fund.
- (b) Allowable expenditures shall include:
 - (1) Acquisition, development, and maintenance of new conservation sites. New conservation site means interests in land and water, acquired after establishment of a conservation trust fund pursuant to this section, for park or recreation purposes, for all types of open space, including but not limited to floodplains, greenbelts, agricultural lands, or scenic areas, or for any scientific, historic, scenic, recreational, aesthetic, or similar purpose;
 - (2) Capital improvements or maintenance for recreational purposes on any public site. Capital improvements means the acquisition or improvement of fixed assets;
 - (3) Operation of a system of television relay and translator facilities, and the use, acquisition, equipping, and maintenance of land, buildings, and recreational facilities therefor.
- (c) Expenditures shall not include, without limitation, the following:
 - (1) General operating expenditures, including salaries, except those directly related to maintenance;
 - (2) Activities such as athletic teams, fireworks, recreational programs, or public associations or clubs.

Section 4. Housing Fund Established.

In 2016, the qualified electors of Summit County approved Summit Combined Housing Authority Referred Measure 5A, authorizing a sales tax dedicated to the improvement of affordable housing in Summit County (“workforce housing tax”). In 2021, the voters extended this workforce housing tax until 2047. Pursuant to Section 10.11 of the Home Rule Charter, there is hereby created a Workforce Housing Fund. Monies in the Workforce Housing Fund shall be expended only for affordable housing purposes approved by the voters or as permitted by law.

- (a) The Workforce Housing Fund is hereby established to provide for affordable housing purposes, including the construction and maintenance of workforce rental and owner-occupied housing units.
- (b) All revenues derived from the workforce housing tax shall be deposited in the Workforce Housing Fund.
- (c) Expenditures from this fund may include, but are not limited to:
 - (1) Affordable housing purposes, including the construction of workforce rental and owner-occupied housing units;
 - (2) Planning, financing, acquisition, construction, reconstruction or repair, maintenance, management, and operation of housing projects or programs, including affordable housing for families of low or moderate income and workforce housing; and
 - (3) Any other lawful purposes related to workforce or affordable housing as authorized by voters and state law.

Section 5. Future Special Funds.

The Town Council may, by ordinance, establish additional special funds as deemed necessary to serve the best interests of the Town, including enterprise funds or capital project funds.

Section 3. Severability. Should any one or more sections or provisions of this Ordinance be judicially determined invalid or unenforceable, such judgment shall not affect, impair, or invalidate the remaining provisions of this Ordinance, the intention being that the various sections and provisions are severable.

Section 4. Codification. This ordinance may be codified and numbered for purposes of codification without the need for further approval by the Town Council.

Section 5. Effective Date. This ordinance shall take effect and be enforced thirty (30) days after final publication.

INTRODUCED, READ AND PASSED AS AN ORDINANCE, ON FIRST READING, AND SCHEDULED FOR PUBLIC HEARING ON _____, AT A REGULAR MEETING OF THE TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO, THIS _____ DAY OF _____, 2025.

Kenneth D. Riley, Mayor

ATTEST:

Town Clerk

APPROVED AS TO FORM:

Town Attorney

READ, PASSED AND ADOPTED WITH A ROLL CALL VOTE OF ____ IN FAVOR AND ____ OPPOSED ON SECOND READING, AT A REGULAR MEETING OF THE TOWN COUNCIL OF THE TOWN OF KEYSTONE, COLORADO, THIS _____ DAY OF _____, 2025.

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Kenneth D. Riley, Mayor

ATTEST:

Town Clerk

APPROVED AS TO FORM:

Town Attorney