



Keystone Planning and Zoning Agenda

The Keystone Planning & Zoning Commission will have a meeting on August 21, 2025, at 5:30 p.m. at 1628 Sts. Road, Keystone, CO 80435 in the Council Chambers.

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. ASSIGNMENT OF ALTERNATES**
- III. APPROVAL OF CONSENT AGENDA**
 - A. Minutes – June 19, 2025**
- IV. GENERAL BUSINESS / OFFICIAL ACTION**
 - A. Town of Keystone Housing Needs Assessment**
 - B. SE Group Update**
- V. CONSIDERATION OF APPLICATIONS / PUBLIC HEARINGS**
- VI. OTHER BUSINESS / REPORTS**
- VII. ADJOURNMENT**



Keystone Planning and Zoning Meeting Minutes

A Regular Meeting of the Town of Keystone Planning & Zoning Commission was held on June 19, 2025, at 5:30 p.m. at 1628 Sts. John Rd, Keystone, CO 80435. Full and timely notice of the meeting had been posted, and a quorum of the body was present.

I. CALL TO ORDER, ROLL CALL

Chair Woytash called the meeting to order at 5:32 p.m. The roll was called, and it was found there were present and participating at that time the following members:

Commissioner Tim Huiting, Commissioner Steve Jacobsen, Commissioner David Koch, Commissioner Peter Madland, Commissioner Kathy Rogg, Commissioner Wendy Timm, Chair Melanie Woytash, Alternate Member Diane Leavesley and Alternate Member Kaili Warren.

II. ASSIGNMENT OF ALTERNATES

III. APPROVAL OF CONSENT AGENDA

A. Minutes – March 20, 2025

B. Minutes – May 15, 2025

Chair Woytash presented the consent agenda.

Commissioner Huiting motioned to approve the consent agenda as presented.

By voice vote, the motion passed unanimously, and the consent agenda was approved as presented.

IV. GENERAL BUSINESS / OFFICIAL ACTION

A. 3- Mile Plan Discussion

Chair Woytash recognized Community Development Director Lindsay Hirsh, who introduced Caleb Schmitz of SE Group. Schmitz gave a remote presentation to the Planning and Zoning Commission on the Three Mile Plan. Town Attorney Jennifer Madsen provided comment on the item as well.

V. CONSIDERATION OF APPLICATIONS / PUBLIC HEARINGS

VI. OTHER BUSINESS / REPORTS

A. Discussion of July Meeting Date

Chair Woytash introduced Community Development Director Hirsh to discuss scheduling of the July meeting date. Due to staffing, it has been requested to move the next Planning and Zoning Commission meeting to Wednesday July 16, 2025, at 5:30 p.m. Commissioner Timm and Chair Woytash, cannot attend. All the other members reported that they will be present.

B. Discussion of Procedures

Chair Woytash explained that at the previous Planning and Zoning Commission meeting, remote participants experienced audio issues. As a result, the minutes of the March 20, 2025, meeting were approved during this session. It was noted that updating Microsoft Teams resolved the issue for one commissioner. Chair Woytash encouraged all commissioners to update Teams to ensure functionality for future meetings.

VII. ADJOURNMENT

Seeing no further business to conduct, Chair Woytash adjourned the meeting at 6:23 p.m.



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

TOWN OF KEYSTONE HOUSING NEEDS ASSESSMENT – DRAFT 1

DRAFT REPORT

Prepared for:
Town of Keystone

Prepared by:
Economic & Planning Systems, Inc.

August 4, 2025

EPS #243102

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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**).

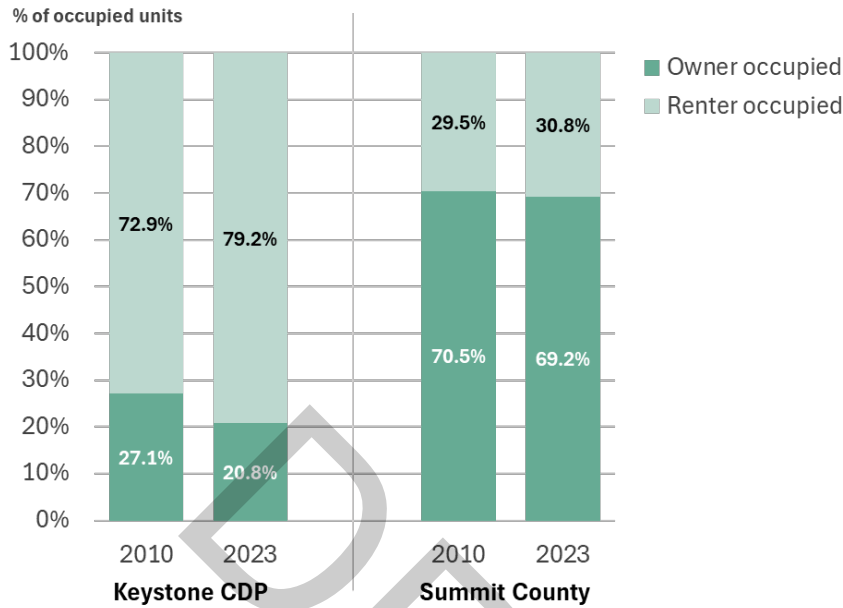
Table 4. Household Size by Tenure, 2010-2023

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**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).

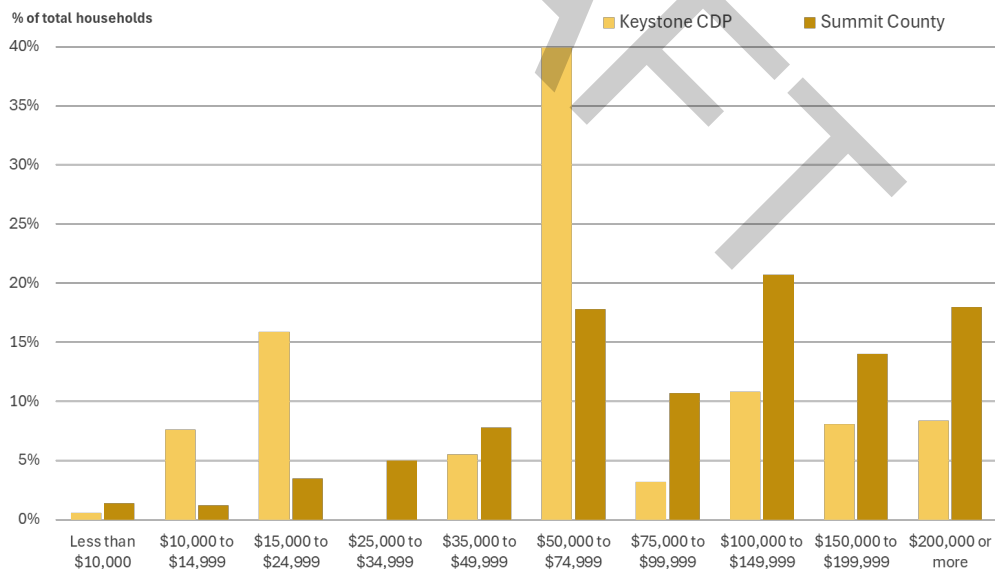
Table 6. Median Household Income

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**.

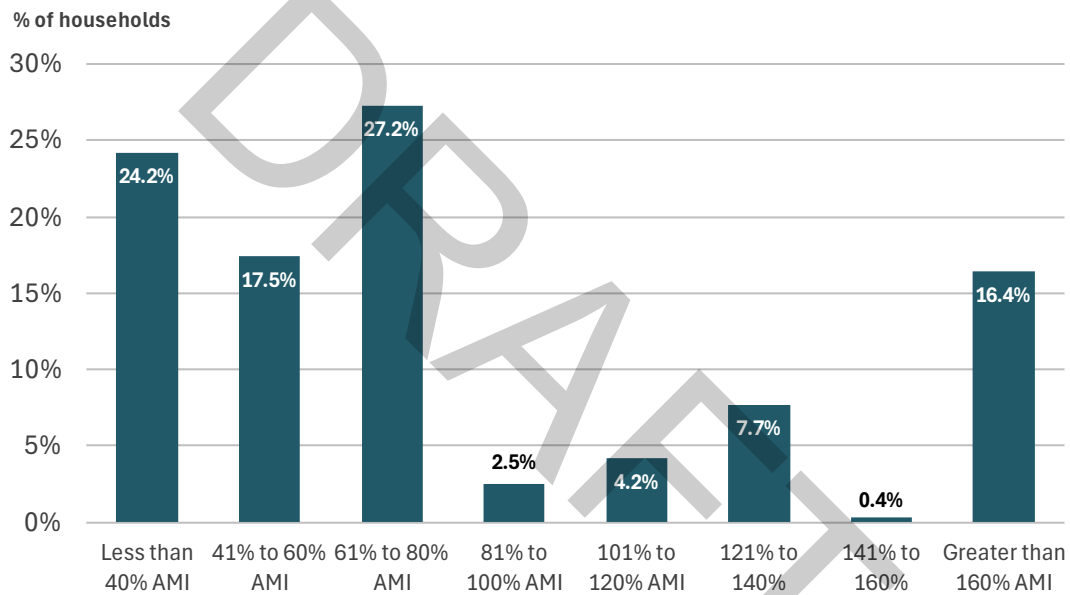
Figure 2. Household Income Distribution, Keystone CDP & Summit County, 2023

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

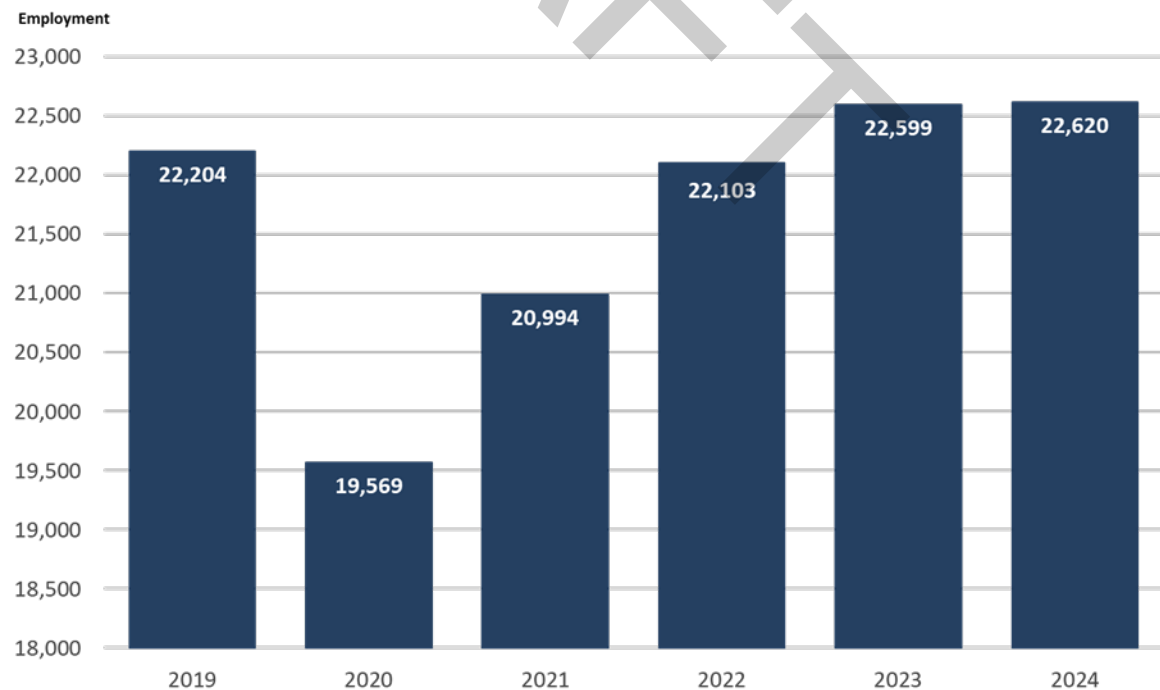
3. Economic Trends

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

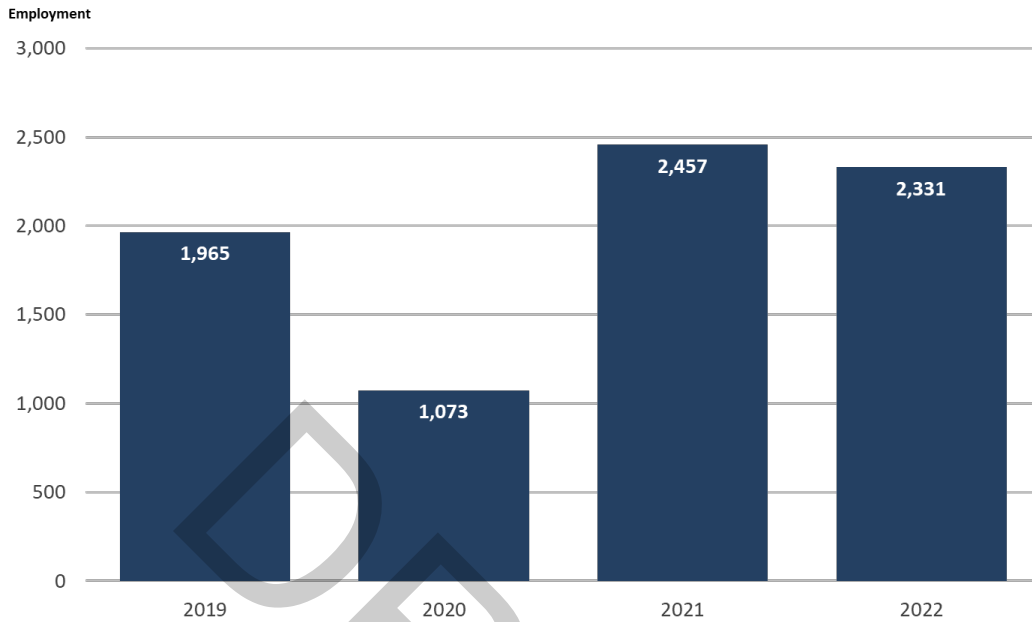
While Summit County regained the jobs it lost during the Pandemic, the distribution of jobs changed, with increases in professional, real estate, and office-based jobs and losses in retail, construction, and transportation related jobs. The Accommodation and Food Services industry remains the largest 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%

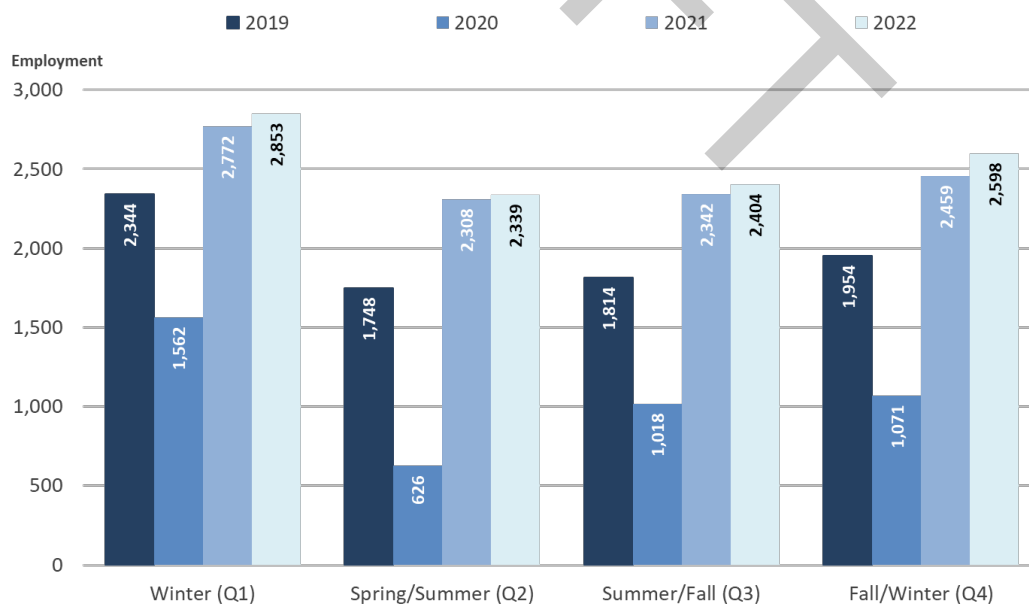
Source: JobsEQ; Economic & Planning Systems

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

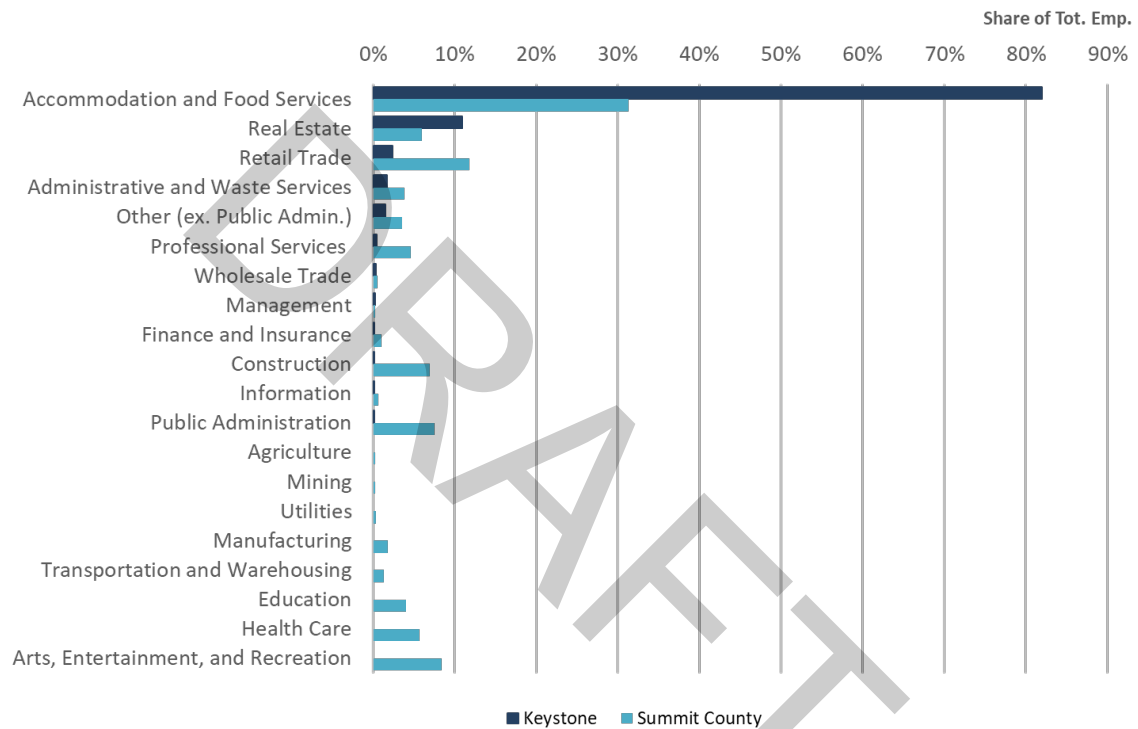
Keystone's economy is heavily dependent on Keystone Resort, indicated by the seasonality of employment in the Town. Keystone's employment is highest during Q1, followed by Q4, Q3, and Q2, (Figure 6).

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

Source: Census LEHD; Economic & Planning Systems

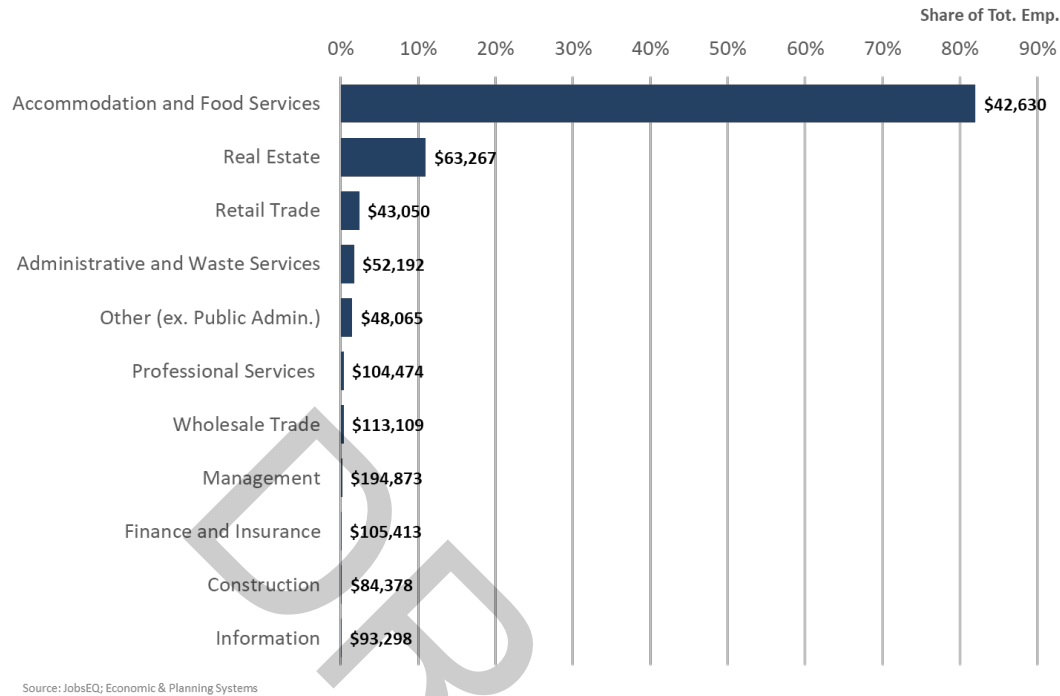
Keystone's economy is significantly more concentrated in the Accommodation and Food Services industry than Summit County. Over 80% of Keystone's employment base works in this industry, compared to just over 30% of the County's employment base (**Figure 7**). The only other industries in Keystone that 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

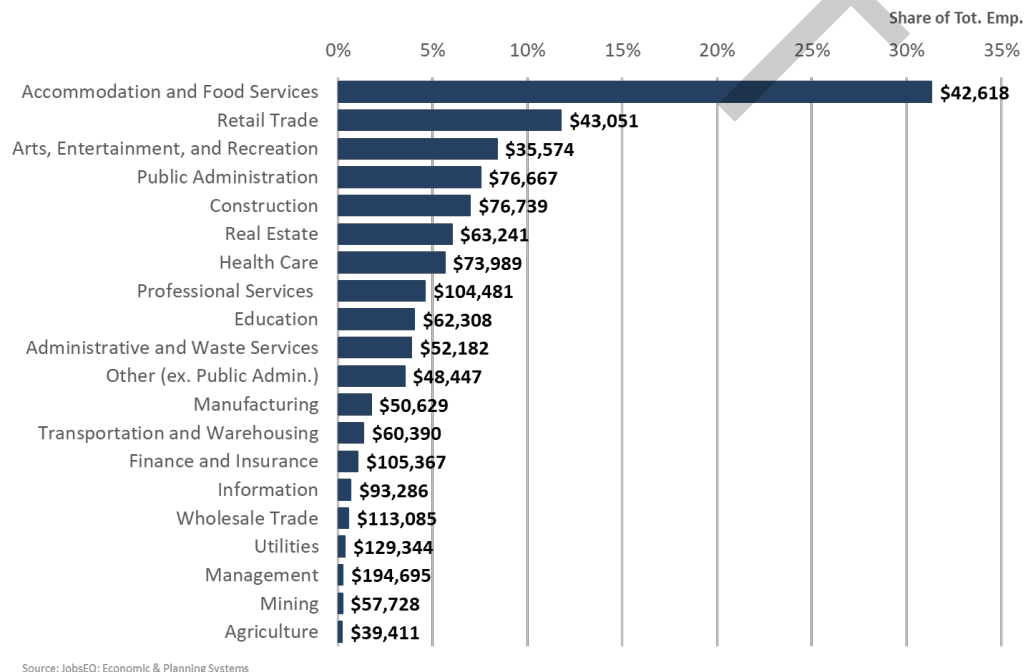


Wages

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

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

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).

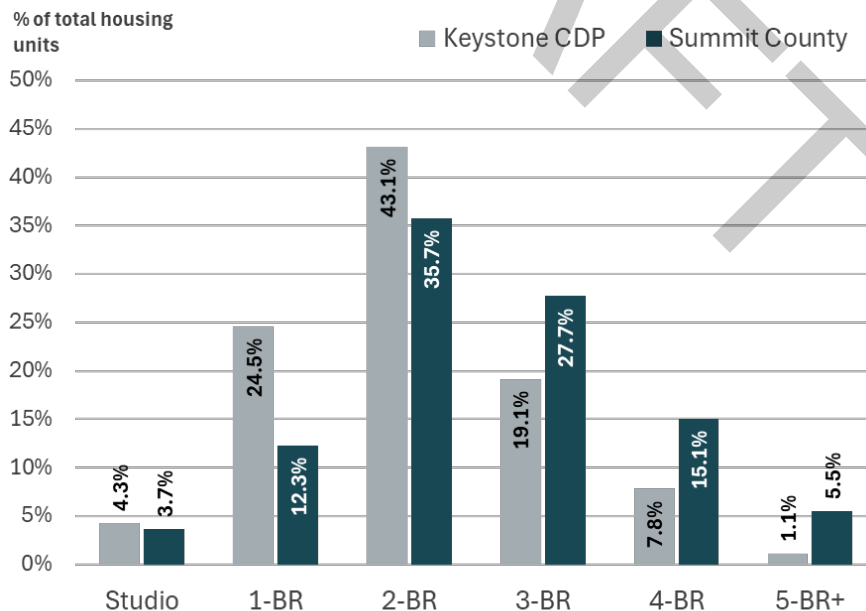
Table 9. Housing Units by Type, 2023

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

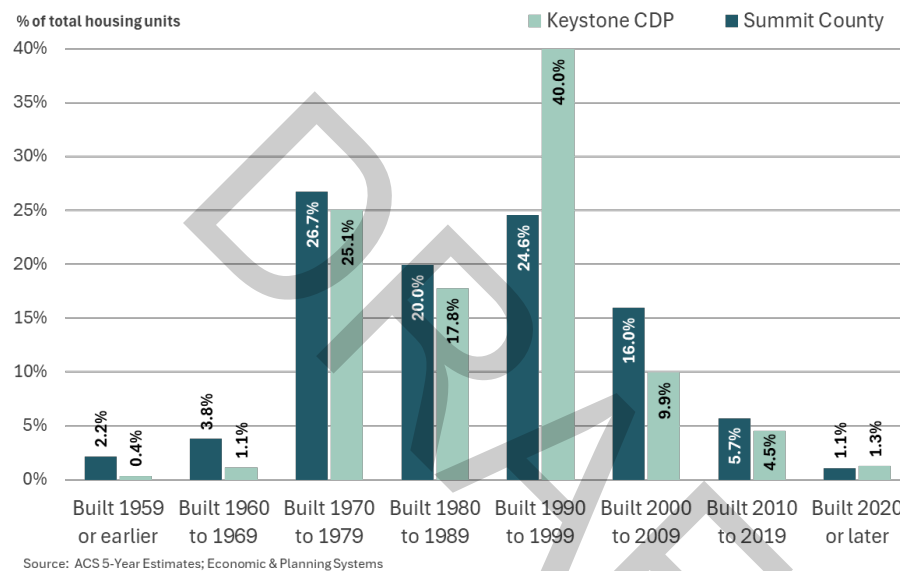
Source: ACS 5-Year Estimates; Economic & Planning Systems

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



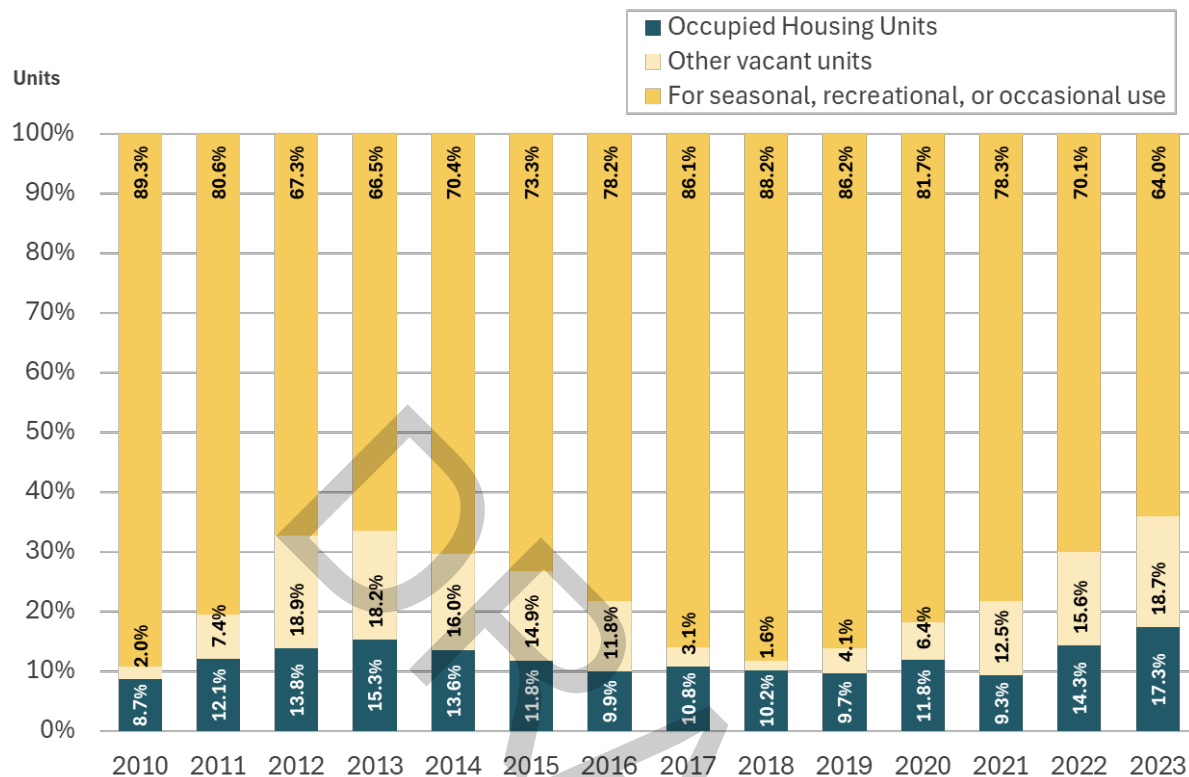
Development Pipeline

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.

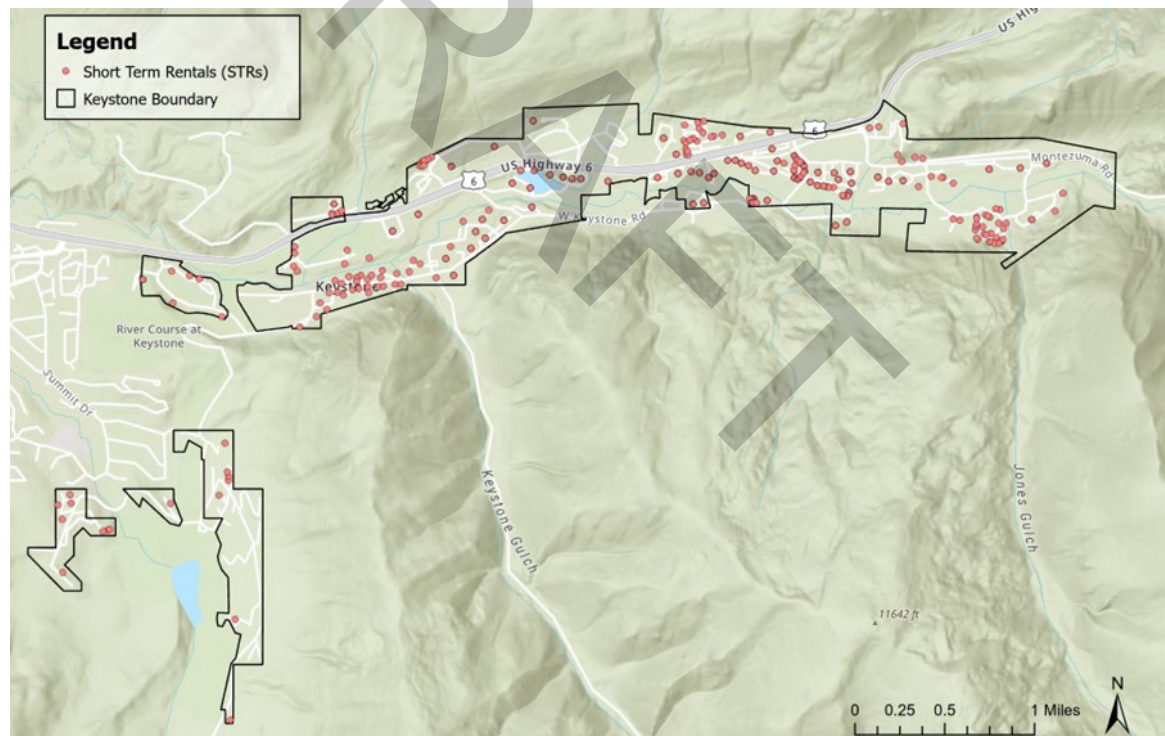
Table 10. Keystone Housing Units, Local Ownership

	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	17	0	8	9
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

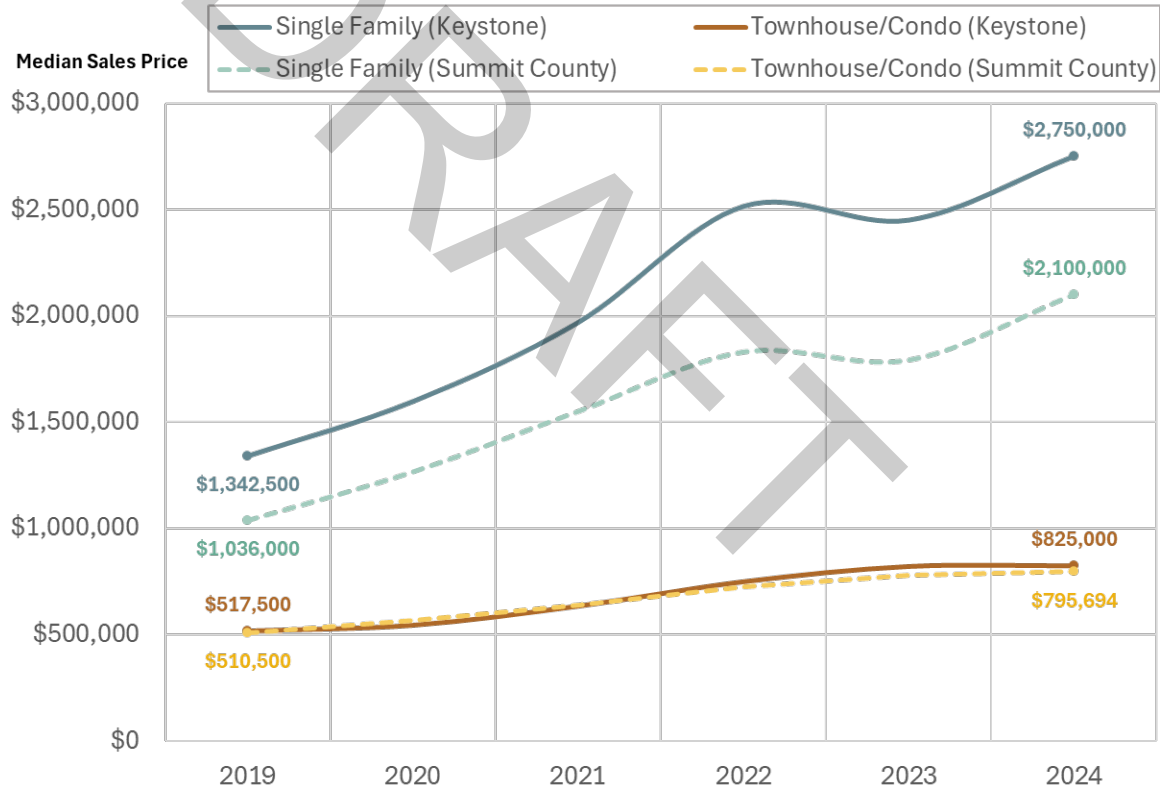
^[1] Wintergreen Ridge and Village at Wintergreen are partially outside of Town of Keystone boundaries.

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.

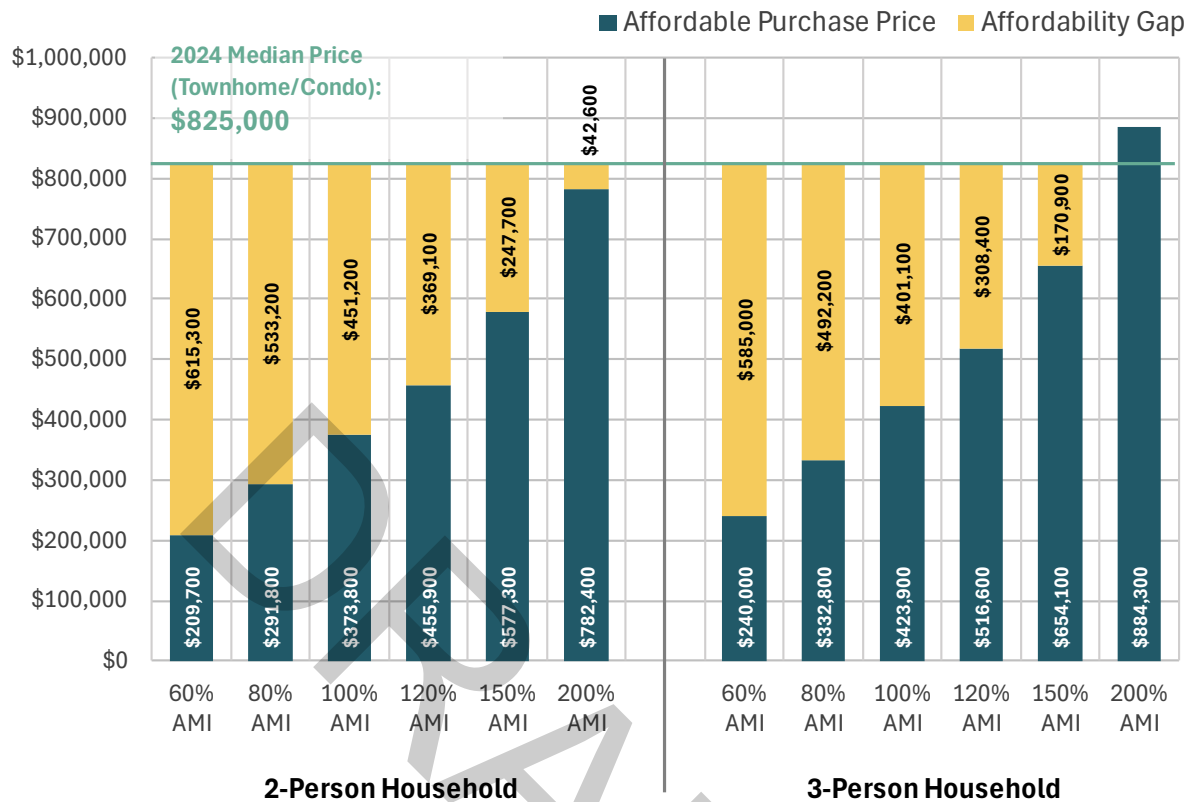
Table 17. Affordable Purchase Price by AMI

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			\$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	-\$60	-\$80	-\$100	-\$120	-\$160	-\$210
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)

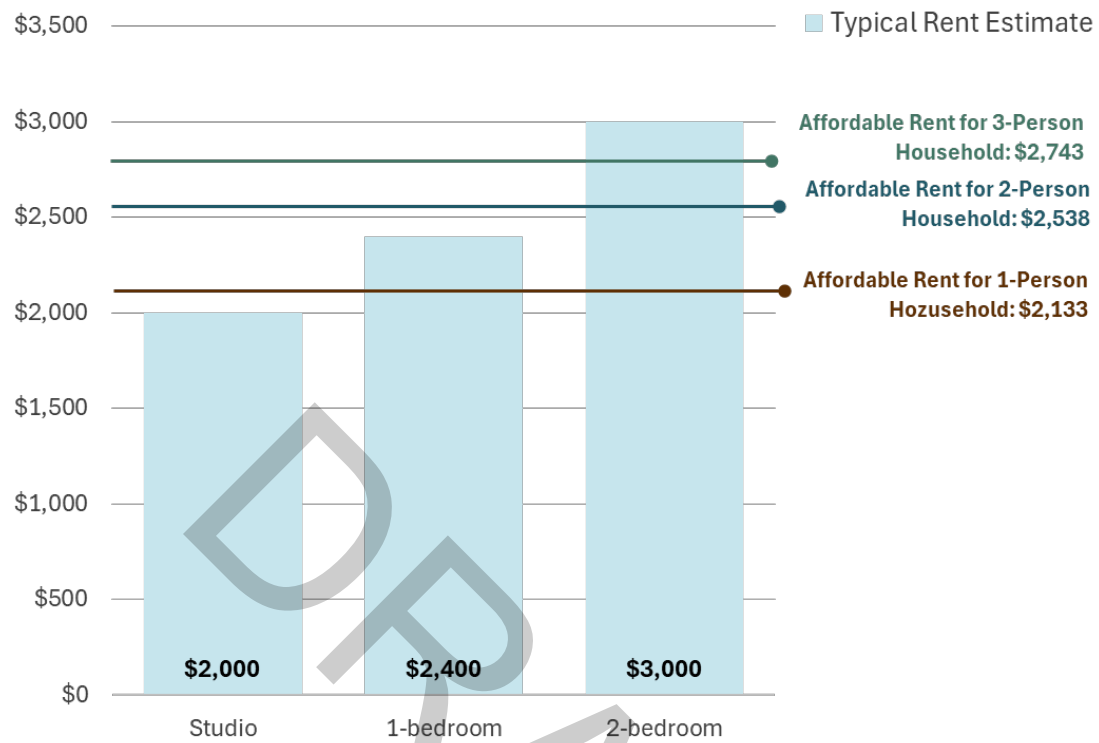
Source: MLS; CHFA 2024 Income Limits; Economic & Planning Systems

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 lists and contact information for affordable rental properties
- Maintains lists and contact information for market rate long-term rentals
- 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 for 20 years a 0.60% sales and use tax. 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.

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.

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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 2024 Summit County Household Study
- 1.9 employees per household (to convert employees to housing), derived from the 2024 Summit County Household Study
- 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

Housing needs are allocated by tenure and income based on the following assumptions:

- For the current housing need, households are distributed by income and AMI based on the 2023 County AMI distribution 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 Town of Keystone needs 467 units by 2035. This includes 433 units to address existing housing shortages, and 33 units to address projected housing needs (**Table 19**), in a mix of deed-restricted ownership housing, affordable rental housing, and free market rental housing. There is slightly more need for rental housing than ownership, with 54.1% of total housing need for rental housing.

The housing need is particularly concentrated in units affordable between 50% and 80% of AMI. A large portion of the housing need is driven by in-commuters, accounting for 60% of the total housing need. In-commuters are most likely working in the lower-wage Accommodation and Food Service industry, correlating with the higher need for units in the 50% to 80% AMI range.

There is also significant 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, where many people hold multiple jobs and the rate of earners per household is high in order for people to afford the cost of living. We have held these rates constant based on market data and previous survey work so as not to be speculative on how housing needs may change. A more preferable future may be to assume lower rates of multiple job holders. The need in the less than 30% AMI category reflects potential single-occupant households with seasonal/low paying jobs that would be severely cost-burdened if not for deed-restricted housing.

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	105	105	0	0	0	0	105	105
Very Low Income (31% - 50% AMI)	0	21	21	0	0	0	0	21	21
Low Income (51% - 80% AMI)	86	86	173	11	11	22	97	98	195
Moderate Income (81%-120% AMI)	15	15	29	4	4	8	19	19	38
Upper Income (>120% AMI)	<u>64</u>	<u>42</u>	<u>106</u>	<u>2</u>	<u>1</u>	<u>3</u>	<u>65</u>	<u>44</u>	<u>109</u>
Total	165	269	433	17	17	33	181	285	467

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 63.7% of total housing need, and unfilled jobs account for 29.1% of total housing need (**Table 20**).

Table 20. Housing Need by Source

Description	Total	% of Total
Existing Housing Shortage		
Commuters	297	63.7%
Unfilled Jobs	136	29.1%
Boat/RV/Van	0	0.0%
Overcrowding	0	0.0%
Total Existing Housing Shortage	433	92.8%
Projected Housing Need		
Employment Growth 2025-2035	33	7.2%
Total Projected Housing Need	33	7.2%
Total Units Needed Through 2025	467	100.0%

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

Existing Housing Shortage (Catch-Up)

The existing housing shortage is estimated using the following four factors:

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

In-commuting and unfilled jobs are the largest contributors to the existing housing shortage in Keystone representing 68.3% and 31.4% of the need respectively (**Table 21**). There are no overcrowded housing units (defined as more than 1 occupant per room in a household) in Keystone. Nor are there any occupied temporary housing units (boats, RVs, or vans).

Table 21. Summary of Existing Housing Shortage

Description	Total	% of Total
Commuters	297	68.6%
Unfilled Jobs	136	31.4%
Boat/RV/Van	0	0.0%
Overcrowding	0	0.0%
Total Existing Housing Shortage	433	100.0%

Source: Economic & Planning Systems

The existing housing shortage is relatively dispersed. The highest need is in the 51% to 80% AMI group, accounting for 173 units or 40.0% of the total need (**Table 22**). There is a need for 105 units in the less than 30% AMI group, and 106 units in the greater than 120% AMI group, both accounting for 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	105	105
Very Low Income (31% - 50% AMI)	0%	100%	0	21	21
Low Income (51% - 80% AMI)	50%	50%	86	86	173
Moderate Income (81%-120% AMI)	50%	50%	15	15	29
Upper Income (>120% AMI)	60%	40%	64	42	106
Total	32%	68%	165	269	433

Note: Figures may not sum due to rounding

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

Commuting

The goal of including in-commuters in the existing housing shortage is to create housing opportunities for in-commuters who would 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 impact caused by long commutes.

To calculate the number of housing unit need generated by in-commuters, EPS converted total Keystone in-commuters into households. To accomplish this, EPS took the total number of in-commuter employees to Keystone (collected from the Census Transportation Planning Package data source) and applied a capture rate based on the assumption that the Town would want to give 50% of in-commuters housing options (**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 92 owner households and 206 renter households, or 297 total households.

Table 23. Keystone CDP In-Commuter Households

Description	Total
In-commuters to Keystone CDP (employees)	1,130
Capture Rate	<u>50%</u>
Effective In-Commuters	565
% Renters (<i>est'd from Summit County tenure</i>)	31%
% Owners (<i>est'd from Summit County tenure</i>)	69%
Commuters - renter	174
Commuters - owner	391
Employees per household	1.9
Owner commuter households	92
Renter commuter households	206
Total	297

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 job share of Summit County to estimate the unfilled jobs in Keystone. Using this methodology, EPS estimated 136 unfilled jobs in Keystone (**Table 24**).

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

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 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:

1. Determine if the Town should implement land use regulations that require affordable housing in new development.
2. 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.
3. Establish a deed restriction purchase incentive program.
4. 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.