

WEST VAIL MASTER PLAN

Existing Conditions Initial Assessment: Demographics, Housing, & Economy

Prepared July 23, 2020



INITIAL FINDINGS

DEMOGRAPHICS

- West Vail resident population 1,300: 20% of Town
- 853 housing units: 10% of Town
- Second homes: less than half the concentration of Town
 - 28% of total in West Vail
 - 64% of total in all of Vail
 - (all vacant units)
- Demographics are similar to Town
 - Median age: 35–37
 - Median Income: \$70,000–\$75,000
 - Owner/Renter: 55%/45%

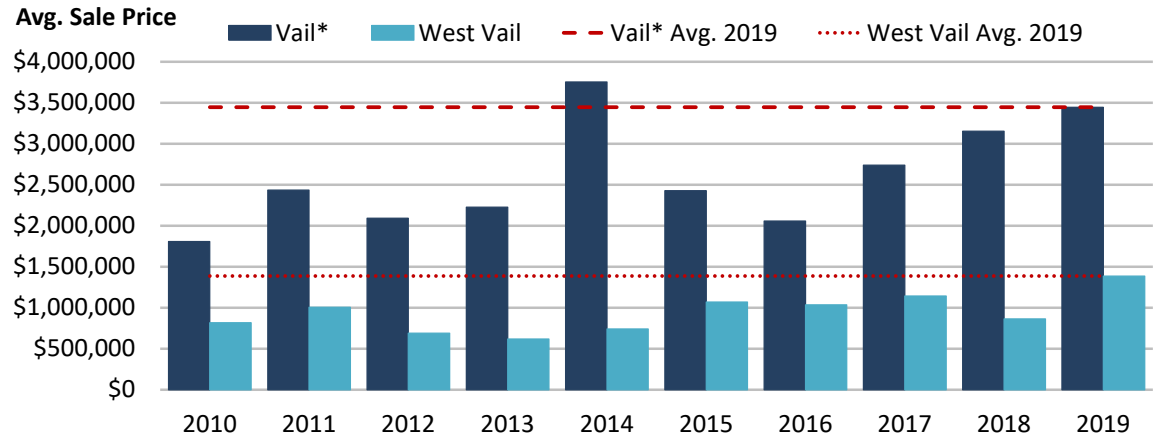
Description	West Vail	Vail	Eagle County
Population	1,293	6,168	59,307
Households	616	3,014	21,690
Avg. HH Size	2.10	2.05	2.73
Median Age	34.8	37.0	35.6
Median Income	\$74,727	\$69,685	\$78,095
Housing Units	853	7,478	32,844
Owner-Occupied Percent	332 54%	1,506 56%	14,181 70%
Renter-Occupied Percent	283 46%	1,172 44%	6,091 30%
Vacant Homes	237	4,800	12,572
% of Total	28%	64%	38%
<i>Second Homes</i>	201	4,168	10,308
<i>As % of Vacant Units</i>	85%	87%	82%
<i>As % of all Units</i>	24%	56%	31%

Source: ESRI; DOLA; Economic & Planning Systems

Z:\Shared\Projects\DEN203028-Vail West Master Plan\Data\COPY of West Vail Demographic Variables CB.xlsx\T-Comparison

HOUSING MARKET

- Cheaper than the rest of Vail but still expensive
 - West Vail \$1.3M average
 - Rest of Vail \$3.4M average
- Homes are smaller than rest of Town
 - 2,200 sq. ft. West Vail
 - 3,100 sq. ft. rest of Vail
- More local buyers
 - 60% in West Vail
 - 24% rest of Vail



Source: Eagle County Assessor; Town of Vail; Economic & Planning Systems
*Excludes West Vail

HOUSING AFFORDABILITY

- Cost Burden: spending more than 30% of income on rent or mortgage payments
- 50% + of renters are cost burdened
- 30% of owners are cost burdened
 - On average spending 17–20% of income on housing
 - ~\$2,000/month
- Typical to see more affordability issues among renters, especially in mountain communities
- Town has extensive tools and policies to mitigate affordable housing demand

Description	West Vail	Vail
Cost Burden		
Owners	N/A	30%
Renters	55%	51%
% with Mortgage	62%	57%
Median Owner Costs		
With Mortgage	\$2,000	\$2,021
Without	\$800	\$764
Median Owner Costs as a % of Income	17%	20%

Source: U.S. Census; Economic & Planning Systems

Z:\Shared\Projects\DEN\203028-Vail West Master Plan\Data\[Housing Costs.xlsx]T-Summ

WEST VAIL ECONOMY

- What do you need to make a town a Town?
 - Grocery store(s)
 - Hardware store
 - Community-serving retail
 - Auto service
 - Restaurants for broader market
 - Haircuts
 - Professional services
 - Home-based businesses
- Approximately 11% of Town sales tax, but essential to livability



- Business outreach
 - Identify issues, challenges that Plan can address
 - Ideas on expanding number and variety of businesses
- Resident outreach
 - What else would you like to see in commercial area?
 - Retail/F&B preferences survey
- Future of West Vail commercial

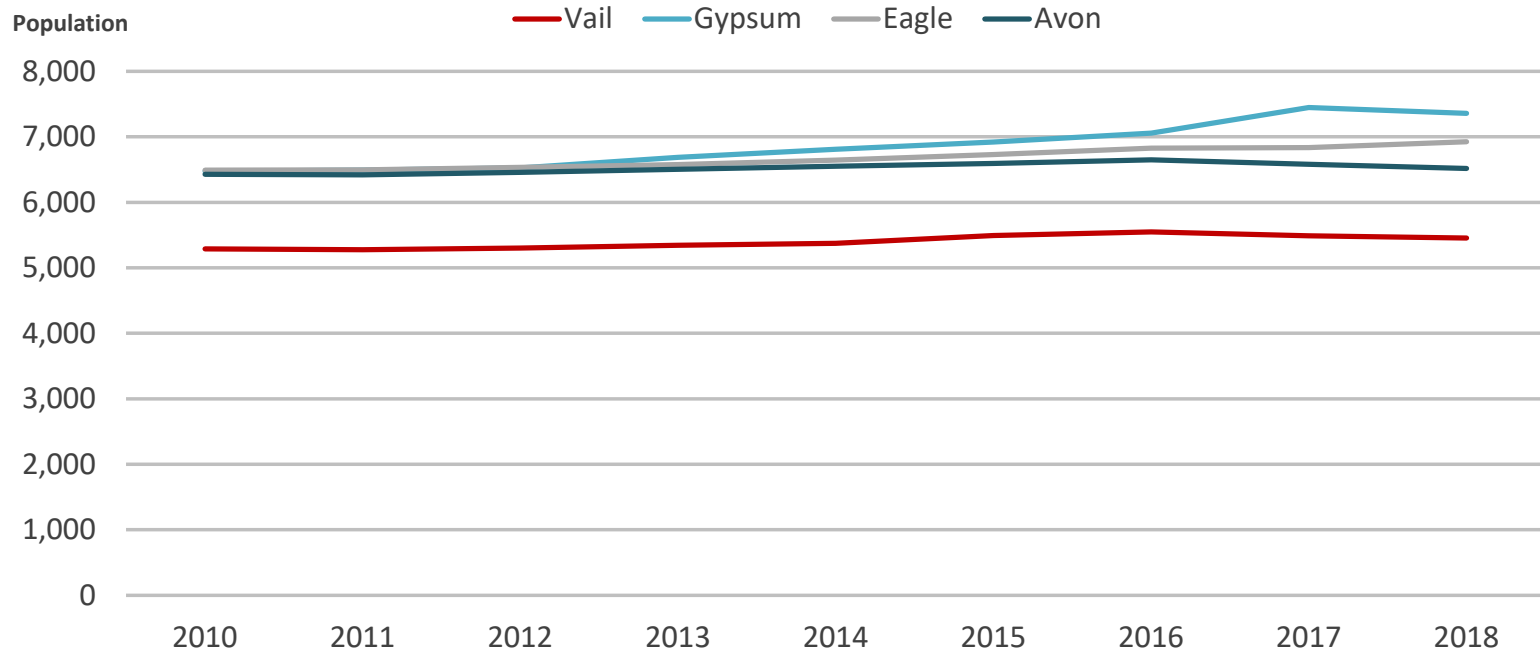
- Potential economic and land use issues (current and future) in West Vail
- West Vail Commercial
 - Is a major redevelopment proposal inevitable?
 - What is vision for commercial area?
- Business mix
 - What is missing?
 - Could we draw in Vail Valley locals?
- What business challenges are there?
 - COVID-19
 - Other?
- What does workforce housing look like in West Vail?

DEMOGRAPHICS AND GROWTH TRENDS

2010–2018 GROWTH TRENDS

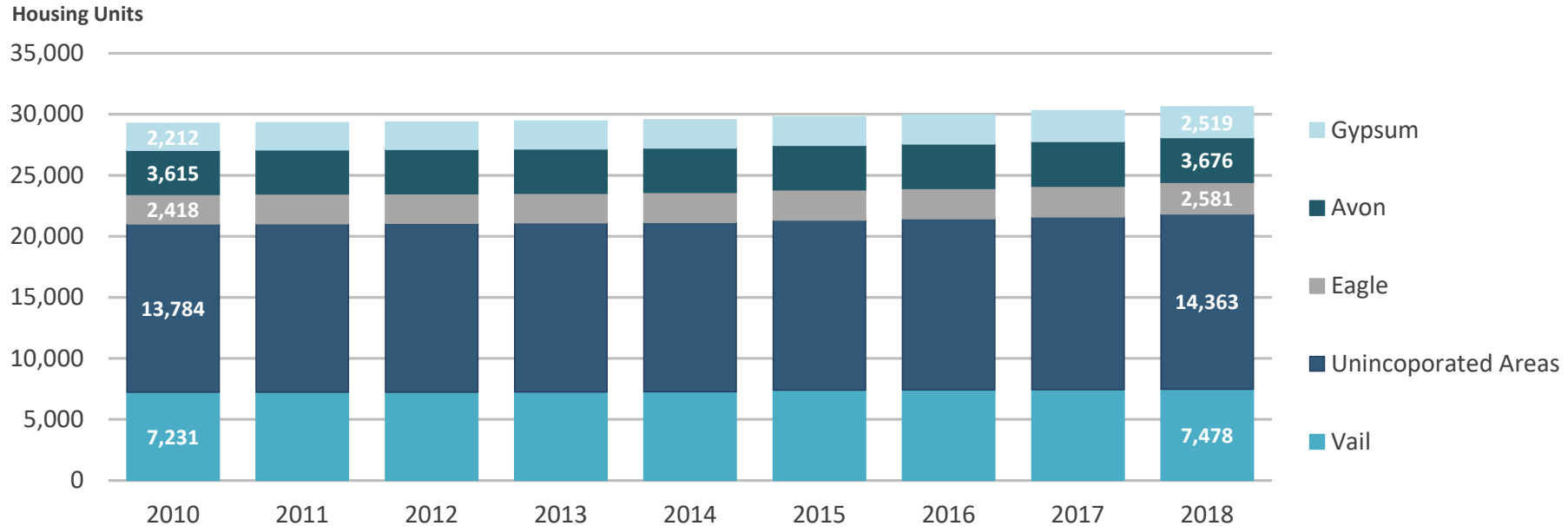
- Eagle County is adding:
 - 350 people/year
 - 189 housing units/year
- Population – where:
 - Gypsum: 31% share of growth
 - Unincorporated including Edwards: 32% share of growth
 - Vail: 6% share of growth
- Housing – where:
 - Gypsum: 20% share of growth
 - Unincorporated/Edwards: 38% share of growth
 - Vail: 16% share of growth
- Takeaway
 - Families live and are moving further down valley

POPULATION



Source: DOLA; Economic & Planning Systems

HOUSING UNITS



Source: DOLA; Economic & Planning Systems

BUILDING PERMITS – UNITS, 2016–2020 YTD

- Small amount of new construction in West Vail
- Very little vacant land remaining
- Smaller multifamily unit size in West Vail: 1,500 sq. ft. compared to 4,160 in rest of Town

Description	2016	2017	2018	2019	2020	2016-2020	
						Total	Avg. Size
Single Family							
West Vail	1	4	4	4	0	13	4,456
Other Vail	<u>0</u>	<u>4</u>	<u>2</u>	<u>3</u>	<u>0</u>	<u>9</u>	<u>4,443</u>
Total	1	8	6	7	0	22	4,451
Multifamily							
West Vail	0	32	0	0	0	32	1,542
Other Vail	<u>0</u>	<u>0</u>	<u>56</u>	<u>1</u>	<u>22</u>	<u>79</u>	<u>4,160</u>
Total	0	32	56	1	22	111	2,414

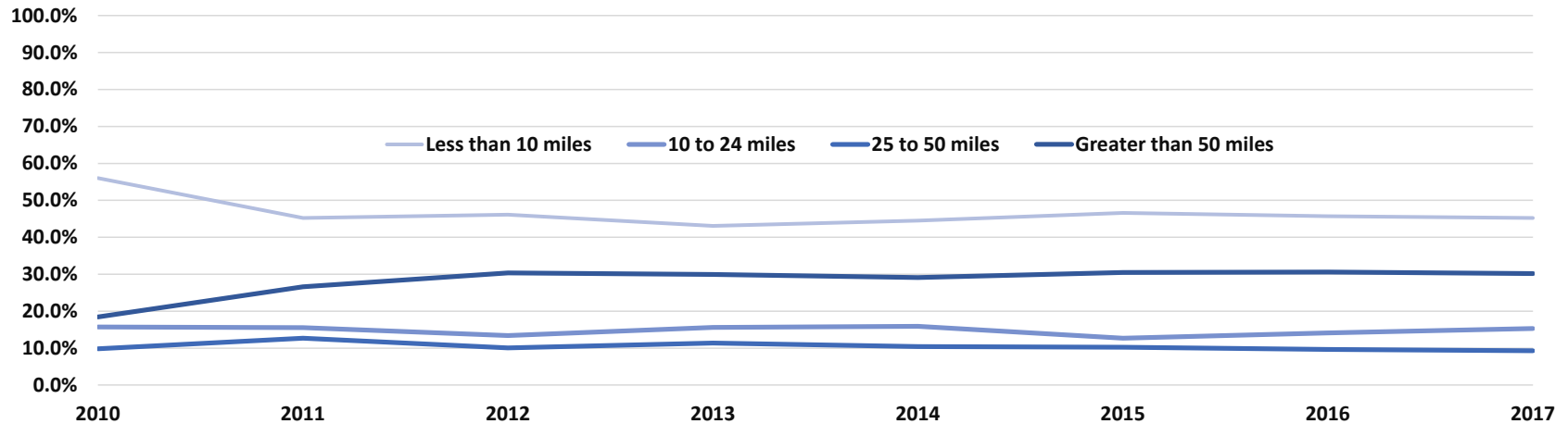
Source: Town of Vail; Economic & Planning Systems

Z:\Shared\Projects\DEN\203028-Vail West Master Plan\Data\[Building Permits.xlsx]T-Permits

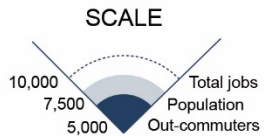
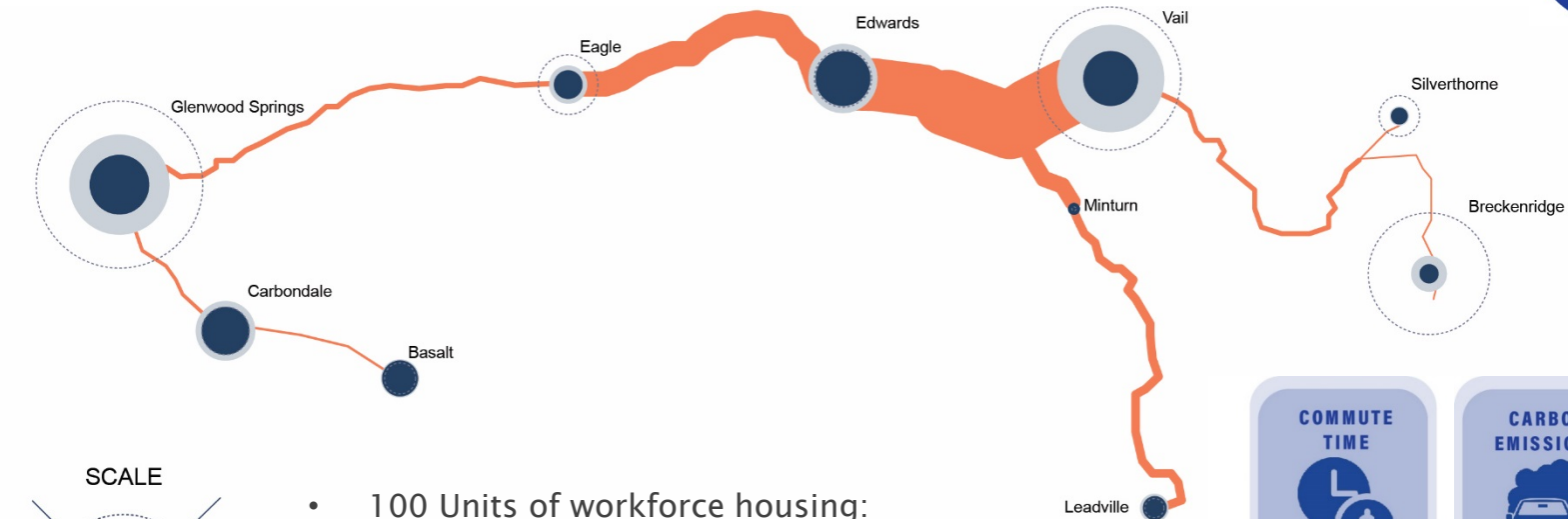
HOUSING AND AFFORDABILITY INDICATORS

COMMUTING

- 30 percent of workers commute more than 50 miles
- Trend has not changed



BENEFITS OF RESIDENT HOUSING



- 100 Units of workforce housing:
 - Saves 95,000 gallons of gasoline
 - Reduce 2,200,000 miles traveled / year
 - 2.1 percent reduction of in-commuting
 - CO2 reduction of 14,000 trees planted/year

Economic Value & Community Benefits of Resident Housing Investment in Vail (EPS 2018)

COMMUTE TIME

Value of time (\$20.40 per hour) for more than 40,000 annual commute hours eliminated

\$825 THOUSAND

CARBON EMISSIONS

Reduced miles traveled reduces carbon emissions by 845 MTCO_{2e} equal to:

95 GALLONS OF GAS THOUSAND

AFFORDABILITY

- Cost Burden: spending more than 30% of income on rent or mortgage payments
- 50% + of renters are cost burdened
- 30% of owners are cost burdened
 - On average spending 17–20% of income on housing
 - ~\$2,000/month
- Typical to see more affordability issues among renters, especially in mountain communities

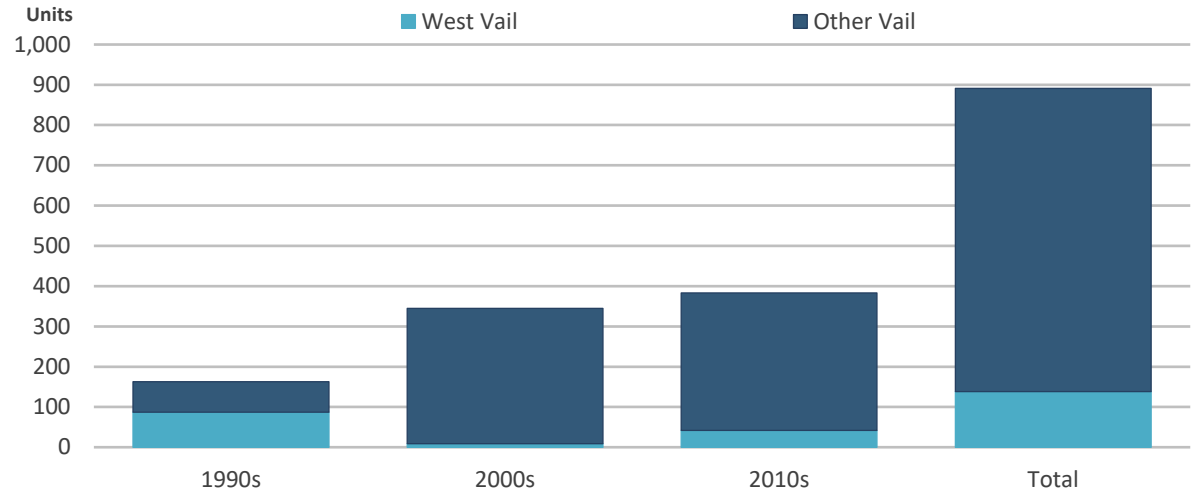
Description	West Vail	Vail
Cost Burden		
Owners	N/A	30%
Renters	55%	51%
% with Mortgage	62%	57%
Median Owner Costs		
With Mortgage	\$2,000	\$2,021
Without	\$800	\$764
Median Owner Costs as a % of Income	17%	20%

Source: U.S. Census; Economic & Planning Systems

Z:\Shared\Projects\DEN\203028-Vail West Master Plan\Data\[Housing Costs.xlsx]T-Summ

WORKFORCE HOUSING INVENTORY (EHUs)

- 15% of all workforce housing units (EHUs) are in West Vail
- Most recent project in West Vail was Chamonix – 32 units



Source: Town of Vail; Economic & Planning Systems

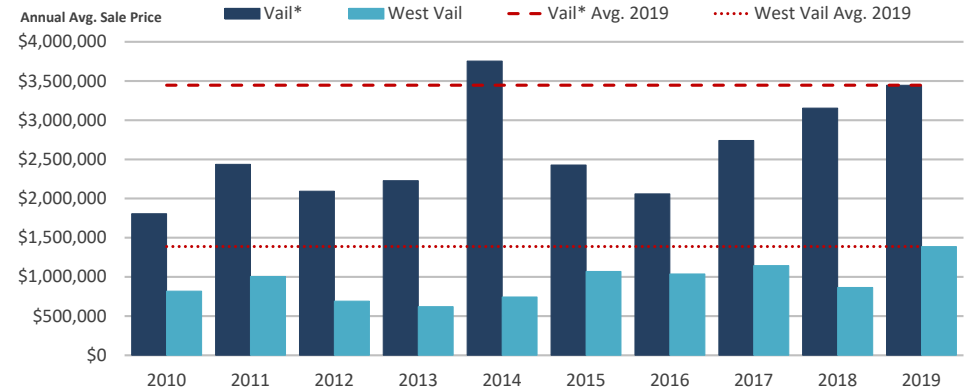
- Housing IS Infrastructure
- Housing Partners – use P3s and pursue local and regional solutions
- Private Sector Importance – promote private sector investment to create deed restricted homes
- Leverage financial strength – Use the Town’s financial strength and acumen to acquire deed restrictions
- Break Down Barriers – Align land use regulations and codes, efficiently review projects...get to “yes”
- Funding creates deed restrictions
- People promote community – Provide opportunity to access Town’s housing programs
- No Net Loss of deed restricted units
- Keep up with demand – Inclusionary housing ordinance and commercial linkage fees
- Funding is Policy – Town will fund housing

- Ch. 23–24 of Town Code
- Inclusionary Zoning
 - 10% of net new residential square feet provided as deed restricted employee housing
 - No less than half mitigated on-site
 - Fee-in-lieu \$320.90 per net new sq. ft. mitigated
- Commercial linkage
 - Units or fee mitigating 20 percent of net new employees generated by commercial development
 - For all new construction, no less than half mitigated on-site
 - Fee-in-lieu \$178,000 per employee mitigated
- Vail InDeed
 - Acquire deed restrictions on existing homes (pay owners to put a deed restriction on property)
 - Resident employee restriction, no appreciation cap
 - Average cost of \$65,000 per deed restriction
 - Capital projects fund: \$2.5M transfer to Housing Funds in 2019

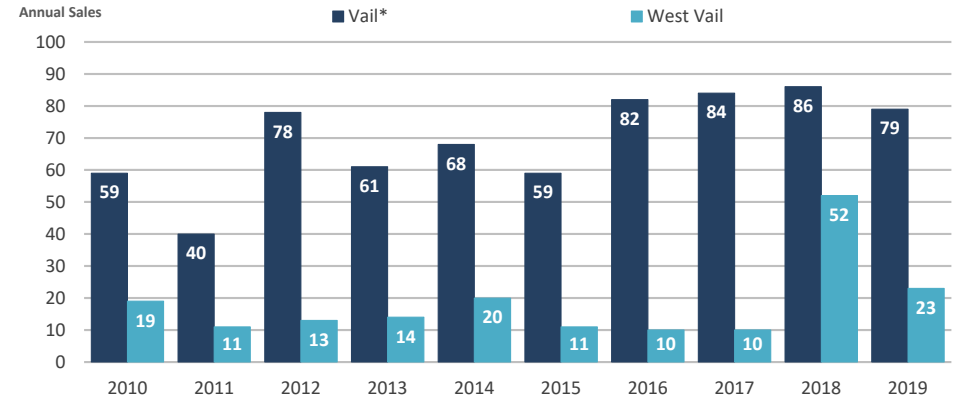
HOUSING MARKET

ANNUAL AVG RESIDENTIAL SALE PRICE, 2010-2020 Appendix A2- 22

- West Vail is cheaper, but still expensive
- Average Price 2019
 - Vail (excl. WV): \$3.4 million
 - West Vail: \$1.3 million
- Annual Appreciation 2015-2019
 - Vail (excl. WV): 9.2%
 - West Vail: 6.7%
- Low sales volume – average prices are volatile

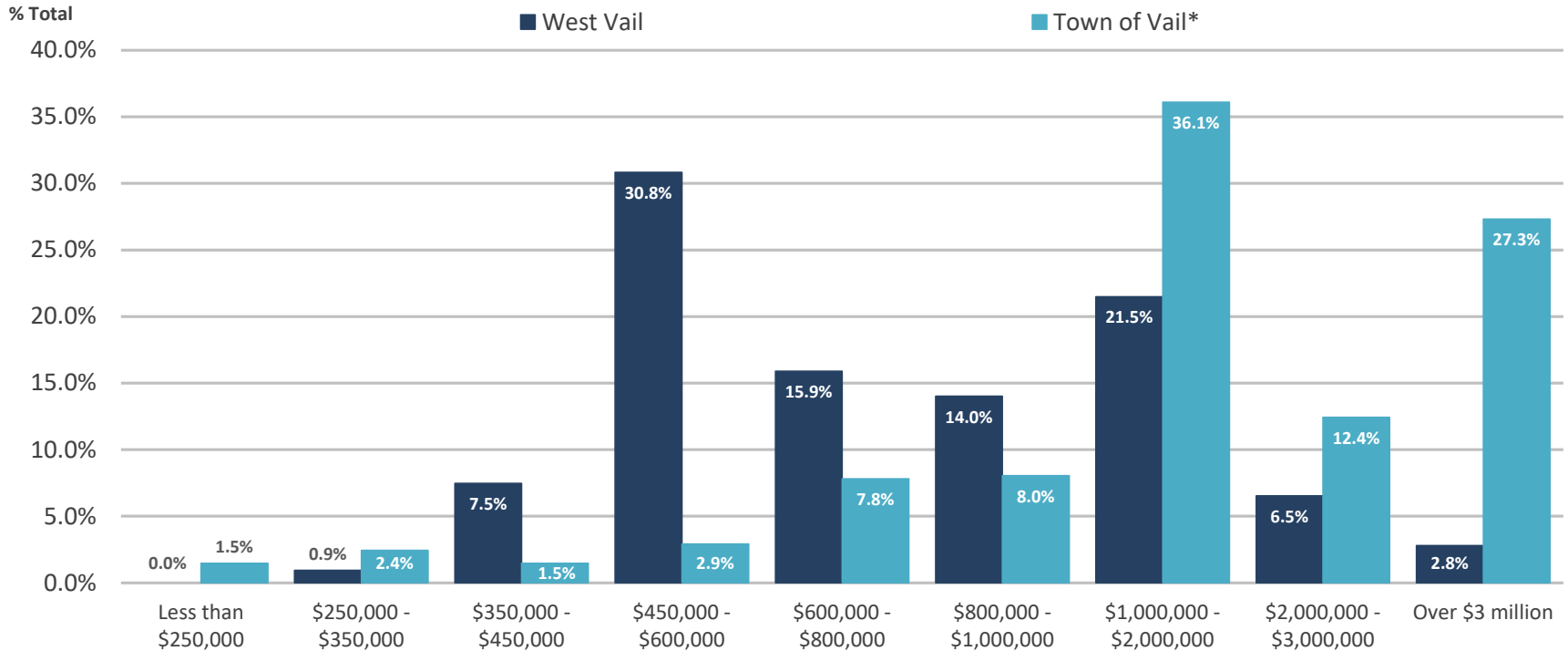


Source: Eagle County Assessor; Town of Vail; Economic & Planning Systems
 *Excludes West Vail



Source: Eagle County Assessor; Town of Vail; Economic & Planning Systems
 *Excludes West Vail

PRICE DISTRIBUTION, 2015–2020

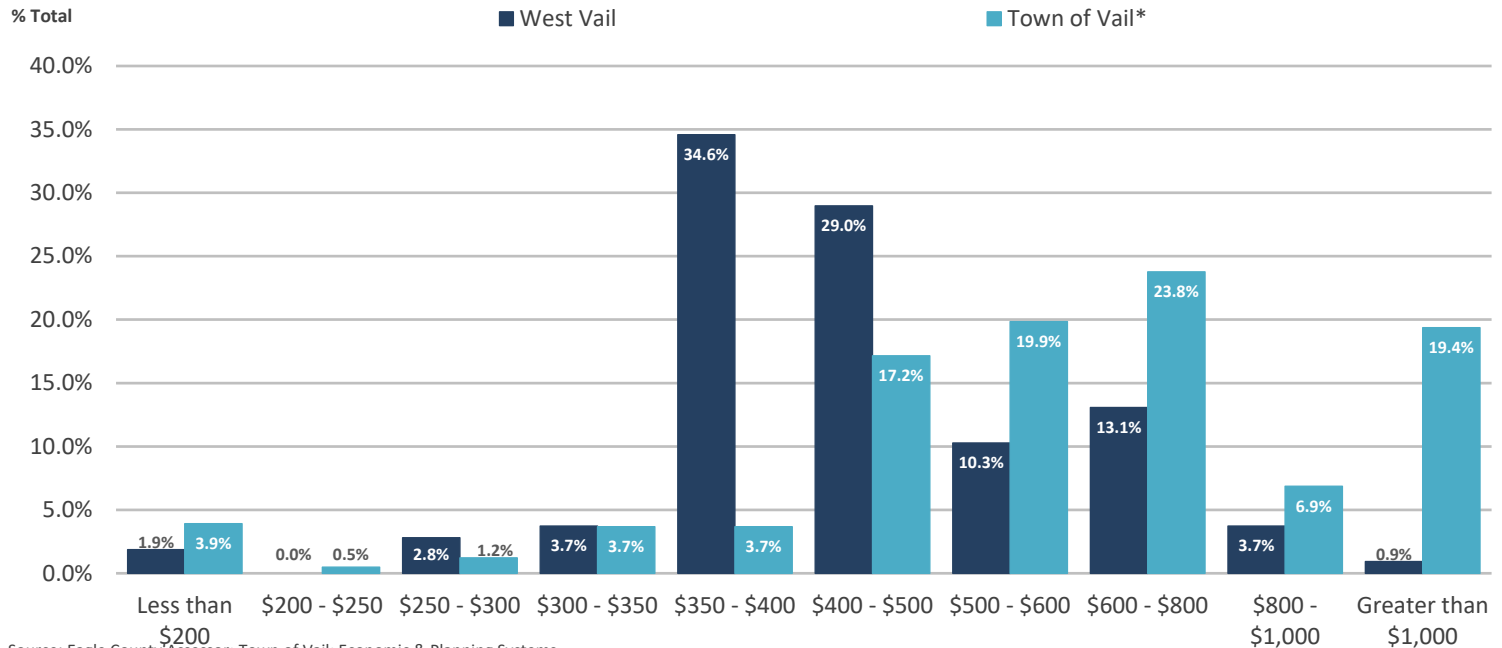


Source: Eagle County Assessor; Town of Vail; Economic & Planning Systems

*Town of Vail excludes West Vail

RESIDENTIAL SALE PRICE PER SQ. FT., 2015-2020

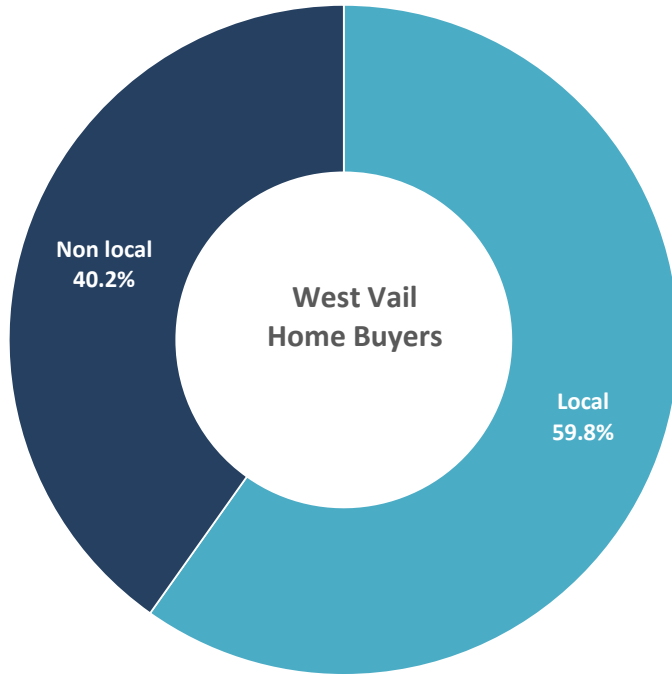
- Avg. Unit Size
 - West Vail: 2,200 sq. ft.
 - Vail (excl. WV): 3,100 sq. ft.



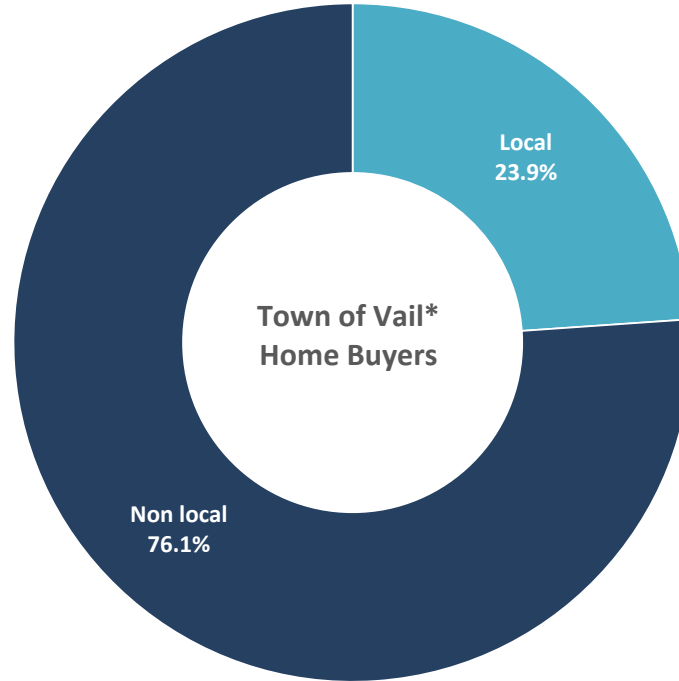
Source: Eagle County Assessor; Town of Vail; Economic & Planning Systems
 *Town of Vail excludes West Vail

LOCAL VS. NONLOCAL HOME BUYERS, 2015–2020 Appendix A2 - 25

- Local: Owner address is in Eagle County

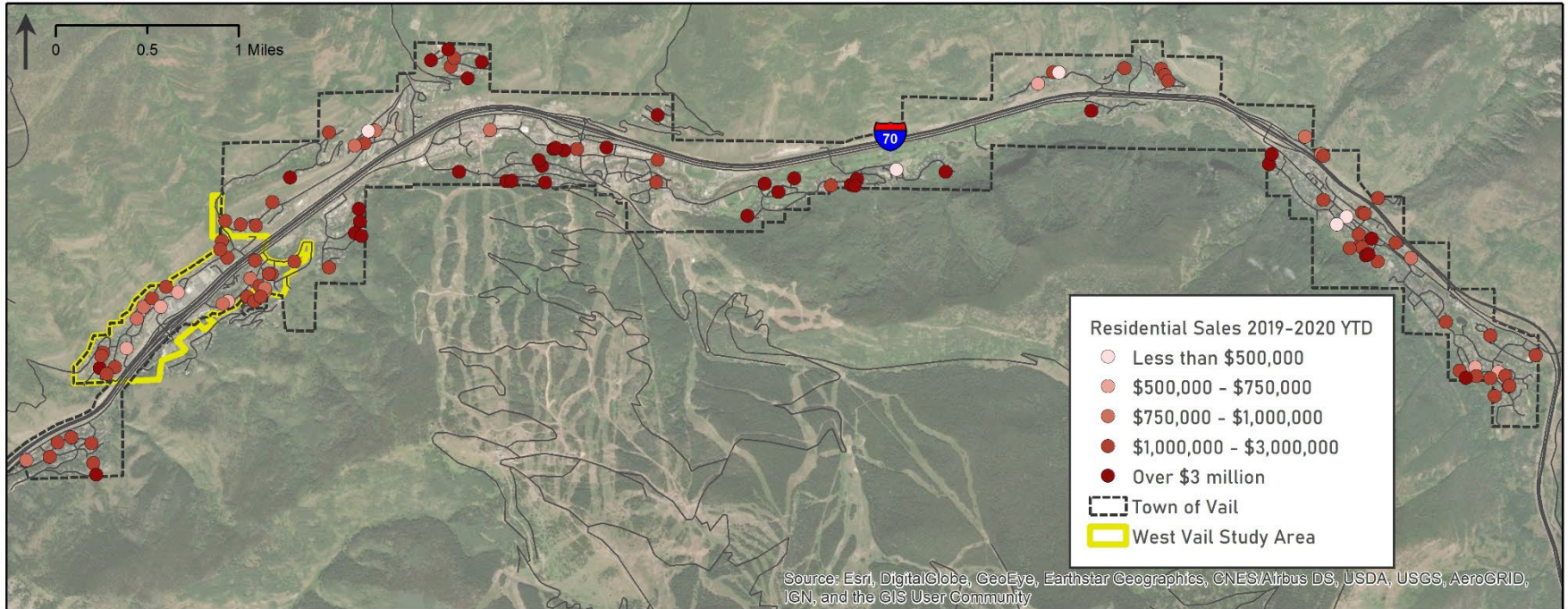


Source: Eagle County Assessor; Town of Vail; Economic & Planning System



Source: Eagle County Assessor; Town of Vail; Economic & Planning Systems
*Town of Vail excludes West Vail

VAIL RESIDENTIAL SALES, 2019-2020

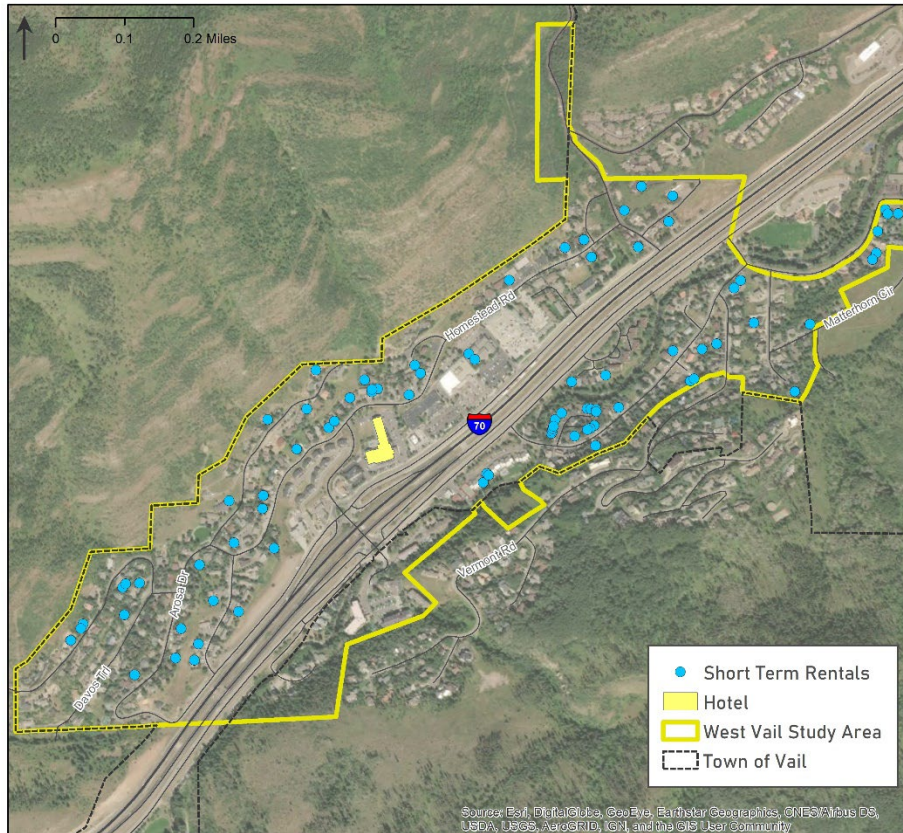


ECONOMIC CONDITIONS

KEY TAKEAWAYS – WEST VAIL

- Small bed base – roughly 5 percent of Town
- Sales tax growth
 - Increase in lodging tax revenue
 - Retail stable
 - 11% of Town total
- About 10% of total jobs are in West Vail, less than 1,000
- Non-tourism jobs: half of Town’s business services sector is in West Vail
- West Vail largest number of home-based businesses
 - “Catch all” category for businesses operating from a residence
 - Most are construction and construction trades
- Local’s services:
 - 2 Grocery Stores, hardware store, mechanic, barber shop, chain restaurants, gas stations

BED BASE



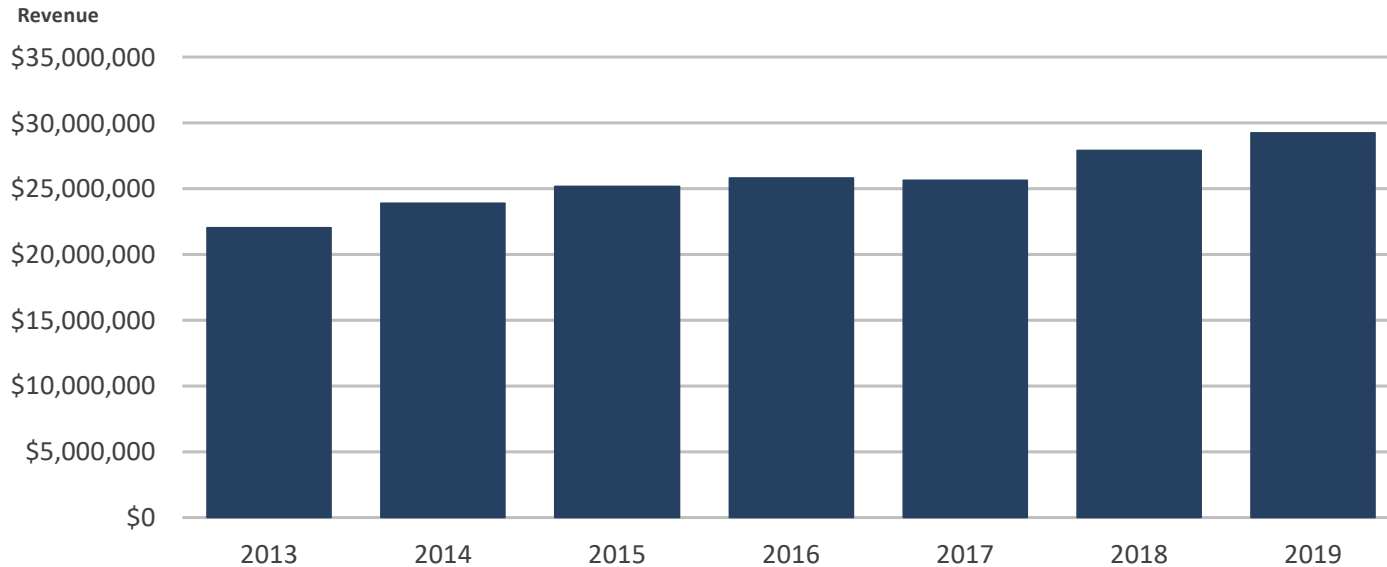
- Hotel rooms: 116
- Short term rental units: 84
 - Less than 5% of Town
- STRs are dispersed throughout West Vail

Description	Registrations	Bedrooms	Occupancy
West Vail	94	275	686
Percent of Vail	3.8%	5.0%	4.5%
Town of Vail	2,446	5,497	15,298

Source: Economic & Planning Systems

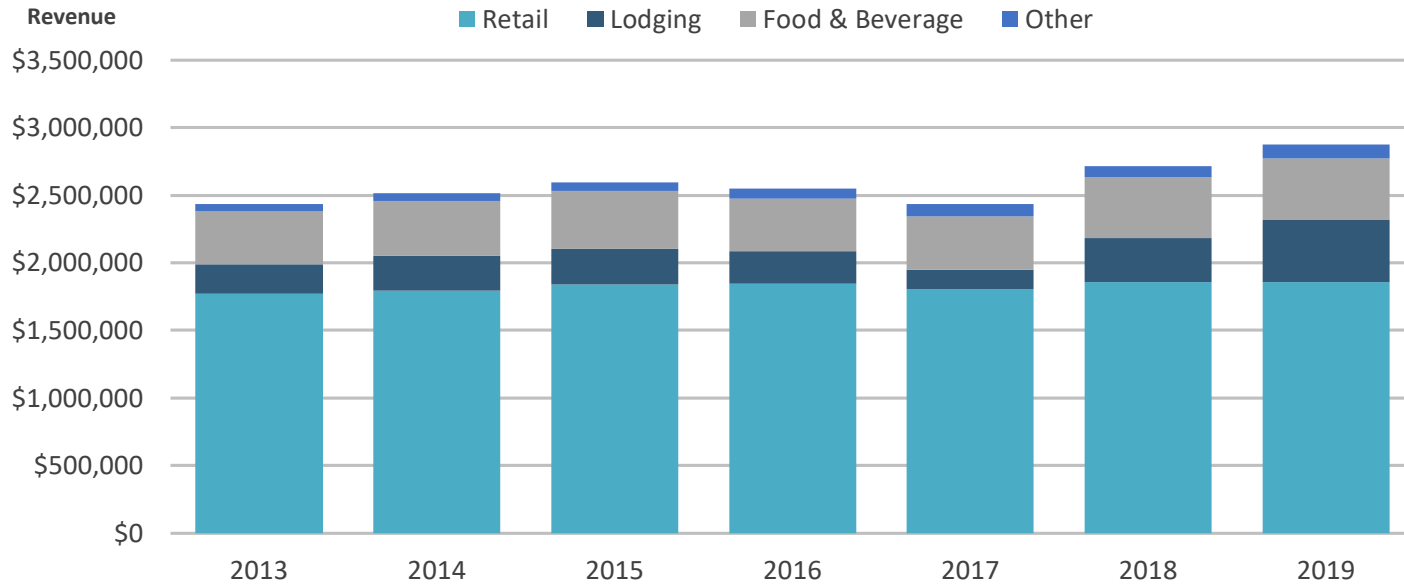
Z:\Shared\Projects\DEN\203028-Vail West Master Plan\Data\ShortTermRentals_WestVailStudy.xlsx\Sheet1

TOWN OF VAIL SALES TAX – ANNUAL



Source: Vail Business Review; Economic & Planning Systems

SALES TAX – WEST VAIL BY TYPE

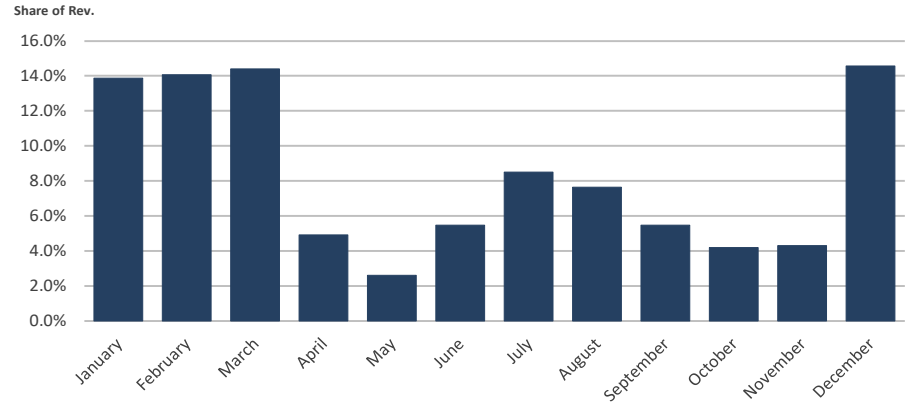


Source: Vail Business Review; Economic & Planning Systems

SALES TAX – SEASONAL

- Town-wide 61% of sales tax collected between December and March

- COVID-19:
 - 47% decrease March 2019– March 2020
 - Impact was less severe in West Vail
 - Essential businesses
 - More locals in West Vail



Source: Vail Business Review; Economic & Planning Systems

Description	2019	2020	2019-2020
			% Change
February			
Vail Total	\$4,137,089	\$4,266,933	3.1%
March			
Vail Total	\$4,244,716	\$2,268,861	-46.5%
Vail Village	\$2,202,119	\$997,735	-54.7%
W Vail/E Vail/Sandstone	\$617,234	\$421,970	-31.6%

Source: Vail Business Review ; Economic & Planning Systems

Z:\Shared\Projects\IDEN\203028-Vail West Master Plan\Data\Stax Worksheet.xlsx\Table

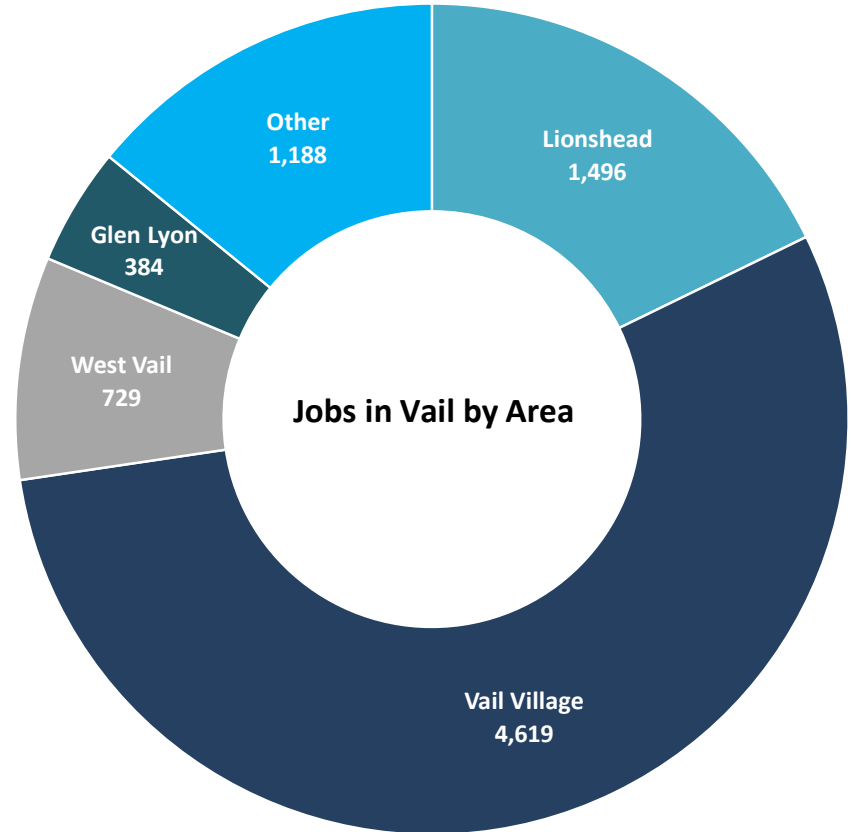
- Job growth areas:
 - Vail +1,160
 - Avon +1,868
 - Gypsum +988
 - Eagle +870
 - Edwards +354

Description	2010	% Total	2018	% Total	2010-2018	
					Total	% Capture
Avon/Beaver Creek	7,589	27.6%	9,457	28.3%	1,868	31%
Eagle	3,732	13.6%	4,602	13.7%	870	14%
Eagle-Vail	81	0.3%	110	0.3%	29	0%
Edwards	3,155	11.5%	3,510	10.5%	354	6%
Gypsum	1,488	5.4%	2,477	7.4%	988	16%
Minturn	406	1.5%	485	1.4%	79	1%
Red Cliff	81	0.3%	110	0.3%	29	0%
Vail	<u>7,256</u>	<u>26.4%</u>	<u>8,416</u>	<u>25.1%</u>	<u>1,160</u>	<u>19%</u>
Eagle County	27,457	100.0%	33,474	100.0%	6,017	100%

Source: QCEW; Economic & Planning Systems

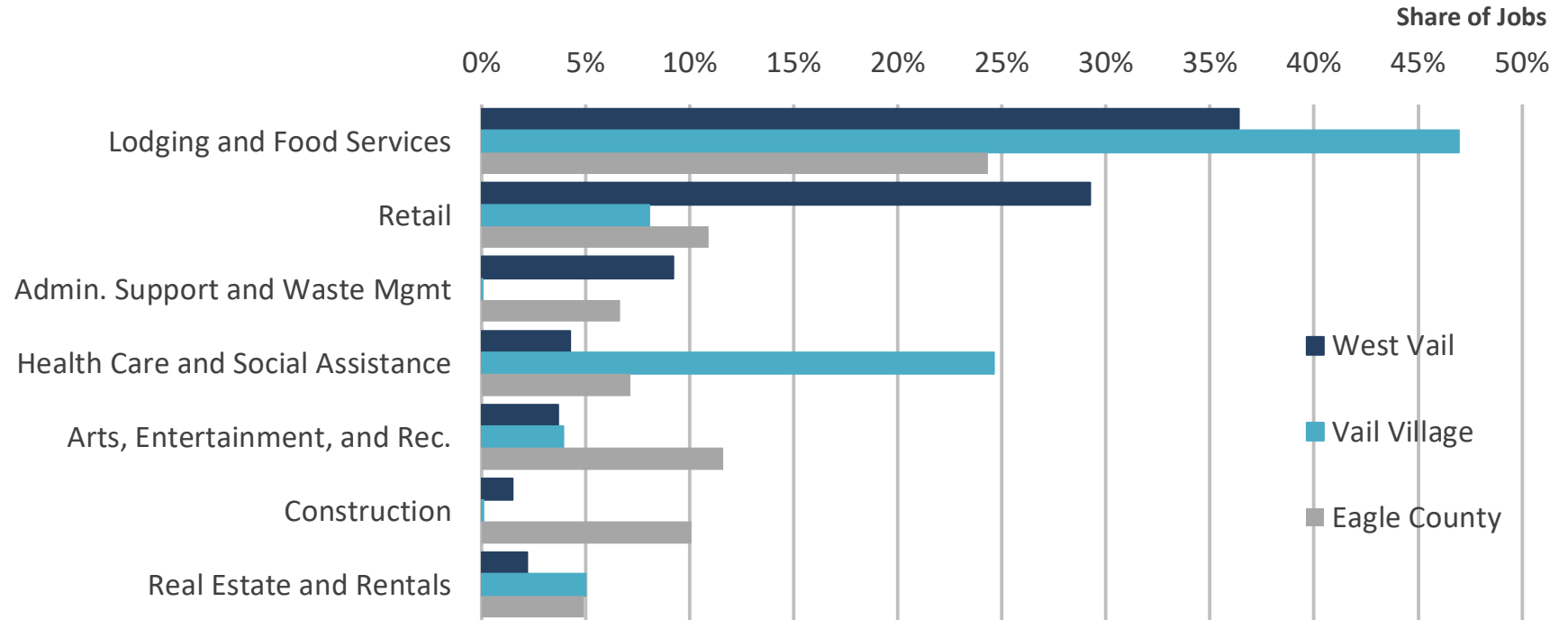
Z:\Shared\Projects\DEN\203028-Vail West Master Plan\Data\203028-Employment Trends v2.xlsx\T-Summary

- Vail has a total of 8,413 jobs
- Vail Village has over half (55%) of all jobs in Vail
- West Vail has a total of 729 jobs, or about 9% of all jobs in Vail



PERCENT OF JOBS BY INDUSTRY

- “Admin. Support and Waste Mgmt.” is a business-to-business services category, a non-tourism sector



BUSINESS LICENSES

- Non-tourism sectors in West Vail
- 26% Home Occupation businesses: generic classification for all home-based business
- 18% General Services
- 4% Professional
- Fewer businesses than other areas, but different mix

State Business Type	West Vail	Vail Village	Lionshead	East Vail	Vail Total
Accommodation Services	11	34	16	8	69
Athletic Club	0	1	2	0	3
Construction	3	2	1	1	7
Financial Service	1	4	0	0	5
Food and Beverage	12	62	20	1	95
General Service	17	19	19	1	56
Home Occupation	24	1	2	11	38
Professional	4	15	6	3	28
Real Estate	1	20	3	0	24
Retail	<u>21</u>	<u>130</u>	<u>51</u>	<u>5</u>	<u>207</u>
Total	94	288	120	30	532
Accommodation Services	12%	12%	13%	27%	13%
Athletic Club	0%	0%	2%	0%	1%
Construction	3%	1%	1%	3%	1%
Financial Service	1%	1%	0%	0%	1%
Food and Beverage	13%	22%	17%	3%	18%
General Service	18%	7%	16%	3%	11%
Home Occupation	26%	0%	2%	37%	7%
Professional	4%	5%	5%	10%	5%
Real Estate	1%	7%	3%	0%	5%
Retail	<u>22%</u>	<u>45%</u>	<u>43%</u>	<u>17%</u>	<u>39%</u>
Total	100%	100%	100%	100%	1

Source: Vail Business Review; Economic & Planning Systems

Z:\Shared\Projects\IDEN203028-Vail West Master Plan\Data\Business Licenses.xlsx\T-Summary