



**GUNNISON
WATERSHED
SCHOOL DISTRICT**

Driven to Be the Difference

EMPLOYEE HOUSING NEEDS



May 2023

OVERVIEW

- The Gunnison Watershed School District (GWSD) sponsored an assessment of employee housing needs to better understand what challenges district employees face and how the district might help.
- Employee feedback was gathered using a brief questionnaire.
- 273 responses from those working in the Gunnison Valley were received from January 6 to February 28, 2023, and reported on herein.



TABLE OF CONTENTS

Employee Characteristics	4
Current Housing	14
Housing Security, Satisfaction, and Desire to Move	20
Housing Needs and Preferences	30
Potential District Housing Assistance	37
District Recruitment, Housing Needed, and Conclusions	41
Sources, Preparers, and Acknowledgements	46

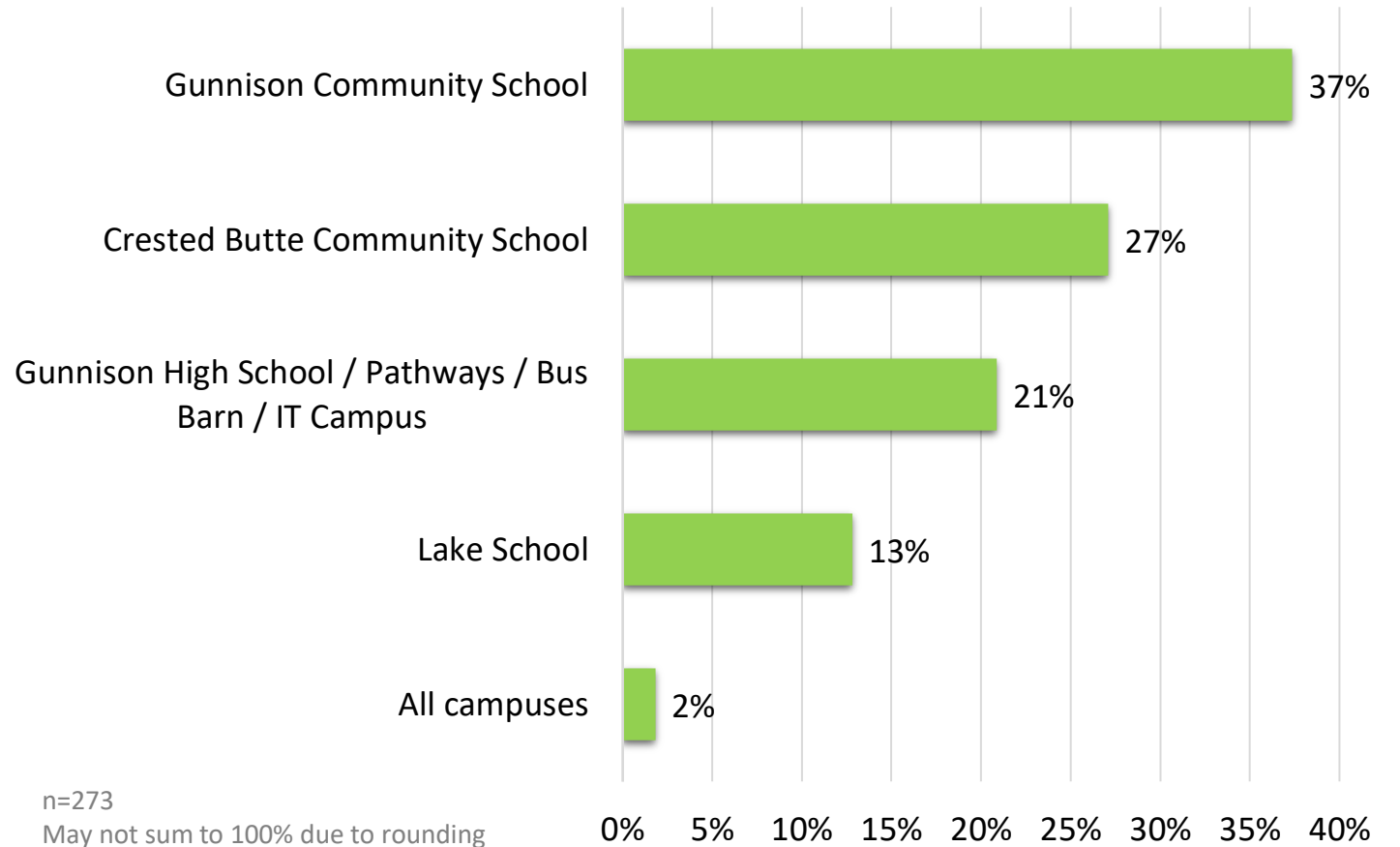


EMPLOYEE CHARACTERISTICS

- Work location
- Commute distance
- Length of employment
- Persons in household
- Household composition
- Pets
- Household income



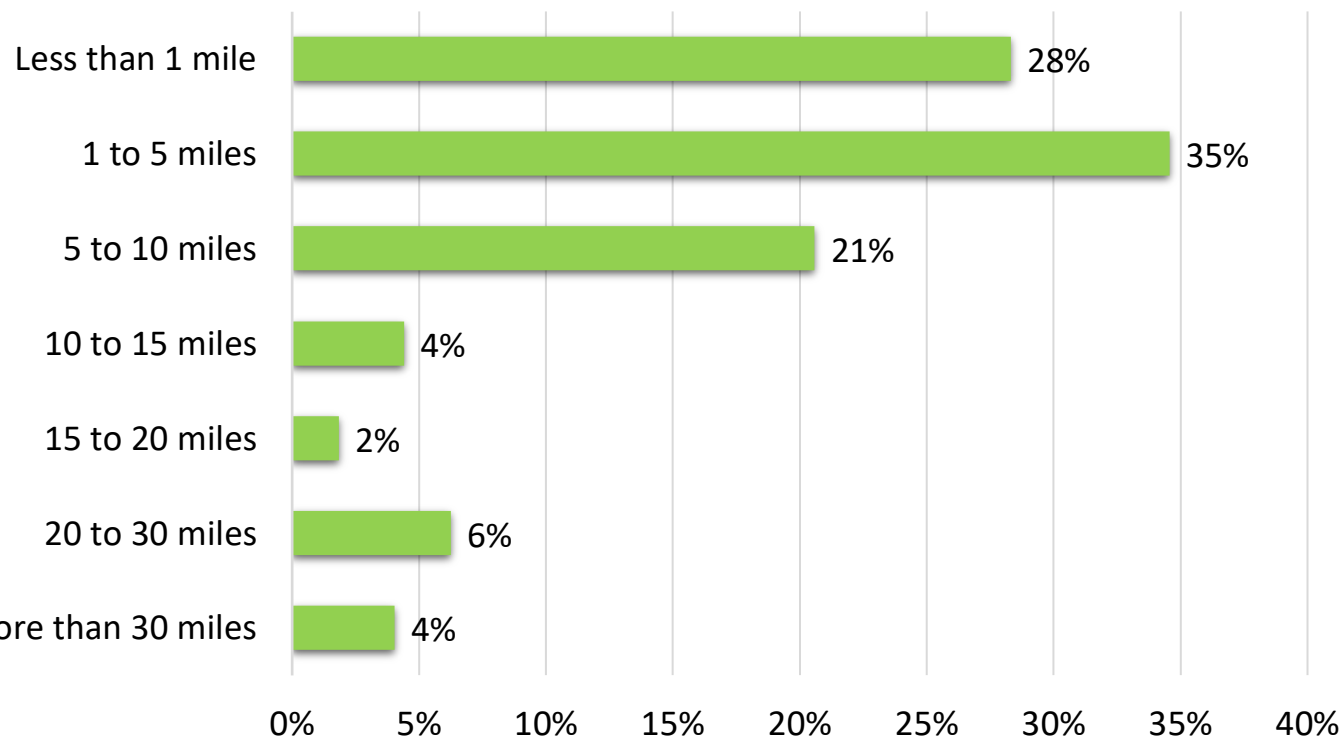
AT WHICH CAMPUS DO YOU WORK?



HOW MANY MILES DO YOU TRAVEL BETWEEN WORK AND HOME ONE WAY?

~84% of employees commute no more than 10 miles one way.

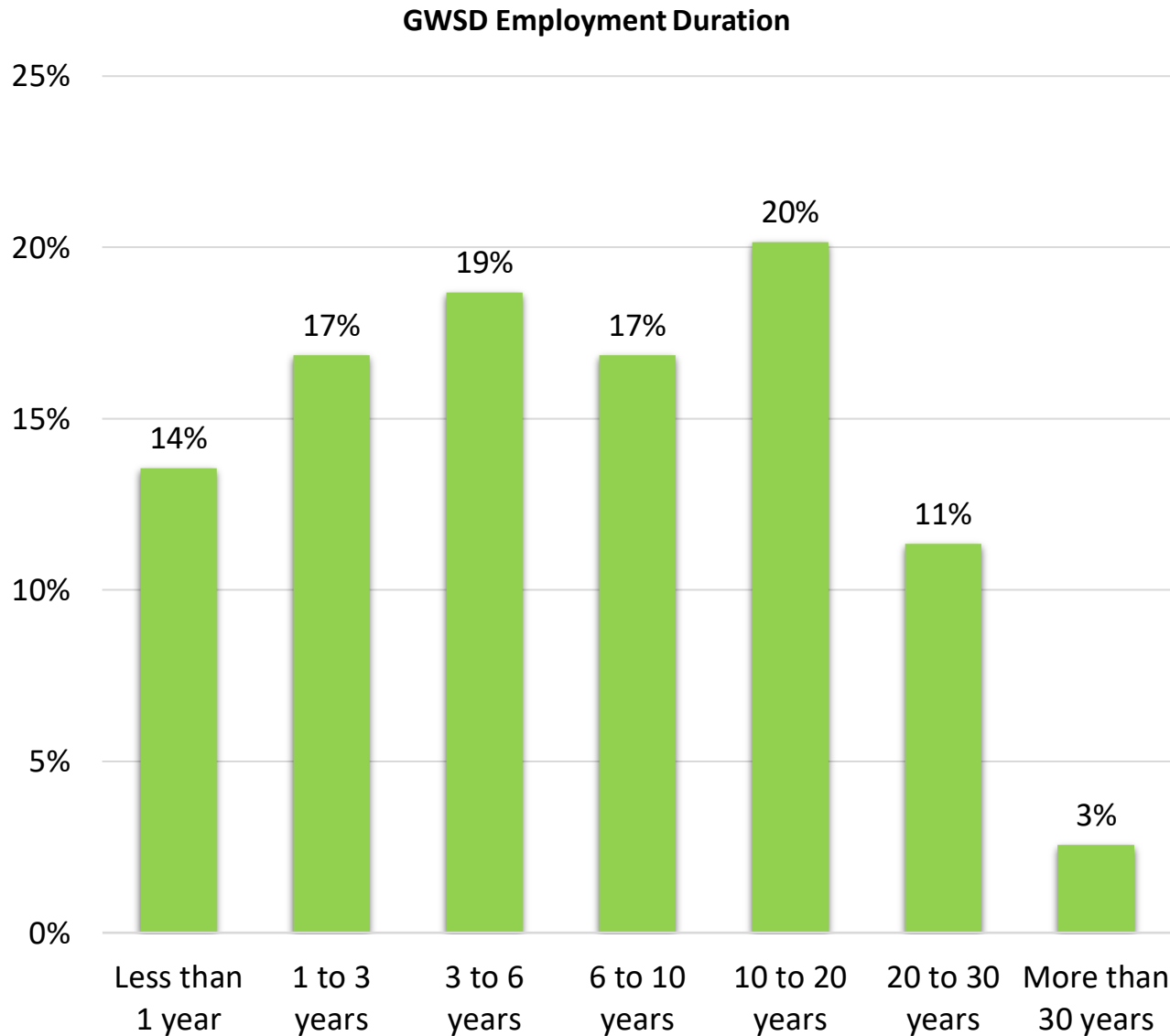
One Way Commute Distance



n=272



HOW MANY YEARS HAVE YOU WORKED FOR GWSD?



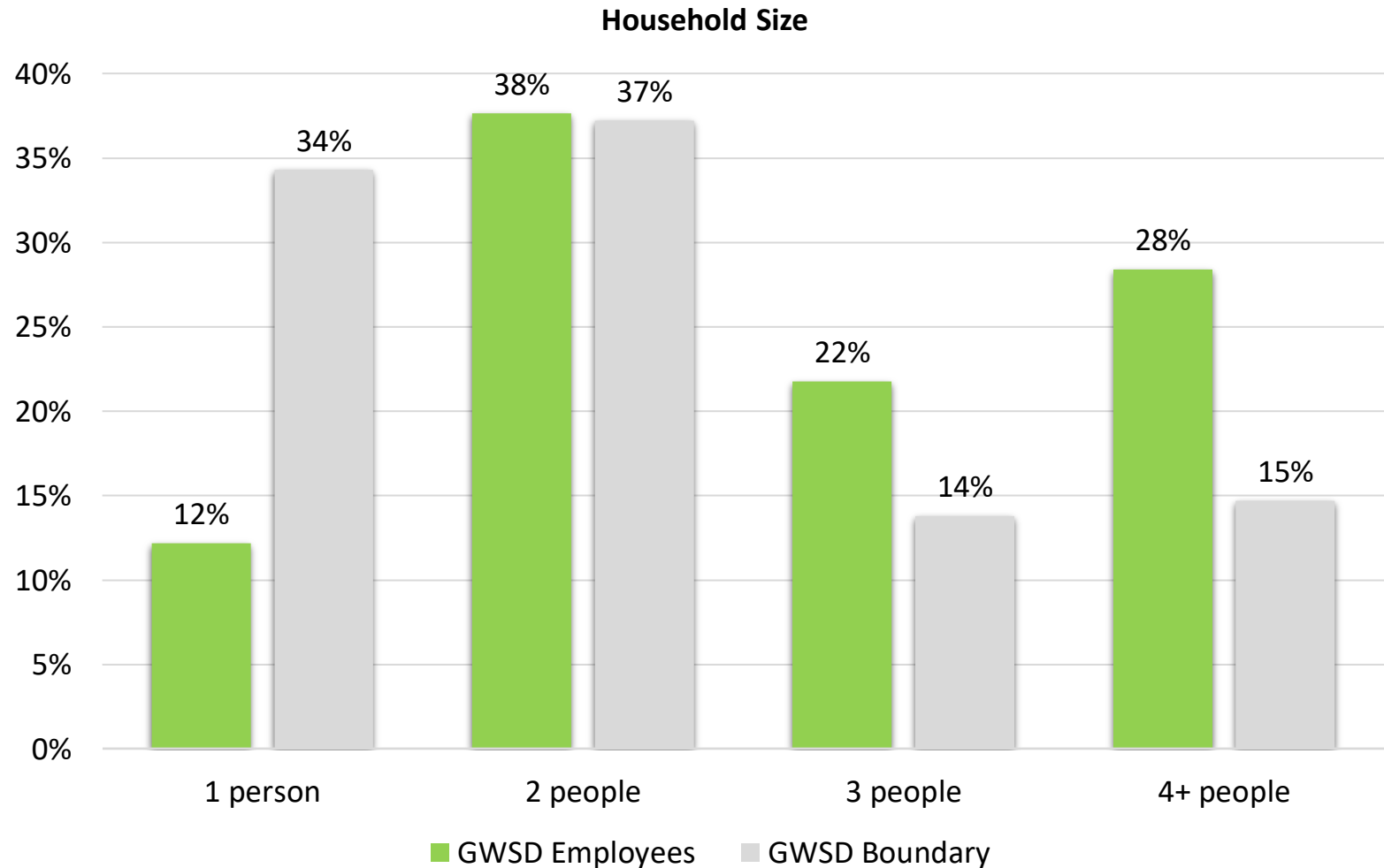
- 30% have been employed for 3 years or less
- 36% have been employed for 3 to 10 years
- 34% have been employed for 10 years or more

n=273

May not sum to 100% due to rounding

HOW MANY PEOPLE LIVE IN YOUR HOME?

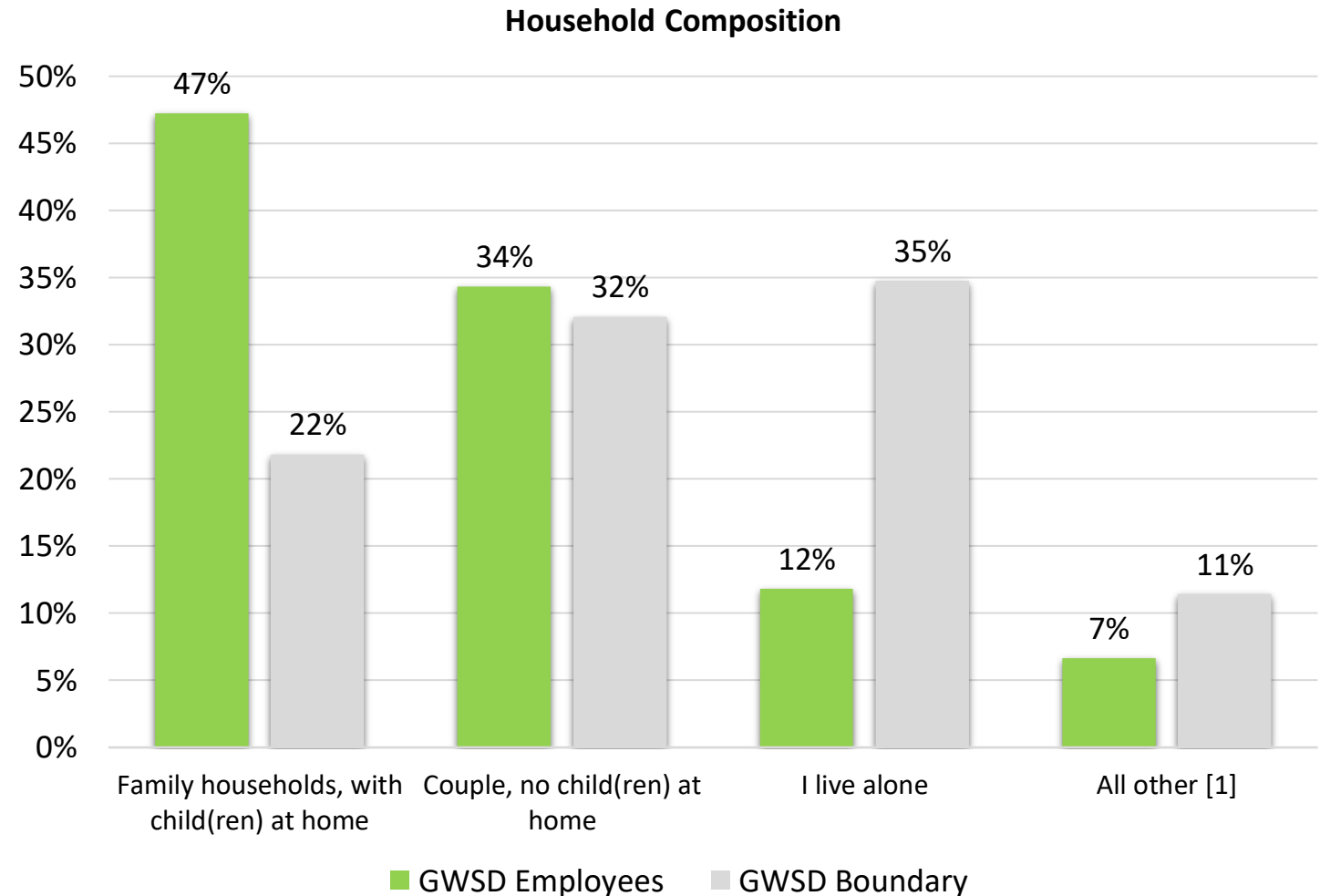
- Employee households tend to be larger than those in the school district boundary, largely due to a larger share of families with kids.
- The share of GWSD employee 1-person households is lower than that of the school district boundary in part due to 33% of those in the district boundary being seniors (65+).



n=271
May not sum to 100% due to rounding

WHICH BEST DESCRIBES YOUR HOUSEHOLD?

- The largest share of employee households are families with children (47%).
- Another 46% of households are comprised of one person living alone or a couple without kids.



n=271

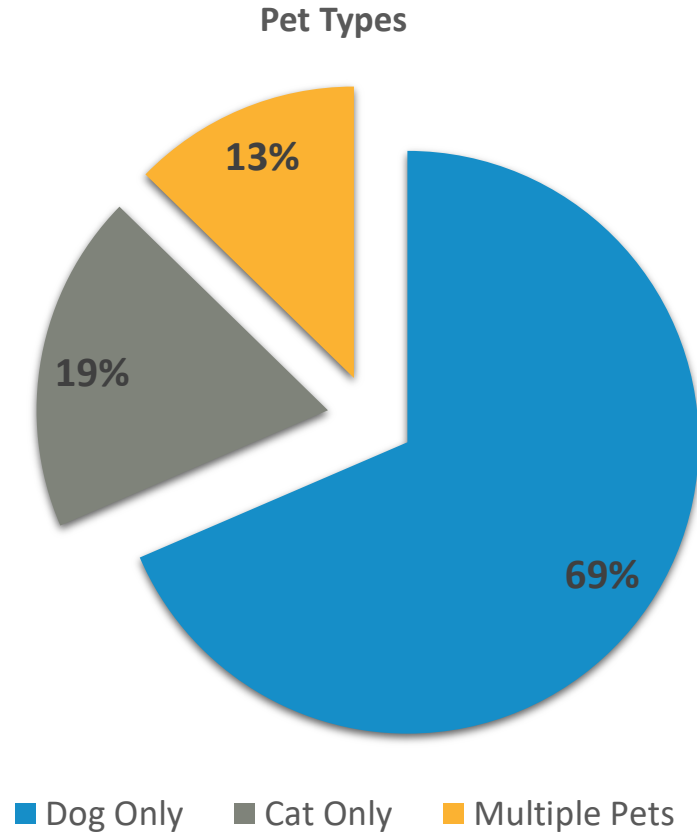
May not sum to 100% due to rounding

[1] other family households, unrelated roommates

DO YOU HAVE PETS?



- 73% of employee households have a pet(s).
- Dogs are the most prevalent pet with more than two thirds (69%) indicating they had a dog, followed by those with a cat (19%).
- 13% of respondents indicated they have more than one pet, with many having a dog and a cat.

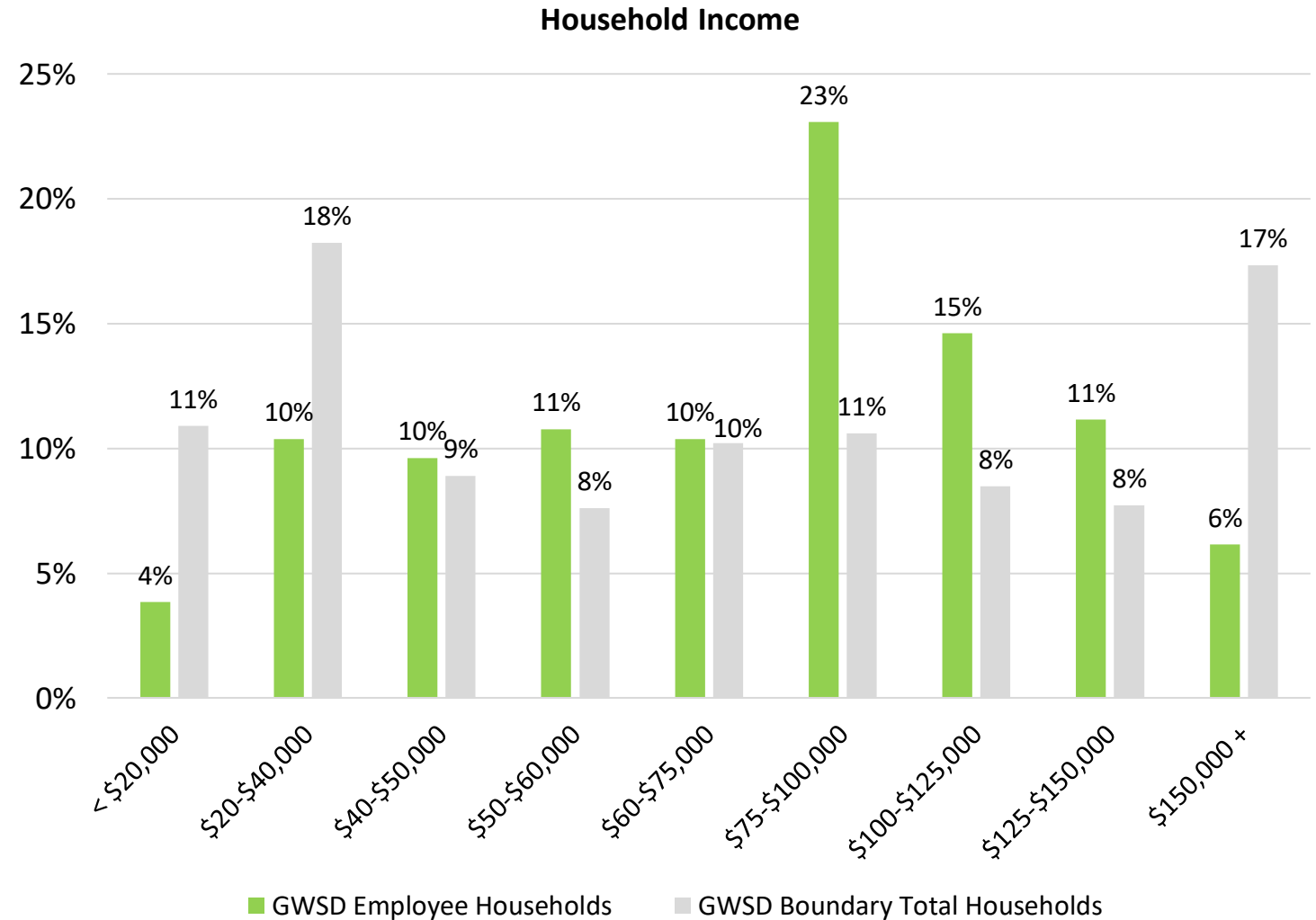


n=197

May not sum to 100% due to rounding

HOUSEHOLD INCOME

Just over half (54%) of employee households have gross incomes between \$40,000 and \$100,000.

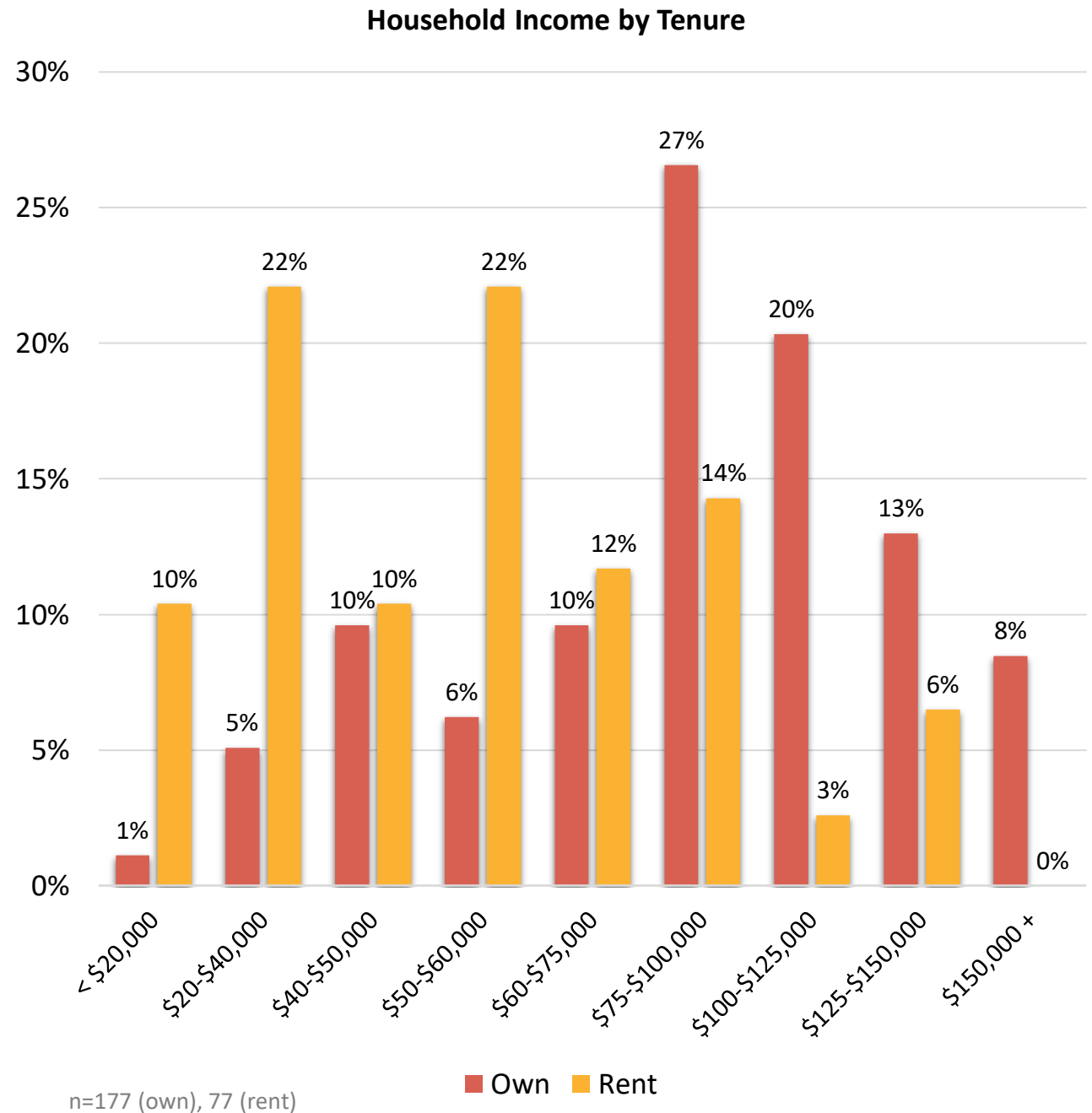


n=260

Source: Ribbon Demographics, LLC

HOUSEHOLD INCOME BY TENURE (OWN VS. RENT)

- 68% of homeowner households earn \$75,000/yr. or more
- 65% of renter households earn \$60,000/yr. or less



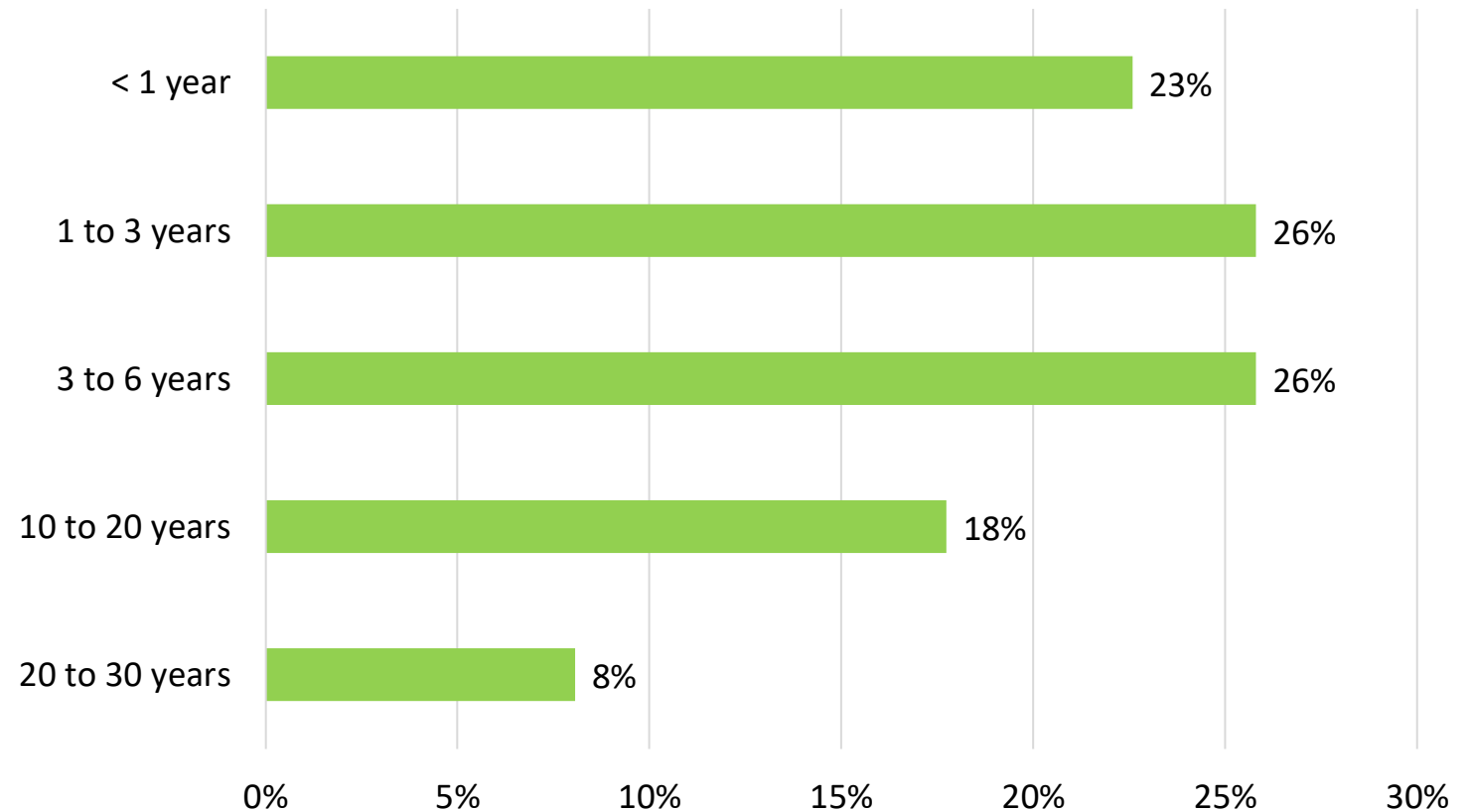
HOUSEHOLD INCOME BY YEARS WITH THE DISTRICT

About 23% of employee households have annual incomes of \$50,000 or less, which means the most they could afford to pay for housing per month is \$1,250.

75% of these employees have been with the district 6 years or less.



Distribution of Employees with Income < \$50k by Years Employed



n=260

No GWSD employees employed 6-10 or more than 30 years indicated annual household incomes of less than \$50k



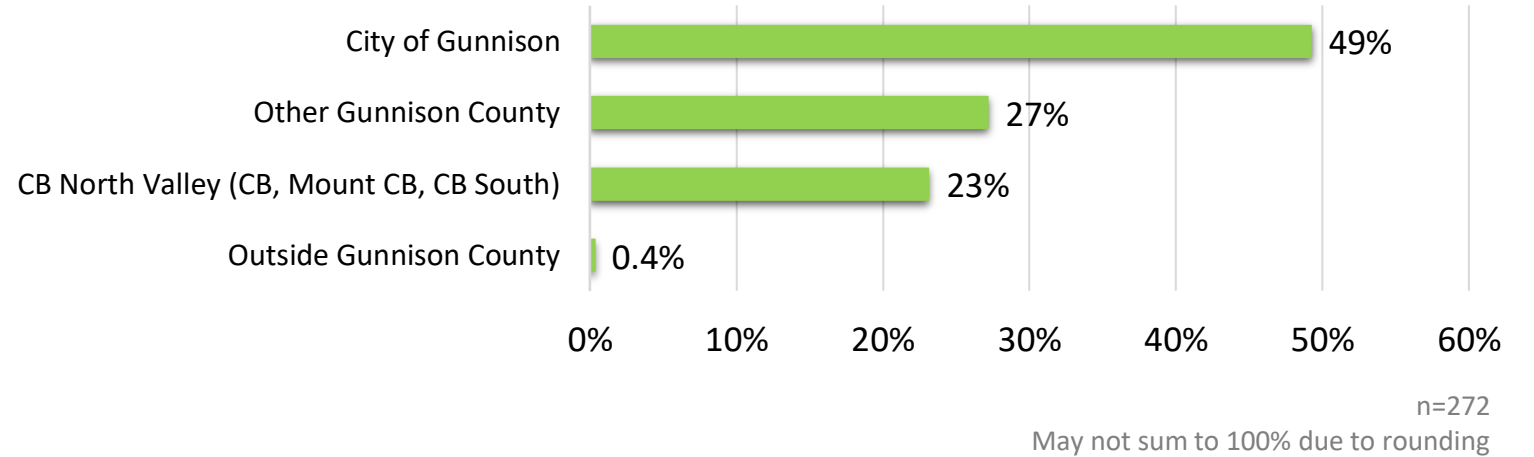
CURRENT HOUSING

- Where employees live
- Own vs. rent
- Type of housing
- Home size
- Housing costs
- Household income
- Housing problems

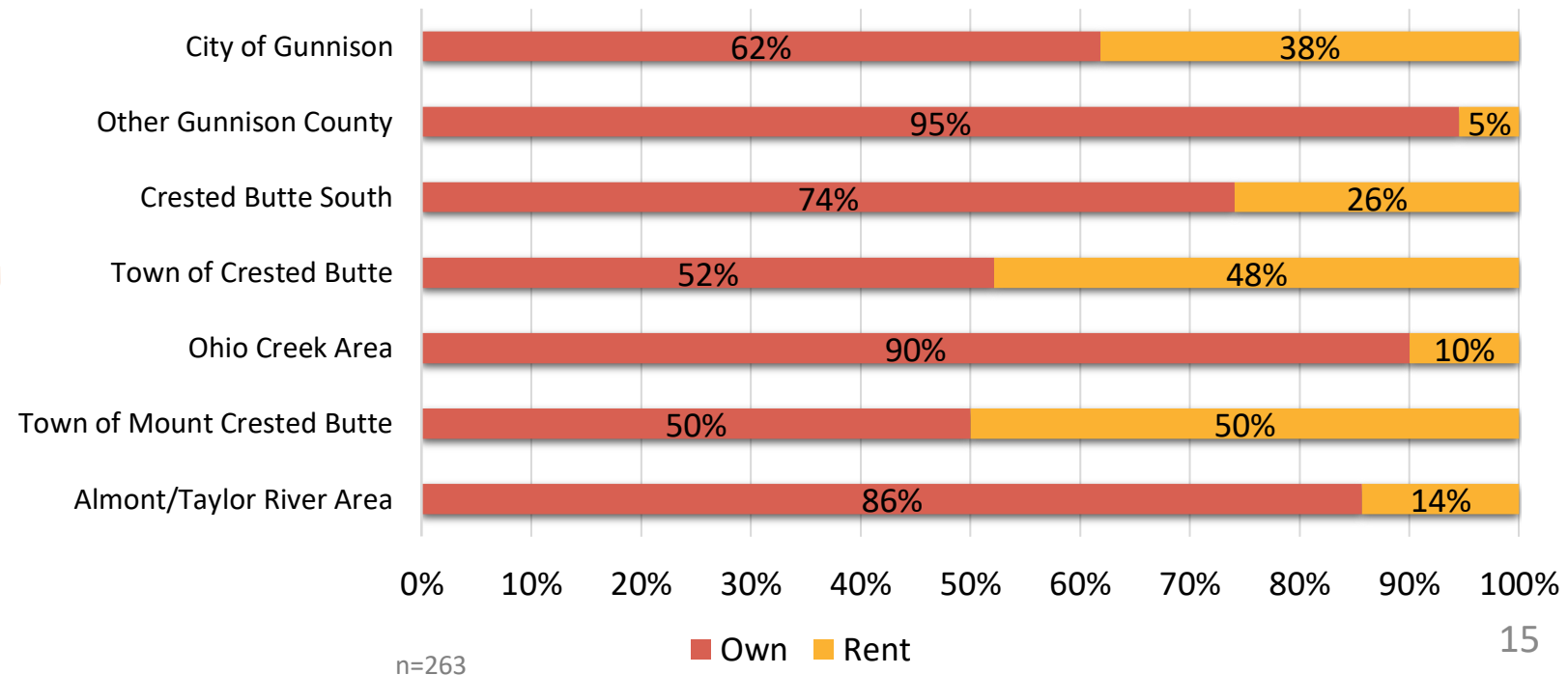
WHERE DO YOU LIVE?

Almost half of district employees live in the City of Gunnison, eight percent in the Town of Crested Butte and four percent in Mount Crested Butte. The other 32% of employees live in unincorporated Gunnison County. Of all employee households that rent, 64% live in Gunnison.

Where Employees Live



Tenure by Where Employees Live

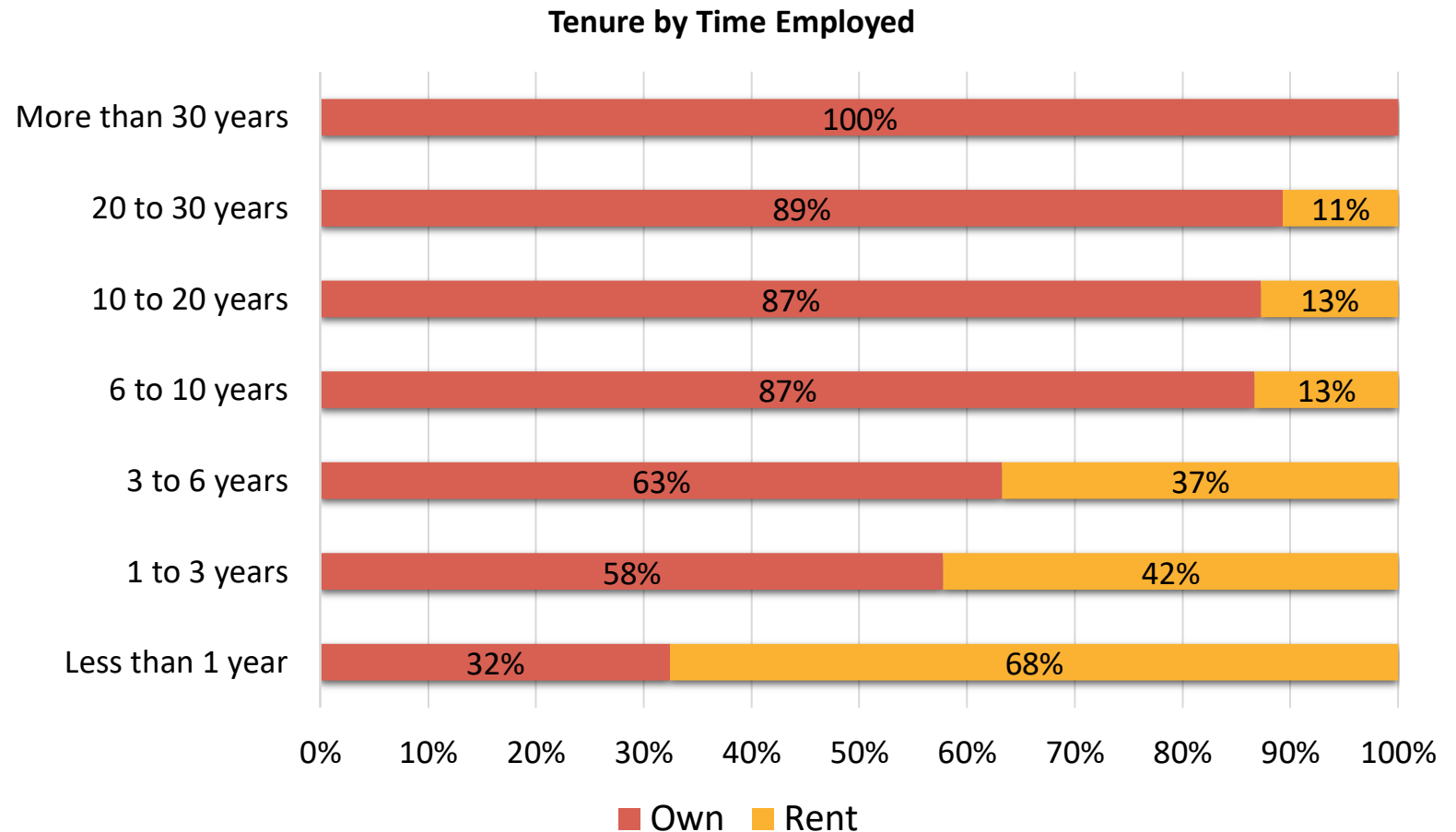


DO YOU OWN OR RENT?

71% of employee households own their home, which is a higher homeownership rate than all households within the district's boundary (64%).

The homeownership rate increases the longer people are employed by the district.

The homeownership rate for those employed 3 to 6 years mirrors that of the county overall, and then jumps by 24 percentage points in the 6 to 10 year mark when employees are more likely to be rooted in the community and committed to remaining in the valley long term.

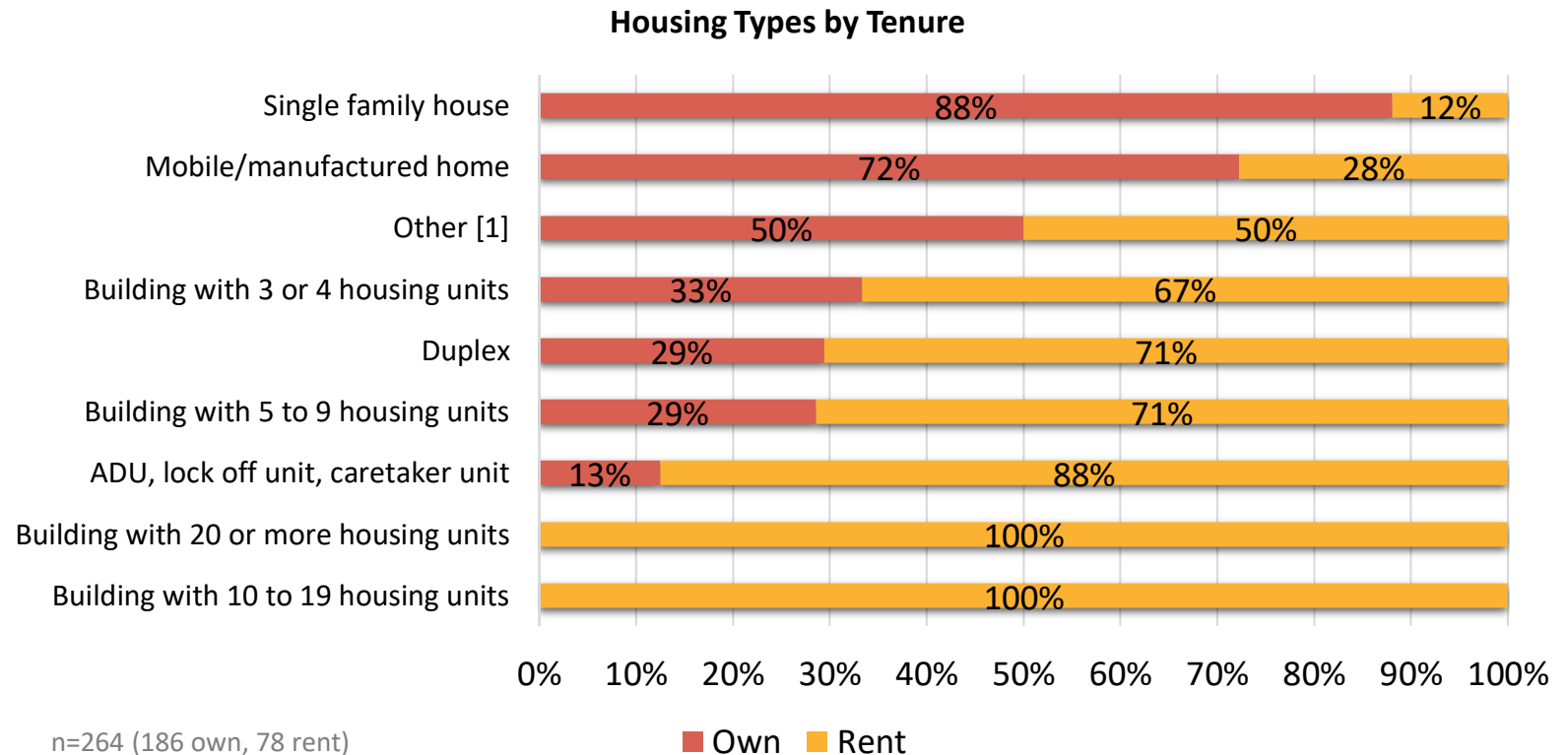


n=265 (187 own, 78 rent)

WHICH BEST DESCRIBES YOUR CURRENT RESIDENCE?

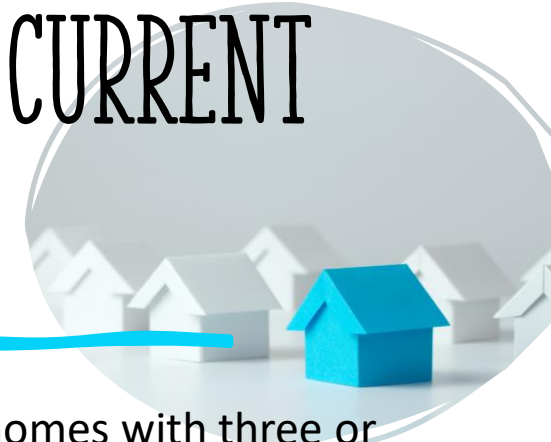
GWSD employees predominately live in single family homes (67%) at a similar rate to all households in the GWSD district boundary (64%).

	# of Homes	% of Homes
Single family house	182	67%
Building with 3 or 4 housing units	27	10%
Mobile/manufactured home	18	7%
Duplex	17	6%
Building with 5 to 9 housing units	8	3%
ADU, lock off unit, caretaker unit	8	3%
Building with 20 or more housing units	7	3%
Other [1]	3	1%
Building with 10 to 19 housing units	2	1%
Total	272	100%

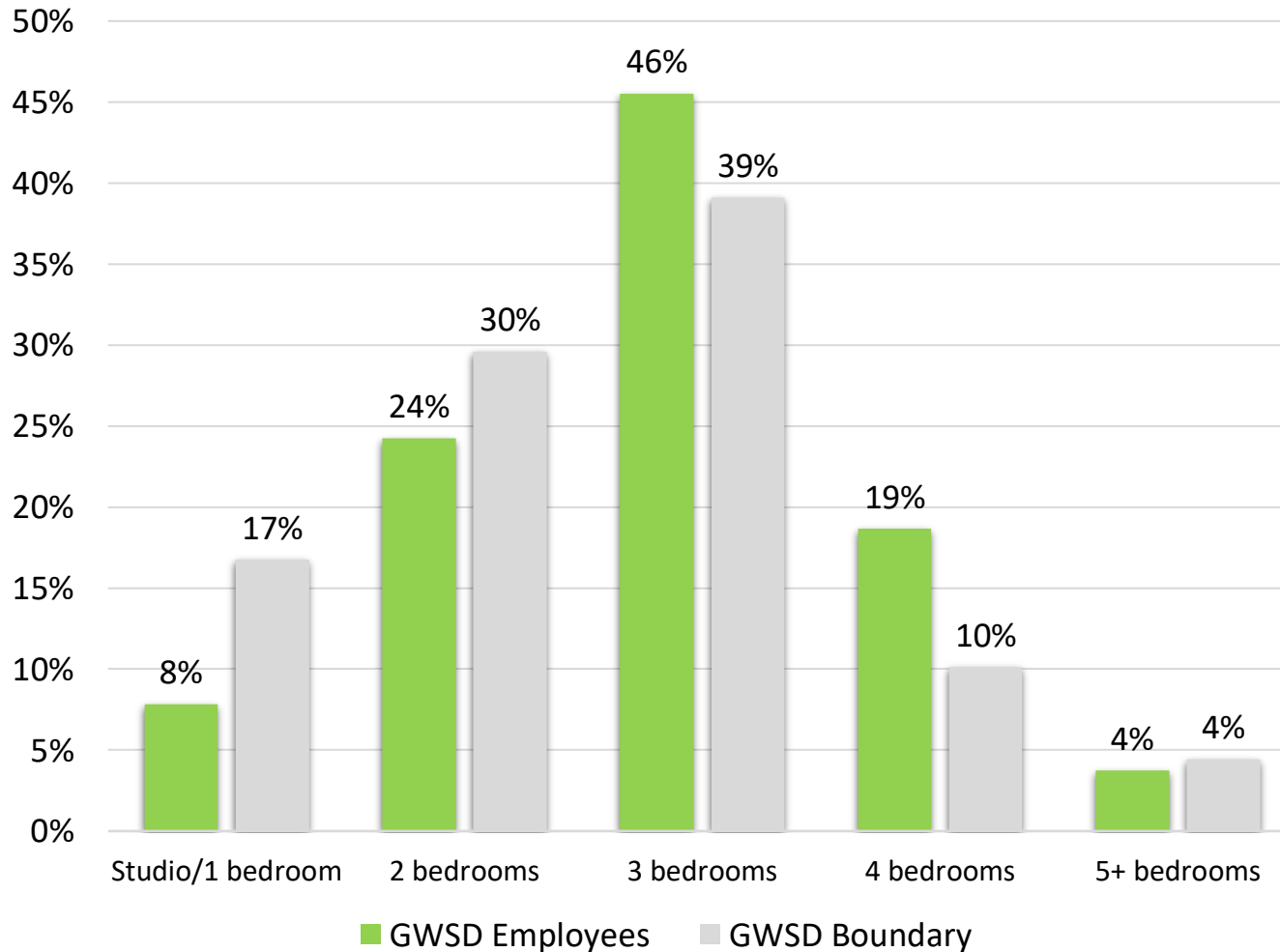


n=264 (186 own, 78 rent)
 May not sum to 100% due to rounding
 [1] 2nd story units in mixed-use buildings

HOW MANY BEDROOMS ARE IN YOUR CURRENT RESIDENCE?



Number of Bedrooms



n=268

Most employees live in homes with three or more bedrooms (~69%) whereas only 54% of homes in the district's boundary have this many bedrooms. Half of employee households are just one or two people, but only 32% of homes have two bedrooms or fewer.

All employees who rent or are caretakers live in a 3-bedroom unit or smaller. Of these, about a quarter of 3-bedroom units are rented, half of 2-bedrooms are rented, and 81% of studio/1 bedrooms are rented.

HOW LONG HAVE YOU LIVED IN YOUR CURRENT RESIDENCE?

Most renters have lived in their current home for less than 5 years (86%) whereas 66% of owners have lived in their home for five or more years.

	Own	Rent	Own & Rent
Less than 1 year	4%	36%	13%
1 to 2 years	9%	27%	14%
2 to 5 years	21%	23%	22%
5 to 10 years	25%	5%	19%
10 to 15 years	13%	6%	11%
15 to 20 years	18%	3%	13%
More than 20 years	11%	0%	8%
Total	187	78	265

n=265; 187 (own), 78 (rent)



HOUSING SECURITY, SATISFACTION,
AND DESIRE TO MOVE

HOW SECURE DO YOU FEEL IN YOUR CURRENT HOUSING?

GWSD employee homeowners indicated they generally feel very secure in their housing, whereas renters indicated much lower levels of housing security. One third (33%) are generally not secure.

Responses provided on a scale from 1 to 5:

1 = Not Secure

5 = Very Secure

All GWSD employees	4.1
Owners	4.5
Renters	3.0

Response	Own	Rent
1	2%	24%
2	---	9%
3	7%	27%
4	26%	19%
5	65%	21%
# of responses	187	78

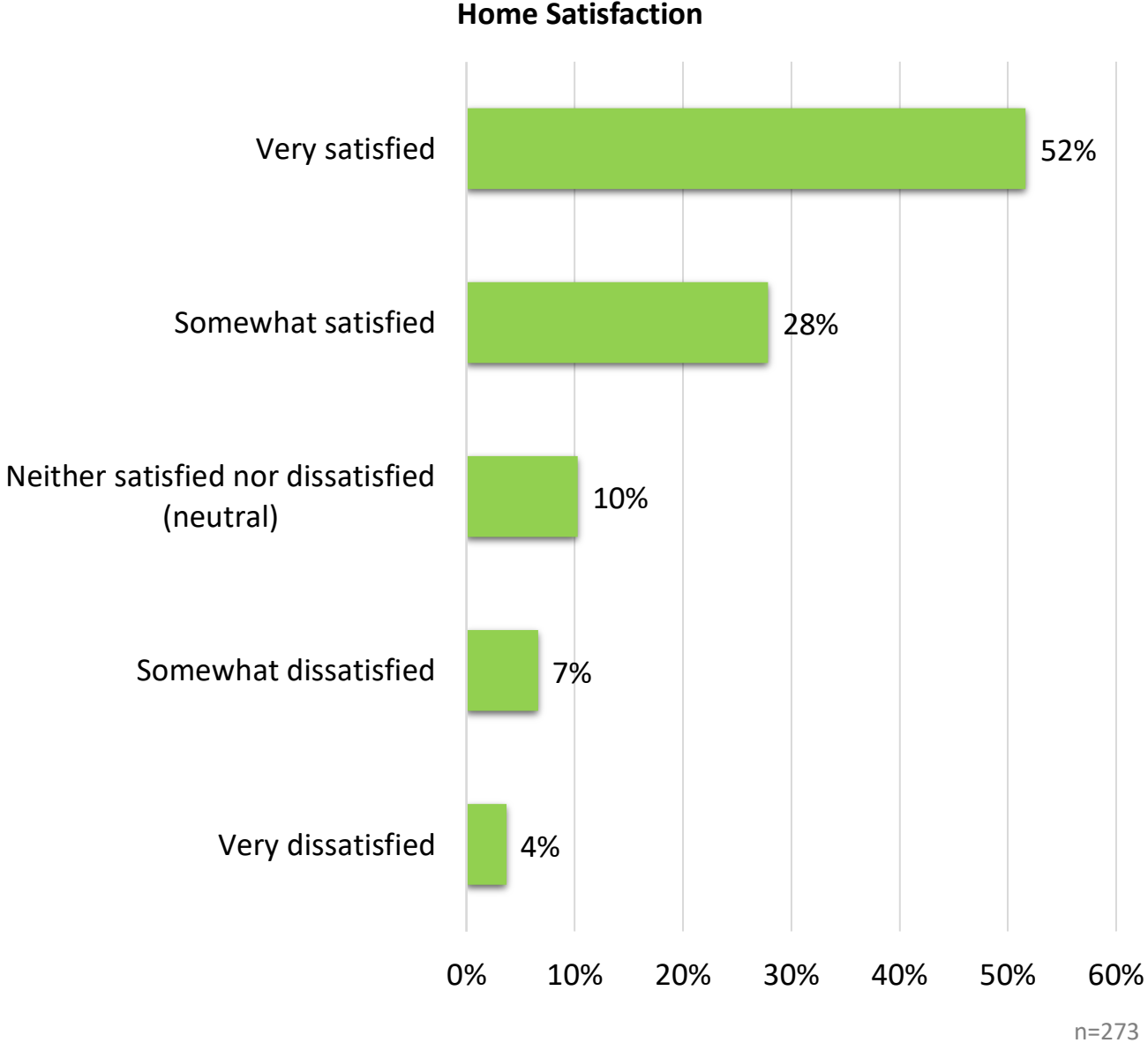
HAVE YOU EXPERIENCED ANY OF THE FOLLOWING HOUSING ISSUES WHILE WORKING FOR THE SCHOOL DISTRICT?



55% of respondents indicated they have not experienced any of the issues identified in the questionnaire; the other 45% have experienced one or more housing issues.

	# of responses
Home/apartment in poor condition or needs repairs (e.g., leaks, poor insulation, etc.)	73
Forced to live with family or roommates because prices are too high	37
Forced to move (e.g., landlord sold the home and gave notice to vacate; price was too high)	33
Other issues	15

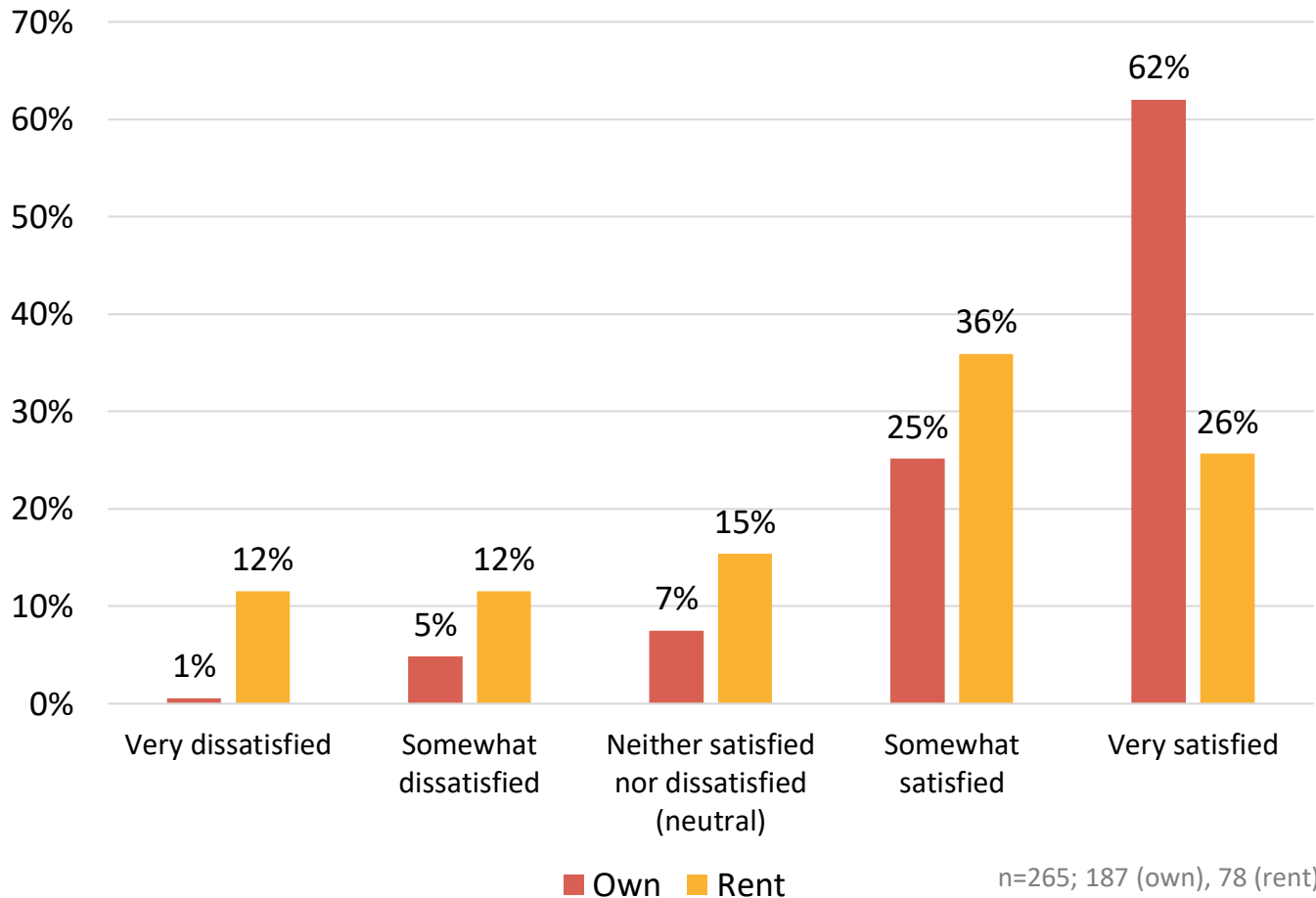
WHICH BEST DESCRIBES YOUR LEVEL OF SATISFACTION WITH YOUR CURRENT RESIDENCE?



Most employees (80%) are either somewhat or very satisfied with their current residence. And although the share appears small, 28 employees are somewhat or very dissatisfied – 18 rent and 10 own.

WHICH BEST DESCRIBES YOUR LEVEL OF SATISFACTION WITH YOUR CURRENT RESIDENCE?

Housing Satisfaction by Tenure



Renters are much less likely to be satisfied with their current residence than owners.

38% of renters indicated a neutral or lower level of satisfaction compared to only about 13% of owners.

Applicable Reason	Reponses
Too expensive	14
Too small	12
Currently rent but prefer to own	10
Overcrowded	8
Units in poor condition	7
Lack of community	6
Other	5
Not in a desirable location	3
Too far from work	1
Pets are not allowed	1
Too far from transit (e.g., Gunnison Valley RTA bus)	1

WHY ARE YOU SOMEWHAT OR VERY DISSATISFIED WITH YOUR CURRENT RESIDENCE?

Many reasons were cited for why employees are dissatisfied with where they live. More than one reason could be selected, and the most cited reason was price, then size, followed by those who rent but prefer to own.

COMMENTS ABOUT HOUSING ISSUES



Comments received point to many issues, including overcrowding, frequent moves, working multiple jobs to make ends meet, needing help from family, and those who realize their housing situation is a function of market entry timing.

....work 2-3 additional jobs on top of teaching to pay my mortgage.

[One child] lives on the couch and [another] has to share my room.

Having to ask for significant financial help from family to afford a house

I was lucky to get in 18 years ago when it was affordable for a working class person to live here.

Do not make enough money to pay the mortgage and have any savings leftover. Cannot afford repairs or appliance replacements.

... bought our home at the height of the recession in 2008. There's no way we could afford our place at current prices and interest rates.

I do not have a preference [about where I live]. I do not want to be homeless again.

3 moves in 4 years

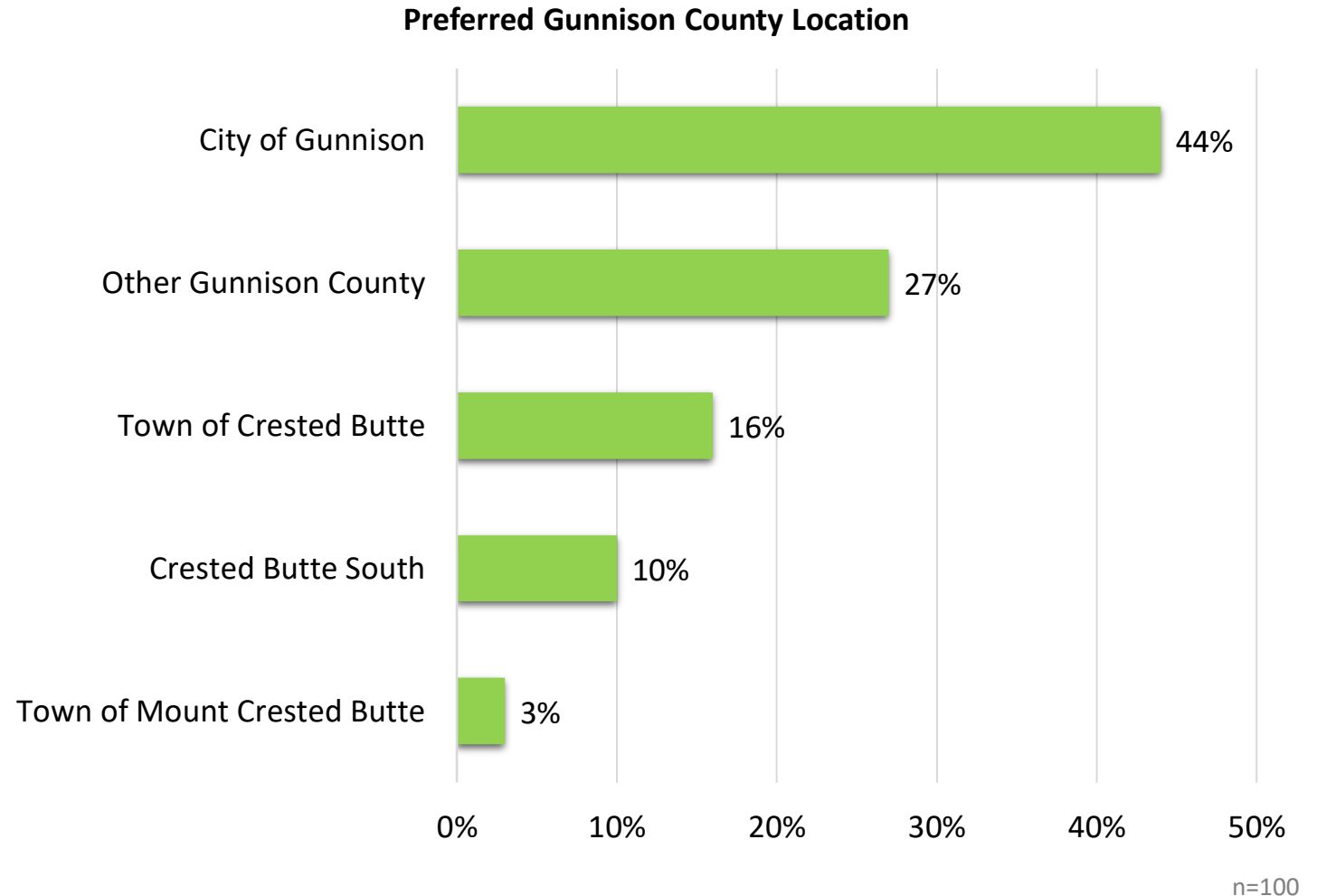
WITHIN THE NEXT 5 YEARS, WOULD YOU PREFER TO:

- 56% of employees prefer to stay in their current residence and 44% (119 employees) prefer to move within the next 5 years.
- 85% of renters and 26% of owners prefer to move in the next five years.
- If employees prefer to move, 71% want to purchase a home. Only 5% want to rent.



WHERE DO YOU MOST WANT TO LIVE?

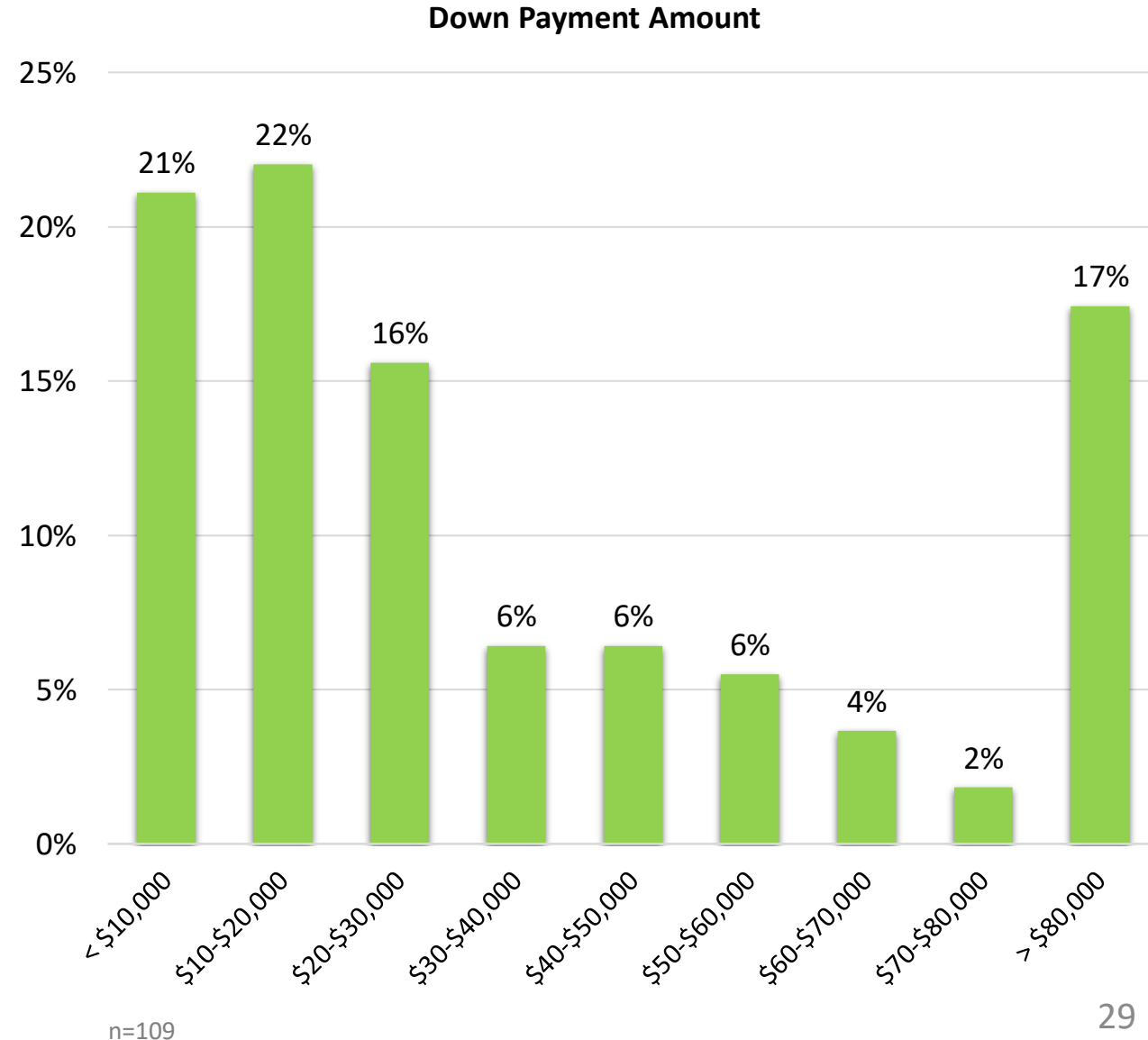
- Of those who prefer to move, 86% want to move to a new or different home in Gunnison County.
- The most preferred location in the county is Gunnison (44%).
- The North Valley (Crested Butte, Crested Butte South, and Mount Crested Butte) and other parts of the county are similarly preferred, at 29% and 27% respectively.



IF YOU MOVE, HOW MUCH MONEY WOULD YOU HAVE FOR A DOWN PAYMENT (INCLUDING EQUITY)?

Over half (59%) of employee households would have \$30,000 or less for a down payment.

	2022 Median Sales Price	Majority of Employee Households Down Payment Max	% of Median Sale Price
Single Family Home	\$738,000	\$30,000	4%
Townhouse/Condo	\$615,000	\$30,000	5%





HOUSING NEEDS AND PREFERENCES

- Top 2 home types
- Number of bedroom
- Number of parking spaces
- Priority amenities
- Amount willing to pay per month

HOUSING TYPE PREFERENCES

	First Choice	Second Choice
Single family home	91%	3%
Duplex or triplex	2%	32%
Townhome-style	3%	50%
Apartment/Condo	2%	5%
Tiny house on permanent foundation <i>(less than 600 square feet)</i>	3%	9%
Tiny house on trailer with wheels <i>(less than 600 square feet)</i>	---	2%
# of Responses	265	222

Unsurprisingly, the vast majority of employees want a single family home.

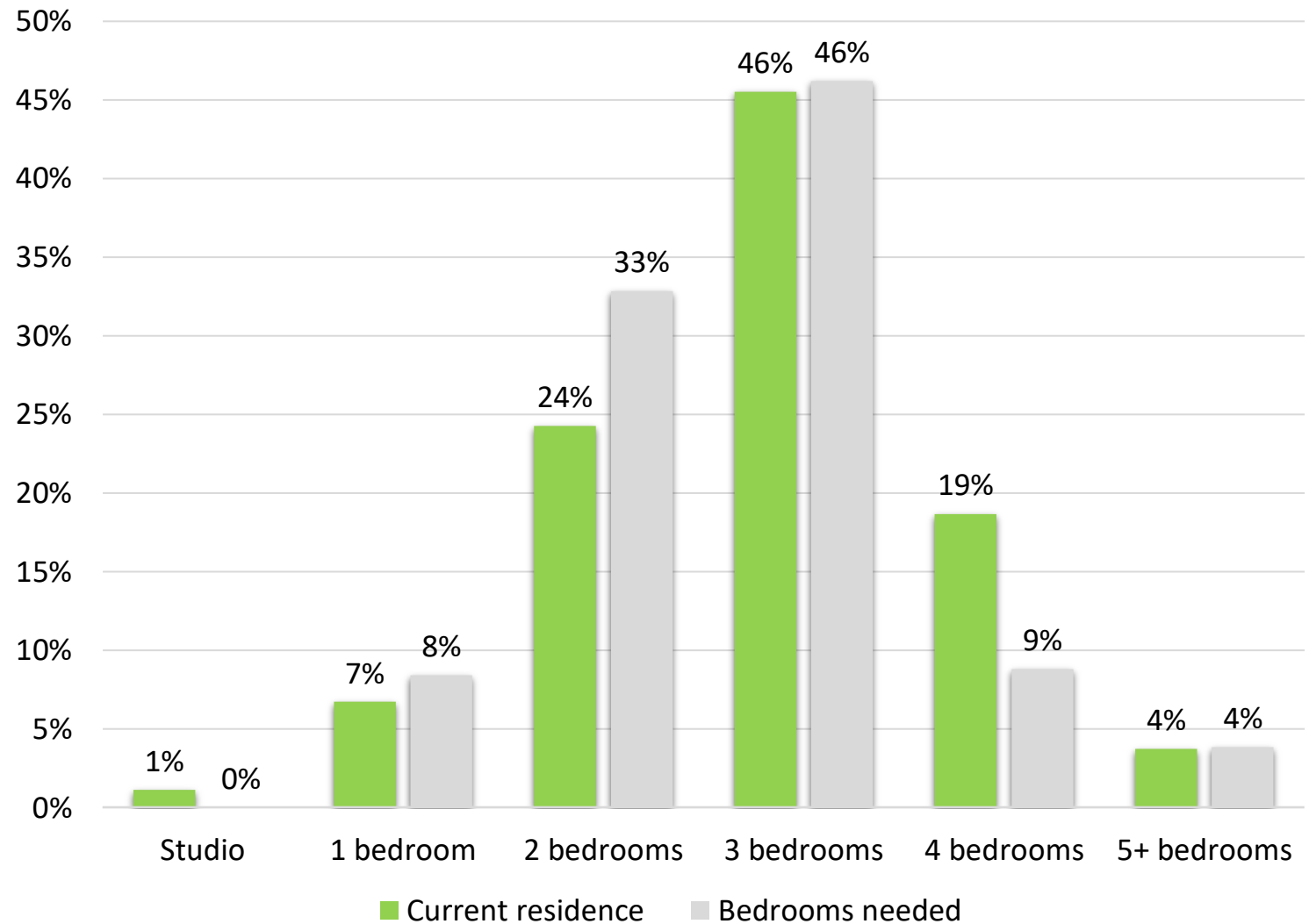
Given very high prices, it's more important to consider the second choice where half selected a townhome-style home, followed by a duplex or triplex (32%).

The current size of employee homes as measured by the number of bedrooms in the home is very similar to the number of bedrooms indicate they need with two exceptions:

- A higher share of 2 bedrooms are needed
- A lower share of 4 bedrooms are needed

NUMBER OF BEDROOMS

Current Bedrooms and Needed Bedrooms

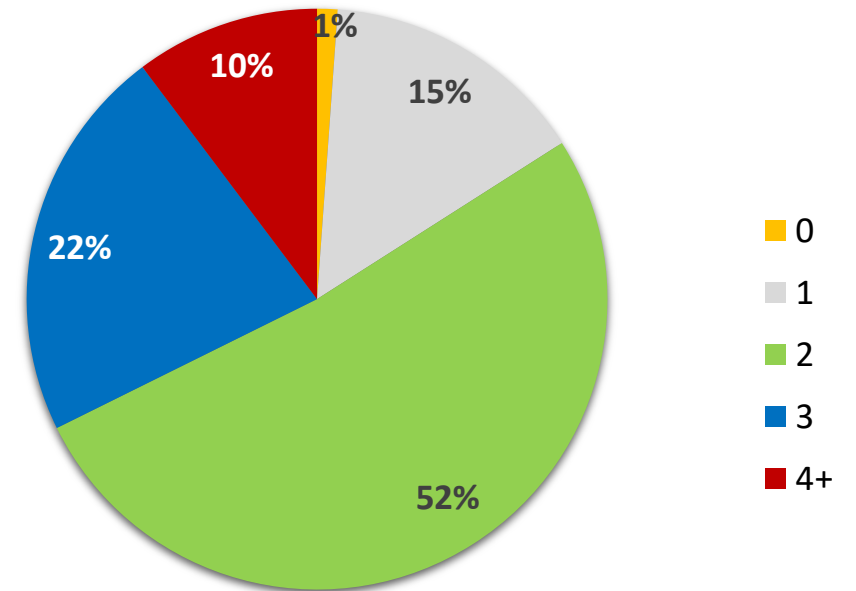


n=268 (current), 262 (needed)

HOW MANY PARKING SPACES DOES YOUR HOUSEHOLD NEED?



of parking spaces needed



n=263

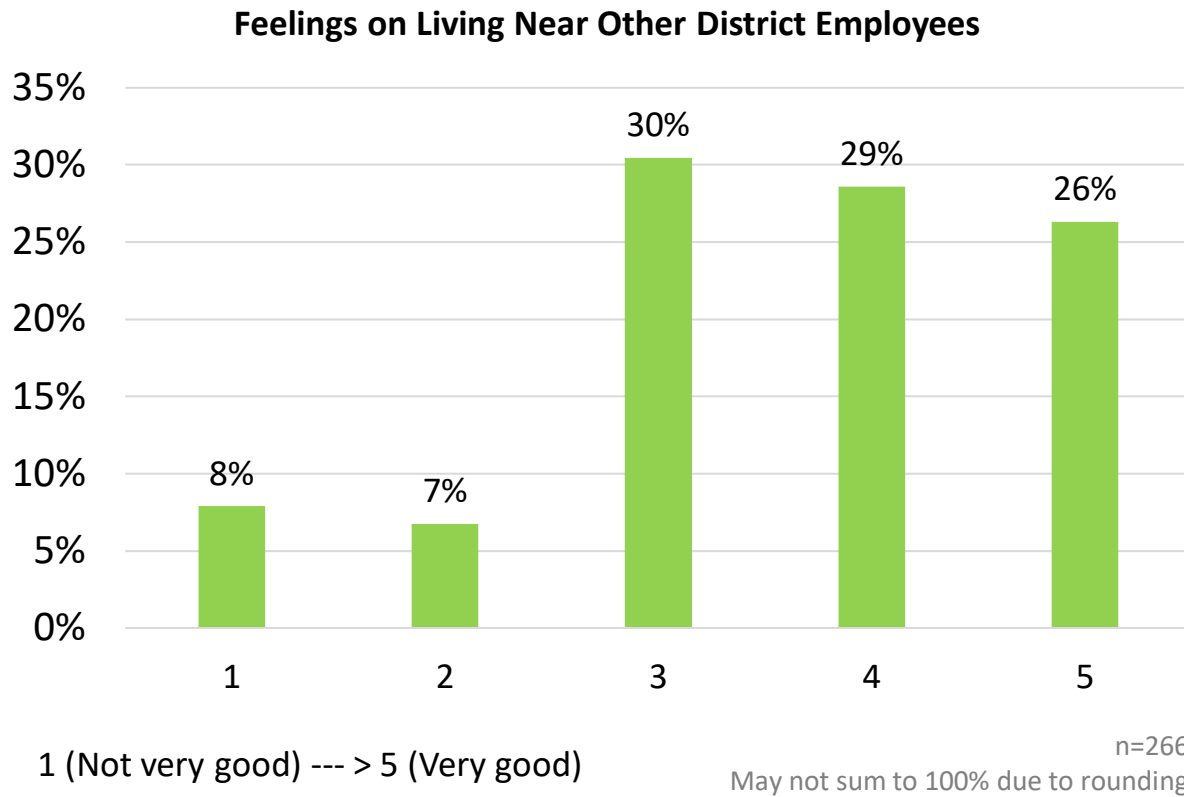
HOW IMPORTANT ARE THE FOLLOWING AMENITIES TO YOU?

- 1 = Not important
- 2 = Somewhat important
- 3 = Moderately important
- 4 = Very important
- 5 = Extremely important



Amenity	Importance [1]
Pet friendly	3.99
Yard space	3.77
Walkable neighborhood	3.71
Energy efficiency	3.70
Extra storage	3.69
Proximity to recreation	3.49
Proximity to services (e.g., groceries, medical, schools)	3.37
Dedicated space to remove boots, coats, etc. (e.g., mud room)	3.21
Car port	2.68
Covered outdoor patio	2.32
Accessible to people with disabilities or mobility issues	2.06

[1] weighted average

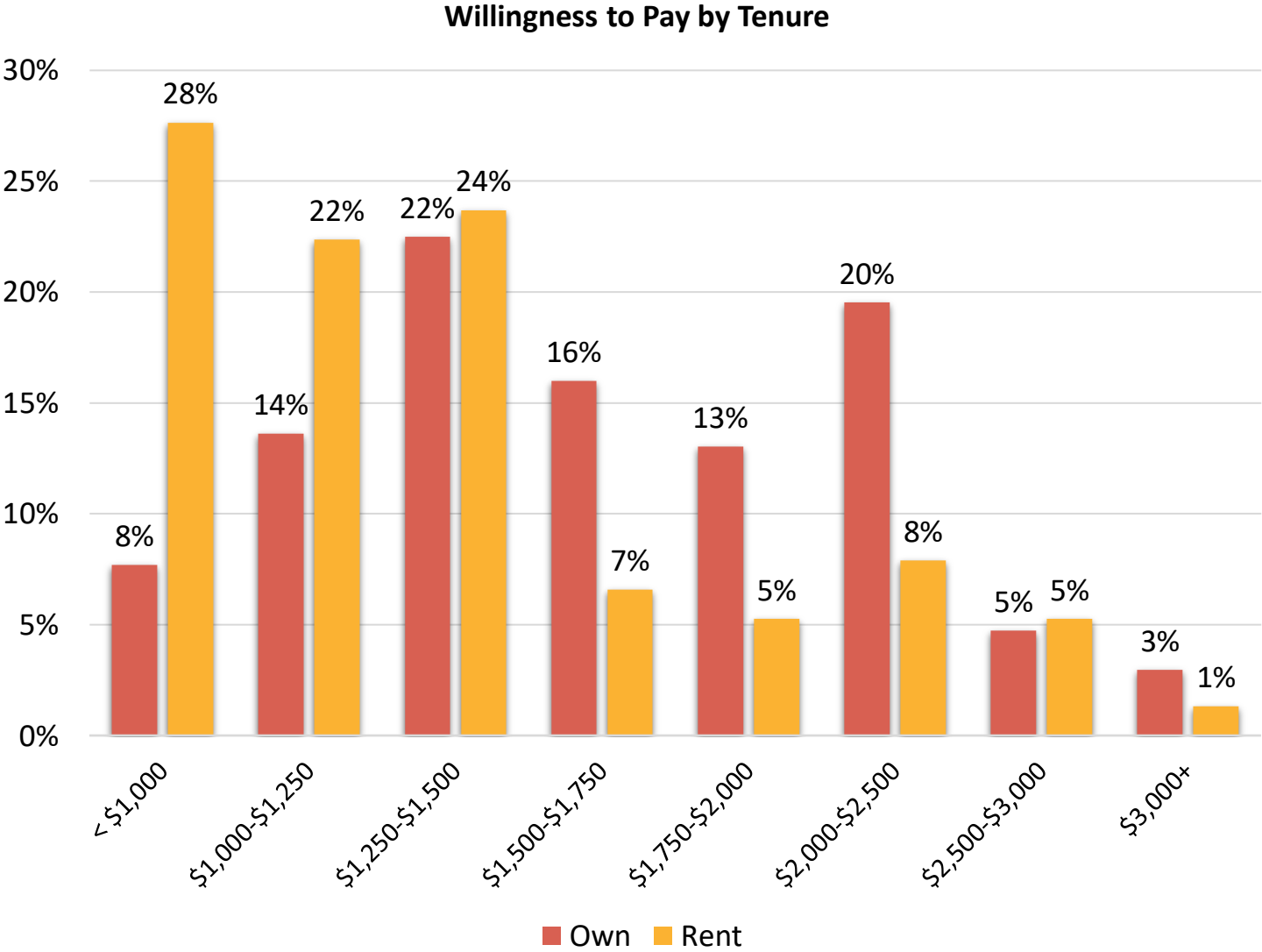


HOW WOULD YOU FEEL ABOUT LIVING IN A NEIGHBORHOOD OR BUILDING THAT IS HOME TO OTHER SCHOOL DISTRICT EMPLOYEES?



Respondents indicated a fairly good feeling about living near other district employee, with an overall weighted average response of 3.6.

HOW MUCH ARE YOU WILLING TO PAY PER MONTH?



n=245, (169 own, 76 rent)

About three fourths (74%) of renters and 44% of owners are willing to pay no more than \$1,500 per month.



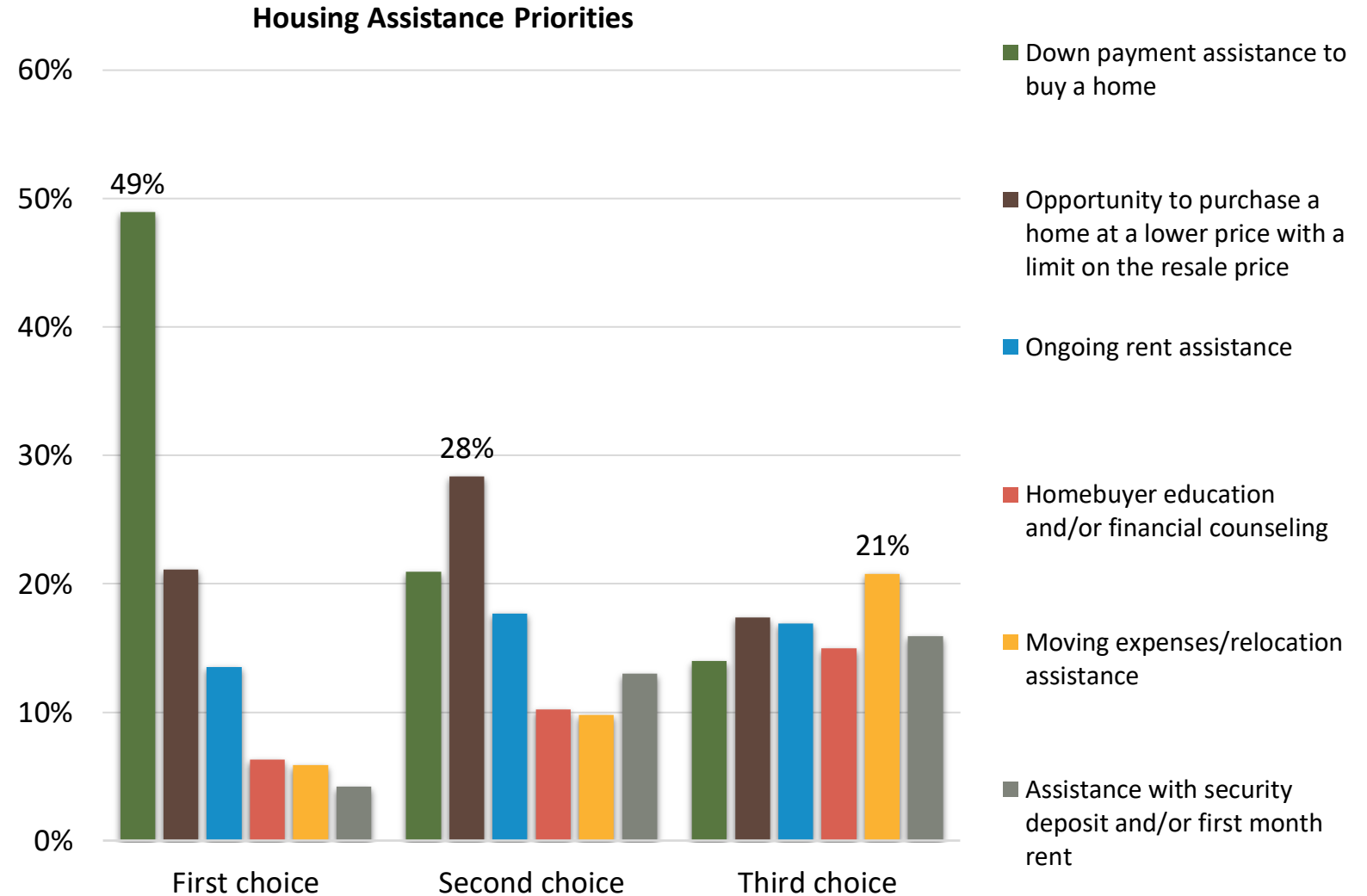
POTENTIAL
DISTRICT HOUSING
ASSISTANCE

TOP THREE TYPES OF HOUSING ASSISTANCE

Down payment assistance to buy a home was identified as a first choice by almost half (49%) of those who identified a first choice.

Of those who marked a second choice, the highest-ranking assistance was buying a home at a lower price with a resale price limit.

The most cited third choice was assistance with moving expenses or relocation.

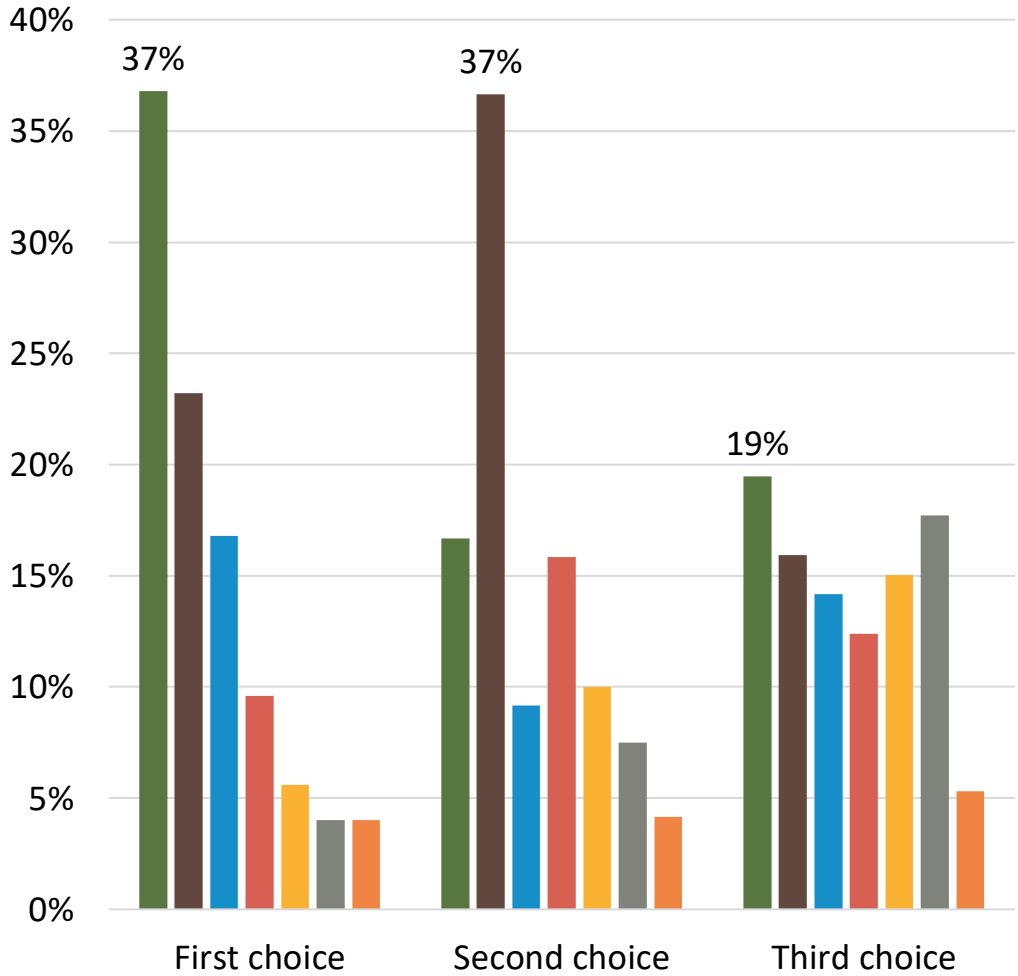


n=237 (first), 215 (second), 207 (third)
May not sum to 100% due to rounding

TOP THREE TYPES OF HOUSING ASSISTANCE FOR EMPLOYEES WORKING FOR THE DISTRICT 6 YEARS OR LESS ("NEW")

"New" Hire Priority Housing Assistance

- Hiring bonus
- Salary stipend for housing
- School district owned or leased units rented to or provided as compensation to employees
- Down payment/mortgage assistance
- Assistance with housing search
- Assistance with first month rent and/or security deposit
- Temporary/relocation housing



The most answered first and third choice was a hiring bonus.

The most answered second choice was a salary stipend for housing.

n=125 (first), 120 (second), 113 (third)
May not sum to 100% due to rounding

OPEN ENDED COMMENTS



I hope if stipends or some type of financial compensation are given out that you don't forget those who have been in the county for a long time too.

I can only continue working here if provided with affordable stable long term housing.

I do not believe a school district should use money for education for housing.

The only way my family is able to live here is because we were fortunate enough to buy before prices became ridiculous.

I'd rather see more investment in teacher salaries than district real estate.

I [. . .] worked my way into my home. I don't think people arriving now can do what I did.

Thank you for tackling this complex and very important issue.

Unfortunately, this survey doesn't address homeowners that struggle with the increased cost of living. Although many district employees already own homes, it's often necessary for them to get second or third jobs to keep up with the cost of living and pay their mortgages.



DISTRICT RECRUITMENT, HOUSING
NEEDED, AND CONCLUSIONS

RECRUITMENT AND RETENTION



The district is already facing significant challenges with regard to recruitment and retention of employees. The current environment appears like it might be a “calm before the storm” based on several factors. Three big problems are on the horizon related to employee recruitment and retention, which could result in the need to hire 70-80 new employees through 2028.

1. Currently, there are about 30 unfilled positions. Some of these have been vacant for years. The District has deployed creative tactics for filling positions, including extensive informal housing search support. The District faces significant headwinds in hiring, with no relief in sight.
2. Employees not already deeply rooted in the community are more likely to depart the valley to find work elsewhere due to unstable and/or unaffordable housing. Moving to less expensive housing markets is increasingly desirable or necessary for many.
 - About half of employees have been with the district for 6 years or less. These employees generally have lower household incomes and are less likely to be deeply rooted in the community. If only about 6% of these 134 questionnaire respondents were to leave the valley seeking a more affordable cost of living, an additional 8 positions would need to be hired.
3. A large share of employees are at or approaching retirement age. An estimated 30-40 retirements will occur in the next five years. Backfilling this number of positions in the current housing market will be extremely difficult. Many retiring employees will remain in the community. For those who move elsewhere, the housing they vacate when they move is likely to be beyond the financial reach of the new employee hired to fill their position.

HOUSING AND HIRING

Hiring in the education sector is challenging for many reasons. The following statistics highlight the scale of the recruitment challenge and why increasing the Gunnison Watershed School District's ability to compete with other Colorado districts and nationwide is more important than ever.

The Colorado Department of Education Educator Shortage Survey from 2021-2022 indicated that approximately 7,000 teaching and special services providers (SSP) positions needed to be hired, which represented 10% of all teaching and 16% of all SSP positions in the state. Of the teaching positions to hire, 8% remained unfilled for the school year, along with 17% of SSP positions, 3% of principal/assistance principal positions, and 9% of paraprofessional positions.

Hiring in an environment with positions that remain unfilled means the demand for labor is higher than the supply, which gives employees more choice regarding where to work and more negotiating power. Investing in housing will not solve the district's hiring challenges, but it will provide a competitive advantage and make it feasible to recruit and retain employees who would otherwise lack the ability to relocate to this area.

Source: [Educator Research and Impact | CDE \(state.co.us\)](https://www.cde.state.co.us/educator-research-and-impact)

EMPLOYEE PURCHASING POWER

Housing is considered to be affordable if the cost of the rent or mortgage plus utilities does not exceed 30% of a household’s gross income. This standard is applied by federal and state funding agencies. The table at right applies this standard to the 2022 income limits set by the U.S. Department of Housing and Urban Development (HUD), as published by the Colorado Housing Finance Authority (CHFA), for a 3-person household. A 3-person household size was used because 72% of employee households have 3 or fewer people in them.

The highlighted rows illustrate the household purchasing power that applies to about half of district employee households. Roughly one third of district employee households have incomes below \$60,000.

In Gunnison County, the 2022 median sale price for a single family home was \$738,000 and a townhouse/condo was \$615,000 for. A household would need an annual income of about \$221,500 to afford the median single family home and \$184,500 to afford the median townhome/condo. This is far beyond the buying power of almost all employee households. With rental housing, the biggest local challenge tends to be quality and availability. For nearly a decade, rental vacancy rates have been below 1%, meaning that it is very difficult to find a home or apartment.

If the district were to master lease or own more housing, they could help to overcome these housing barriers.

Income and Buying Power, Gunnison County (3-person household)

AMI	Income Range	Max Rent	Max Purchase Price [1]
Under 50%	\$0 to \$39,850	\$996	\$132,700
50.1-80%	\$39,851 to \$63,760	\$1,594	\$212,400
80.1-100%	\$63,761 to \$79,700	\$1,993	\$265,500
100.1-120%	\$79,701 to \$95,640	\$2,391	\$318,600
120.1-150%	\$95,641 to \$119,550	\$2,790	\$398,200
150.1-200%	\$119,551 to \$159,400	\$3,985	\$530,900
> 200%	> \$159,400	> \$3,985	> \$530,900

[1] assumes 3-person household income, 30-year mortgage at 6.5% with 5% down and 20% of the payment covering taxes, HOA, PMI and insurance.

Source: CHFA 2022 Income Limits, consultant team

CONCLUSIONS

- Employees who have worked with the district for **longer** tend to have higher rates of homeownership, and **greater housing security and satisfaction**.
- **Employees seem to have adapted to adverse housing conditions.**
- Employee households tend to be **larger** than the general population of the valley, but housing is needed from studios to three-bedroom units.
- **Employees prefer lower housing payments** than the strict “affordable” definition.
- The district is **facing serious headwinds with hiring and recruitment in the next five years**. Investing in housing could help to mitigate this.





SOURCES, PREPARERS, AND ACKNOWLEDGEMENTS

SOURCES

- Winter 2022-2023 Gunnison Watershed School District Employee Survey Responses
- U.S. Census Bureau, 2017-2021 American Community Survey 5-Year Estimates
- Ribbon Demographics, LLC
- Colorado Association of Realtors



PREPARED BY

SPONSORED BY



WILLIFORD, LLC
land use & affordable housing



**GUNNISON
WATERSHED
SCHOOL DISTRICT**
Driven to Be the Difference

THANK YOU TO ALL GWSD
EMPLOYEES!