Root Policy Research
6741 E Colfax Ave, Denver, CO 80220
www.rootpolicy.com
970.880.1415

Larimer County

Affordable Housing Needs Assessment

PREPARED FOR:

Larimer County, Colorado
www.larimer.org

REPORT

6/10/2021

Table of Contents

For Executive Summary, see separate document.

INTRODUCTION

LARIMER COUNTY AFFORDABLE HOUSING NEEDS STUDY

INTRODUCTION

This report responds to the Larimer County Commissioner Strategic Plan objective to reduce the housing overburdened ratio by at least 5 percent by 2023 (Goal 2, Objective 4). The Housing Needs Assessment helps set a course for achieving that objective by clearly identifying and quantifying housing needs across the county and presenting strategies that are tailored to meet identified needs.

The report begins with the demographic context of the county (Section I), then discusses the existing housing market stock and trends (Section II). Section III highlights unique needs among special interest population and Section IV analyzes affordability needs and market gaps, concluding with a summary of housing needs. The report primarily relies on demographic and market data to analyze needs, but also includes input from residents and stakeholders. This introduction summarizes the community engagement process (starting on page 3) but specific feedback is also incorporated throughout the report.

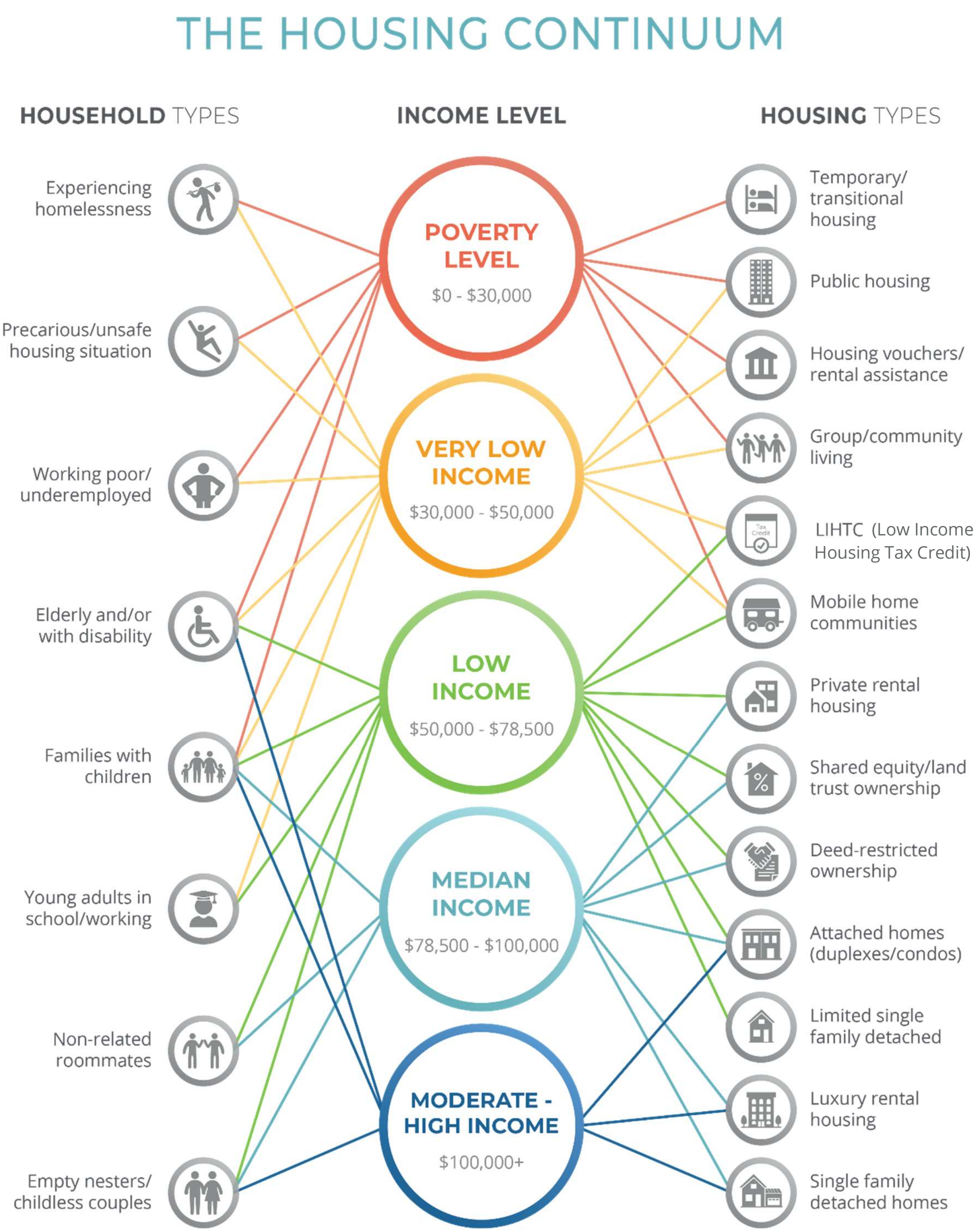
Why Work to Address Housing Needs?

A balanced housing stock accommodates a full "life cycle community"—where there are housing options for each stage of life from career starters through centenarians—which in turn supports the local economy and contributes to Larimer County's community culture. Recent trends in market prices are making it more challenging for current residents to afford homes in the County. If trends continue, the existing housing products and price points offered may not be able to accommodate the needs of starter families or aging residents, particularly as housing prices continue to increase faster than incomes. Actions that help mitigate price increases and preserve both market-rate and publicly assisted housing affordability will also help preserve the identity of the community. Policies and market incentives can also help the County achieve future goals and chart its path forward.

Residents' housing needs change over time, most often due to aging, education and skill development, employment, economic disruption, care for family members, and/or transition to a fixed income. Although housing decisions are largely driven by affordability, individual preferences about housing types and living environments also affect housing demand.

A balanced housing market responds to the diversity of housing needs and preferences by offering a variety of housing options. The following figure illustrates common types of households by income range and the housing solutions that accommodate varied and changing needs as residents move through economic and life cycles. It is not a perfect representation of all households or circumstances but attempts to convey common situations; some households could appear in multiple categories (e.g., families with children can also live in precarious or unsafe housing conditions).

Figure i-1.
Housing Continuum



Source: Root Policy Research.

Community Engagement Process

This report builds on the Larimer County Strategic Plan Goal 2 (access to economic opportunity and vibrant quality of life) and on the 2019 Larimer County Comprehensive Plan, which outlines the long-term vision for housing in the County. As such, it is a product of and a continuation of the community engagement efforts that went into those processes.

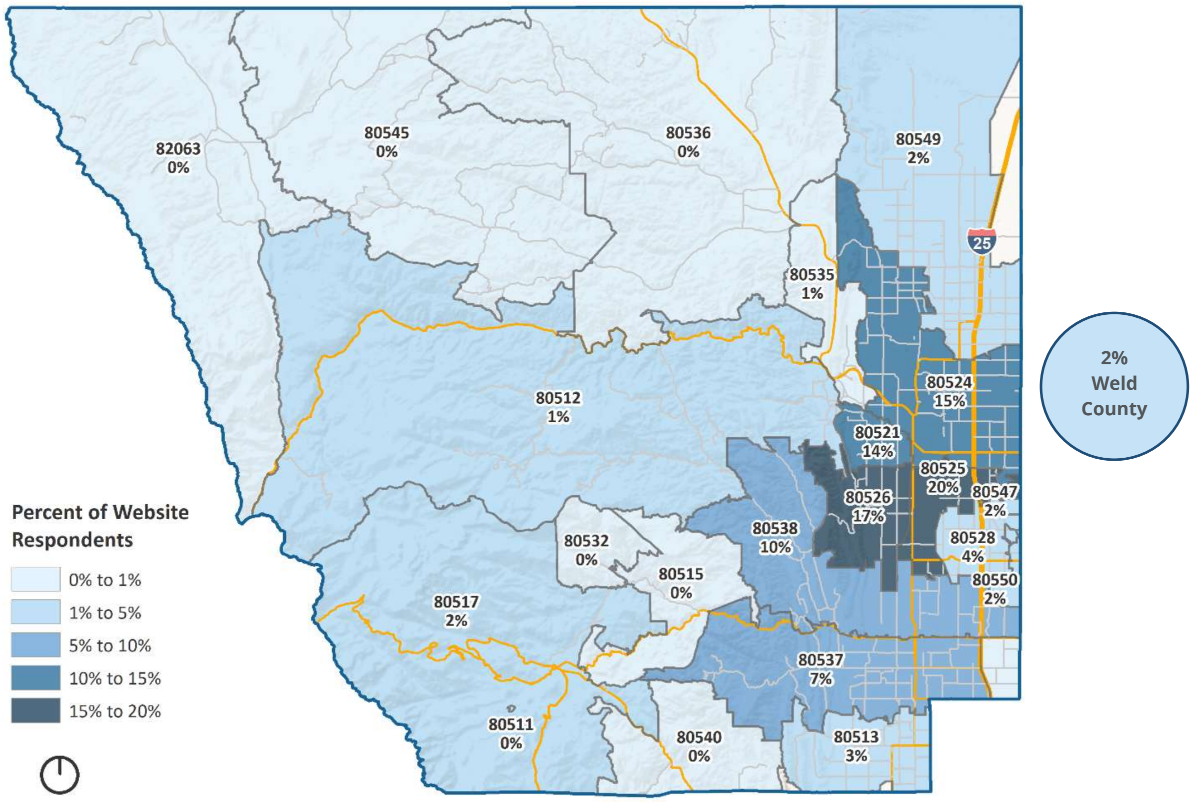
In addition, targeted outreach efforts were made specifically for the Housing Needs Assessment to help explore the needs of specific population and household types that are not fully captured in available datasets. These targeted efforts included focus groups and interviews with stakeholders, service providers, advocates, and industry professionals in fields related to housing development and real estate, manufactured housing communities, housing and homeless services, affordable housing providers/developers, older adult housing and social services, as well as services for low income families, Hispanic residents, and limited English populations. Targeted outreach to county residents focused on small group discussions with special interest populations including older adults, manufactured housing residents, and low income families.

Results from the efforts described above are integrated throughout the report in relevant sections, with the most concentrated reference in Section III. Special Interest Populations. Developer-specific feedback is primarily summarized in Section II. Housing Market Analysis.

County residents and workers at large were also invited to learn about the Housing Needs Study and participate in the process through an online virtual engagement platform, which provided background on the study and solicited high level feedback on key housing issues. In total 417 residents from across the county provided feedback through the platform. Representation by ZIP code is illustrated in Figure i-2 (on the following page).

The perspectives they shared follow.

Figure i-2.
Project Website Engagement by ZIP Code



Note: 320 of the 417 website participants provided their ZIP Codex.

Source: Root Policy Research.

The remainder of this section presents feedback from residents on the project website. It is organized around the specific prompts/questions posed and includes a visual summary of the results as well as select representative quotes.

Broadly speaking, residents expressed a great appreciation for the assets of living in Larimer County but acknowledged concerns that centered around housing affordability and related quality of life issues.

When asked about funding priorities, respondents put the highest priority on affordable housing for families with children and affordable rental housing. Residents also expressed high priority for housing for seniors, housing the homeless, and down payment assistance for first-time buyers.

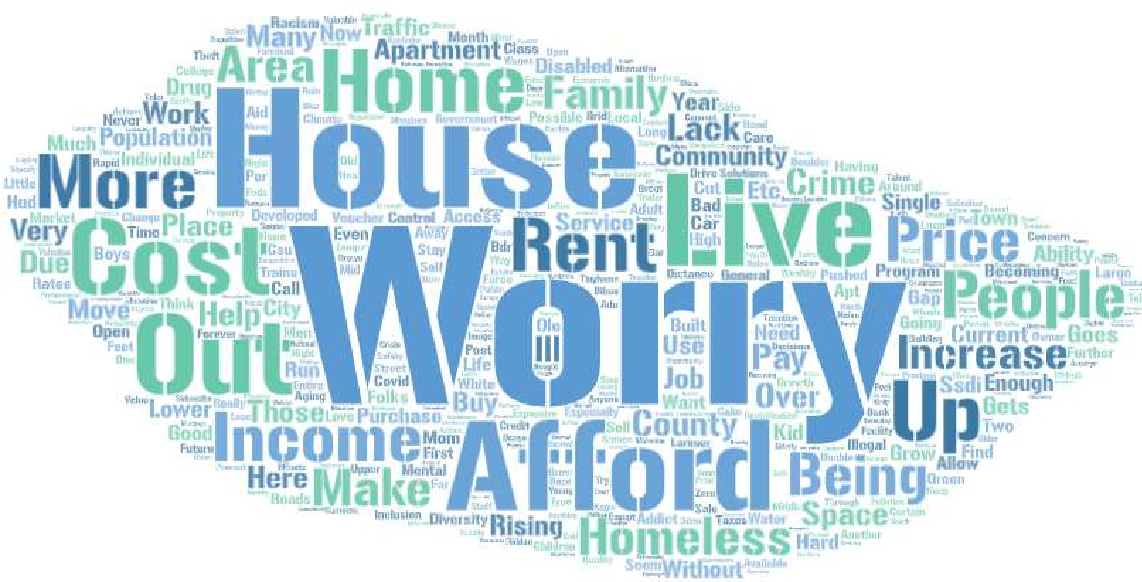
Respondents shared a wide range of suggestions for furthering equity in the community including education, wages, job opportunities, and transportation. But the central element was affordable housing.

Figure i-3.
What is something you love about your community?

Note: n=397.

Source: Root Policy Research.

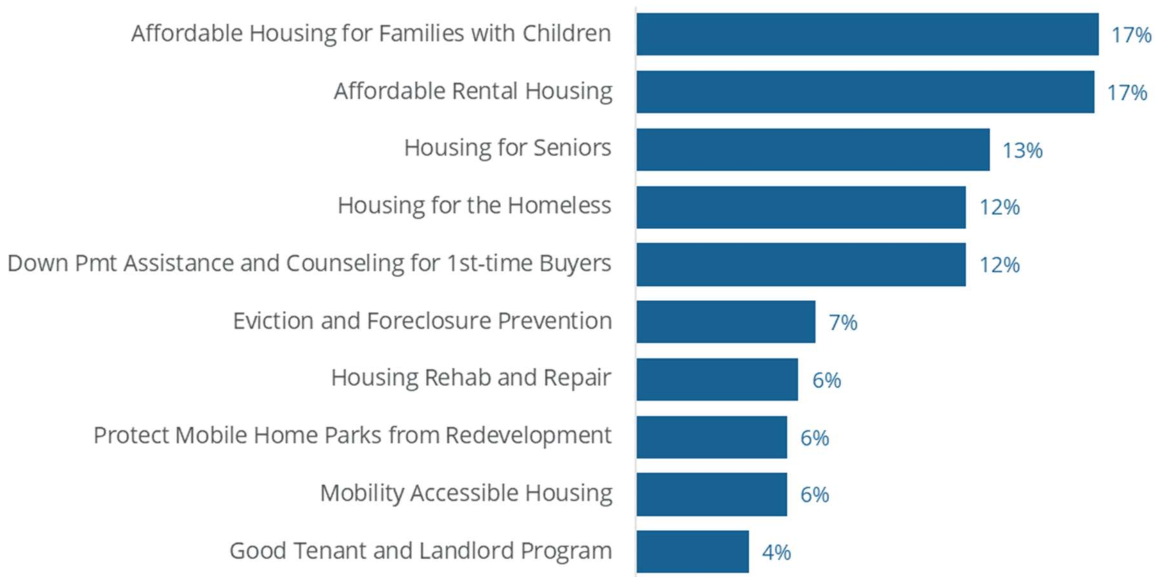
Figure i-4.
What is something you worry about?



Note: n=397.

Source: Root Policy Research.

Figure i-5.
What housing and community development programs would you prioritize with public funds?



Note: n=417. The actual question was phrased as a budget exercise in which respondents were asked to allocate $1 million across a variety of housing and community development programs. The figure shows the total amount allocated to each program as a percent of all "funds" allocated.

Source: Root Policy Research.

Figure i-6.
Looking ahead 5 years, after you've made those investments, what outcomes will you hope to have achieved?

Note: n=354.

Source: Root Policy Research.

A sample of resident quotes about desired outcomes from public investments is below:

- *With affordable rental housing, single parents can attend school, spend quality time with family, with mobile home parks protected, affordable housing preserved and prevent evictions and homelessness*
- *Wider access to housing that is safe, appropriate and affordable across the income spectrum.*
- *The elderly taken care of. Less homeless population. Single parents the opportunity to purchase a home. Help people through hardship so they don't lose their homes. Options for people who choose to live in a mobile home park to continue to do so under a better environment and not so expensive. Help for new home buyers to make the best decision for their family and budget when purchasing a new home.*
- *Older adults can age in place, adapting to challenges with mobility. A reduction or eradication of homelessness in our community. Those that want to live and work here, can. Vibrant community with many voices, not just the rich. Eclectic, local businesses supported, not just big box stores. Planning for the area to avoid overbuilding and sprawl, but thinking of what's needed within the town. More accessibility in terms of transportation, which supports appropriate growth.*
- *I imagine a community with more affordable housing and mixed-use zoning areas, with all residents having a safe, quality place to live that they can afford and housing no longer serves as a stressor, burden, or barrier to the community. More stable housing would create greater social cohesion, improve mental health, and lead to many other positive community health and economic outcomes that would improve the community's overall resilience.*
- *Homelessness largely eliminated, affordable rents for workers, more entry level options for homebuyers. I'd also like to see more supply of affordable housing but I didn't see options for that. Upzoning and the elimination of single family zoning are essential. ADU's need to also be allowed. These not only provide affordable housing, but help people stay in their homes and build wealth.*
- *Families, first time home buyers and older adults feel they can have ownership and have a greater sense of belonging here. Aging and growing up in one place have benefits beyond measure.*
- *Equity in housing outcomes (people of all races are able to afford housing). People have more housing choices (feeling empowered to rent or buy housing that meets your needs)*
- *A sense of belonging for all.*

Figure i-7.
How would you further equity in your community?

Note: n=328.

Source: Root Policy Research.

A sample of resident quotes about furthering equity follows:

- *There is not one thing Larimer County can do to solve equity, it needs to be imbedded in everything, all the work and programs implemented throughout Larimer County. All current, past, and future programs, decisions, policies, and procedures need to be examined through a lens of equity. Then action will need to be taken on all fronts (housing, wages, employment, environmental justice, food access, etc.) to address policies, programs or procedures that serve as barriers or perpetuate racism. Only then will progress towards equity be made.*

- *Improve public transportation. Make sure everyone has access to the internet. Change zoning regs so that every neighborhood has access to affordable food and other small, local neighborhood shops and services.*

- *Equity would provide everyone the opportunity based on their needs. Some of those in our community have no idea what it is to struggle with financial concerns, while others are worried how they will feed their family. Each situation, each member of the community, and each family should be provided education, assistance, and programs in order to give them the tools needed to succeed. It is easy to hand out something that will help someone, but it is much better if we can empower, educate, and teach them to do for themselves today and moving forward.*

- *Ensure job opportunities are available to the entire community. Ensure equal pay for equal work.*

- *Create more income diversity in neighborhoods by creating more missing middle housing throughout the community. Explore creative housing solutions such as shared housing, accessory dwelling units, mixed income apartment buildings, etc.*

- *By giving more chances to those who are not able to afford the same kind of lifestyle as the majority whether by racial and/or economic barriers that exist within our society. Perhaps a type of citizen oversight committee that has more stakeholders than just politicians and developers.*

- *Allowing greater access to resources based on need; income, number of children in a household, age, mobility/disability, etc. Those who need more should be able to access further resources than those who don't.*

- *Access to affordable housing for all.*

The remainder of this report uses data and community engagement to identify housing needs and challenges throughout Larimer County. The report begins with a demographic profile to set the context for the housing needs analysis.

A note about COVID-19 impacts. Most of the data in this report precedes the COVID-19 pandemic and its economic/housing impacts. The full impact on housing stability is not yet known though national estimates indicates rising housing insecurity and higher risk of eviction (once moratoriums are lifted) with a disproportionate impact on households of color.[1] Where possible, estimates of changes in employment and housing needs due to COVID-19 are noted.

[1] https://files.consumerfinance.gov/f/documents/cfpb_Housing_insecurity_and_the_COVID-19_pandemic.pdf

SECTION I.

DEMOGRAPHIC AND ECONOMIC PROFILE

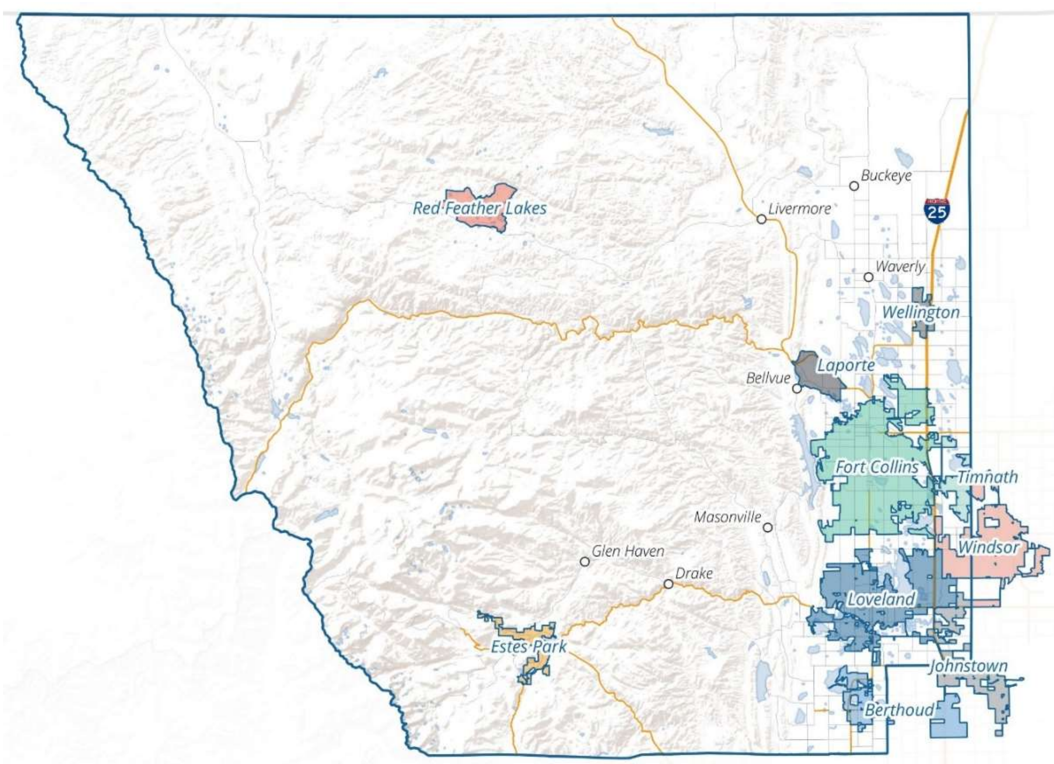
SECTION I.
Demographic and Economic Profile

This section discusses the demographic and economic characteristics and trends of Larimer County to provide context for the housing market analysis. Where possible, the following discussion—and this report as a whole—distinguishes between Larimer County overall, incorporated places within the county, and unincorporated Larimer County.

Larimer County's population is concentrated in Fort Collins and Loveland (collectively, these cities account for 70% of the county's total population) but the county also encompasses a number of smaller communities, including Wellington, Estes Park, Timnath, Laporte, Red Feather Lakes, and portions of Windsor, Johnstown and Berthoud (see Figure I-1).

Throughout this report, "incorporated areas" collectively reflects Fort Collins, Loveland, Estes Park, Timnath, and Wellington, as well as the Larimer County portions of Berthoud, Johnstown, and Windsor. "Unincorporated Areas" reflect the balance of the county, including Red Feather Lakes and Laporte, which are "Census Designated Places" but are not incorporated.

Figure I-1.
Larimer County and Incorporated Areas



Source: Root Policy Research.

Demographic Profile

Population. Larimer County is home to about 355,000 residents. About half (48%) live in Fort Collins, 22% live in Loveland, 10% live in other incorporated areas, and 20% live in unincorporated Larimer County.

The county overall has added about 55,000 residents since 2010, a population increase of 19 percent. Growth is concentrated in incorporated areas, particularly those along the I-25 corridor. Figure I-2 shows the Larimer County population by municipality along with changes in population between 2010 and 2018.

Figure I-2.
Population Trends by Community, 2010 and 2018

Jurisdiction	Population		Change		% of County	
	2010	2018	Number	Percent	2010	2018
Larimer County	293,790	349,079	55,289	19%	100%	100%
Unincorporated Areas	66,123	67,235	1,112	2%	23%	20%
Incorporated Areas	227,667	273,780	46,113	20%	77%	80%
Fort Collins	140,082	162,511	22,429	16%	48%	48%
Loveland	64,105	75,395	11,290	18%	22%	22%
Wellington	5,648	8,571	2,923	52%	2%	3%
Estes Park	5,820	6,297	477	8%	2%	2%
Timnath	447	2,922	2,475	554%	0%	1%
Laporte	2,426	2,411	-15	-1%	1%	1%
Red Feather Lakes	202	443	241	119%	0%	0%
Windsor (Larimer portion only)	3,816	6,718	2,902	76%	1%	2%
Berthoud (Larimer portion only)	5,023	6,471	1,448	29%	2%	2%
Johnstown (Larimer portion only)	98	2,041	1,943	1983%	0%	1%

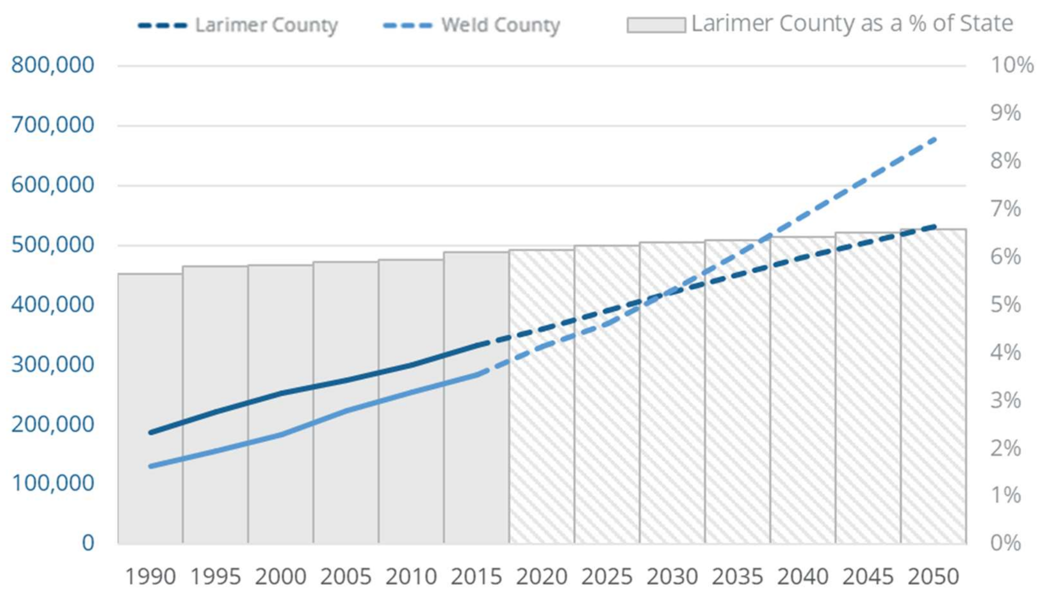
Source: 2010 Census, 2018 5-year American Community Survey (ACS), and Root Policy Research.

Population forecasts from the State Demographer indicate continued steady growth through 2050 and a slight increase in Larimer County's share of the total state population. In other words, the county is anticipated to grow faster than the state overall. Neighboring Weld County is expected to grow at an even faster rate, surpassing Larimer County's total population around 2030.[1]

[1] Additional detail on forecast methodology available at https://demography.dola.colorado.gov/population/. Trend may, in part reflect a higher capacity for new development in Weld County compared to Larimer County.

Figure I-3 shows population trends and forecasts through 2050; Weld County is also included for comparison.

Figure I-3.
Growth Trends and Forecasts, Larimer County and Colorado, 1990-2050



Source: Colorado Department of Local Affairs and Root Policy Research.

Age. The median age of Larimer County residents rose slightly during the past decade, from 35 to 36. As shown in Figure I-4, the proportion of residents under 18 and the proportion of residents aged 45 to 64 declined, the proportion aged 18 to 44 held steady, and the proportion over 65 increased. Trends were strikingly similar in unincorporated areas of the county, though unincorporated areas have a smaller proportion of college-aged residents (aged 18 to 24), offset by higher proportions of residents over age 45.

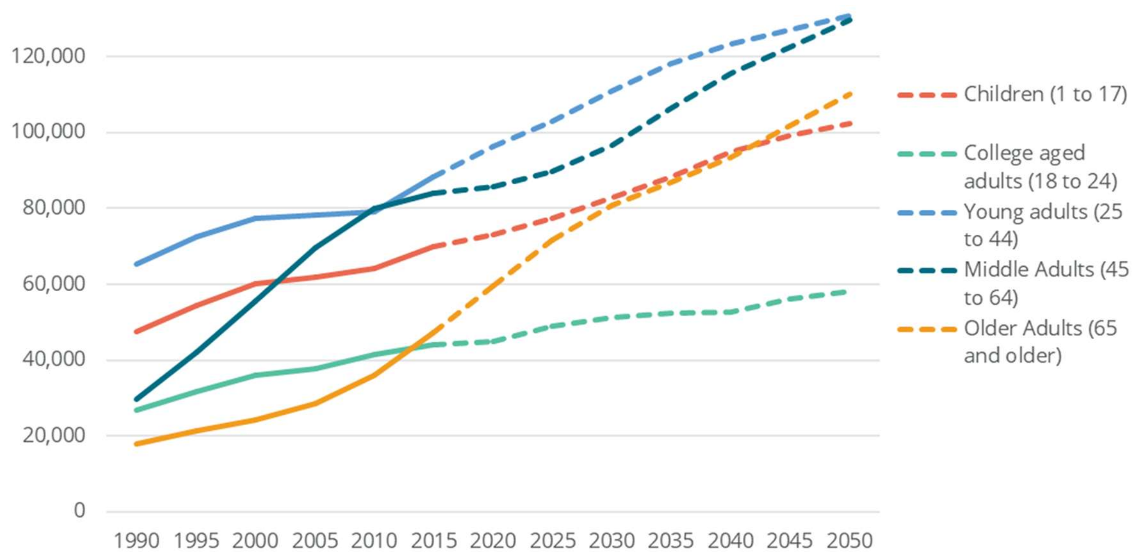
Figure I-4.
Population Change by Age Group, 2010 to 2018

	Larimer County			Unincorporated		
Age Cohort	2010	2018	Pct. Pt. Change	2010	2018	Pct. Pt. Change
Under 18	22%	20%	-2%	21%	19%	-2%
Aged 18 to 24	15%	15%	0%	6%	7%	0%
Aged 25 to 44	26%	27%	0%	20%	21%	0%
Aged 45 to 64	26%	24%	-2%	38%	35%	-3%
Aged 65 or older	11%	15%	3%	15%	19%	5%

Source: 2010 and 2018 5-year ACS, and Root Policy Research.

Population forecasts by age (shown in Figure I-5) indicate the county can expect substantial increases among older adults and, to a lesser extent, strong growth among adults aged 45 to 64.

Figure I-5.
Population Projections by Age Group, Larimer County, 1990 to 2050

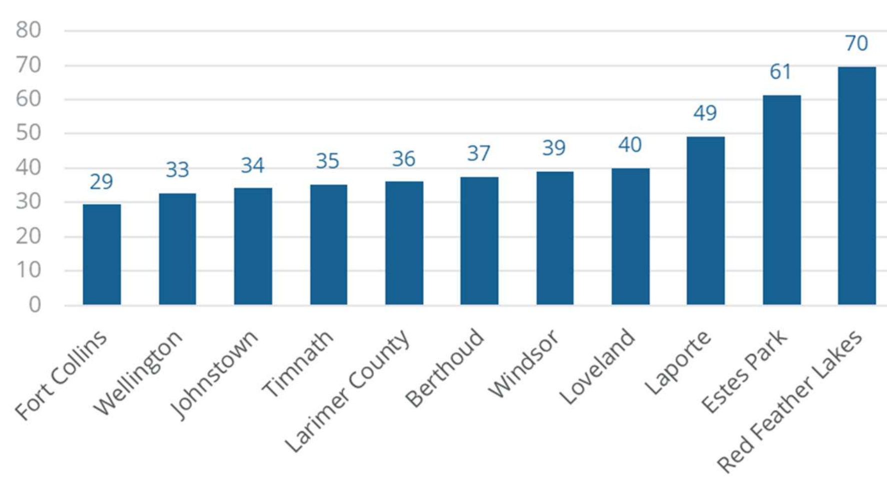


Source: Colorado Department of Local Affairs and Root Policy Research.

Age varies widely among communities within the County, as indicated by the median ages of each community shown in Figure I-6. Red Feather Lakes and Estes Park have the oldest median ages (70 and 61, respectively, while Fort Collins and Wellington have the youngest (29 and 33, respectively).

Figure I-6.
Median Age by Community, 2018

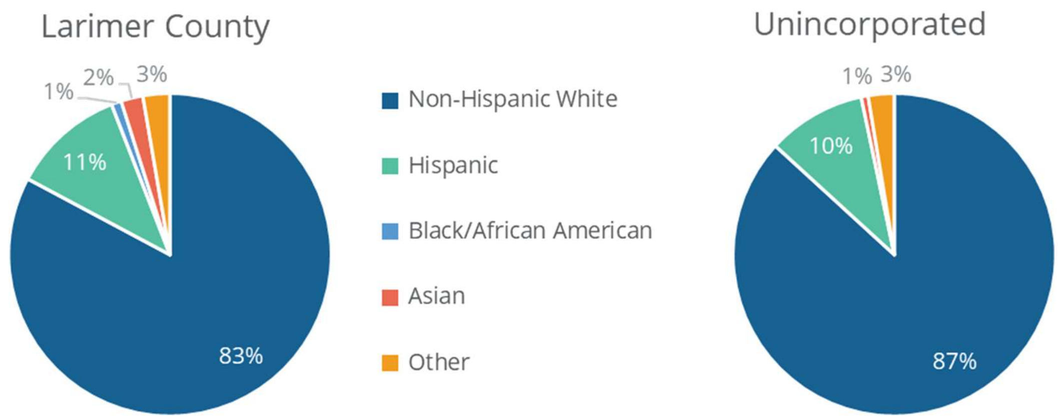
Source:
2018 5-year ACS, and Root Policy Research.



Race/ethnicity. Overall, Larimer County residents predominantly identify as non-Hispanic White (83%). Eleven percent identify as Hispanic, 2 percent as Asian, 1 percent as

Black or African American and 3 percent as other or multiple races. The racial and ethnic distribution is similar in unincorporated areas but reflects a slightly higher proportion of non-Hispanic White residents and a slightly lower proportion of minority residents.

Figure I-7.
Distribution of Race and Ethnicity, 2018



Source: 2018 5-year ACS, and Root Policy Research.

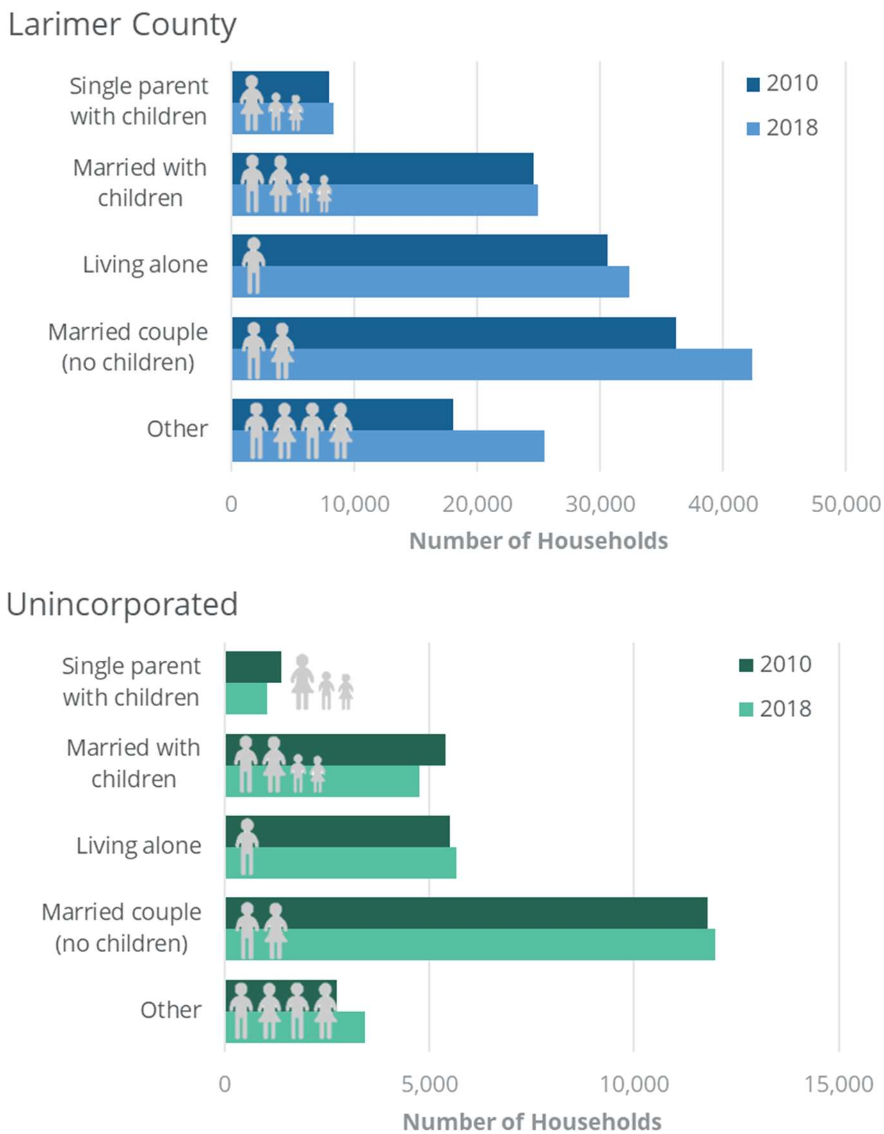
Households type. In 2010, 28 percent of households in Larimer County included children (married with children or single parent households). By 2018 that proportion dropped to 25 percent. Trends were similar in unincorporated areas of the county, where households with children accounted for 25 percent of all households in 2010 and 22 percent in 2018.

The most common household type in both the county overall and unincorporated areas is married couples without children (this includes empty-nesters, whose children no longer live at home). Figure I-8 shows the number of households by type in both 2010 and 2018 for Larimer County and for unincorporated areas of the county.

Figure I-8. Household Type and Change, 2010 and 2018

Source:

2010 and 2018 5-year ACS, and Root Policy Research.



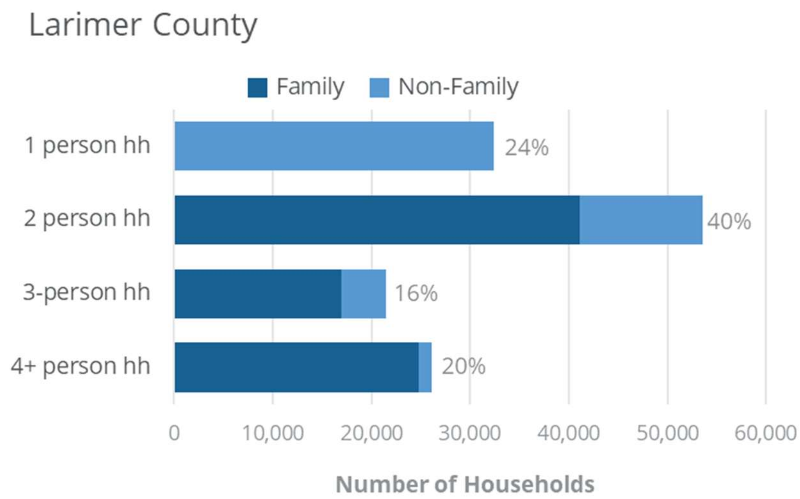
Household size. According to the ACS, average household size is 2.5 people in Larimer County, with owners averaging slightly higher household sizes at 2.6 than renters at 2.2.

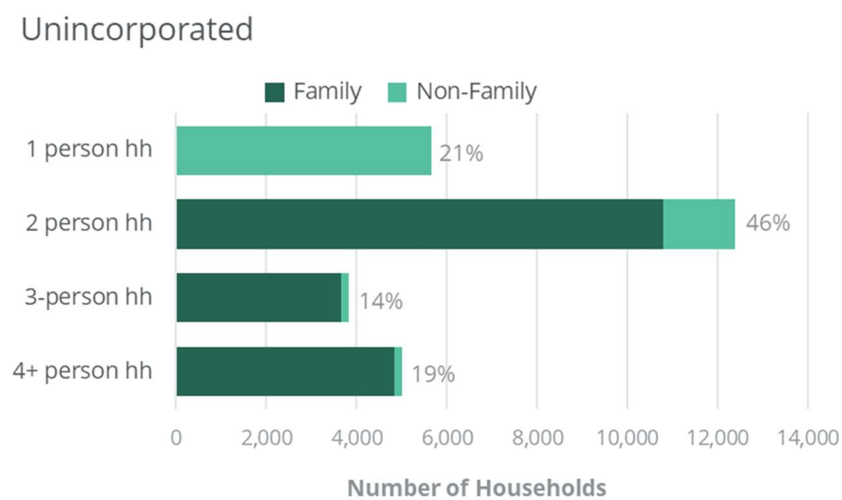
Countywide, about 40 percent of households are 2-person households and 36 percent have three or more members. As illustrated in Figure I-9, the majority of large households are family households.

Figure I-9.
Household Size by Household Composition, 2018

Note:
"Family" Household indicates at least 2 household members are related.

Source:
2018 5-year ACS, and Root Policy Research.





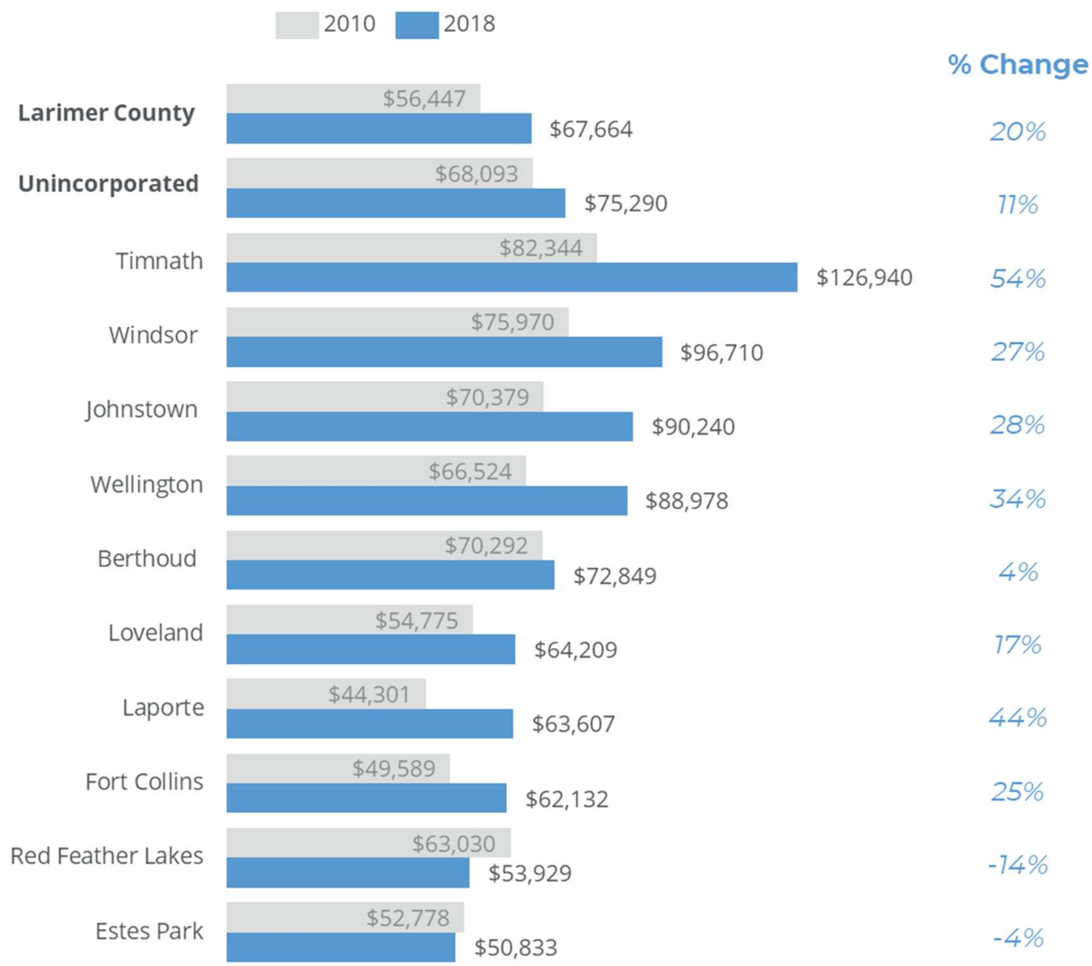
Income and Poverty

Median household income for Larimer County overall was $67,664 in 2018, a 20 percent increase from the 2010 median of $56,447.

Relative to the county overall, the median income in unincorporated areas rose more slowly (11% gain) but remains higher ($75,290 in 2018 compared to $67,664 in the county overall). This difference is driven primarily by the higher proportion (and retention) of owners living in unincorporated areas, who tend to have higher incomes.

Figure I-10 shows median household income in 2010 and 2018, along with percent change over the period, for Larimer County, unincorporated areas, and individual jurisdictions within Larimer County.

Figure I-10
Median Household Income, 2010 and 2018



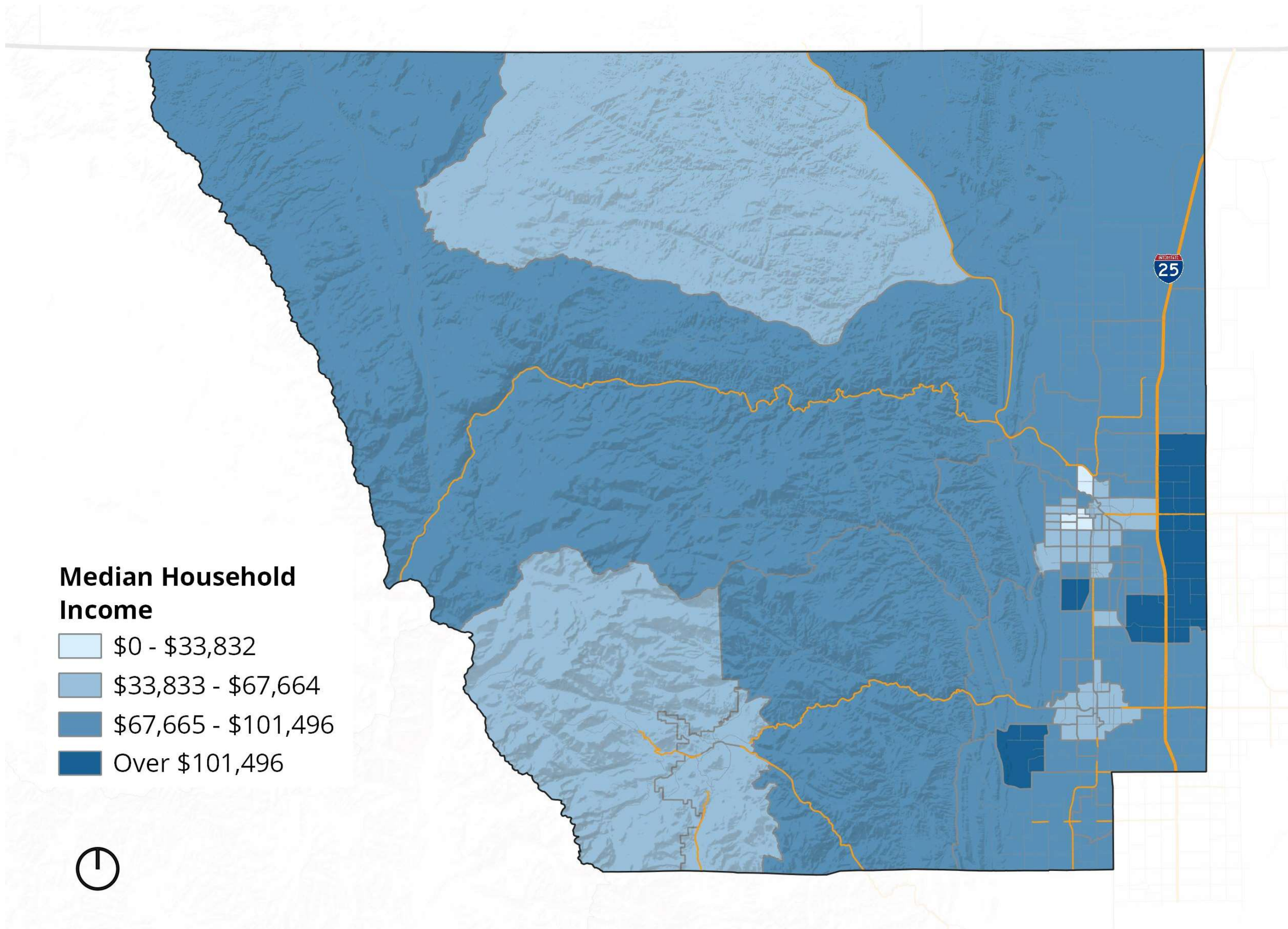
Source: 2010 and 2018 5-year ACS, and Root Policy Research.

Figure I-11 (on the following page) shows median household income by Census tract and illustrates that tracts with relatively high median incomes are concentrated in newer communities along the I-25 corridor.

Figure I-11. Median Household Income by Census Tract, 2018

Source:

2018 5-year ACS, and Root Policy Research.



Income distribution. It is important to note that a rise in median income is not necessarily an indicator of rising incomes for all residents. It could reflect rising incomes for the top group of earners, which can "pull up" the median. It can also reflect displacement of lower income households who may be pushed outside the region due to rising housing costs.

Figure I-12 shows shifts in the income distribution in Larimer County and in unincorporated areas between 2010 and 2018.

Between 2010 and 2018, the proportion of households earning less than $50,000 declined by 8 percentage points offset by an increase in the proportion earning more than $100,000. The "middle income" cohort, earning between $50,000 and $100,000 stayed about the same, accounting for nearly one third of all households.

Income shifts were similar in unincorporated areas which also saw a proportional decline in households earning less than $50,000. Unlike the county overall, that decline in unincorporated areas was offset by increases in both the upper income (over $100,000) and middle income ($50,000 to $100,000) households.

Figure I-12. Income Distribution, 2010 and 2018

Source: 2010 and 2018 5-year ACS, and Root Policy Research

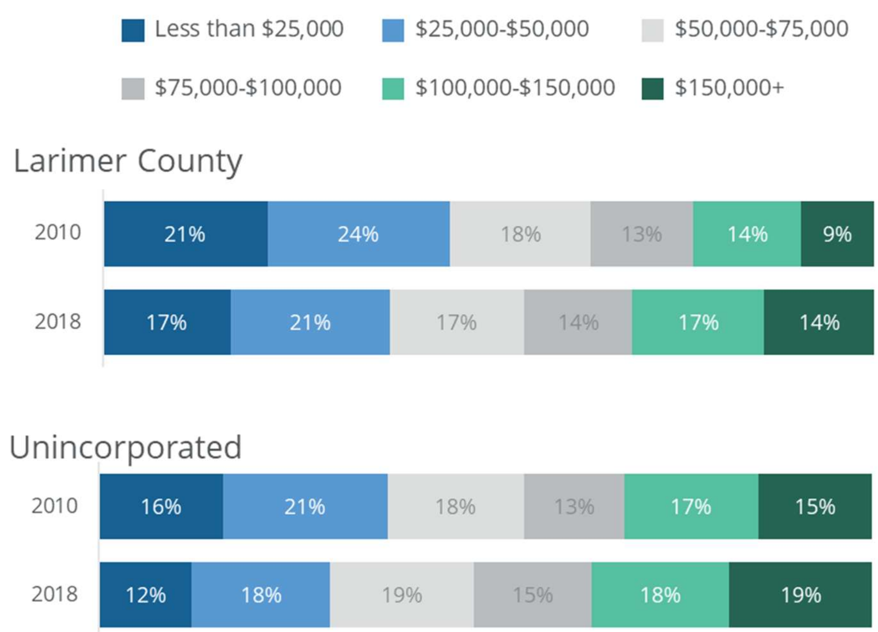
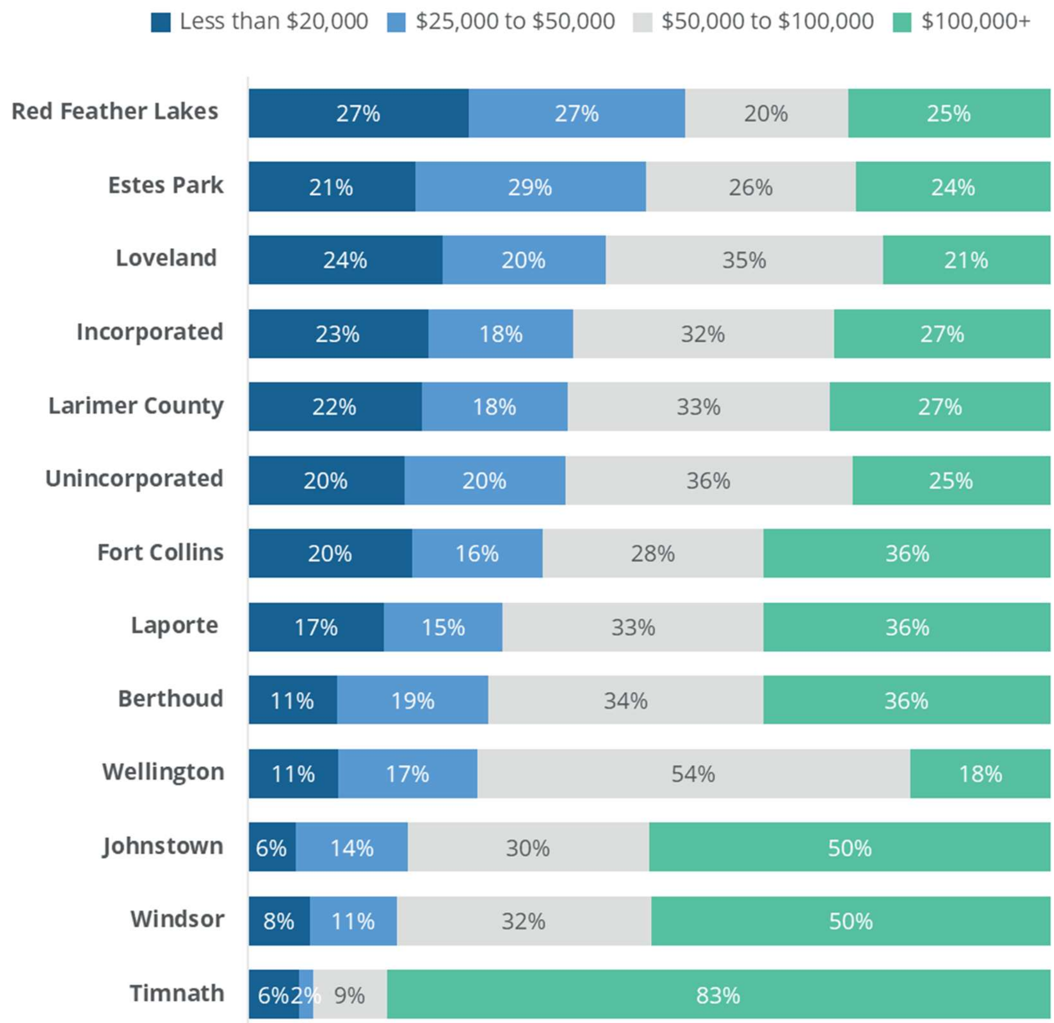


Figure I-13 shows income distribution for Larimer County jurisdictions.

Figure I-13.
Income Distribution by Community, 2018



Source: 2018 5-year ACS, and Root Policy Research.

Income by tenure. Renters and owners both experienced income growth between 2010 and 2018, but the magnitude of the change differed by tenure and by location (incorporated vs unincorporated):

- Median renter income in the county overall rose by 33 percent (from $30,291 to $40,415) while median renter income in unincorporated areas rose by 11 percent (from $30,178 to $33,504).
- Median owner income in the county overall rose by 19 percent (from $73,839 to $88,020) while median owner income in unincorporated areas rose by 16 percent (from $72,623 to $84,460).

In other words, highest income growth was among renters in incorporated areas, followed by owners in incorporated areas. Lowest growth was among renters in unincorporated areas.

Figure I-14 shows the distributional shift in renters and owners by income group in both Larimer County and unincorporated areas of the county. The biggest shifts among owners reflect a decline in lower and moderate income owners, offset by an increase in high income owners (particularly those earning more than $150,000 annually). Among renter households, the most notable change is a sharp decline in renters earning less than $50,000, with marginal increases in moderate and high income cohorts.

Figure I-14.
Household Income, Renters and Owners, 2018

	Larimer County				Unincorporated County			
	2010	2018	% Pt. Change	Numerical Change	2010	2018	% Pt. Change	Numerical Change
Owners								
Less than $25,000	11%	9%	-2%	-1,053	13%	10%	-3%	-762
$25,000-$50,000	19%	16%	-3%	-1,518	19%	16%	-3%	-749
$50,000-$75,000	20%	17%	-4%	-1,953	17%	18%	0%	56
$75,000-$100,000	17%	16%	-1%	724	14%	16%	2%	529
$100,000-$150,000	19%	22%	3%	4,304	19%	20%	0%	51
$150,000+	13%	20%	6%	6,525	17%	21%	4%	910
Renters								
Less than $25,000	42%	30%	-12%	-1,906	32%	23%	-9%	-332
$25,000-$50,000	33%	30%	-4%	1,318	36%	33%	-3%	-113
$50,000-$75,000	14%	19%	5%	3,700	19%	24%	5%	179
$75,000-$100,000	6%	10%	4%	2,495	7%	9%	2%	70
$100,000-$150,000	4%	7%	4%	2,059	4%	6%	2%	87
$150,000+	1%	4%	3%	1,417	2%	5%	3%	119

Source: 2010 and 2018 5-year ACS, and Root Policy Research.

The implications of these income shifts on the housing market and on affordability for both renters and owners are discussed in detail in Section IV. Housing Affordability and Gaps.

Poverty. According to ACS data, 39,489 Larimer County residents (12% of the population) are living in poverty. About 5,600 of those in poverty live in unincorporated areas and account for 8 percent of the total unincorporated area population.

The higher poverty rate in incorporated areas is partially related to the student population in Fort Collins, though family poverty and poverty among older adults is also slightly higher in incorporated areas relative to unincorporated areas.

Since 2010, poverty rates of both families and individuals (of all age groups) has declined in both the county overall and in unincorporated areas, as shown in Figure I-15.

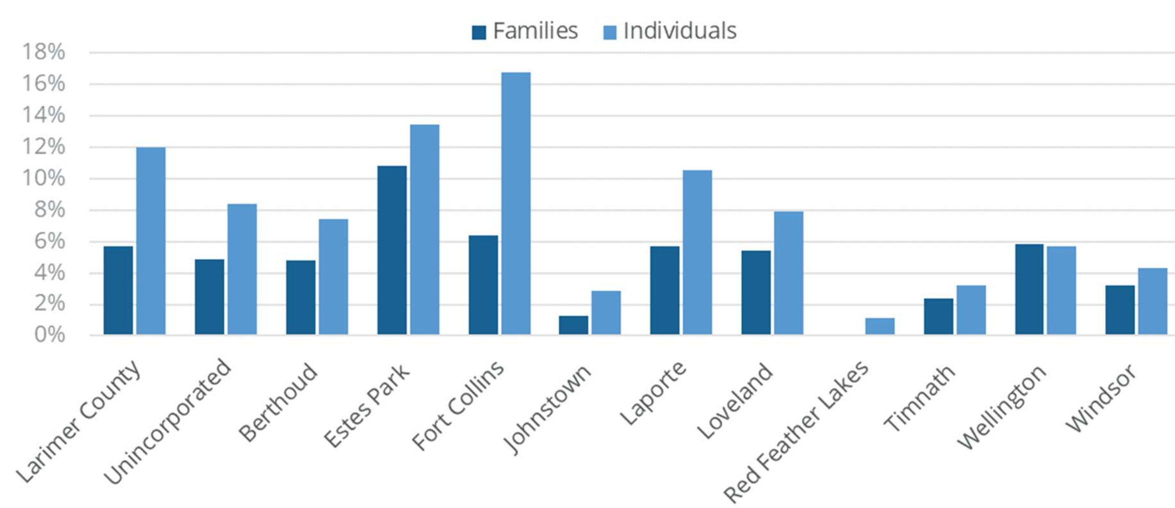
Figure I-15.
Poverty Rate by Age and Change, 2010 to 2018

	Larimer County			Unincorporated		
	2010	2018	% Point Change	2010	2018	% Point Change
Families	7%	6%	-1%	7%	5%	-2%
Individuals	13%	12%	-1%	11%	8%	-2%
Children (Under 18)	12%	10%	-2%	14%	9%	-5%
College-Age Adults (18-24)	40%	37%	-2%	22%	18%	-3%
Adults 25 to 64	9%	8%	-1%	9%	8%	-1%
Older Adults (65+)	6%	6%	0%	7%	4%	-2%

Source: 2010 and 2018 5-year ACS, and Root Policy Research.

Figure I-16 compares individual and family poverty rates across Larimer County communities. Estes Park has the highest family poverty rate, while Fort Collins has the highest individual poverty rate.

Figure I-16.
Poverty Rate by Community, 2018



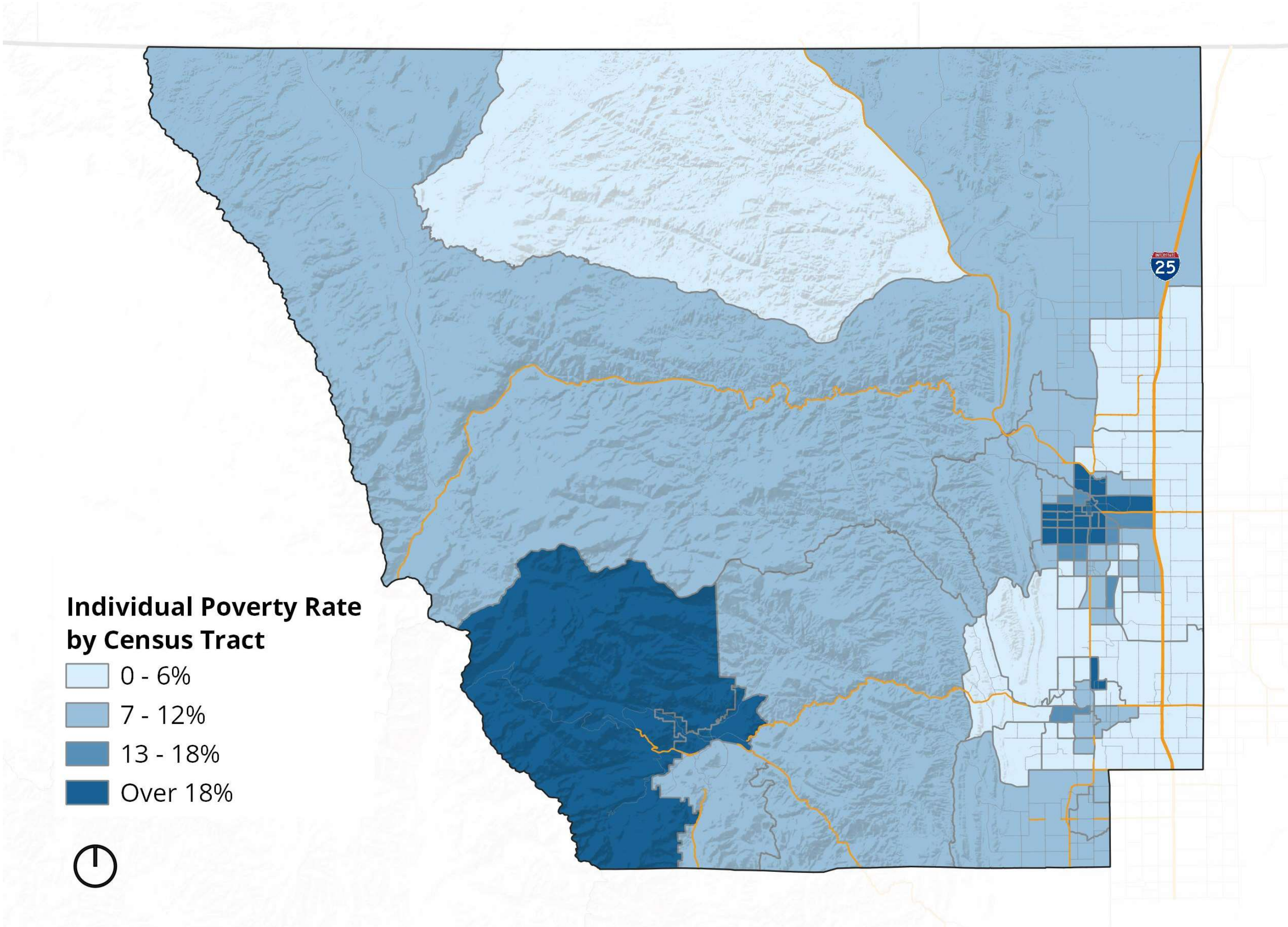
Source: 2018 5-year ACS, and Root Policy Research.

Figure I-17 maps poverty rates by Census tract in Larimer County. Consistent with the previous figure, the map highlights areas of high poverty in Fort Collins and in Estes Park, and, to a lesser extent, some portions of Loveland.

Figure I-17. Individual Poverty Rate by Census Tract, 2018

Source:

2010 and 2018 5-year ACS, and Root Policy Research.



Labor Force and Employment

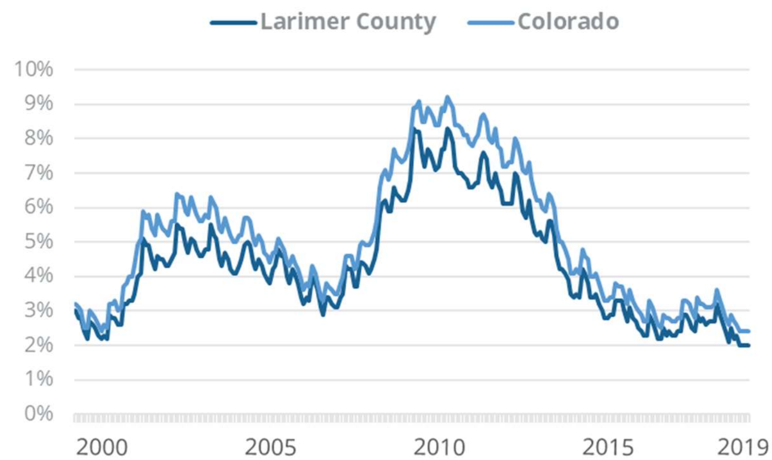
This section discusses key components of the county's economy, which affect the demand for and price of housing.

Unemployment. Figure I-18 presents unemployment rates for Larimer County and the State of Colorado from 2000 through 2019. Larimer County's unemployment rate generally tracks with—but stays below—statewide unemployment. In December 2019, the county's unemployment rate was 2 percent. However, since the COVID-19 pandemic, the unemployment rate spiked to 11.1 in June 2020 and as of December 2020 had moderated somewhat to 7.4 percent.

Figure I-18. Unemployment Rates, Larimer County and Colorado, 2000 to 2019

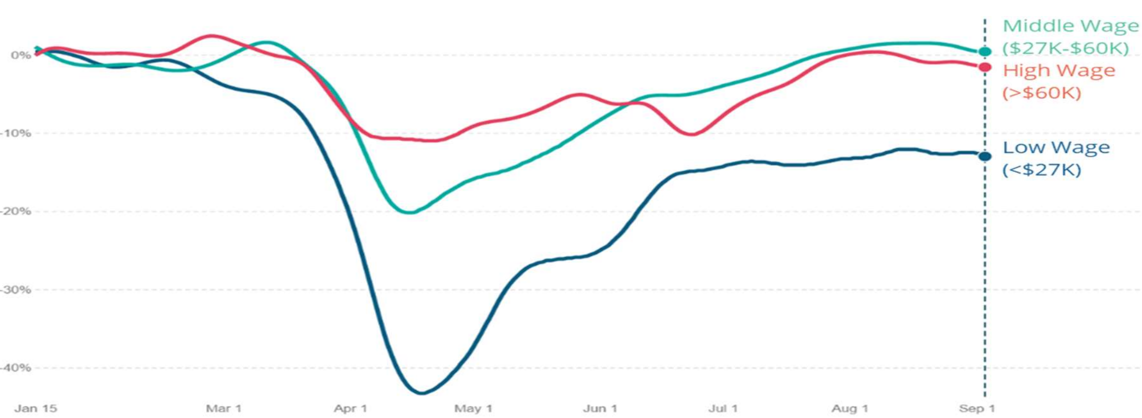
Source:

Bureau of Labor Statistics and Root Policy Research



Research at the national level shows that persons impacted by job losses/interruptions due to COVID-19 restrictions are disproportionately women, renters, and service workers. Figure I-19 shows the change in employment for Larimer County by wage group. The most impacted cohort was low wage workers (those earning less than $27,000 annually).

Figure I-19.
Percent Change in Employment, Larimer County, 2020



Source: https://tracktherecovery.org/..

Employment and wages by industry. Figure I-20 compares Larimer County's job composition by industry for 2010 and 2019 using data from the Bureau of Labor Statistics (BLS).

Larimer County continues to rely on service producing industries for the majority of its employment (79%) compared to goods producing industries (21%). The County experienced growth in all job categories. Trade, transportation, and utilities gained the most jobs by numerical increase (6,016 new jobs) but natural resources and construction had the largest percentage gains (68% and 56% respectively).

Figure I-20.
Average Employment by Industry, Larimer County, 2010 and 2019

Larimer County	2010		2019		Percent Change 2010-2019
	Number	Percent	Number	Percent	
Goods Producing	18,718	18%	27,442	21%	47%
Natural Resources and Mining	921	1%	1,547	1%	68%
Construction	7,219	7%	11,262	9%	56%
Manufacturing	10,578	10%	14,632	11%	38%
Service Providing	84,168	82%	103,641	79%	23%
Trade, Transportation and Utilities	21,688	21%	27,704	21%	28%
Information	2,514	2%	3,348	3%	33%
Financial Activities	5,354	5%	6,534	5%	22%
Professional and Business Services	17,492	17%	20,392	16%	17%
Education and Health Services	17,378	17%	18,490	14%	6%
Leisure and Hospitality	16,256	16%	22,122	17%	36%
Other Services	3,452	3%	5,031	4%	46%
Total Employment	102,886	100%	131,083	100%	27%

Source: Bureau of Labor Statistics, and Root Policy Research.

Figure I-21 presents wage information by industry for jobs in Larimer County in 2010 and 2019. Manufacturing jobs pay the highest annual average wages, followed by professional business services, and financial activities industries.

The lowest paid industries are leisure and hospitality, and other services—the industries most impacted by the current COVID-19 pandemic.

Figure I-21.
Average Annual Wages by Industry, Larimer County, 2010 and 2019

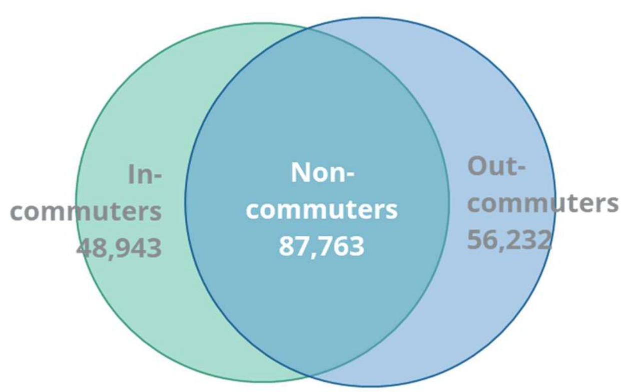
Larimer County	2010 Avg. Annual Wage	2010 % of Median	2019 Avg. Annual Wage	2019 % of Median	Percent Change 2010-2019
Goods Producing	$60,637	107%	$78,601	116%	30%
Natural Resources and Mining	$34,235	61%	$48,246	71%	41%
Construction	$44,857	79%	$58,278	86%	30%
Manufacturing	$73,705	131%	$97,452	144%	32%
Service Providing	$34,939	62%	$46,762	69%	34%
Trade, Transportation and Utilities	$29,152	52%	$42,745	63%	47%
Information	$50,783	90%	$59,319	88%	17%
Financial Activities	$43,032	76%	$67,853	100%	58%
Professional and Business Services	$50,872	90%	$72,452	107%	42%
Education and Health Services	$41,480	73%	$47,444	70%	14%
Leisure and Hospitality	$14,819	26%	$21,475	32%	45%
Other Services	$28,057	50%	$37,635	56%	34%
Total Employment	$39,614	70%	$53,427	79%	35%

Note: Total Employment number includes Uncategorized Jobs which are not included in the table.

Source: Bureau of Labor Statistics - Private Industries,, and Root Policy Research.

Commuting patterns. The Census Longitudinal Employer Household Dynamics tracks commuting flows in/out of communities. There are 136,706 workers whose primary jobs are located in Larimer County. Nearly two-thirds of those jobs are filled by residents who both live and work in Larimer County; the remaining jobs are filled by in-commuters. Thirty-nine percent of Larimer County resident workers have a primary job outside the county (out-commuters). Figure I-22 displays the inflow and outflow of primary jobs/workers to and from McKinney.

Figure I-22.
Inflow and Outflow of Jobs, Larimer County, 2018

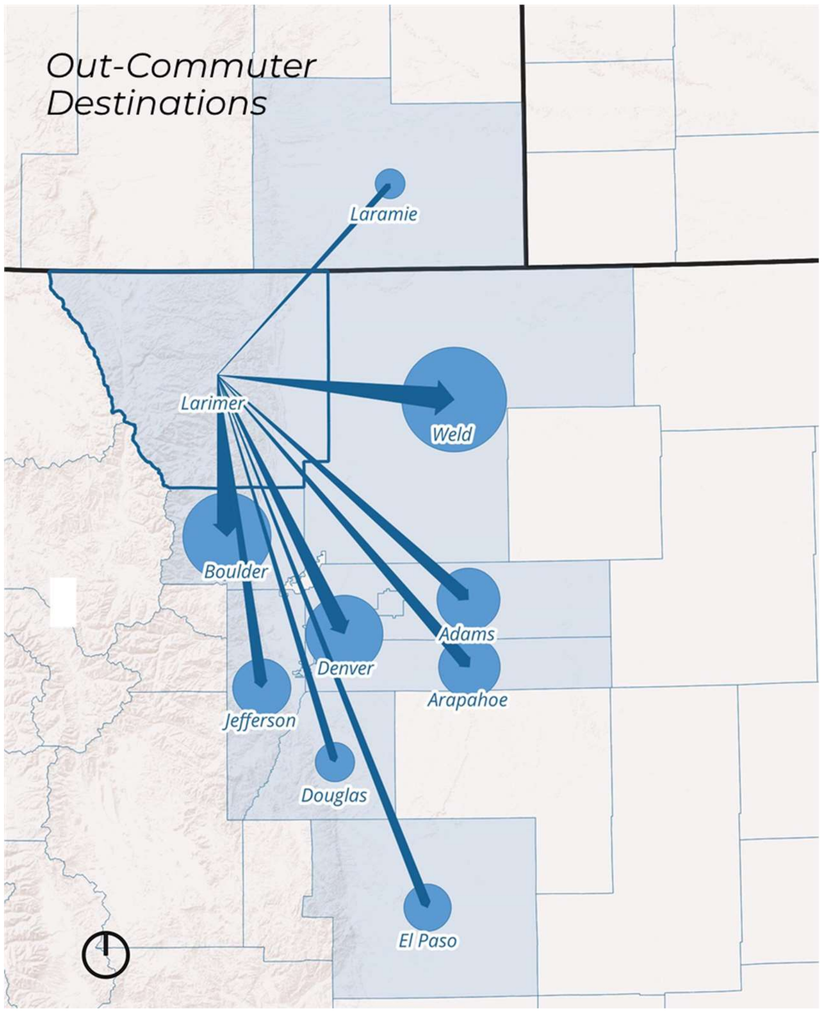


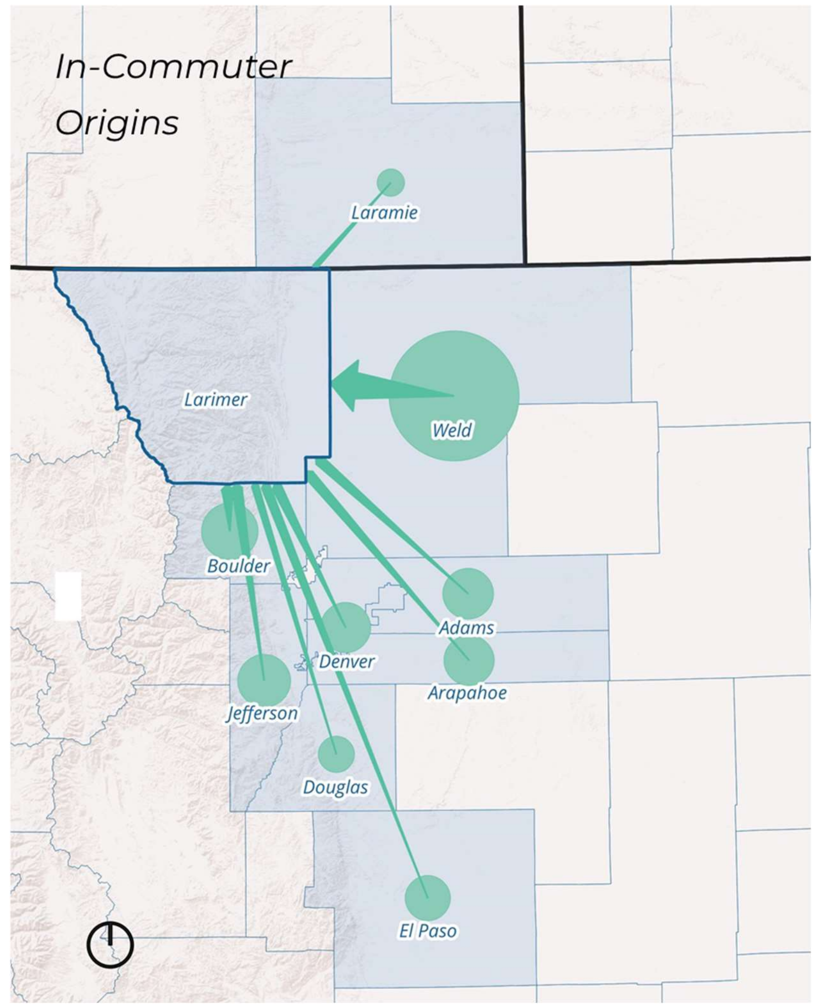
Source:

US Census Bureau's Longitudinal Employer-Household Dynamics Root Policy Research.

As shown in Figure I-23, the top daily destinations of out-commuter from Larimer County are Weld County Boulder County, and Denver. The largest supplier of In-commuters to Larimer come from Weld County.

Figure I-23.
Top Ten Commuter Destinations and Origins for Larimer County Residents and Workers, 2017





Source: US Census Bureau's Longitudinal Employer-Household Dynamics and Root Policy Research

SECTION II.

HOUSING MARKET PROFILE

SECTION II.
Housing Market Profile

This section examines conditions and trends in Larimer County's housing market, including:

- Housing stock (growth, age, and unit type);
- Development trends;
- Renter and owner profiles; and
- Cost trends in the ownership and rental markets.

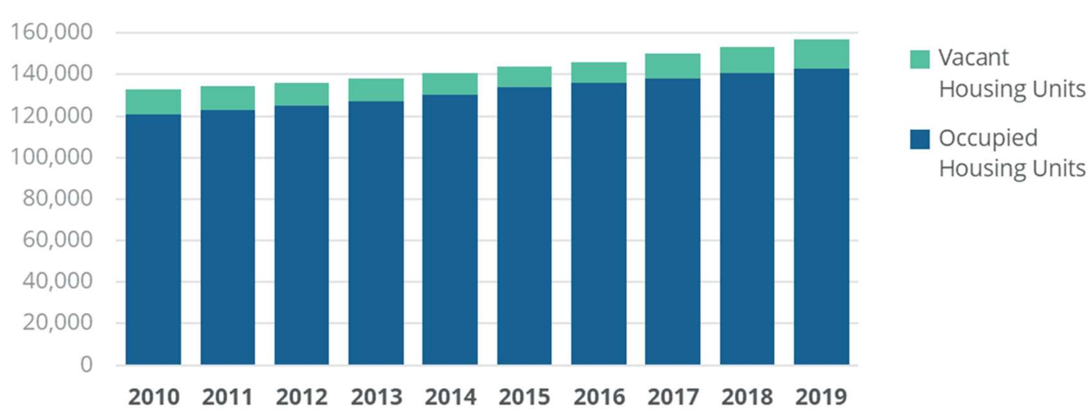
Section IV, Housing Affordability and Gaps, is dedicated to affordability and identifying housing needs. It examines changes in affordability and identifies current housing gaps.

Housing Stock

Larimer County is home to about 143,000 households—80 percent of those are in incorporated areas and the remaining 20 percent are in unincorporated areas. About two-thirds of the county's housing stock is single family detached units and a similar proportion of homes are owner-occupied (versus renter occupied).

Change in housing units. Figure II-1 shows trends in the number of housing units (both occupied and vacant) in Larimer County over the past decade. Between 2010 and 2019, Larimer County gained 23,682 housing units, an 18 percent increase, roughly tracking population growth over the period (19% growth). Larimer County housing and population growth outpaced that of the state overall (11% rise in units and 14% rise in population).

Figure II-1.
Housing Units, Occupied and Vacant, Larimer County 2010-2019

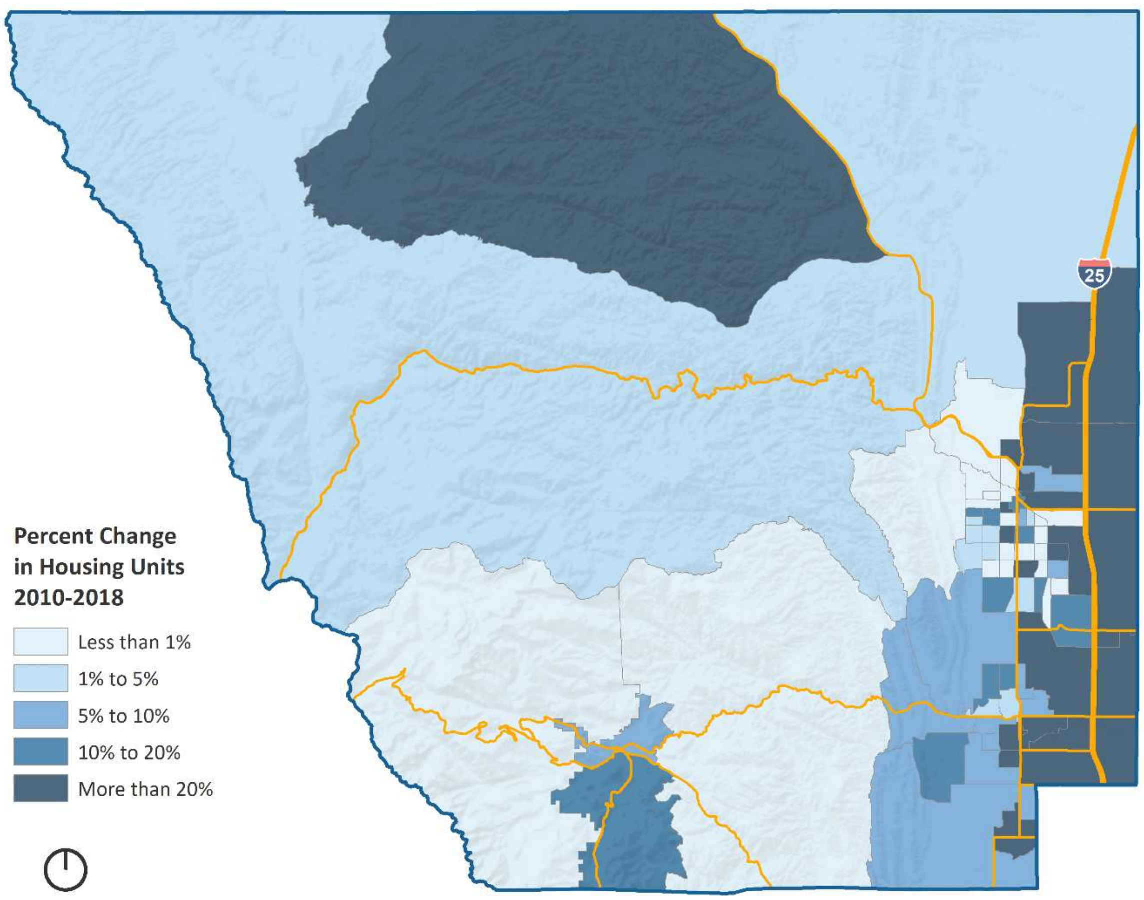


Source: State of Colorado Department of Local Affairs.

The rate of housing unit growth plays a key role in affordability: when growth cannot accommodate demand, prices rise. The way in which a community grows also affects affordability. Some housing types are less expensive to construct than others, are oriented toward affordability, and have lower market demand. These factors are examined in this and the following section on market pricing.

Growth by Census tract. Figure II-2 shows the spatial distribution of growth between 2010 and 2018. Similar to population growth patterns discussed in Section I, housing unit growth was strongest along the I-25 corridor, reflecting development trends in fast-growing communities along the county's Eastern border. There was also notable percentage growth in north central Larimer County, though the number of units in that area remains low relative to more populated parts of the county.

Figure II-2.
Change in Housing Units by Census Tract, 2010 to 2018



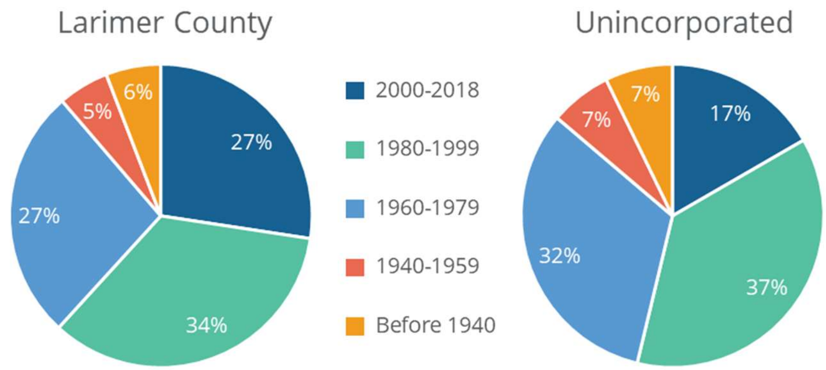
Source: 2010 and 2018 5-year ACS, and Root Policy Research.

Year built. About 40 percent of the county's homes were built before 1980, another 34 percent were built between 1980 and 1999, and 27 percent were built in the past twenty years (as shown in Figure II-3). Homes in unincorporated areas tend to be older, as most recent development has occurred in (or been annexed into) incorporated areas.

Figure II-3.
Year Built, 2018

Source:

2018 5-year ACS and Root Policy Research.



Unit type. About two-thirds of all homes in the county are single-family detached homes, though multifamily development has increased slightly in recent years. Single family detached is even more dominant in unincorporated areas, where it accounts for 85 percent of all units. Even so, there has been a very slight increase in low density attached units (duplexes, tri-plexes, townhomes, etc.) in unincorporated areas since 2010. Figure II-4 compares the number and proportion of housing units by type for Larimer County and unincorporated Larimer County in 2010 and 2018.

Figure II-4.
Units in Structure, 2010 and 2018

	2010		2018		Difference	
	Number	Percent	Number	Percent	Num.	% Pt.
Larimer County						
Single Detached	88,136	67%	96,799	66%	8,663	-1%
1-4 Units	17,368	13%	18,919	13%	1,551	0%
5-19 Units	13,120	10%	14,995	10%	1,875	0%
20+ Units	6,188	5%	9,313	6%	3,125	2%
Manufactured Home	5,772	4%	5,600	4%	-172	-1%
Other (boat, RV, van, etc.)	35	0%	46	0%	11	0%
Unincorporated						
Single Detached	27,902	85%	27,555	84%	-347	0%
1-4 Units	1,232	4%	1,356	4%	124	0%
5-19 Units	181	1%	321	1%	140	0%
20+ Units	112	0%	95	0%	-17	0%
Manufactured Home	3,554	11%	3,338	10%	-216	-1%
Other (boat, RV, van, etc.)	22	0%	46	0%	24	0%

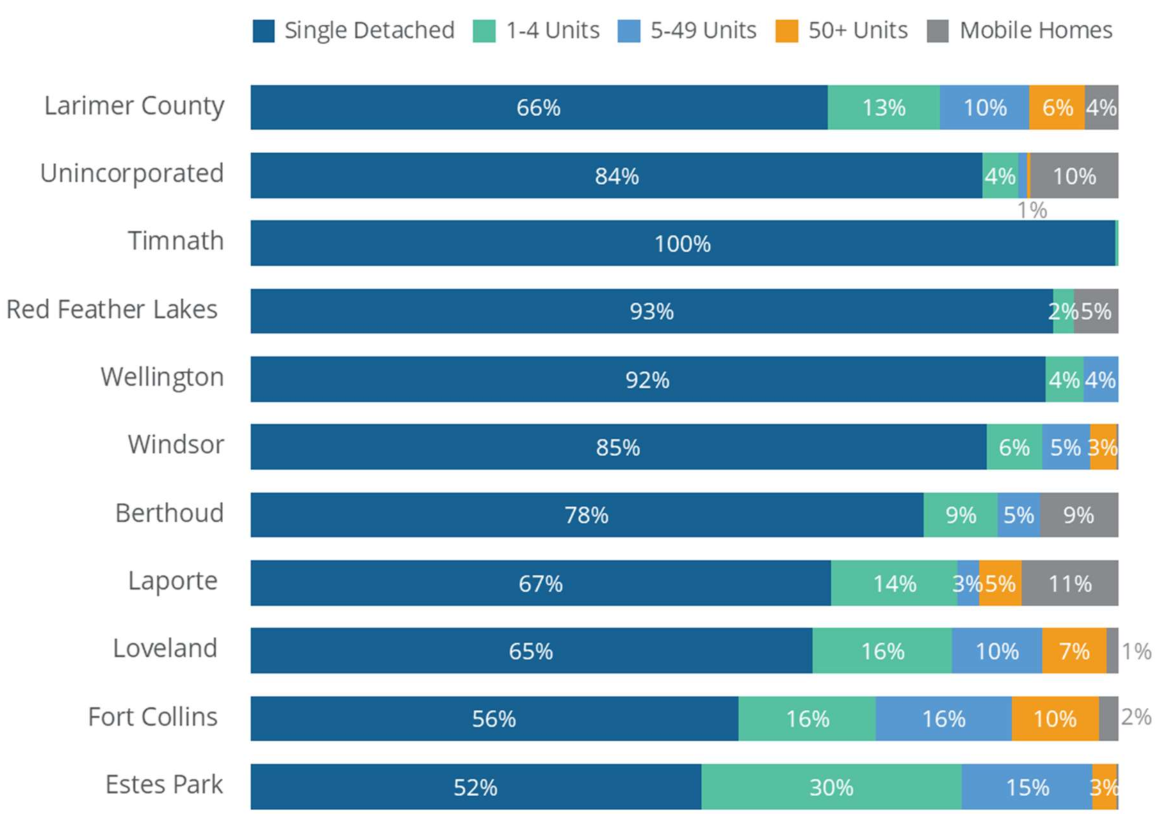
Source: 2010 and 2018 5-year ACS and Root Policy Research.

The number of mobile/manufactured homes in both the county overall and in unincorporated areas declined slightly between 2000 and 2018 and currently represents about 4 percent of units countywide and 10 percent of units in unincorporated Larimer County. Unique needs of manufactured housing residents are discussed in more detail in Section III. Special Interest Populations.

Figure II-5 shows the types of housing unit by community in Larimer County. All communities are majority single family detached but the proportion ranges from 100 percent in Timnath to 52 percent in Estes Park.

Loveland, Fort Collins, and Estes Park have the highest proportions of smaller-structure attached units (du-/tri-/four-plexes) as well as the largest proportions of traditional multifamily. Berthoud and LaPorte have the largest proportions of mobile homes.

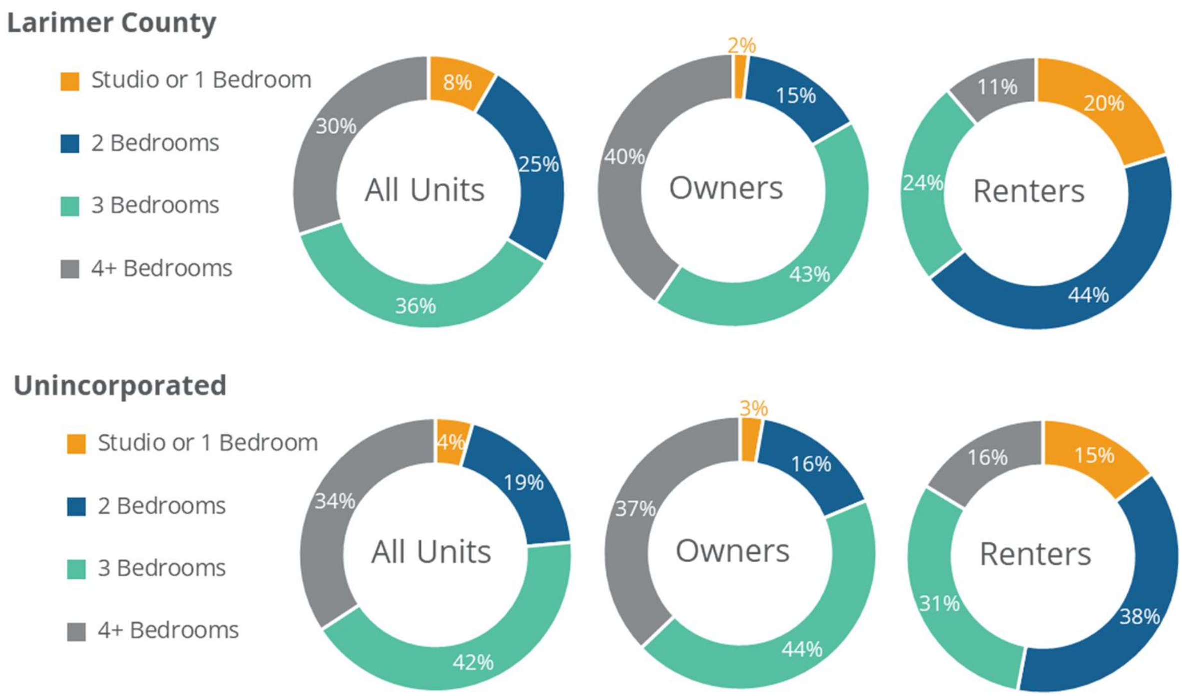
Figure II-5.
Units in Structure by Larimer County Community, 2018



Source: 2018 5-year ACS and Root Policy Research.

Unit size. Two-thirds of Larimer County's homes have three or more bedrooms. That figure is higher in unincorporated parts of the county (76%). Some of that difference is due to the higher proportion of owner occupied homes—which tend to be larger in size—in unincorporated areas. In addition, rental units in unincorporated areas tend to be larger than in the county overall (see Figure II-6).

Figure II-6.
Number of Bedrooms by Tenure, 2010 and 2018



Source: 2010 and 2018 5-year ACS and Root Policy Research.

Vacancy. According to ACS estimates, about 8 percent of all housing units in Larimer County are vacant. Vacancy is higher in unincorporated areas (18% of units) driven by the number of homes that are vacant for seasonal or recreational use (i.e., second homes). These differences are illustrated in Figure II-7, which shows the number of vacant units by reason for vacancy.

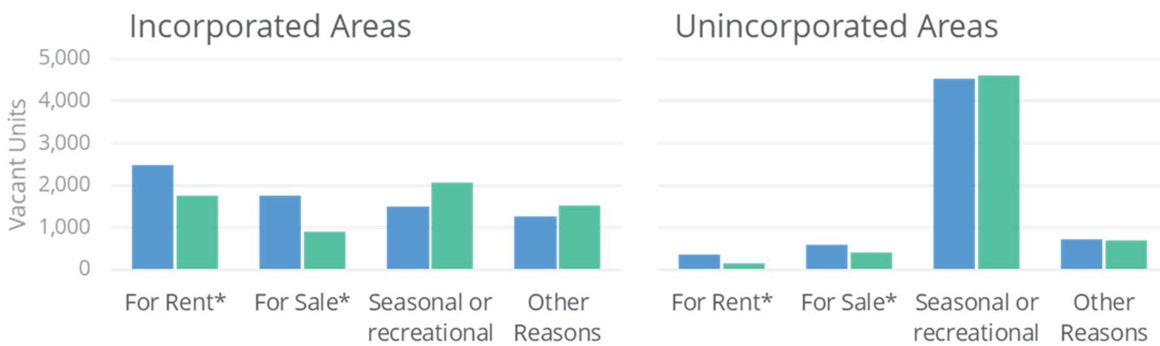
Vacancy varies substantially by individual community with the largest vacancies driven by second homes in both Estes Park and Red Feather Lakes. Second homes (those considered vacant for seasonal or recreational use) account for about 25 percent of the total housing stock in Estes Park and 73 percent of the total housing stock in Red Feather Lakes.

The Cameron Peak Fire, which burned through Larimer County in 2020, had a disproportionate impact on seasonal or recreational homes in the unincorporated county. The results of that fire are not included in the data shown in Figure II-7. In total, the fire destroyed 224 residential structures in Larimer County, 42 of which were primary residences (182 were non-primary homes)[1]

---

[1] https://inciweb.nwcg.gov/incident/6964/

Figure II-7.
Vacant Units, 2018



Note: Vacant for rent and vacant for sale includes homes that have been rented or sold but are not yet occupied.

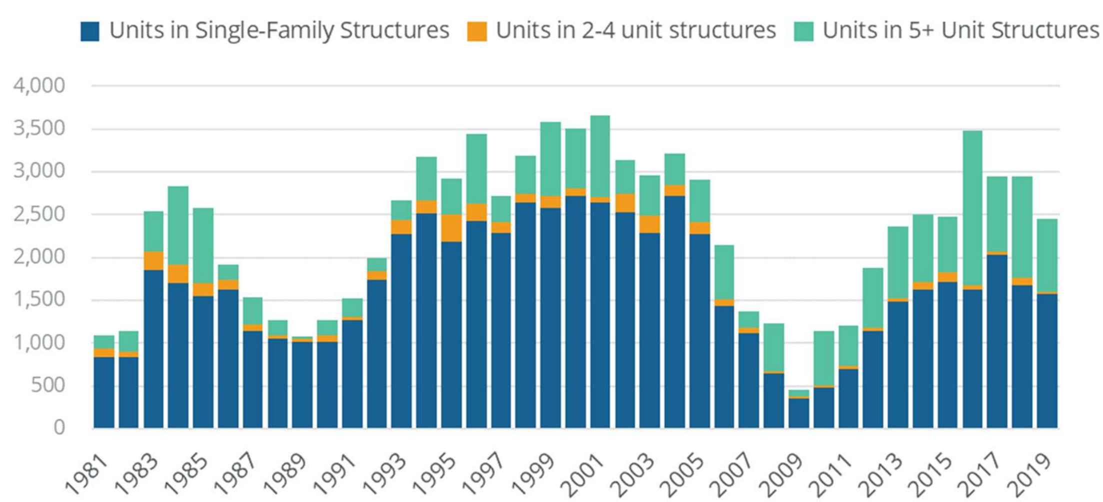
Source: 2018 5-year ACS and Root Policy Research.

Short term rentals. Many of the seasonal/recreational use vacancies likely reflect homes used as short-term rentals (STRs). According to data from airdna.com (a market analytics website for STRs), there are 1,657 homes listed as short-term rentals in Larimer County. Some of these may be permanently occupied and rented occasionally, others may be rented consistently and otherwise vacant or used seasonally. About two thirds of all the STRs listed in Larimer County are located in or around Estes Park.

Development Trends

As noted previously, Larimer County has experienced both population and housing growth that outpaced statewide growth over the past decade. Figures II-8 and II-9 show residential development trends as measured by housing unit permits between 1981 and 2019. Permit data reflect number of units permitted by structure type.

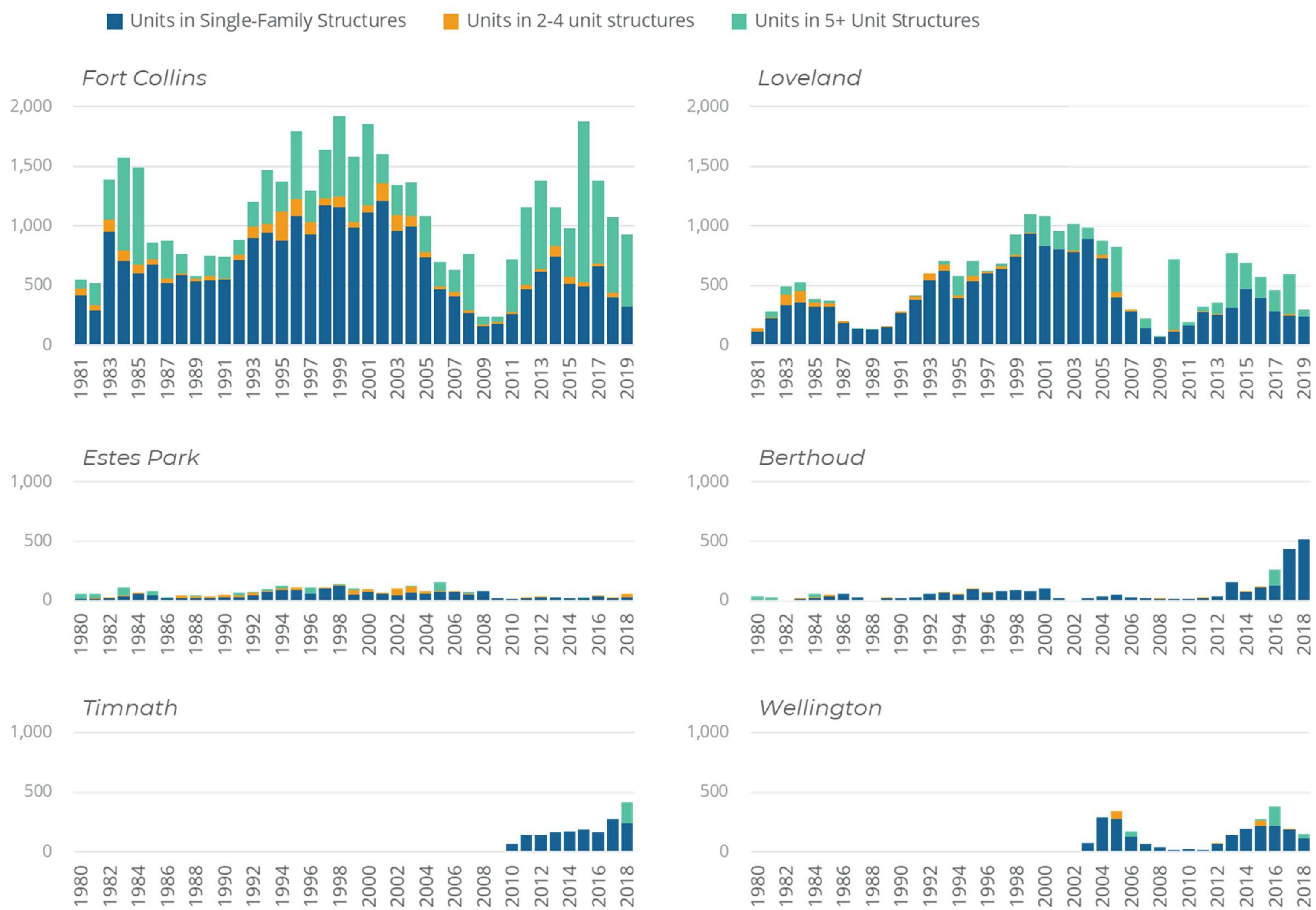
Figure II-8.
Housing Units Permitted by Units in Structure, Larimer County, 1981-2019



Source: HUD State of the Cities Data System Building Permits Database.

Permitted units countywide dropped during the Great Recession but have since recovered to pre-Recession levels. Multifamily development has accounted for a higher proportion of permits in recent years than historically and recent development has been driven primarily by growth in incorporated areas, particularly Fort Collins and to a lesser extent, Loveland. Berthoud, Timnath and Wellington all show strong single family permitting activity in recent years as well.

Figure II-9. Housing Units Permitted by Units in Structure, 1981-2019



Note:

Data reflect total units in permitted structures.

Source:

HUD State of the Cities Data System Building Permits Database.

Development has been relatively low in unincorporated areas, particularly since 2008 (the onset of the Great Recession), averaging just under 150 housing units per year since that time.

Even so, permit data from the County indicates that permitted new homes are generally high value (averaging $528,000 per unit) and that home improvement permits are active (alterations and additions). Figure II-10 details the class of work by all residential permit types in Larimer County (from August 2019 to August 2020).

Figure II-10. Residential Building Permits, Unincorporated Larimer County, August 2019 to August 2020

Work Class	Building Permits	Share of Permits	Average Value
Total	**820**	**100%**	
New	193	24%	$527,774
Alteration	276	34%	$ 35,837
Addition	216	26%	$ 89,390
Deck	76	9%	$ 16,408
Cabin	28	3%	$ 67,763
Modular with Address	16	2%	$ 78,837
All Others	15	2%	

Note:
Only Residential Permits with non-zero valuations.

Source:
Larimer County Building Department.

Future development. The County's vision and policy framework for future growth is outlined in detail in the 2019 Comprehensive Plan. The County is also in the process of updating the land use code, which will help provide regulatory structure for new development.

Forecasts indicate that 96 percent of the County's anticipated population growth through 2040 will be absorbed by municipalities. In addition, over half of Larimer County is comprised of public lands. In unincorporated areas, future development is impacted by access to infrastructure, in addition to land availability, cost of development, and zoning. The following maps, from the County's Comprehensive Plan, provide context for understanding future development in the county:

- Figure II-11 shows private land where the county can influence development (about 31% of total land in the County);
- Figure II-12 shows current infrastructure conditions in the county; and
- Figure II-13 shows the Comprehensive Plan Framework Map which guides the location, intensity, and pattern of development in the County.

Figure II-11.
Private Land Where County Can Influence Development

Source:

Larimer County Comprehensive Plan.

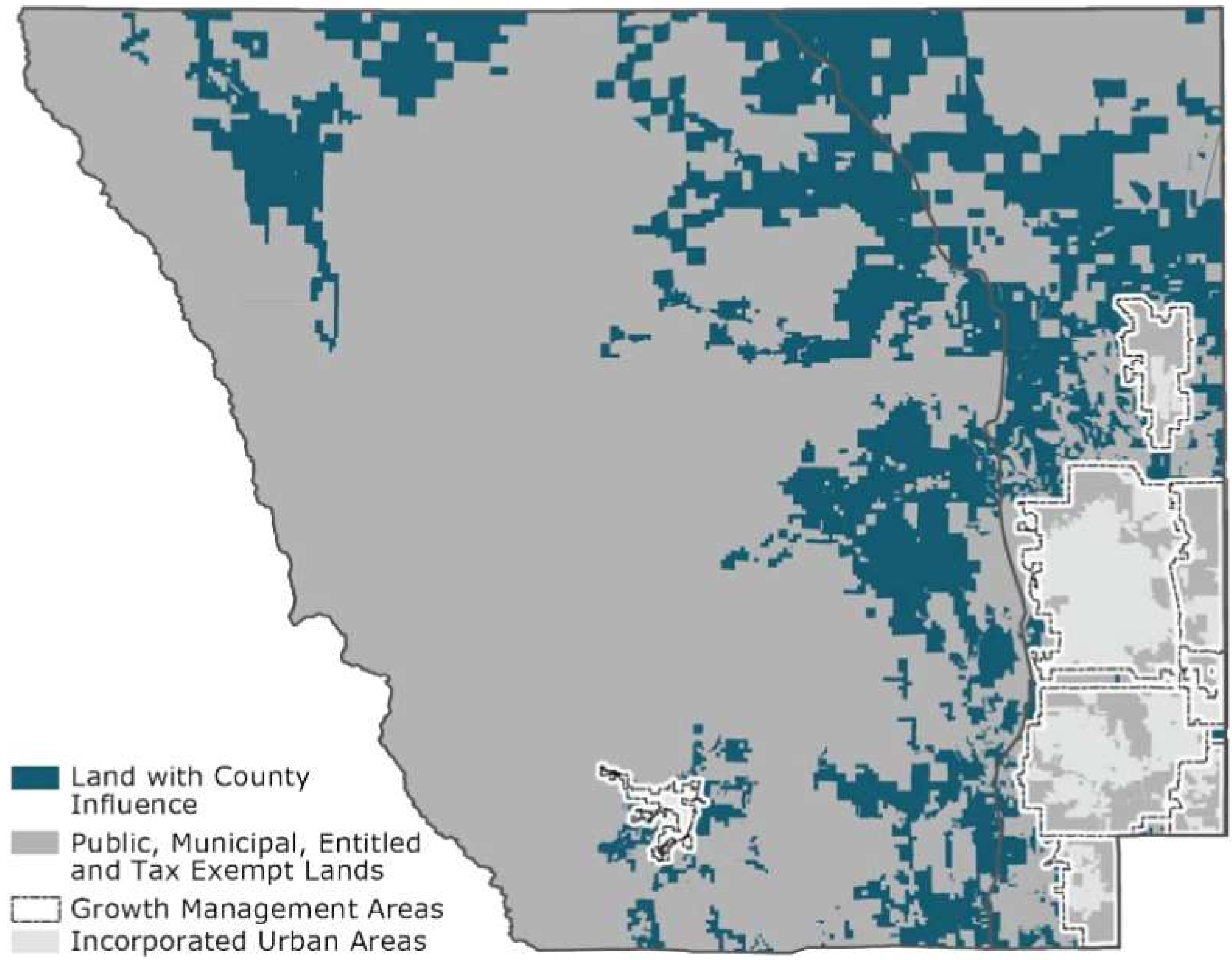


Figure II-12. Infrastructure Existing Conditions and Adopted Plans

Source:

Larimer County Comprehensive Plan.

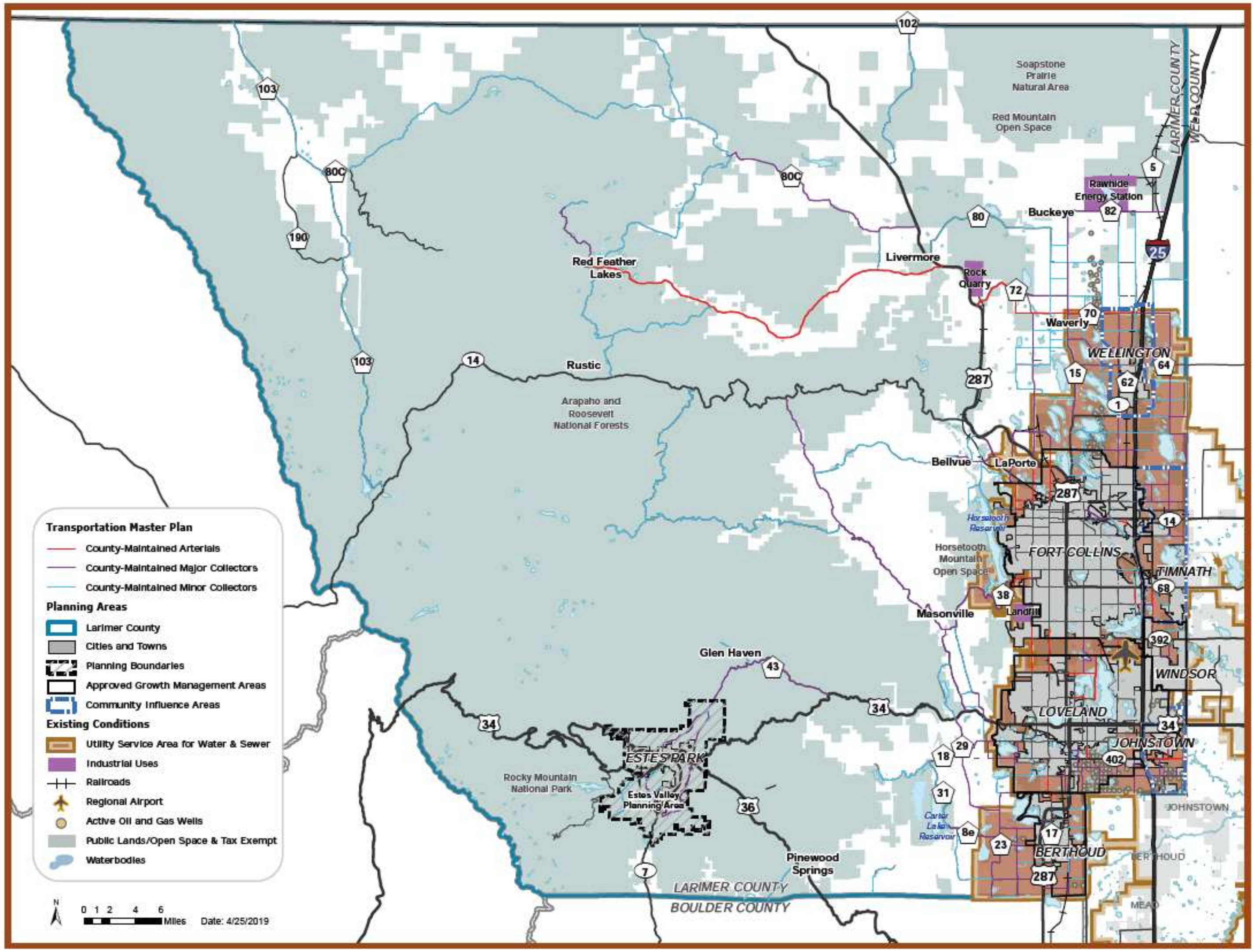
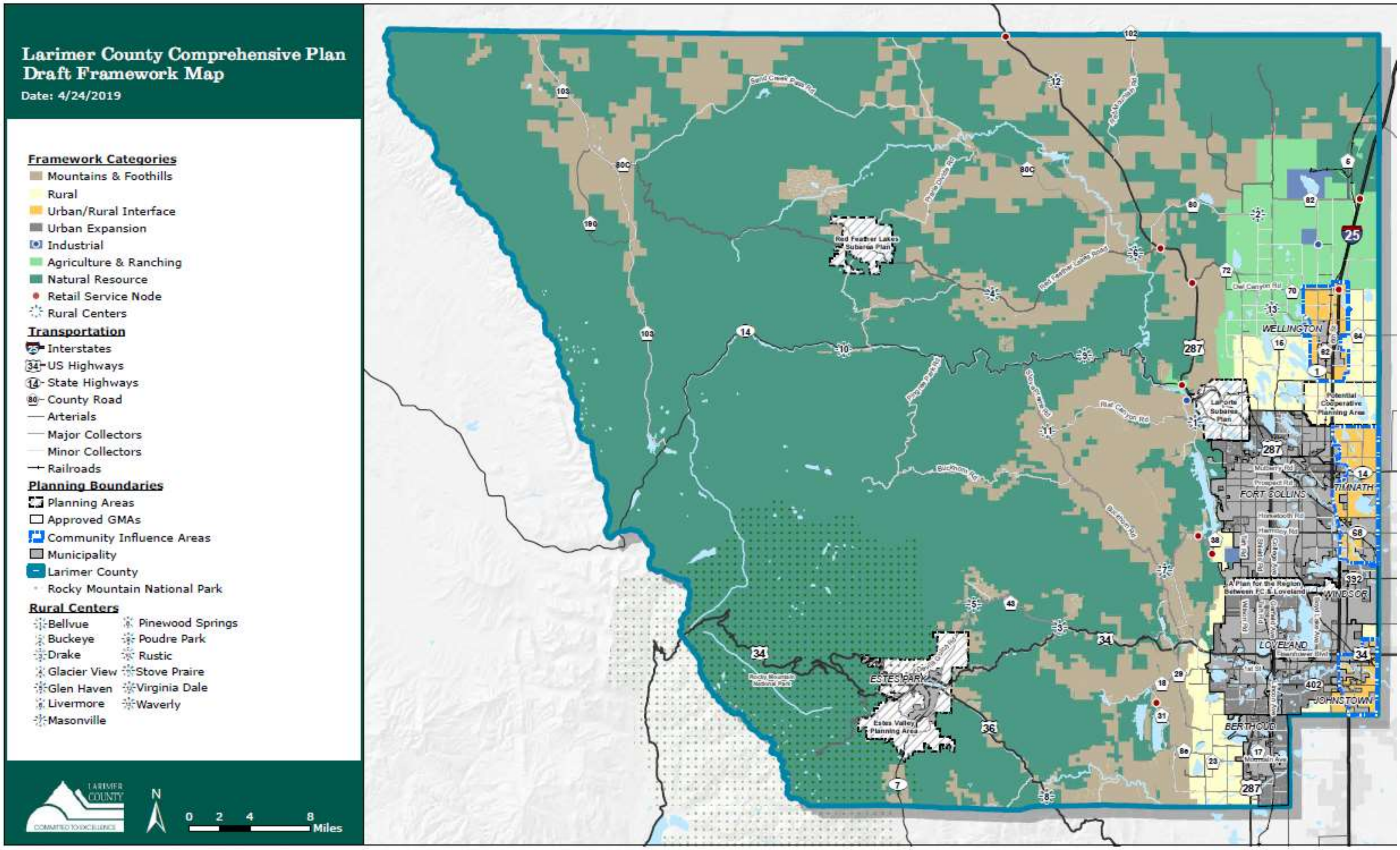


Figure II-13.
Larimer County Comprehensive Plan Draft Framework Map



Source: Larimer County Comprehensive Plan.

Construction costs. Construction costs have consistently increased, particularly since the recovery from the Great Recession. Labor shortages in Colorado are a driving factor, though commodity prices have also increased. Figure II-14 illustrates this trend using the Mortenson Construction Cost Index for Denver (note: data are not available for Northern Colorado specifically; Denver data used as a proxy). Rising costs contribute to affordability challenges and make it difficult for builders to provide new housing at attainable prices.

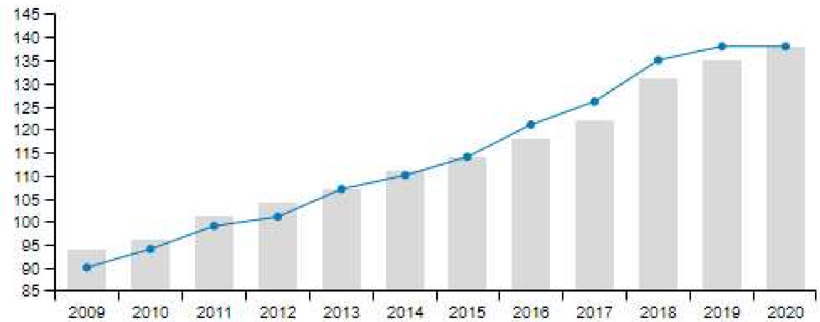
Figure II-14. Mortenson Construction Cost Index, 2009-2020

Note:

January 2009 = 100

Source:

Mortenson Construction Cost Index Q4 2020.



Developer perspectives. As part of stakeholder engagement for the housing study, Root Policy Research held a focus group with local real estate professionals and developers active in the northern Colorado market area. Participants included affordable housing providers/developers, architects, planning commission, realtors, and for-profit (market-rate) developers. Discussion topics included market trends, housing needs, barriers to development, and possible solutions to those barriers. Key themes from that discussion are summarized below:

- Participants noted strong market trends with population growing driving market-rate demand. These shifts have increased competition for entry-level inventory of homes (with demand from both first-time buyers and investors). Participants expressed concern related to the potential displacement of families and workforce due to prices.

- Top housing need identified by the group were attainable housing for workforce; rental units affordable to households earning between 30 percent and 80 percent of AMI; ownership options priced between $250,000 and $300,000; housing stock for multi-generational households; and housing options in rural areas.

- Barriers to residential development—particularly affordable and attainable development—varied by community but broadly included the following:

    - Limitations on density (even on what developers consider low density), preventing efficient land use and ability meet market demand/preferences;

    - High cost of water, including tap fees, as well as variation among water districts;

- Fee structures that incentivize larger homes/yards, resulting in higher price points;[2]
- Rising land costs and limited construction labor supply;
- Lack of infrastructure (and/or high infrastructure costs) in unincorporated areas as well as variation in infrastructure requirements/standards;
- Process barriers related to development approval and permitting (primarily in municipalities); and
- NIMBYism (Not-In-My-Backyard) and intense competition for state resources is a barrier to income qualified housing development (e.g., Low Income Housing Tax Credits). Lack of multifamily zoning in the county is another barrier to affordable development, which requires the scale of multifamily to be feasible.

- Participants also proposed solutions to perceived barriers, with a focus on county government role. Participants noted that there is no "silver bullet" and the county should implement "small and varied" approaches, including:

  - Serve as a repository of best practices regarding land use and development and of successful local programs—educate elected officials, convene regional discussions, and highlight success,
  - Provide resources to support land use code updates for smaller communities in the county that do not have sufficient staff to do so in-house (or sufficient funds to contract the work);
  - Consider tiered incentives—including property tax rebates—for affordable housing development (more incentives for deeper affordability) and exhibit political will to stand up to NIMBYs;
  - Fund emergency housing relief and eviction prevention;
  - Revise current occupancy limits (3 unrelated) to allow for more flexible living arrangements, in alignment with market preferences;
  - Support small, local builders, who don't have the market-share to compete with national corporate models; and
  - Make investments that lower the overall cost of living, even when not directly related to housing (e.g., transportation, infrastructure, childcare).

[2] One exception noted was the Town of Berthoud, which adjusted its fee structure to scale with development size instead of unit number.

Profile of Renters and Owners

Larimer County as a whole is home to more owners (65%) than renters (35%); and households in unincorporated areas are even more likely to be owners (86% owners and 14% renters).

Ownership declined in the county 68 percent to 65 percent between 2010 and 2018, driven by drops in ownership in the county's two largest cities (Loveland and Fort Collins). The ownership rate of unincorporated areas held steady at 68 percent.

As shown in Figure II-15, similar trends of declining ownership rates were evident in the United States and Colorado overall; however, neighboring Weld County bucked the trend, showing an increase in ownership (from 72% to 73%). Weld County, which presents a more affordable ownership market, is likely drawing first-time buyers priced out of Larimer County.

Figure II-15. Ownership Rate, 2010 and 2018

Source:

2010 and 2018 5-year ACS, and Root Policy Research

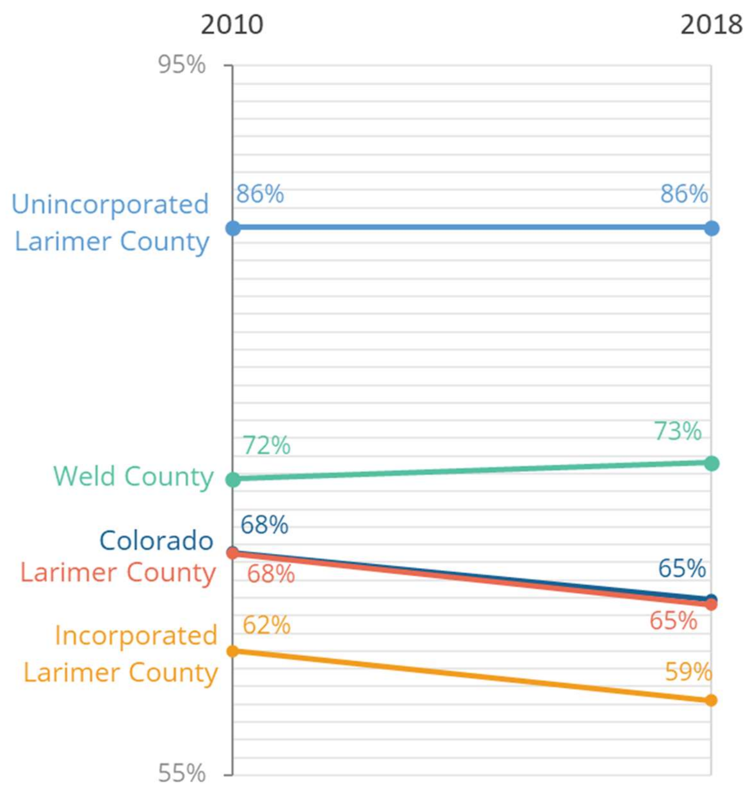


Figure II-16 shows the geographic differences in current ownership rates by jurisdiction in Larimer County. Ownership is lowest in Fort Collins (53%) and Estes Park (55%) and highest in Red Feather Lakes (95%) and Timnath (93%).

Figure II-16. Ownership Rate by Community, 2018

Source:

2018 5-year ACS, and Root Policy Research.

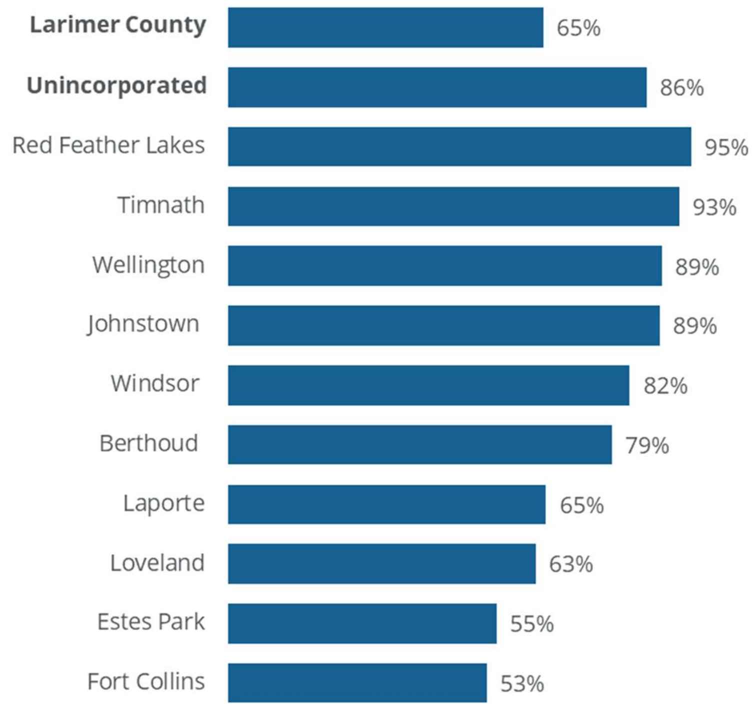


Figure II-17 summarizes characteristics of renters and owners in Larimer County and in unincorporated areas of the county. The figure displays the number and distribution of renter and owner households by demographic characteristic and also provides the homeownership rate by income, age group, education, household type, and race/ethnicity.

- Owners tend to be older and earn higher incomes than renters (median income for renters is half that of owners in both the county overall and in unincorporated areas).
- In the county overall, owners are more likely than renters to be households with children (28% of owners vs 20% of renters) but in unincorporated areas, the opposite is true: 21 percent of owners and 24 percent of renters are households with children.
- Ownership rates differ by education level. In the county overall, there is a substantial "jump" in ownership rates for households with a bachelor's degree or higher; however, in unincorporated areas, there is a marginal increase with each level of education attainment.
- Ownership rates differ by race/ethnicity, with non-Hispanic white householders exhibiting the highest rates of ownership. Disparities are greatest in incorporated areas.

Figure II-17.
Households by Tenure, 2018

	Larimer County		Unincorporated		Ownership Rates Charted	
	Owners	Renters	Owners	Renters	Larimer County	Unincorporated
Total Households	**86,247**	**47,280**	**23,062**	**3,777**	65%	86%
Median Income	**$88,020**	**$40,415**	**$84,460**	**$41,128**		
Income Distribution						
Less than $25,000	9%	30%	10%	23%	36%	73%
$25,000 to $50,000	16%	30%	16%	33%	49%	74%
$50,000 to $75,000	17%	19%	18%	24%	61%	82%
$75,000 to $100,000	16%	10%	16%	9%	75%	92%
$100,000 or more	42%	11%	40%	12%	87%	96%
Age of Householder						
15 to 24	1%	24%	0%	12%	9%	17%
25 to 34	10%	28%	8%	22%	40%	69%
35 to 44	17%	15%	12%	20%	68%	78%
45 to 64	42%	20%	48%	35%	80%	89%
65 and older	29%	13%	32%	11%	80%	94%
Educational Attainment of Householder						
Less than high school graduate	3%	4%	4%	8%	57%	76%
High school degree (incl. equivalency)	15%	20%	18%	27%	57%	80%
Some college or associate's degree	28%	40%	30%	39%	56%	82%
Bachelor's degree or higher	54%	36%	48%	26%	73%	92%
Household Type						
Family household without children	48%	18%	55%	23%	83%	93%
Married couple with children	24%	10%	19%	10%	82%	92%
Single parent (with children)	4%	10%	2%	14%	42%	49%
Non-family household	25%	62%	24%	53%	42%	74%
Race/Ethnicity of Householder						
Non-Hispanic White	90%	83%	92%	88%	67%	86%
Hispanic	6%	11%	6%	10%	50%	78%
Other minority	3%	6%	2%	2%	52%	86%

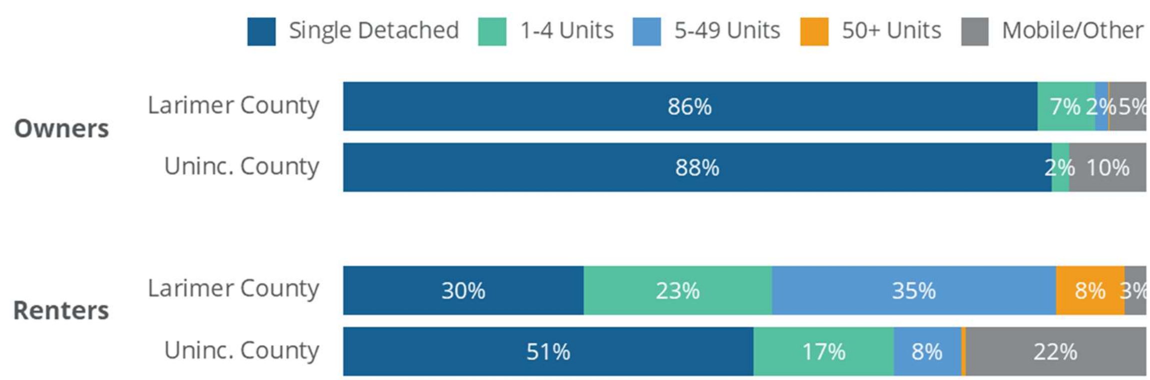
Source: 2018 5-year ACS, and Root Policy Research.

Renters and owners also occupy different structure types with owners much more likely to live in single family detached units and renters more likely to live in attached housing products.

Renters living in unincorporated areas are less likely than renters in incorporated areas to live in traditional apartment buildings and large multifamily structures. About half of renters in unincorporated areas occupy single family detached homes. 17 percent occupy small attached structures such as duplexes, triplexes, and fourplexes, and 22 percent occupy mobile or manufactured homes. Just 8 percent live in attached units in larger structures (5 or more units) compared to 47 percent of renters countywide.

Figure II-18 illustrates the differences in structure type for renters and owners in both Larimer County and in unincorporated areas.

Figure II-18.
Units in Structure by Tenure, 2018



Source: 2018 5-year ACS, and Root Policy Research.

Ownership Market Trends

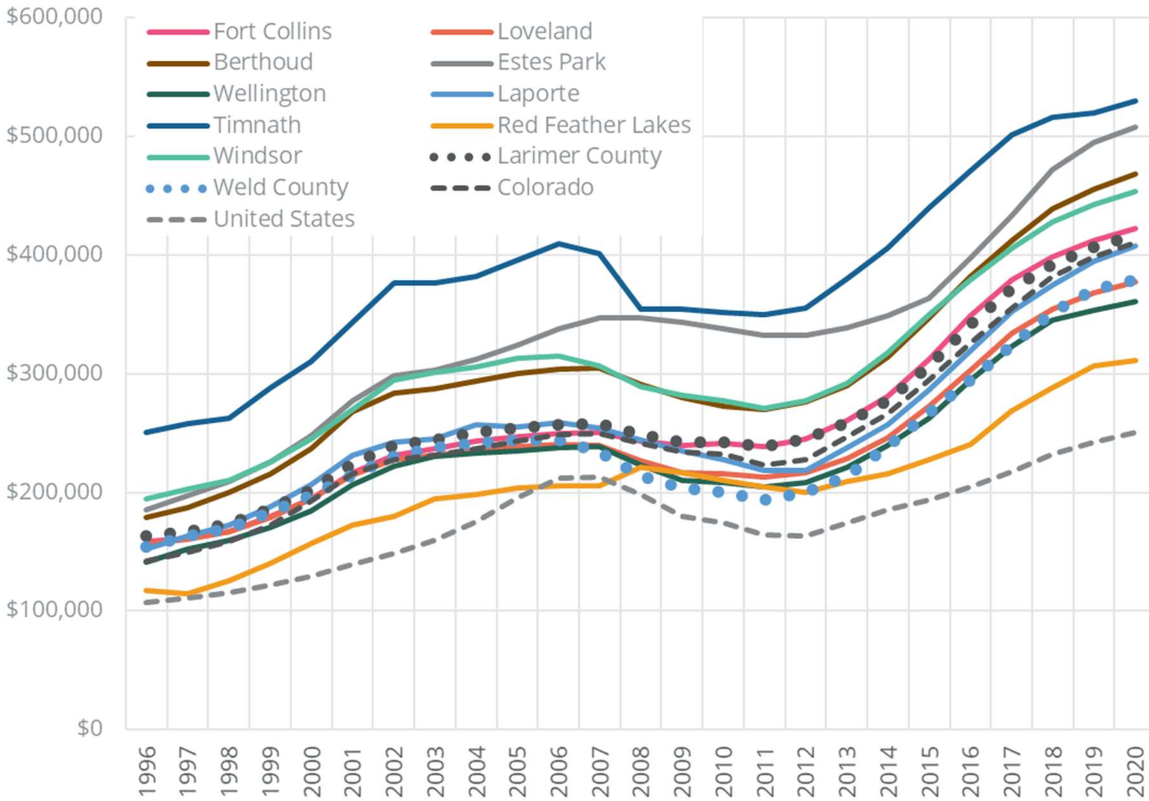
Figure II-19 compares the typical sale value (as measured by the Zillow Median Value Index) over the past 25 years in Larimer County, local communities, the State of Colorado, and the United States. The figure illustrates the sharp increases in sale values in Larimer County (and Colorado overall) in recent years—particularly since 2012.

As demonstrated in the figure, Larimer County (and Colorado as a whole) fared better than the U.S. overall during the Great Recession: the region's "bubble" was less pronounced than that of the U.S. overall, and the recessionary price adjustment was softer. Since that time, Larimer County has experienced steep and steady increases in price, tracking closely with the Colorado market overall.

Zillow estimates for Larimer County have more than doubled since 2000, with much of that increase occurring since 2012. As of 2020, median sale value was $416,541 in Larimer County. Prices are lower in neighboring Weld County, where 2020 median was $379,090.

In the wake of the COVID-19 pandemic, housing prices have continued to rise with low interest rates and demand for more square footage during stay-home orders.

Figure II-19.
Zillow Sale Price Trends, 1996 to 2020

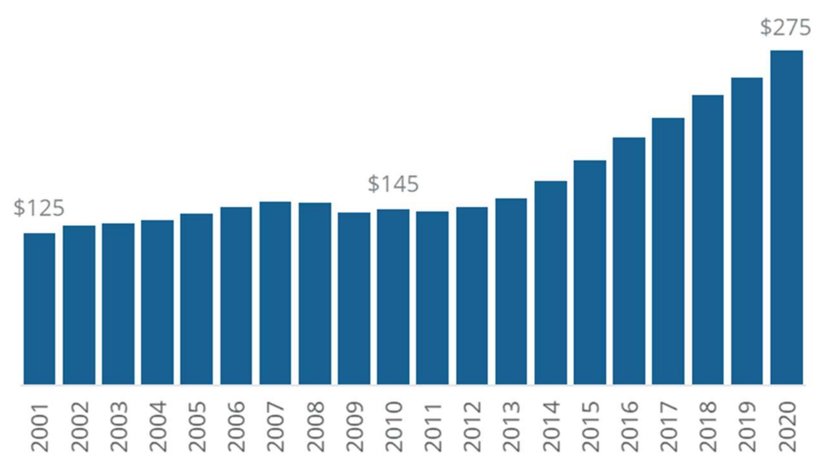


Source: Zillow Research Data and Root Policy Research.

Similar trends are evident in price per square foot among homes sold in Larimer County. As shown in Figure II-20, the average residential sale price per square foot has risen from $125 in 2001 to $275 in 2020 (according to Larimer County Assessor data).

Figure II-20.
Average Residential Sale Price Per Square Foot, Larimer County, 2001 to 2020

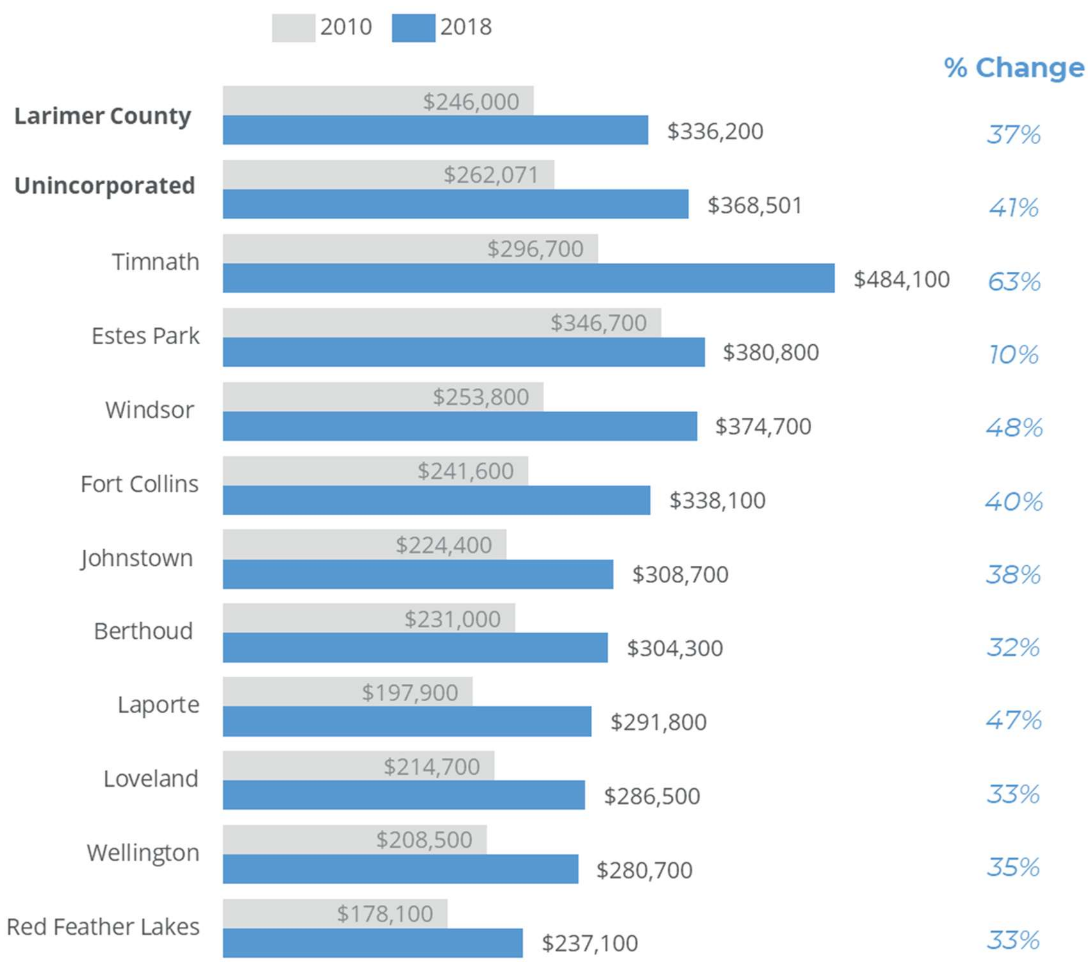
Source:
Larimer County Assessor.



Home values. According to the ACS, the median value of a home in Larimer County was $336,200 in 2018—up 37 percent from the 2010 value of $246,000. Unincorporated areas experienced a higher increase (41%) than incorporated areas of the county (36%) over that period. (Note that home values are self-reported on the Census long form survey, or ACS; they do not necessarily reflect units that are available for purchase, which tend to skew higher in price than overall home values).

Within Larimer County there are substantial differences in home values and changes, as illustrated in Figure II-21 Among Larimer County communities, Timnath has the highest median value and exhibited the largest increase in value between 2010 and 2018. Estes Park also has one of the highest median values, but actually had the smallest increase over the period.

Figure II-21.
Home Values and Increases by Community, 2010 to 2018



Source: 2010 and 2018 5-year ACS, and Root Policy Research.

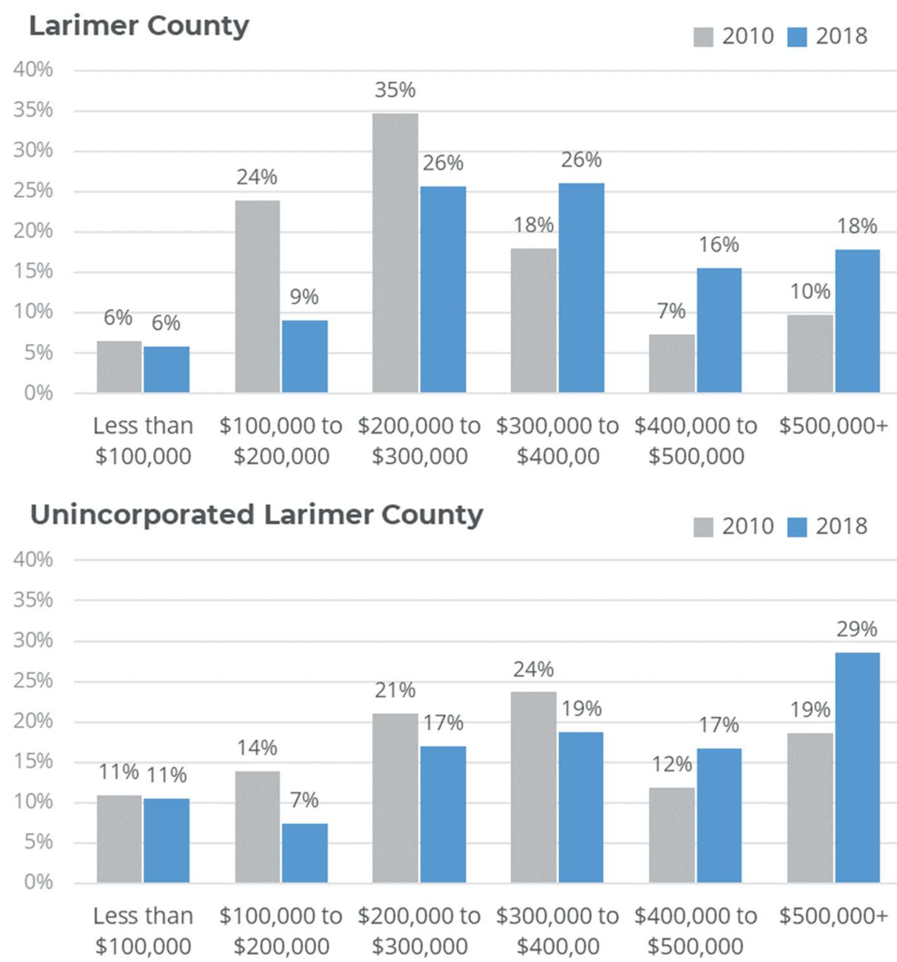
Figure II-22 shows how home values have shifted among value categories. In 2010, about 30 percent of Larimer County homes had values of less than $200,000; by 2018, that share dropped to 15 percent.

In both Larimer County overall and in unincorporated areas, the figure shows a significant movement away from moderately priced homes toward higher priced units.

Figure II-22. Shifts in Home Value Distribution, 2010-2018

Source:

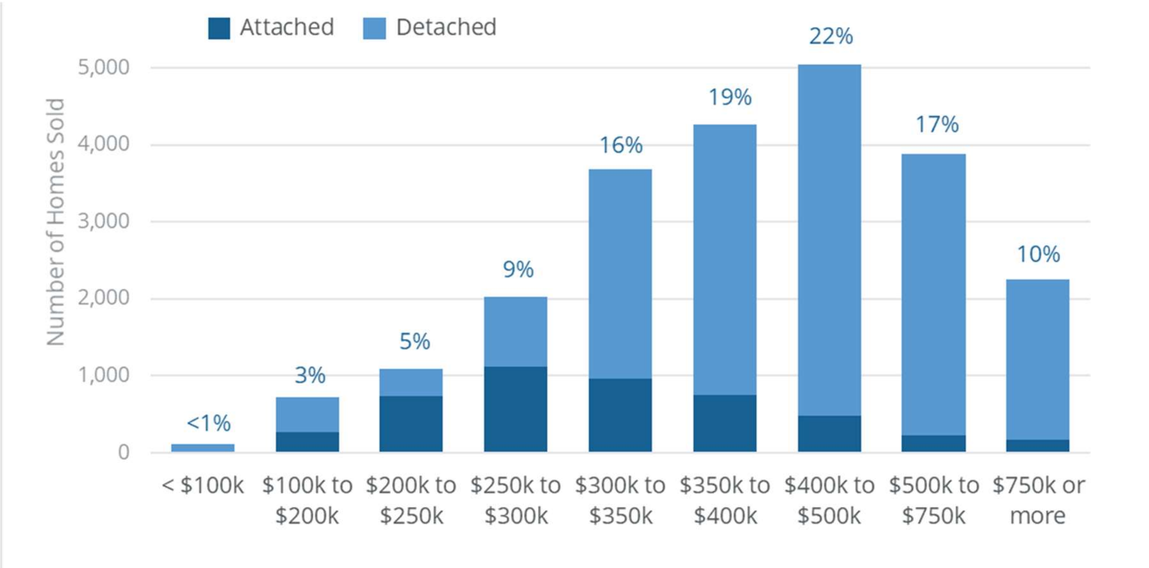
2010 and 2018 5-year ACS, and Root Policy Research.



Homes for sale. Over a two-and-a-half year period between January 2018 and July 2020, about 23,000 homes were sold in Larimer County for a median sale price of $395,000 (and an average sale price of $540,000). Twenty percent of those were attached homes (townhomes, condos, duplexes) and 80 percent were single family detached.

Figure II-16 displays the distribution of sale prices in Larimer County. As illustrated the market is primarily providing homes priced between $300,00 and $750,00, leaving a very limited supply of entry-level homes (priced below $300,000).

Figure II-23.
Home Sales by Price and Type, Larimer County, 2018- 2020Q2



Source: Larimer County Assessor and Root Policy Research.

Characteristics of listed/sold homes. Figure II-24 shows average characteristics of both attached and detached homes sold in Larimer County between 2008 and 2020 Q2. On average, attached units are smaller, but slightly newer (average year built of 1994 vs 1983 for detached) and have a lower average price than detached homes.

Figure II-24.
Homes Sales by Sale Price, Larimer County, 2018-2020

Source:
Larimer County Assessor Data.

	Attached	Detached	Total
Total Sales	**4,729**	**18,352**	**23,081**
Bedrooms	2.4	3.3	3.1
Bathrooms	2.1	2.4	2.4
Square Footage	1,231	1,785	1,672
Year Built	1994	1983	1985
Sale Price	$388,521	$579,503	$540,373

Geographic distribution of homes by price. The series of figures on the following pages shows the geographic distribution of for sale homes in Larimer County by price point. The first map focuses on single family detached units; the second shows attached units (townhomes, du-/tri-/four-plexes, and condos). Attached units provide greater affordability but those options comprise a relatively small proportion of for-sale listings and they are concentrated in communities with higher development and population density.

Figure II-25. Residential Sales, Single Family Detached Units, 2018-2020

Source:

Larimer County Assessor Data.

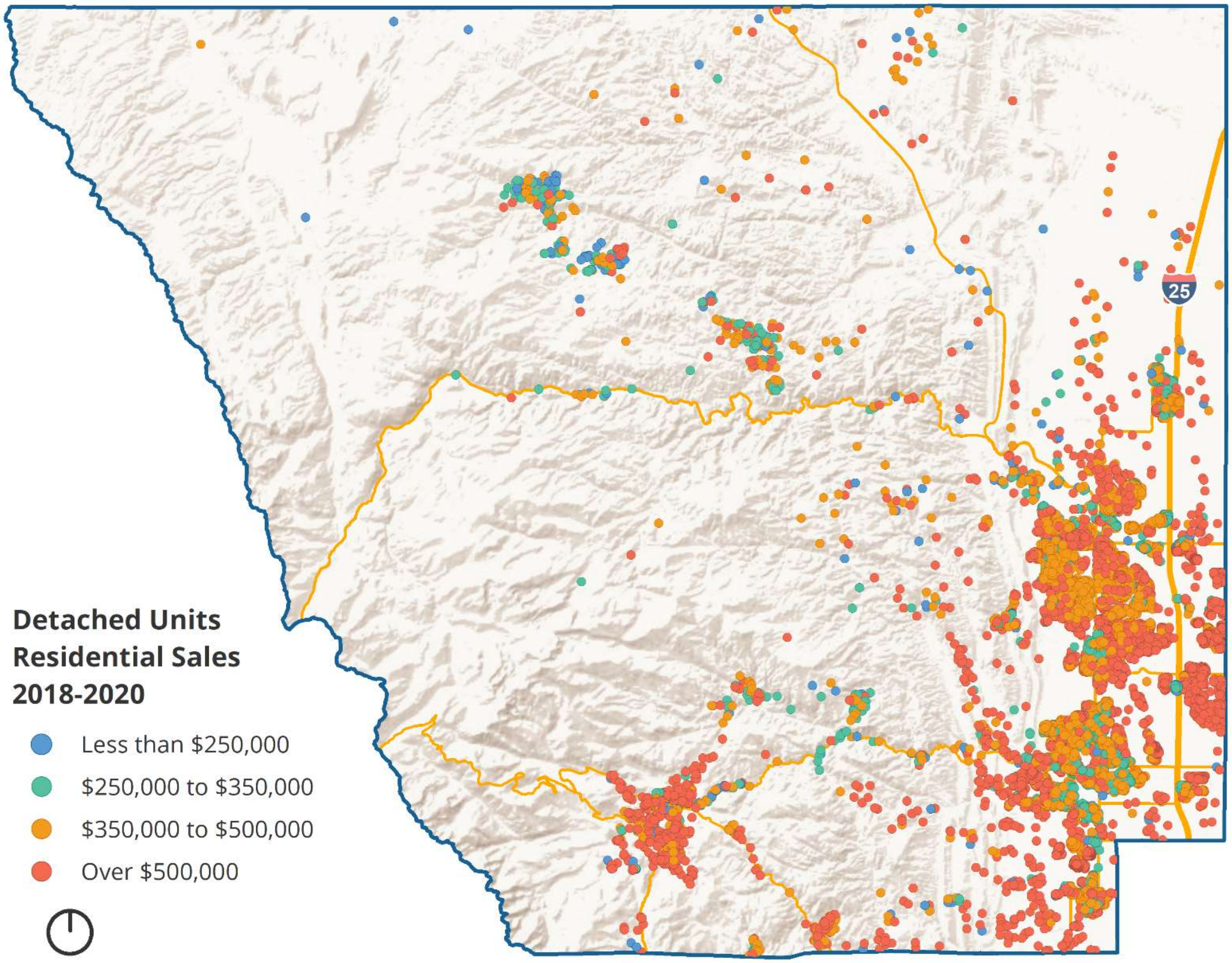
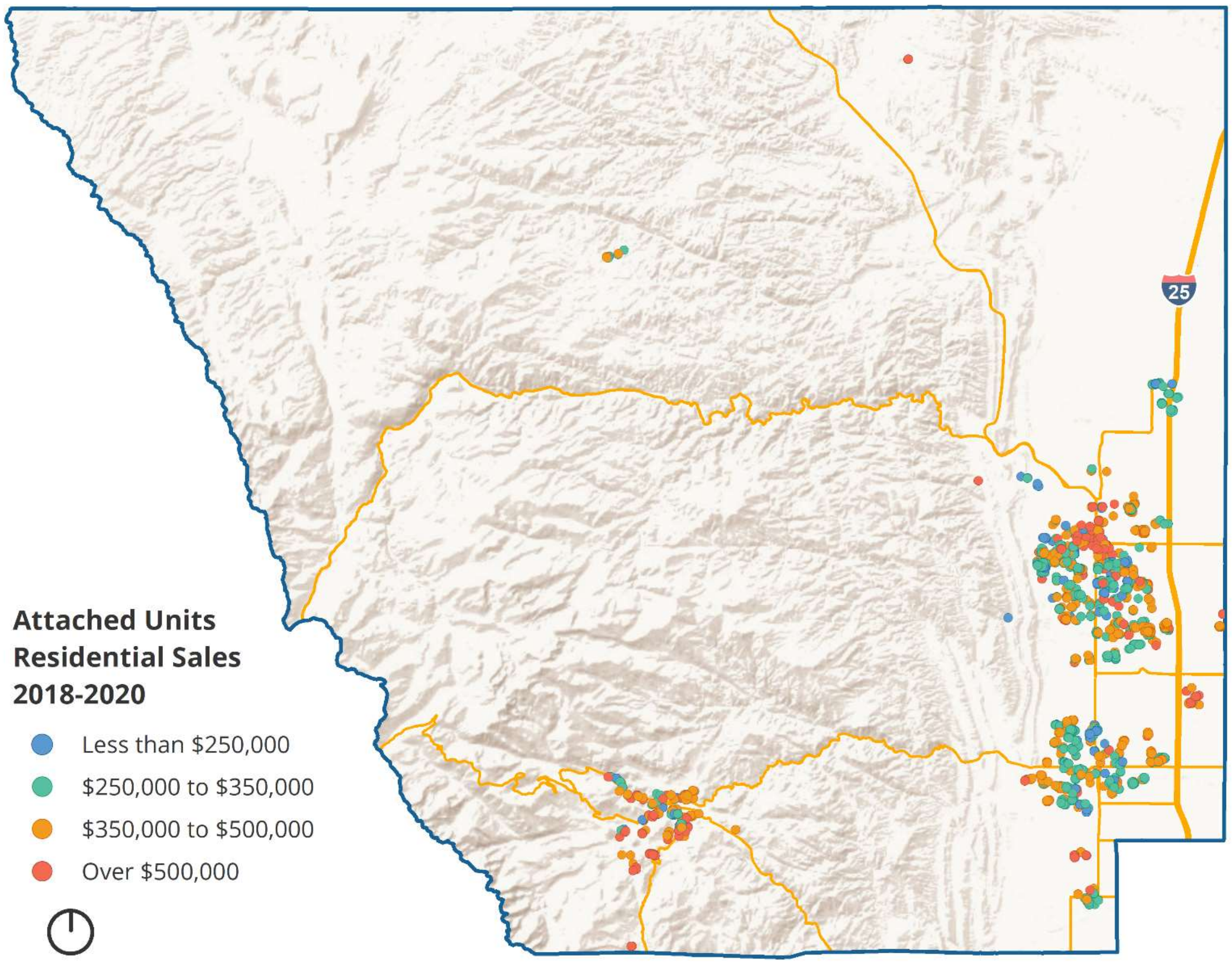


Figure II-26. Residential Sales, Attached Units, 2018-2020

Source:

Larimer County Assessor Data.



Rental Market Trends

Similar to the ownership market, Larimer County's rental market has experienced sharp increases over the past five years. Rent increases were highest in incorporated areas, but rents in unincorporated areas also rose substantially (faster than other rural parts of the state).

Vacancy rates. According to market reports, apartment vacancy rates in primary Larimer County submarkets have remained consistently low over the past five years—indicating a tight rental market. Over the same period, average rents continue to rise, nearing $1,500 per month by the end of 2019 in both Loveland and Fort Collins.

Vacancy rates around 5 percent typically indicate a competitive equilibrium in the rental market. Rates that fall below 5 percent indicate a very tight market. As shown in Figure II-27, multifamily vacancies in the Fort Collins-Loveland market area have stayed well below statewide vacancy rates for most of the past decade and are currently below 3 percent overall. (Note data are not available at the county level).

Figure II-27. Multifamily Vacancy Rates, Colorado and Fort Collins/Loveland Market Area, 2010-2019

Source:

Colorado Multifamily Vacancy and Rental Survey, 2020..

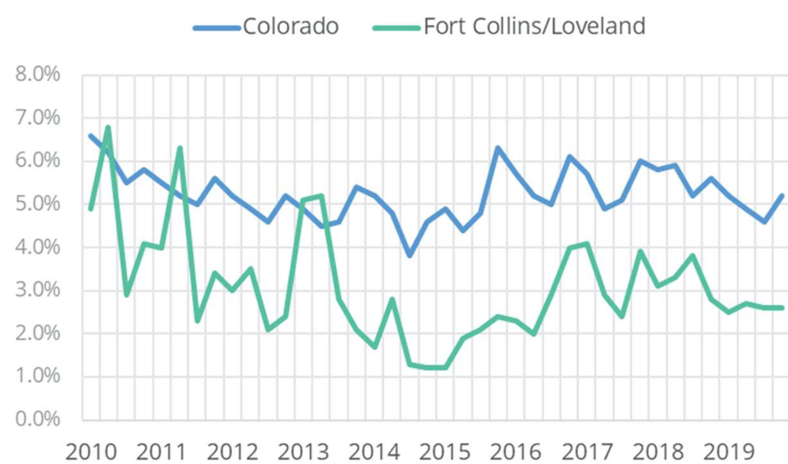
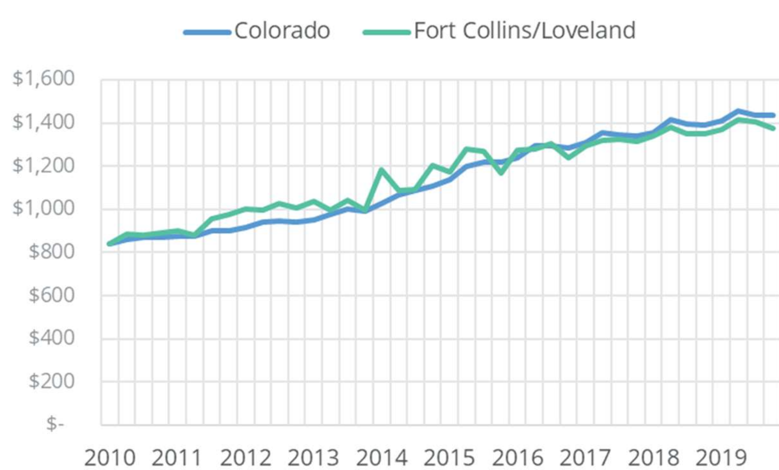


Figure II-28. Multifamily Average Rents, Colorado and Fort Collins/Loveland Market Area, 2010-2019

Source:

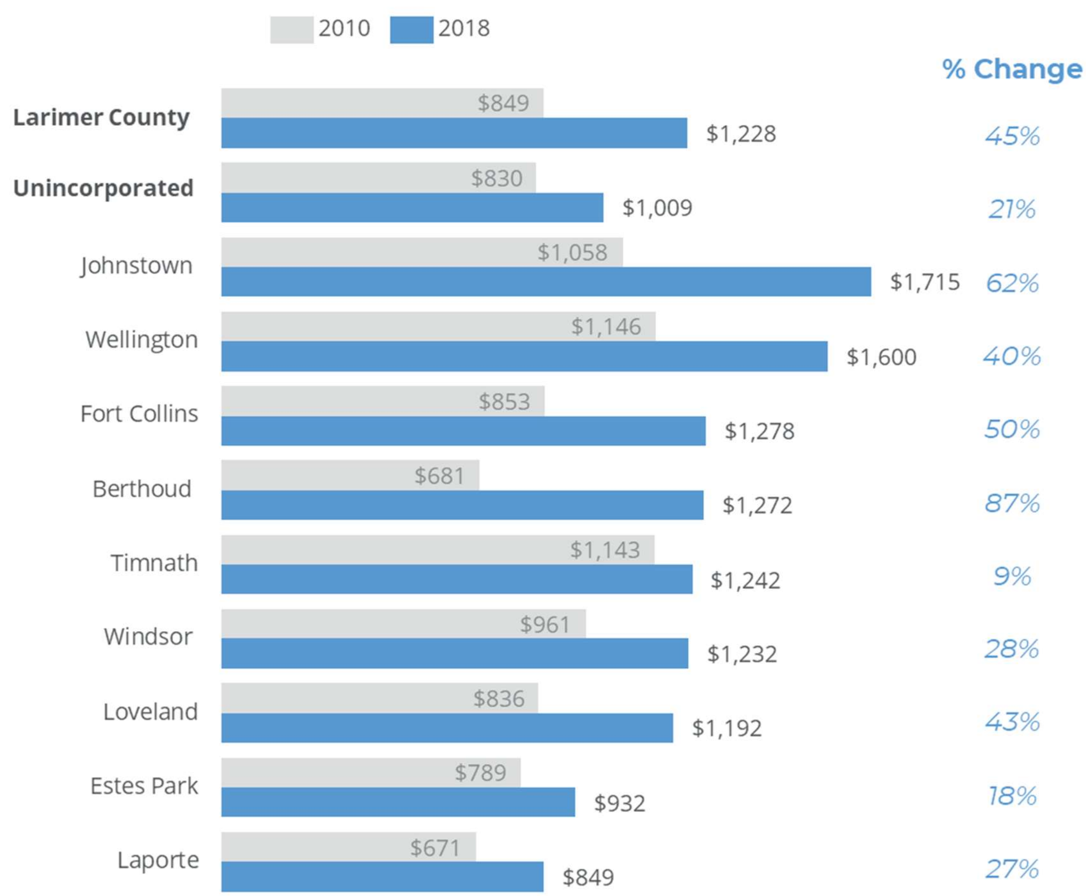
Colorado Multifamily Vacancy and Rental Survey, 2020..



Distribution of rents. According to ACS data, the median rent in Larimer County was $1,228 in 2018, up 45 percent from the 2010 median rent of $849. As shown in Figure II-29, median rent in unincorporated areas is lower ($1,009) and experienced slower growth over the period (21% increase from 2010 median of $830).

Median rents by community are highest in Johnstown and Wellington, which reflect primarily single-family home rentals. In 2010, differences by community were more pronounced, but shifts over the past eight years show converging submarkets and most communities within the county now reflect median rents around $1,200 to $1,300 per month. Estes Park and Laporte have the most affordable medians, both below $1,000 per month.

Figure II-29.
Median Rent by Community, 2010 and 2018



Source: 2010 and 2018 5-year ACS, and Root Policy Research.

Figure II-30 displays the distribution of rents for Larimer County overall and for unincorporated areas in both 2010 and 2018. In 2010, the Larimer County rental market was concentrated between $500 and $1,000 per month, but upward shifts have pushed rents into higher prices, with the largest growth in units priced between $1,500 and $2,000.

In unincorporated areas, the most significant changes were a loss of units priced between $500 and $750, offset by marginal gains in all price categories over $1,000 per month. In 2010, 41 percent of rentals were priced below $750 per month; by 2018 that proportion had dropped to 21 percent.

Figure II-30. Gross Rent Distribution, 2018

Source:

2010 and 2018 5-year ACS, and Root Policy Research.

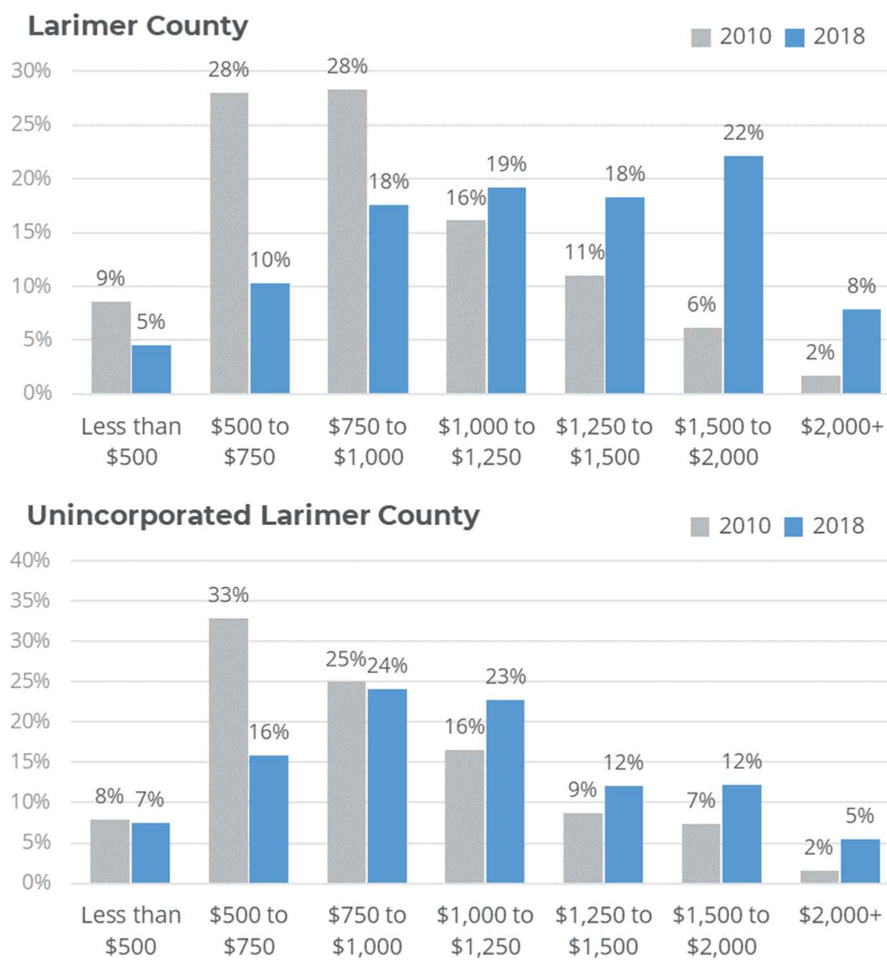
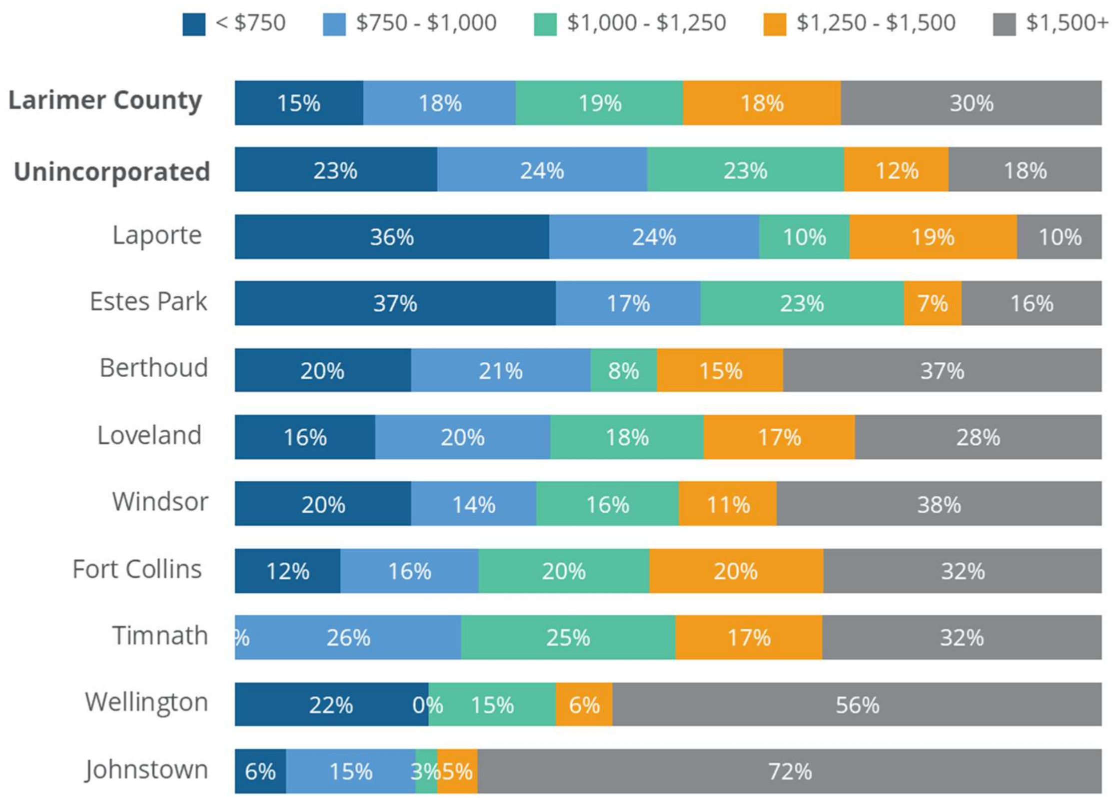


Figure II-31 shows the current rental distribution for communities within Larimer County.

Figure II-31.
Gross Rent Distribution Larimer County Communities, 2018



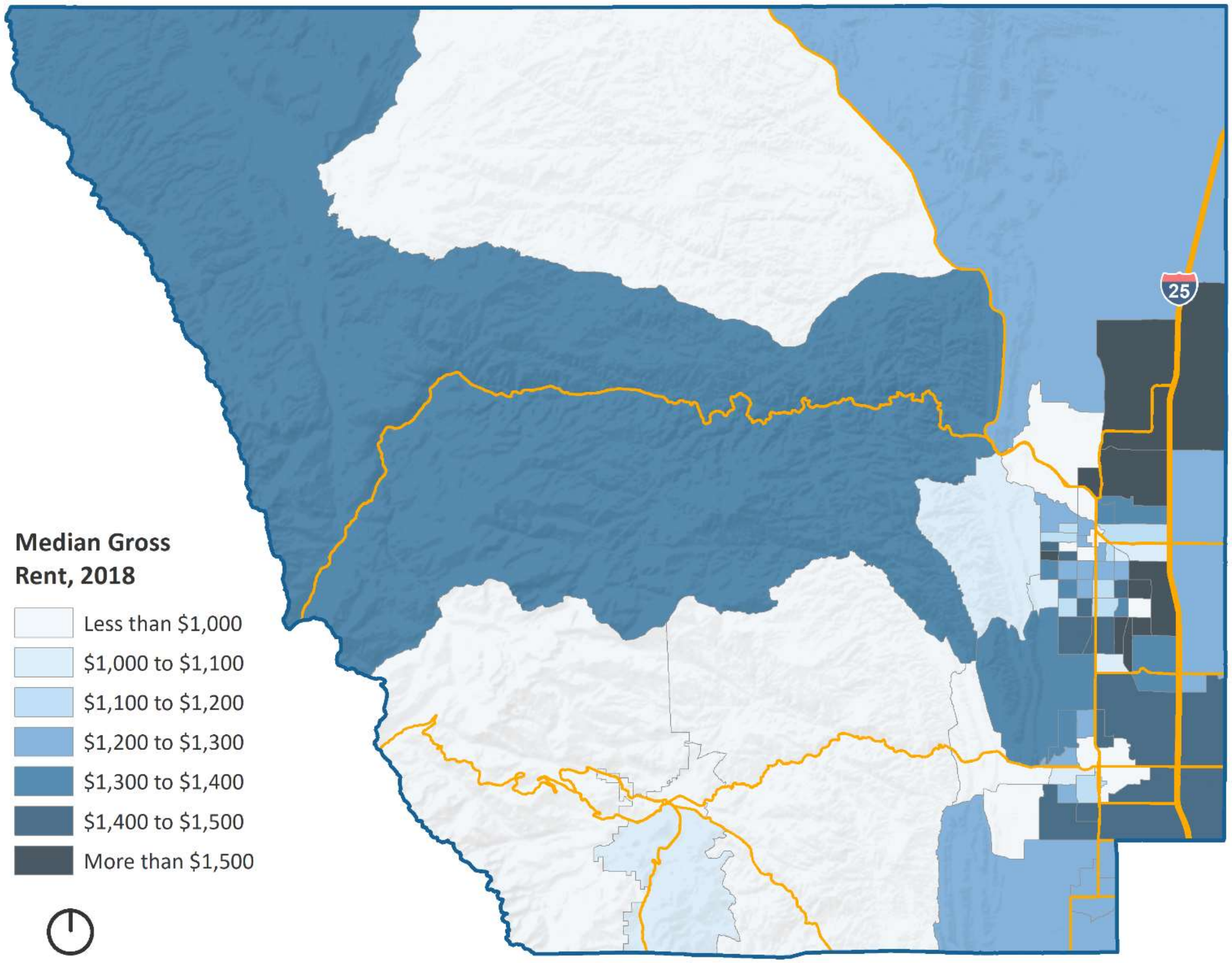
Source: 2018 5-year ACS, and Root Policy Research.

Figure II-32 displays the median gross rent (from the ACS) by Census tract in Larimer County. Only a handful of Census tracts have median rents below $1,000 per month. Rents differ substantially by neighborhood, even within jurisdictions.

Figure II-32. Median Rent by Census Tract, 2018

Source:

2018 5-year ACS, and Root Policy Research.



SECTION III.

SPECIAL INTEREST POPULATIONS

SECTION III.
Special Interest Populations

Section I and II provide an overview of the demographic and housing profile in Larimer County, while this section takes a deeper look into special interest populations with unique or severe housing needs. These populations include older adults, people with disabilities, people experiencing homelessness, and manufactured housing community residents. The section ends with a discussion of low income households more broadly and an inventory of income restricted affordable housing.

Older Adults

Population profile. Older adults (aged 55 and older) comprise 27 percent of the total residents in Larimer County and 39 percent of residents in unincorporated areas. This age cohorts—particularly those aged 65 and older—have grown at a faster rate than other groups over the past decade. Figure III-1 shows Larimer County's population by older age cohort in 2010 and 2018.

Figure III-1.
Older Adults in Larimer County, 2010 and 2018

	2010		2018		Change		
Juristiction	Num.	Share	Num.	Share	Num.	Pct.	% Point
Larimer County							
Total Population	291,162	100%	338,161	100%	46,999	16%	0%
Older Adults	66,131	23%	92,706	27%	26,575	40%	5%
Aged 55 to 64	33,494	12%	43,119	13%	9,625	29%	1%
Aged 65 to 79	23,830	8%	38,808	11%	14,978	63%	3%
Aged 80+	8,807	3%	10,779	3%	1,972	22%	0%
Unincorporated Larimer County							
Total Population	63,495	100%	64,381	100%	886	1%	0%
Older Adults	20,169	32%	24,996	39%	4,827	24%	7%
Aged 55 to 64	10,922	17%	12,554	19%	1,632	15%	2%
Aged 65 to 84	7,526	12%	10,461	16%	2,935	39%	4%
Aged 85+	1,721	3%	1,981	3%	260	15%	0%

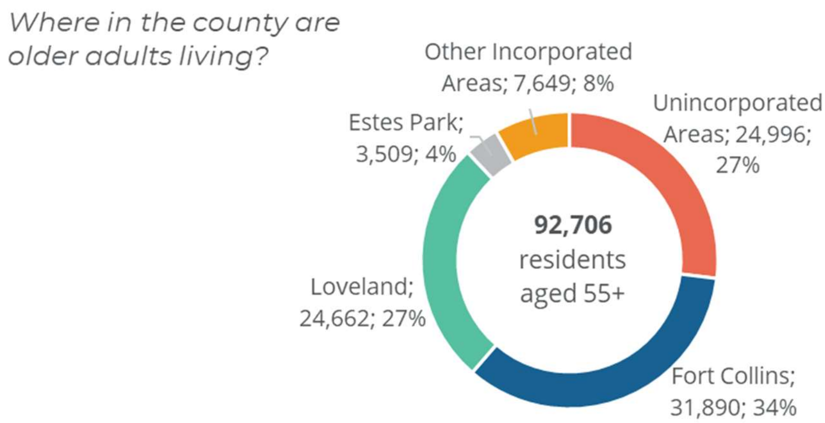
Source: 2010 and 2018 5-year ACS and Root Policy Research.

Figure III-2 illustrates the distribution of older adults across Larimer County communities. Overall, 34 percent of the county's older adult population live in Fort Collins, 27 percent live in Loveland, 4 percent are in Estes Park, 8 percent in other incorporated areas and 27 percent live in unincorporated areas.

The figure also shows the proportion of each community's population that are aged 55 or older. In Red Feather and Estes Park, more than half of all residents are older adults.

Figure III-2. Older Adults by Community, 2018

Source:
2010 and 2018 5-year ACS and Root Policy Research .



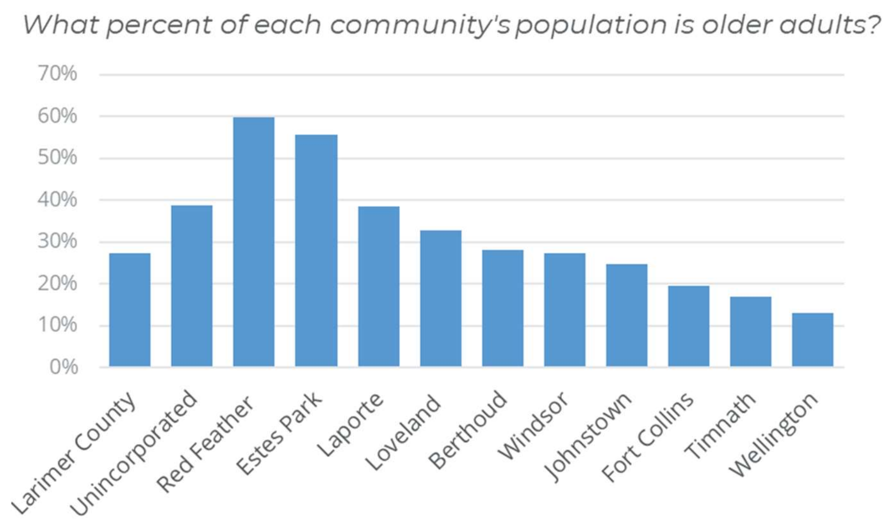
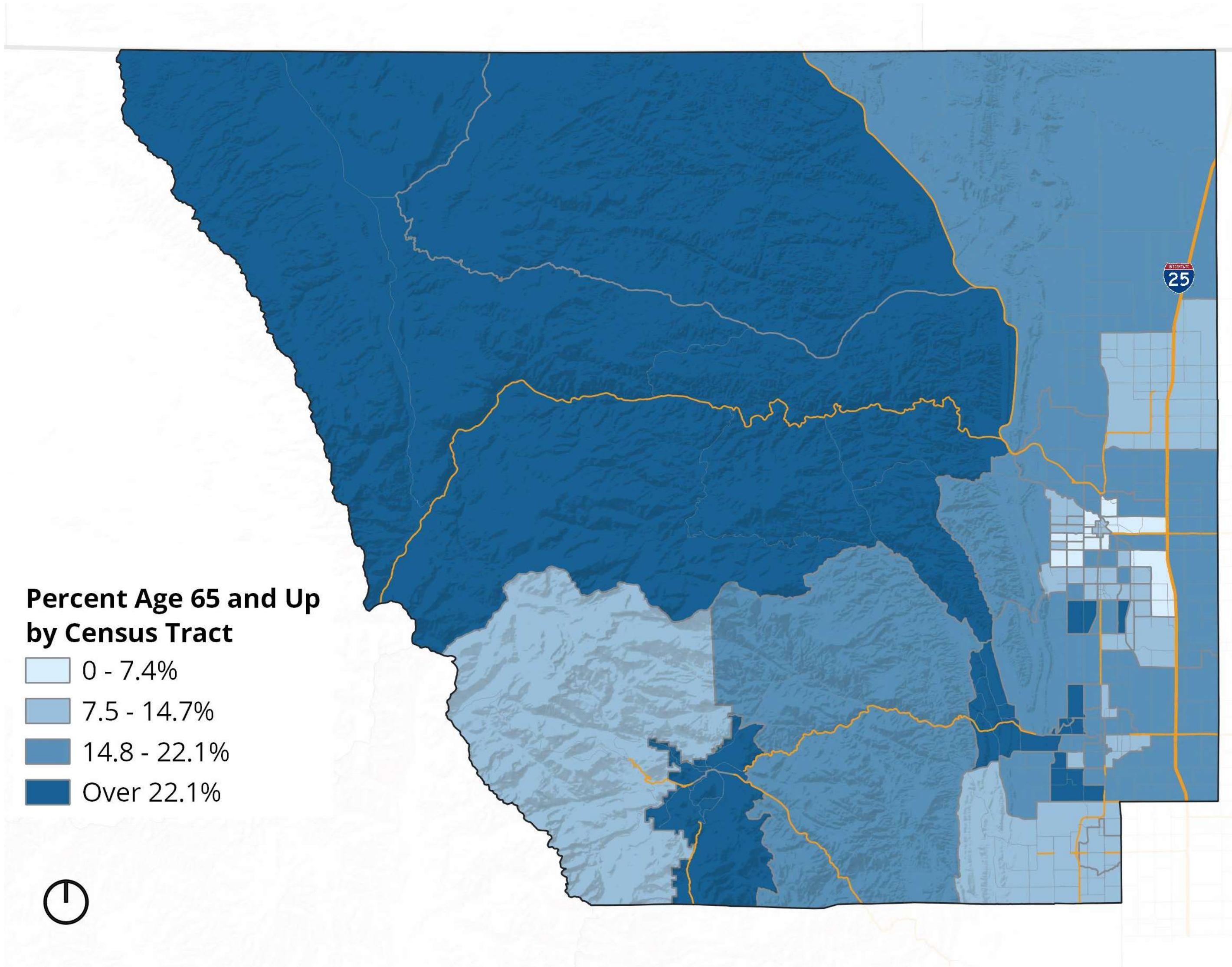


Figure III-3, on the following page, maps the proportion of residents aged 65 and older by Census tract.

Figure III-3. Residents 65 years and Older by Census Tract, Larimer County, 2018

Source:

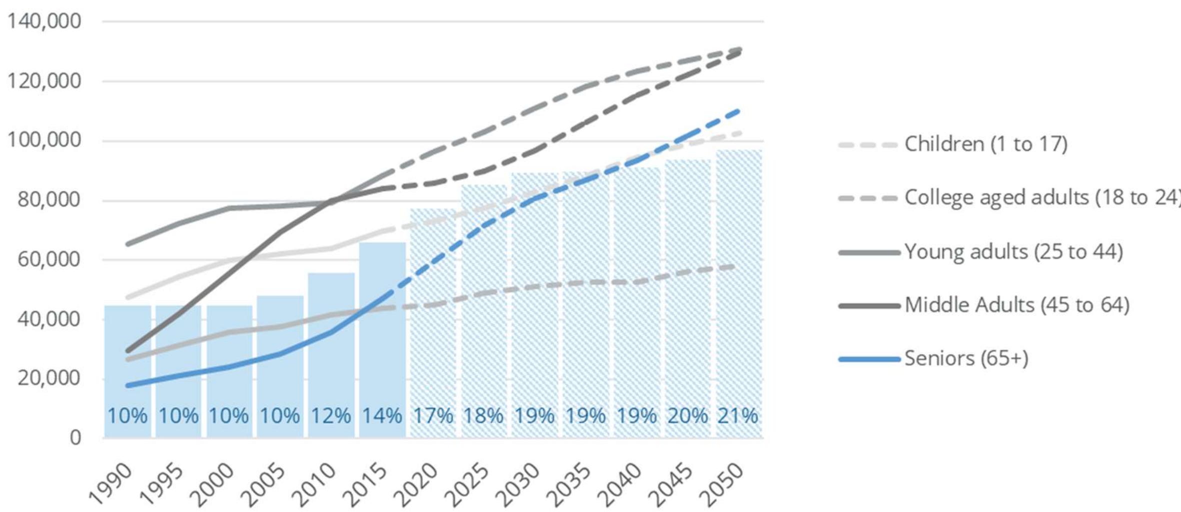
ACS 2018 5 year estimates.



The number of older adults (55+) and seniors (65+) will continue to increase in Larimer County, impacting the future demographic makeup of the area. Over the next 30 years, Larimer County residents aged 65 and older are forecasted to grow at a faster pace than other age groups and by 2045 are forecasted to account for 20 percent of the county's population.

Growth in this age demographic, especially among those ages 65 and older underscores the importance of housing and community policies and investments that incorporate the needs of older residents, including accessibility of homes and community infrastructure, as well as public transportation and other older adult services.

Figure III-4.
Population Trends and Forecast by Age, Larimer County, 1990-2020



Source: Colorado Department of Local Affairs and Root Policy Research.

Characteristics of older adult households. Figure III-5 compares demographic characteristics of the total population in Larimer County to residents 60 years and older.

Relative to the Larimer County population overall, residents aged 60 and older are more likely to be non-Hispanic white; more likely to be veterans, and more likely to be living with a disability.

Residents aged 60 or older are less likely to be living in poverty, though after adjusting for college-aged residents, poverty rates for older adults and the rest of the population are similar.

Residents aged 60 years and older are about half as likely as the population overall to be in the labor force and are also less likely to receive income from earnings. Older residents are much more likely than the population overall to receive income from Social Security and from retirement income. Median income for older adult householders is $51,824 compared to $67,664 for Larimer County households overall.

Figure III-5. Demographic Profile, Larimer County 2018

	Total Population	60 years and older
Population	338,161	70,411
Sex		
Male	50%	47%
Female	50%	53%
Race/Ethnicity		
Non-Hispanic white	83%	93%
Hispanic	11%	5%
Other race minority	6%	3%
Disability status		
With any disability	10%	24%
Veteran Status		
Civilian veteran	8%	18%
Economic characteristics		
Median household income	$67,664	$51,824
Living below poverty line	12%	7%
In labor force	67%	32%
With earnings	81%	50%
With Social Security income	26%	71%
With retirement income	17%	43%

Source:

2010 and 2018 5-year ACS and Root Policy Research.

Figure III-6 compares housing characteristics for the total population in Larimer County and residents 60 and over. The majority (80%) of households aged 60 years and older are homeowners. This is a larger percentage of owners compared to the total population. About 60 percent of older adults are living in family households, including 2 percent living with grandchildren in the home. Older adults are more likely than other residents to be living alone.

Median home value for older adults is similar to that of other households and median rent for older adults is lower than other households. Even so, older adults are more likely to be cost-burdened than other households, regardless of tenure.

Twenty four percent of owners over 60 are cost burdened (spending at least 30% of their income on housing costs), compared to 21 percent of owners overall and 59 percent of renters over 60 are cost burdened compared to 54 percent overall.

Figure III-6. Housing Profile, Larimer County, 2018

Note:

Those living with grandchildren are also included in either married couple family or other family households.

Cost-burdened households pay 30 percent or more of their income on housing costs.

Source:

2010 and 2018 5-year ACS and Root Policy Research.

	Total Population	60 years and older
Households	133,527	43,254
Tenure		
Owner	65%	80%
Renters	35%	20%
Household Type		
Married couple family	50%	54%
Other family household	12%	6%
Living alone	24%	37%
Other non-family household	14%	3%
Living with grandchildren*		3%
Owner Occupied Households		
Average household size	2.57	1.93
Cost burdened households	21%	24%
Median home value	$336,200	$337,700
Renter Occupied Households		
Average household size	2.25	1.44
Cost burdened households	54%	59%
Median rent	$1,228	$1,087

Housing supply and development. National surveys conducted by AARP consistently show the desire of most older adults is to “age in place,” remaining in their home as long as possible. The most recent AARP Home and Community Preference survey (published in 2018) indicates that 76 percent of Americans aged 50 and older prefer to remain in their current residence and 77 percent would like to live in their community as long as possible. Even so, only about half of older adults expect they will be able to stay in their current home.[1] For older adults who are interested in moving, national preferences suggest they are likely to look for smaller homes/yards (with lower maintenance) and single level living (e.g., ranch style homes). Some desire “urban light” mixed-use settings that offer more walkable residential environments. The AARP survey also indicates that about a third of older adults are willing to consider housing alternatives such as home sharing (32%) and building an accessory dwelling unit (ADU, 31%).

[1] 2018 Home and Community Preferences Survey, AARP. Available online at: https://www.aarp.org/content/dam/aarp/research/surveys_statistics/liv-com/2018/home-community-preferences-survey.doi.10.26419-2Fres.00231.001.pdf

Nationwide, about 5 percent of older adults (55 and older) live in age-restricted developments (about half are owners and half are renters).[2]

In Larimer County, 79 percent of older adults live in single-family homes, 4 percent live in small attached structures (2-4 units), and 13 percent live in multifamily buildings with five or more units. Another 4 percent of older adults live in mobile homes. Though most older adults live in the community in non-age-restricted developments, some have unique needs or preferences for assisted care, age-qualified housing, and publicly assisted (affordable housing). Figure III-7 shows the supply and demand for specific types of older adult housing in Larimer County, based on analysis conducted by Highland Group for the Partnership for Age-Friendly Communities. The 2015 data shown below reflect actuals; 2020 data are projections from the Highland Group report.

Figure III-7.
Older adult Housing Demand Projections

	2015		2020		Net Demand or (Oversupply)	
Type of Housing	Demand	Supply	Demand	Supply	2015	2020
Skilled Nursing	1,093	1,309	1,226	1,409	(216)	(183)
Assisted Living (market-rate)	854	723	1,079	777	131	302
Assisted Living (Medicaid)	860	206	1,031	206	654	825
Memory Care Assisted Living	371	250	468	341	121	127
Independent Living (market-rate)	1,100	1,073	1,281	1,073	27	208
Age-Qualified Apartments and Cottages (market-rate)	596	24	814	350	572	464
Age-Qualified Apartments and Cottages (income restricted)	1,700	1,295	2,099	1,421	405	678
For-Sale Homes (houses, condos, townhomes, mobile homes)	1,660	1,359	1,901	1,359	301	542

Note: Demand is calculated based on typical and projected utilization rates for an age-, income-and/or needs-based pool of qualified households. Total supply includes—existing and under-construction properties.

Source: Highland Group "Needs and Opportunities in Housing and Care in Larimer County: Next 25 Years". Table format adapted for report consistency.

Figures III-8 and III-9 map the locations of existing affordable housing units for older adults and care facilities for older adults in Larimer County. These specific types of options for older adults are generally concentrated in high population areas, like Loveland and Fort Collins, though there are also some options in the Estes Valley.

[2] https://www.jchs.harvard.edu/sites/default/files/jchs_housing_americas_older_adults_2014_key_facts_1.pdf

Figure III-8. Older adult Affordable Housing Units

Note:

The circle size represents the total number of units at the project location. The larger the circle the great the number of units.

Source:

Larimer County Office On Aging.

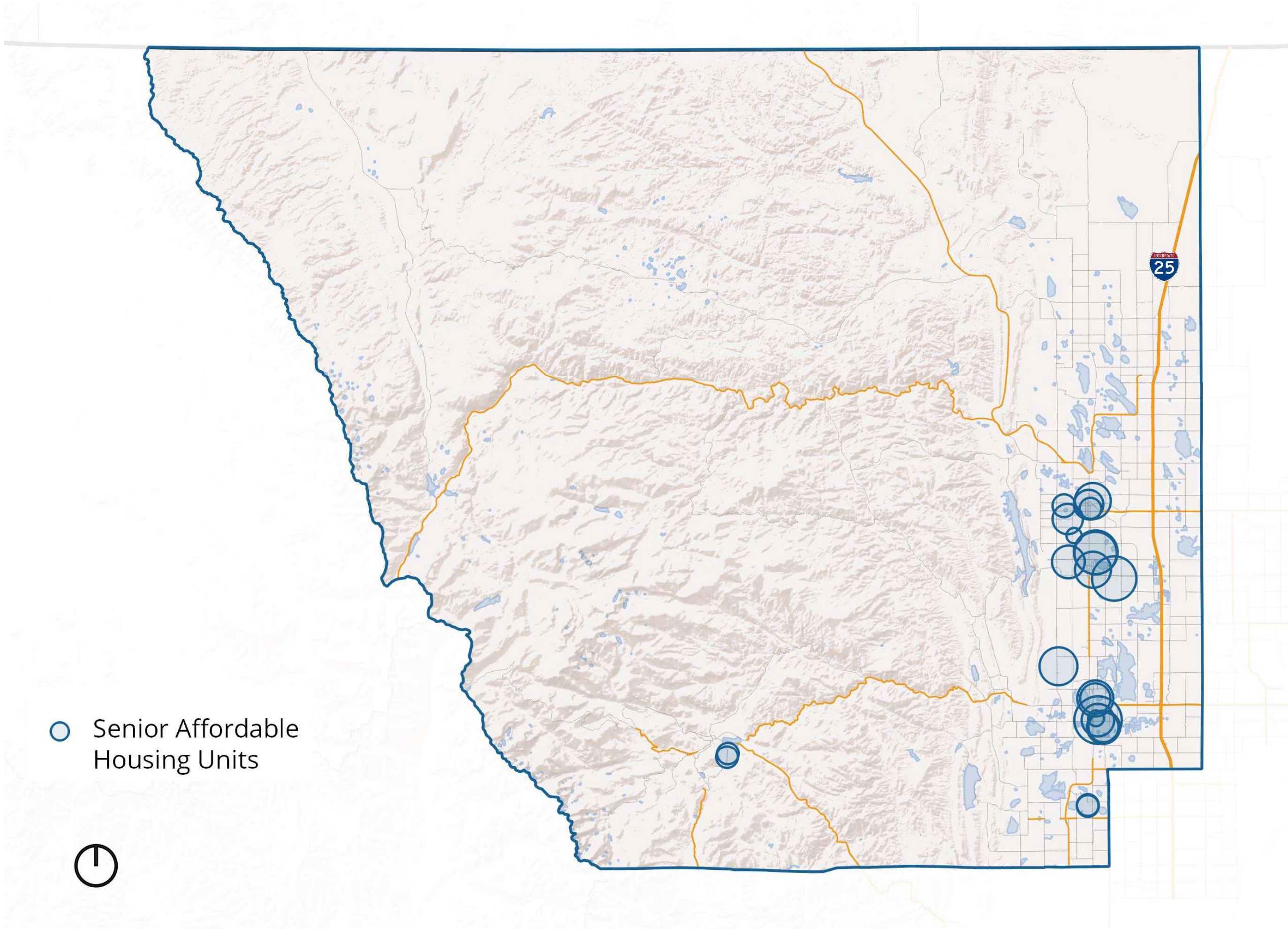


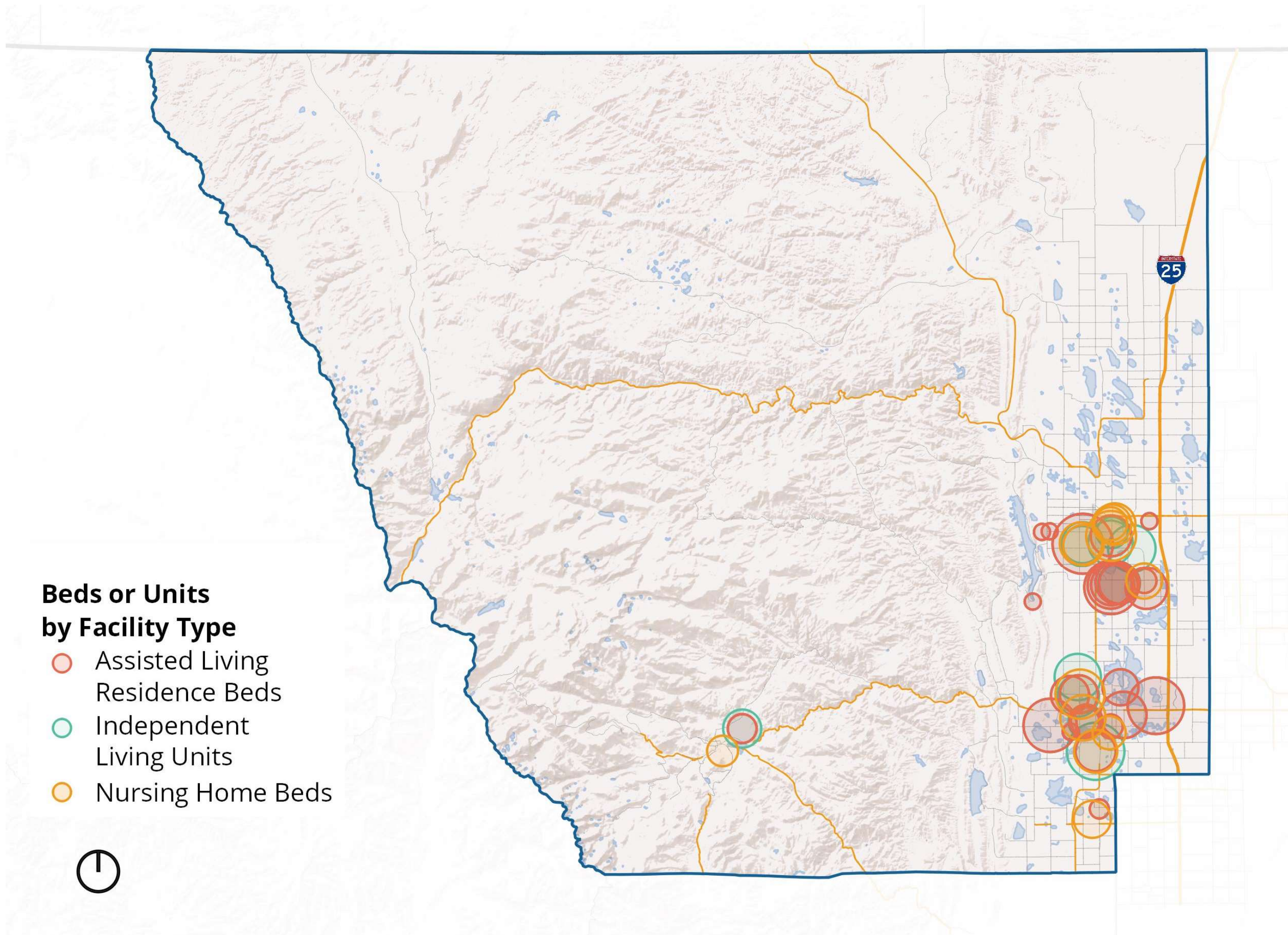
Figure III-9. Care Facilities for Older adults

Note:

The circle size represents the total number of units at the project location. The larger the circle the great the number of units.

Source:

Larimer County Office On Aging.



Resident and stakeholder perspectives. As part of the community engagement efforts conducted for this study, Root Policy Research talked with stakeholders representing older adult housing needs and held a focus group with older adult residents of the county. Key findings from that outreach are summarized below:

- Older adult residents expressed concerns about affordability, particularly for those living on a fixed income. They also noted that new development seems to focus on large homes and lots, which does not accommodate the needs/preferences of many older adults.

- Stakeholders and service providers also highlighted older adult housing needs countywide, with particular challenges in mountain and rural contexts. Older adults on fixed incomes have acute affordability challenges and stakeholders perceive this group to be particularly underserved.

- Most older adults desire to age in place but will likely need support and resources to be able to do so. Service concentration in population centers create additional barriers for residents living in unincorporated areas and rural centers.

- Others will need supportive housing options, which are perceived to be in short supply. Stakeholders did note that Housing Catalyst recently opened a Permanent Supportive Housing (PSH) development specifically for older adults exiting homelessness, but that alone is inadequate to meet demand.

- Focus group participants shared a number of features and amenities that they feel are important to older adults including single-level living (no stairs), accessibility options (including elevators in multifamily), options outside of age-restricted communities, storage areas, and covered parking.

- Older adult participants highlighted the need for creative and non-traditional housing solutions, including encouraging "missing middle" housing, flexible occupancy and uses, and accessory dwelling units (ADUs). Specific recommendations included:

    - Revise occupancy limits to allow more unrelated persons to live together;
    - Allow ADUs throughout the county (including inside city limits). Older adult homeowners view ADUs as an opportunity for income generation as well as help with home/yard maintenance; older adult renters view this as an opportunity to create affordable rentals in otherwise unaffordable locations.
    - Allow tiny homes—even those on wheels—to be used as primary dwellings, including as accessory dwelling units.

- Service providers and stakeholders highlighted a need for a variety of housing types for older adults as well, including the option for cooperative living contexts, ADUs, and more accessible housing inventory for older adults with mobility challenges.

People with Disabilities

Population profile. People with disabilities comprise 10 percent of the total population in Larimer County and 11 percent in unincorporated areas. Figure III-10 shows residents with disabilities by age and type of disability. Disability is most common among older adults (those aged 65 or older), 29 percent of whom have some type of disability. The most prevalent disabilities for older adults are hearing and ambulatory disabilities. Only 4 percent of school-aged children have a disability (most commonly a cognitive disability) and 8 percent of residents aged 18 to 64 have a disability (most commonly ambulatory or cognitive).

Figure III-10. Profile for People with Disabilities, 2018

Source:

2018 5-year ACS and Root Policy Research.

	Larimer County		Unincorporated	
Juristiction	# with a Disability	% with a Disability	# with a Disability	% with a Disability
Total Population	**33,021**	**10%**	**7,492**	**11%**
Under 5 years	**187**	**1%**	**6**	**0%**
Vision	140	1%	6	0%
Hearing	96	1%	0	0%
Age 5 to 17 years	**2,220**	**4%**	**373**	**4%**
Vision	395	1%	81	1%
Hearing	300	1%	21	0%
Cognitive	1,472	3%	309	3%
Ambulatory	220	0%	38	0%
Self-Care	423	1%	70	1%
Age 18 to 64 years	**16,507**	**8%**	**3,661**	**9%**
Vision	2,694	1%	592	1%
Hearing	4,400	2%	954	2%
Cognitive	6,944	3%	1,415	3%
Ambulatory	5,849	3%	1,677	4%
Self-Care	1,963	1%	686	2%
Independent Living	4,731	2%	1,058	3%
Age 65 and older	**14,107**	**29%**	**3,452**	**26%**
Vision	2,275	5%	698	5%
Hearing	7,565	16%	2,114	16%
Cognitive	2,726	6%	638	5%
Ambulatory	7,292	15%	1,514	12%
Self-Care	2,027	4%	433	3%
Independent Living	4,595	9%	929	7%

Figure III-11 shows economic characteristics for people with disabilities in Larimer County.

- Just over half (53%) of Larimer County residents aged 18 to 64 with a disability participate in the labor force compared to 82 percent of residents without a disability.

- Unemployment rates, for those that do participate in the labor force are higher for residents with a disability than those without.
- Among those with earnings, median earnings for people with disabilities ($21,784) are 48 percent lower than median earnings for those without a disability ($32,351).
- Residents with disabilities are more likely to live in poverty than those without a disability, regardless of age group.

Figure III-11. Economic Characteristics for People with Disabilities, Larimer County 2018

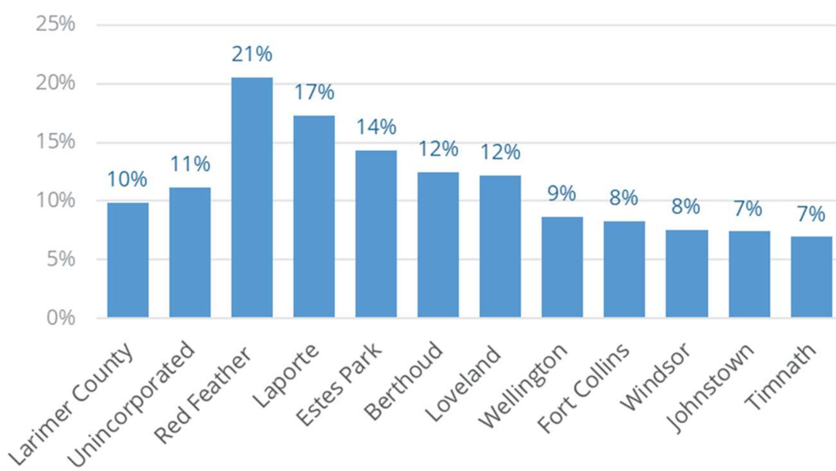
Source:
2018 5-year ACS and Root Policy Research.

	Total Population	With a Disabilty	With No Disability
Labor Force Engagement			
Percent in Labor Force	80%	53%	82%
Unemployment rate	5%	14%	5%
Earnings			
Median earnings (for those with earnings)	$31,928	$21,784	$32,351
Poverty rate by age			
Total Civilian population	12%	17%	11%
Under 18 years	10%	26%	10%
18 to 64 years	14%	23%	13%
65 years and over	6%	10%	5%

Disability by community. The proportion of residents with a disability varies by community (as shown in Figure III-12). Higher rates are generally associated with higher proportions of older adult populations.

Figure III-12. Disability by Community, 2018

Source:
2010 and 2018 5-year ACS and Root Policy Research.



Figures III-13 and III-14 on the following pages map disability rates by Census tract; rates are shown separately for residents under 65 and residents over 65.

Figure III-13. Percent of Population Age 65 and Older Living with a Disability by Census Tract.

Note:

The county wide percent of the population age 65 and older living with a disability is 4.2%.

Source:

ACS 2018 5 year estimates.

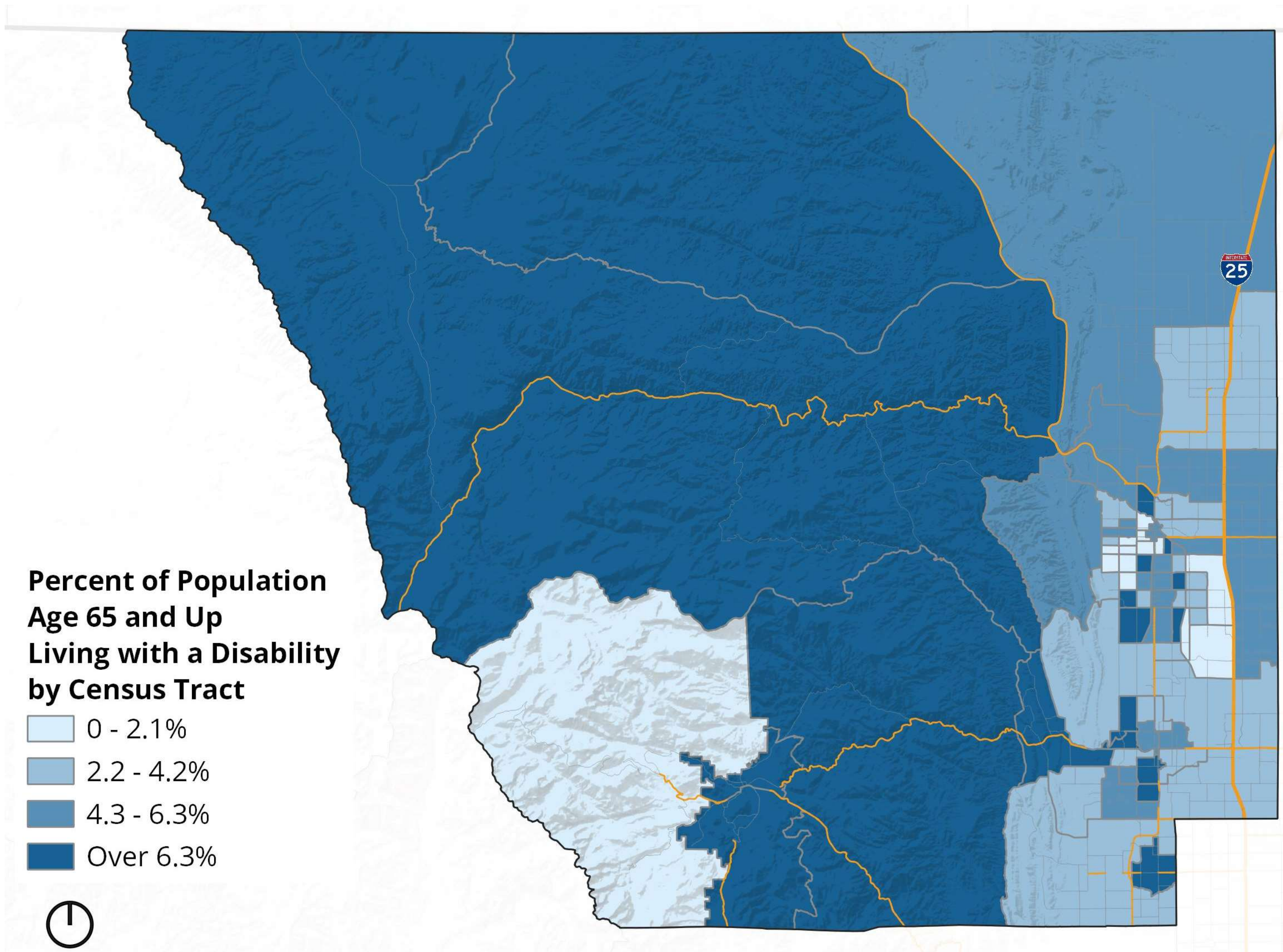


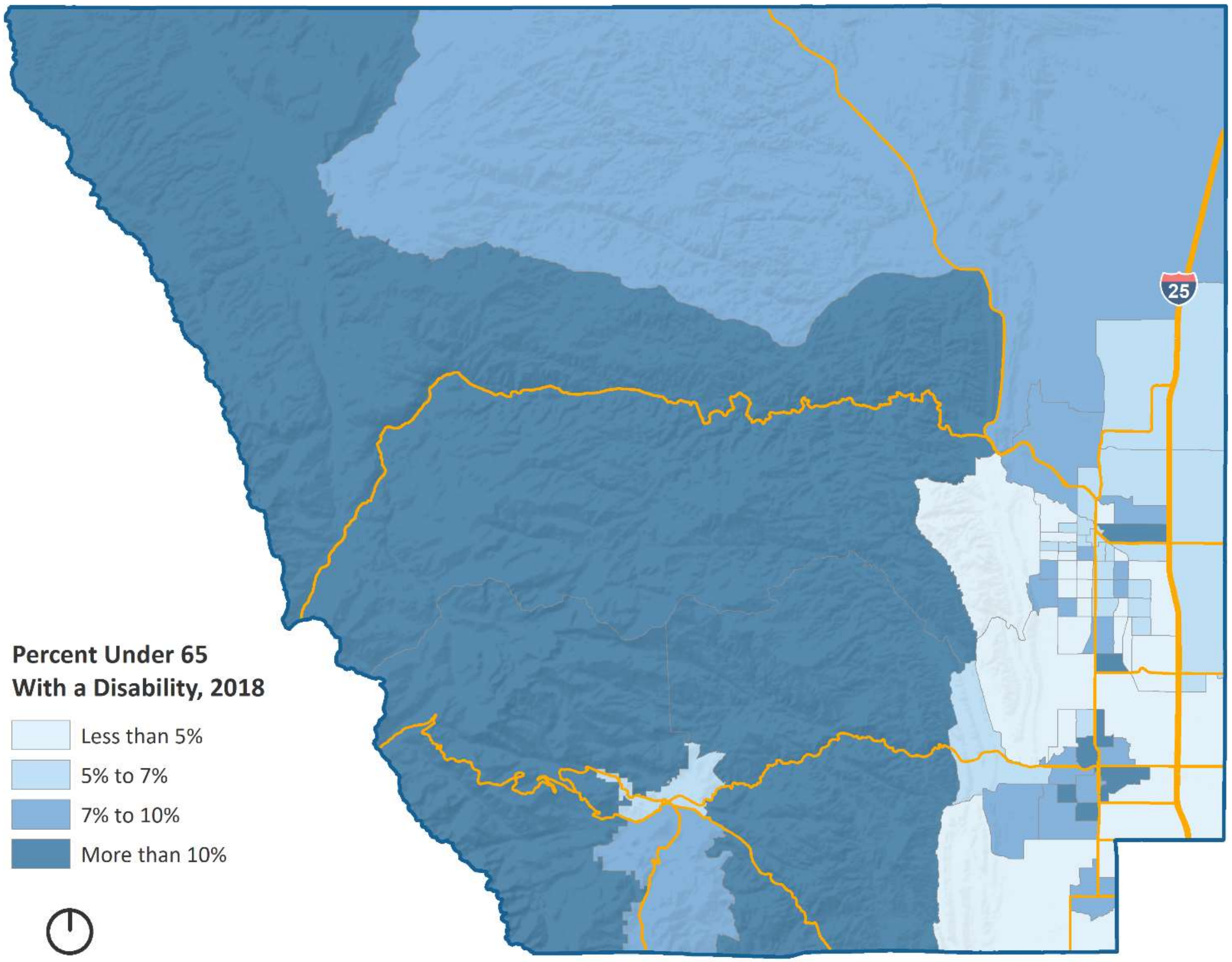
Figure III-14. Percent of Population Under 65 Living with a Disability by Census Tract.

Note:

The county wide percent of the population age 65 and older living with a disability is 4.2%.

Source:

ACS 2018 5 year estimates.



Accessible housing options. Section II provides a full overview of the housing market in Larimer County. Although there is no source that provides a number or summary of units that meet the Americans with Disabilities Act of 1990 (ADA) requirements, identifying the units that were built after the ADA was enacted gives information on what developments should be ADA compliant and are more likely to meet the needs of people with disabilities.

According to the 2016 ACS, 48 percent of the housing stock in Larimer County (and 38% of the housing stock in unincorporated areas) was built after 1990. While this percentage can be used as a proxy to understand how many units should be compliant with ADA regulations, the actual amount varies because of the type of housing. Most housing units in Larimer County are single family homes that do not require ADA compliance. Therefore, only the multifamily developments built after 1990 would meet ADA requirements and only certain units within those developments are actually fully accessible.

Resident and stakeholder perspectives. Residents and stakeholders with perspective on the needs of the disability community highlighted the shortage of accessible housing in Larimer County as a barrier for people with disabilities. For older adults developing mobility challenges and for residents in mountain/rural areas programs and resources to help modify homes for accessibility are critical, since the housing stock in those areas is less likely to have natural accessibility (or meet ADA standards).

Transportation is another key barrier for people with disabilities in Larimer County. Though larger communities (i.e., Loveland and Fort Collins) do have public transit options, connections between communities are limited and routes and schedules do not accommodate full reliance on public transportation.

People Experiencing Homelessness

Population. The Northern Colorado Continuum of Care (NoCO CoC) coordinates funding and delivery of housing and services for people experiencing homelessness in Larimer and Weld counties. As part of its efforts, NoCO CoC conducts an annual point-in-time (PIT) survey of people experiencing homelessness in the region.

The 2019 PIT identified 506 people experiencing homeless in Larimer County on January 29, 2019. Of those, 315 were spending the night in an emergency shelter, 17 were in transitional housing, and 174 were unsheltered.

Figure III-15 shows risk factors of those experiencing homelessness on that night. More than one out of every three people counted was chronically homeless and one in ten were veterans. About one out of every six people counted were fleeing domestic violence. One quarter of those counted had a serious mental illness.

Figure III-15.
People Experiencing Homelessness and Risk Factors, Larimer County, 2019

Source:
2019 Colorado Balance of State CoC Point in Time County Final Report.

	Number	Percent
Number of Persons	506	100%
Chronically Homeless	194	38%
Veteran	54	11%
Domestic Violence	92	18%
Serious Mental Illness	132	26%
Substance Abuse	84	17%
Chronic Illness	164	32%
HIV/AIDS	2	0%
Developmental Disability	42	8%
PTSD	118	23%
Brain Injury	35	7%

Although the PIT provides a snapshot of homelessness on a single night, it excludes residents who are precariously housed, couch surfing, or were simply not identified on the night of the PIT. As such, it is generally considered an underrepresentation of homelessness in a community.

School districts, through the McKinney Vento Act provide an additional data point for measuring homelessness, with a focus on children and youth experiencing homelessness. According to McKinney Vento data from the 2018-2019 school year, approximately 2,157 students in Larimer County school districts were homeless during the year.[3] Of those, the vast majority (82%) were couch-surfing or doubled up with other families. Seven percent were living in hotels/motels, 7 percent were unsheltered, and 7 percent were living in shelters, transitional housing, or awaiting foster care.

Housing Options. Figure III-16 summarizes the housing inventory for people experiencing homelessness in Larimer and Weld counties. Collectively, Northern Colorado has 1,162 year-round beds; 31 percent are emergency shelter beds, 41 percent are permanent supportive housing beds, and 17 percent are rapid rehousing beds. Sixteen percent of beds are targeted to chronically homeless individuals and 20 percent are targeted to veterans experiencing homelessness.

[3] This compares to 317 children under 18 identified in the 2019 Point in Time Count.

Figure III-16.
NoCOCoC Housing Inventory, Larimer and Weld Counties (combined), 2020

Type of Housing	Year Round Beds	Seasonal Beds	Overflow Beds	Chronic Beds	Veteran Beds	Youth Beds
Emergency Shelter	366	164	126	0	16	0
Transitional	100					
Permanent Supportive Housing	472			181	209	10
Rapid Rehousing	197				13	
Other Permanent Housing	27					
Total	**1,162**	**164**	**126**	**181**	**238**	**10**

Source: 2020 NoCOCoC Housing Inventory Count.

Resident and stakeholder perspectives. Stakeholders serving the needs of people experiencing or at risk of homelessness provided perspectives on acute challenges facing this population as we well as policy and program recommendations to meet those needs.

- Stakeholders highlighted concerns about rising homelessness, exacerbated by economic hardship from the ongoing pandemic. An inadequate supply of affordable rental housing, coupled with rental trends outpacing wage gains is also contributing to homelessness in the county.
- High market rents also make it more challenging for people exiting homelessness with the help of housing vouchers to find and qualify for units. Stakeholders noted the need for additional affordable one-bedroom units throughout the county to help address this need.
- Stakeholders also indicated a steady increase in mental health and substance use challenges as a contributing factor to and coexisting condition with homelessness.
- Top needs, according to stakeholders, rental units affordable to low income, single-person households (i.e., one-bedrooms and studios), case management supports, more robust development of rapid rehousing program and inventory, and additional funding for housing with supportive services.
- Recommendations to the County related to addressing the needs of people experiencing homelessness included incentivizing affordable housing development, additional flexibility in land use (to accommodate affordable development), resource allocation for homeless services and direct funding to the NoCOCoC, and incentives or support to increase inventory of Rapid Rehousing program inventory (units and/or landlords).

Manufactured Housing Community Residents

Manufactured homes (mobile homes)[4] are a form of naturally occurring affordable housing that allow lower income residents to become homeowners. Although this creates more housing opportunity for these households, manufactured housing communities can also be an environment of uncertainty. Most mobile home owners do not own the land underneath their home and pay a monthly rent for the lot. This subjects tenants to the volatility of the housing market that could make monthly payments unaffordable and is complicated by limitations on mobility—moving manufactured homes is often cost-prohibitive and in some cases illegal.

Increasing home and land values in Northern Colorado also gives mobile home park owners a large incentive to sell, putting additional pressure on tenants who would need to relocate their home. Many homeowners become displaced because they either cannot find somewhere to move their mobile home, or their home is too old to be relocated. Mobile home owners have increasingly limited options.

Residents of four manufactured housing communities in Fort Collins were surveyed by the Coloradoan for a story in September 2019. Over the past five to ten years, all residents reported annual lot rent increases of $25 to $50 per month. Stakeholders consulted in the development of this housing report estimated mobile home lot rents have increased by 5 to 15 percent per year (resulting in up to $100 increases over the past three years). In many cases, this increase in lot rent within the manufactured housing community is coupled with unpredictable utility billing by the property manager year to year. Rising and variable costs contribute to the vulnerability to displacement of community residents.[5]

Population profile. Figure III-17 compares characteristics of manufactured housing residents to those living in single family homes and Larimer County households overall. About 75 percent of mobile home households own their home, compared to 81 percent of single family detached households and 65 percent of Larimer County households overall.

The age profile of mobile home householders is similar to that of traditional single family householders, but mobile home residents are more likely to be Hispanic than single family residents (11% vs 8%) and are more likely to be non-family households than single family residents (41% vs. 28%).

---

[4] Throughout this report the terms “mobile home” and manufactured home” are used interchangeably. Technically “mobile home” refers to homes built before 1976 and “manufactured housing” applies for units built after 1976. However, the terms are commonly used interchangeably and we have followed that practice here.

[5] https://www.coloradoan.com/story/news/2019/09/17/fort-collins-mobile-home-parks-more-protections-owners/2314412001/

Figure III-17. Profile of Manufactured Housing Residents, Larimer County, 2018

Source:

2018 5-year ACS and Root Policy Research.

	All Households	Single Family Units	Mobile Homes
Tenure			
Owners	65%	81%	75%
Renters	35%	19%	25%
Age of Householder			
15 to 34	26%	26%	26%
35 to 64	51%	51%	51%
65 and Over	23%	23%	23%
Race/Ethnicity			
Non-Hsipanic White	84%	81%	76%
Hispanic	5%	8%	11%
Other race minority	11%	11%	14%
Household Type			
Family household	62%	72%	59%
Married-couple family	50%	62%	40%
Other family	12%	11%	19%
Non- Family household	38%	28%	41%

Housing supply and cost. Assessor data identified 5,703 manufactured homes in Larimer County. About 61 percent, or 3,499 homes, are in unincorporated areas.

As shown in Figure III-18, a majority of mobile homes (85%) are located in mobile home parks, though 10 percent are located on vacant land and 5 percent are on other types of parcels. The average year built (or manufactured) for mobile homes in the County is 1987. About 28 percent were built before 1976, which means they cannot legally be moved from their current location. According to the ACS, the median value of mobile homes was $29,700 in 2018, which corresponds to the median sale price of $30,000 (based on sales from 2017 through 2019). Average rent for non-owners was just over $900 per month in 2018.

Manufactured homes in unincorporated areas are very similar to those in the county overall, though they are slightly more likely to be on vacant land and slightly more likely to be built before 1976. Still, the majority (82%) of mobile homes in unincorporated areas are located in mobile home parks.

Value and cost data for unincorporated area mobile homes is similar to the county overall with average rent around $900 and value/ and sales near $30,000.

Figure III-18. Housing Characteristics of Manufactured Homes

Source:

Larimer County Assessor, 2018 5-year ACS and Root Policy Research.

	Larimer County		Unincorporated	
	Number	Percent	Number	Percent
Number of Mobile Homes	**5,703**	**100%**	**3,499**	**100%**
Location				
In mobile home parks	4,863	85%	2,852	82%
On vacant land	575	10%	432	12%
On other parcels	265	5%	215	6%
Year Built/Manufactured				
Before 1976	1,604	28%	1,051	30%
1976 to 2000	2,885	51%	1,822	52%
2000 or later	1,215	21%	627	18%
Average Year Built	*1987*		*1986*	
Value and Cost				
Median value	$29,700		$31,400	
Median sale price	$30,000		$29,400	
Average Gross Rent	$909		$899	

The following maps show the geographic distribution of mobile homes and mobile home parks in Larimer County and sale prices of mobile homes by location (based on sales from 2017 through 2019).

Figure III-19. Mobile Home Share of Housing Units by Census Tract and Mobile Home Parcel Designations

Source:

ACS 2018 5 year estimates and Larimer County Assessor.

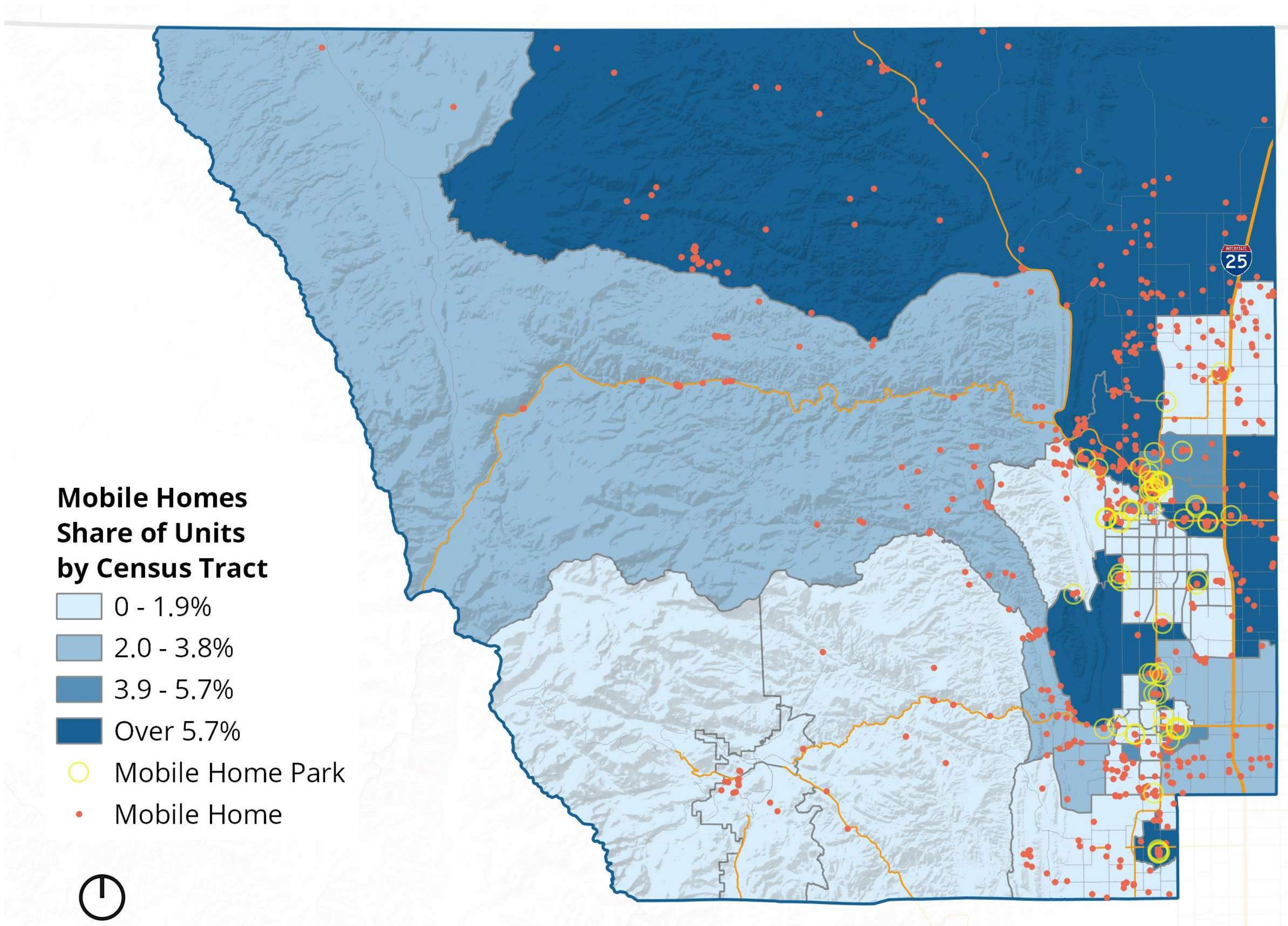


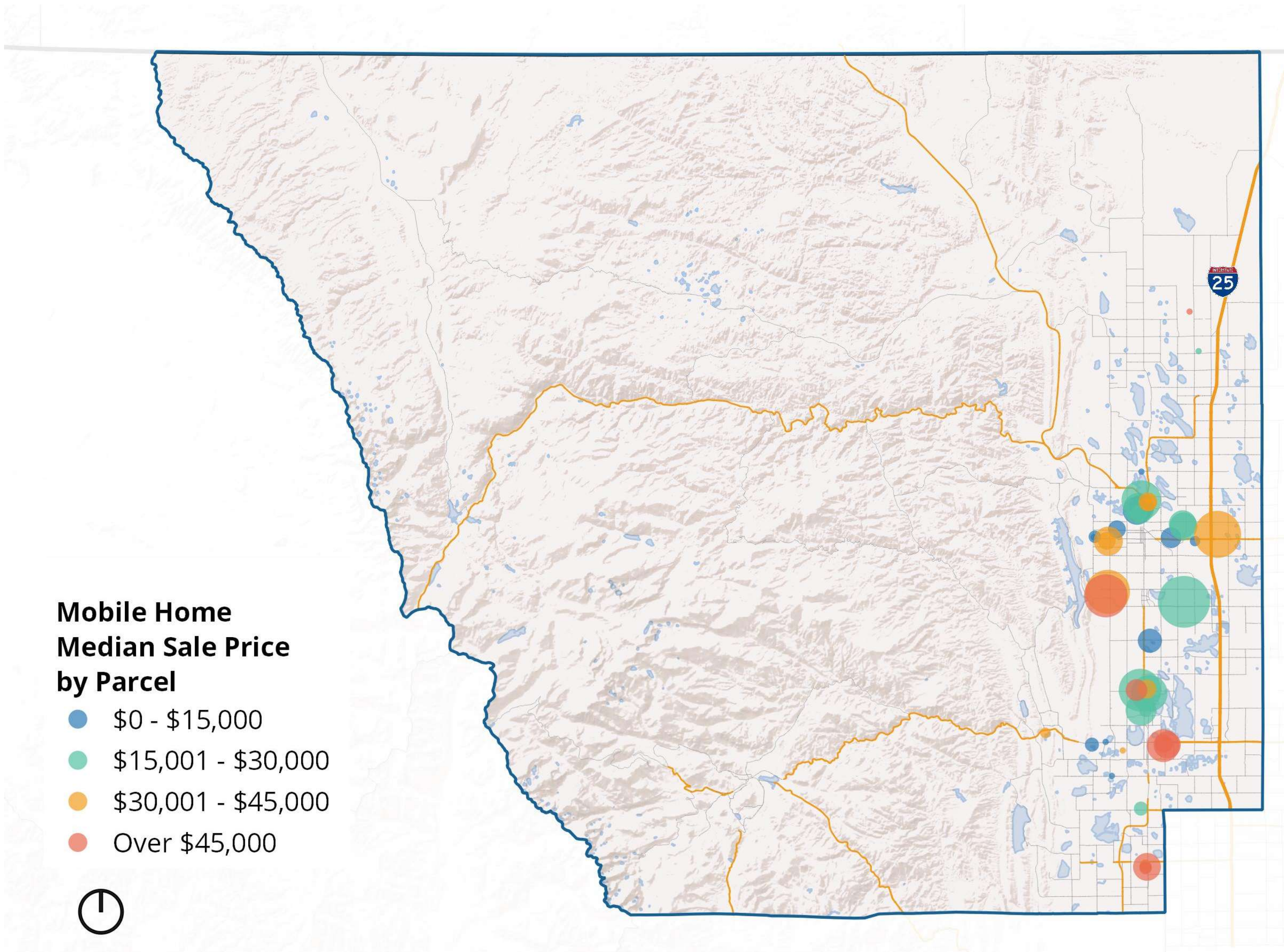
Figure III-20. Mobile Home Median Sale Price by Parcel, Larimer County, 2017 to March 2019.

Note:

County wide median price was $30,000. The size of circle signifies the number of sales on the parcel. The larger the circle size, the greater number of sales occurred.

Source:

Larimer County Assessor.



Resident and stakeholder perspectives. Manufactured housing community residents and advocates participated in focus groups as part of the engagement conducted for the housing study. Their perspectives on the unique needs of manufactured housing communities are summarized below.

- Participants noted that manufactured housing communities are an important element of affordable housing options and that they serve demographics that may be underserved by other housing types, including low income residents that don't qualify for traditional mortgages, immigrants without documentation, older adults who desire the communal culture of a mobile home neighborhood.
- However, the hybrid nature of manufactured housing communities—owning a home but renting a lot—does create unique vulnerabilities and can foster tension between home owners and park owners/managers.
- The primary housing challenges of manufactured housing residents centers on this resident/management relationship. Key challenges are:
    - Conflict and confusion about rights and responsibilities of residents versus park owners/management, especially related to landscaping and maintenance of public spaces and infrastructure;
    - Overly restrictive regulations/covenants (according to residents);
    - Lack of transparency/consistency related to rent payments and utility billing; and
    - Fear of retaliation—a key concern and a significant barrier to reporting misconduct among park owners/managers. The threat of eviction poses additional weight in the manufactured housing context because it could result not only in losing current occupancy but also the equity in your home ("mobile" homes are most often not actually able to be moved).
- Rising lot rents and concern about potential redevelopment or sale of parks is also a concern among manufactured community residents.
- Both the state and the City of Fort Collins have improved conditions and protections for manufactured home residents in recent years; however, the inconsistency of protections across municipal lines is a challenge and concern, particularly for the manufactured community residents living adjacent to Fort Collins but in unincorporated Larimer County.
- Lessons learned from Fort Collins' recent efforts highlight the benefits of resident rights education, providing mediation for resident/management disputes, documentation and transparency among park owners, and community organization (i.e., resident associations and HOAs).

- Participants emphasized the importance of community organizing and relationship building efforts with managers and park owners. Resident associations allow for group negotiating and support and also diffuses the fear of retaliation. Ideally, this would include opportunities to collaborate both within and across parks to facilitate leadership development and support community advocacy plans.
- Other proposed recommendations included encouraging resident ownership opportunities through non-profit housing partnerships, like ROC USA, Thistle, and community land trusts; and instituting zoning and land use protections for manufactured housing communities.
- Specific recommendations regarding the county's role were:
    - Align protections for manufactured housing communities in unincorporated areas with those of neighboring municipalities and coordinate enforcement;
    - Create zoning and density that accommodates manufactured housing communities in the County;
    - Look for opportunities to use publicly owned land for manufactured and modular home development with key partnerships in manufacturing (e.g., indieDwell) and park ownership.
    - Fund mobile home efforts/protections, including supporting communities organizing and/or neighborhood liaisons;
    - Evaluate policies for differing impacts on owners and renters of mobile homes and how impacts may differ for documented vs undocumented residents; and
    - Proactively educate residents and park owners about rights/responsibilities as well as legislative changes (both state and local).

Low Income Households and Affordable Housing Inventory

Housing programs generally use percentages of "HUD median family income" or MFI as benchmarks for targeting housing assistance and affordability programs. Households earning less than 30 percent of MFI—roughly at the poverty level and below—are characterized as "extremely low income." Households earning between 30 and 50 percent of MFI are considered to be "very low income;" households between 50 and 80 percent MFI, "low income;" those between 80 and 120 percent MFI, "moderate income;" and those above 120 percent of MFI are "high" income.

Figure III-21 shows the MFI levels for Larimer County according to household size (MFI is determined and provided to the county by HUD).

Figure III-21.
HUD Median Family Income Categories, Larimer County, 2020

Note:

50% MFI is not equal to half of 100% MFI due to HUD-imposed year over year change maximums. Additional details available at https://www.huduser.gov/portal/datasets/il/il2020/2020IlCalc.odn

Source:

www.huduser.org.

Percent MFI	Income Limit	Percent MFI	Income Limit
30% MFI		**100% MFI**	
1 person HH	$19,800	1 person HH	$69,612
2 person HH	$22,600	2 person HH	$79,541
3 person HH	$25,450	3 person HH	$89,471
4 person HH	$28,250	4 person HH	$99,400
50% MFI		**120% MFI**	
1 person HH	$32,950	1 person HH	$83,534
2 person HH	$37,650	2 person HH	$95,449
3 person HH	$42,350	3 person HH	$107,365
4 person HH	$47,050	4 person HH	$119,280
80% MFI			
1 person HH	$52,700	**2020 HUD Median Income Overall:**	
2 person HH	$60,200	**$99,400**	
3 person HH	$67,750		
4 person HH	$75,250		

Figure III-22 highlights the changes in the HUD MFI for Larimer County between 1990 and 2020. As shown in the figure, HUD overall MFI has nearly tripled in the past 30 years with notable annual increases in recent years. Since 2015, the HUD MFI has increased by 56 percent, from $79,000 to $99,000. The jump from $87,000 to $99,000 in just the past year accounts for more than half of that 5-year increase.

Figure III-22.
HUD Median Family Income Trends, Larimer County

Note:

HUD MFI is based on a 4-person household.

Source:

www.huduser.org.

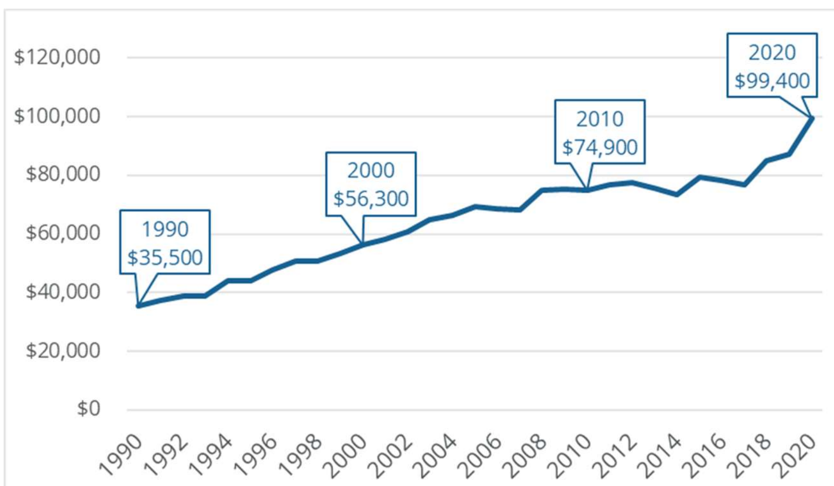


Figure III-23 summarizes the number of low- and moderate-income households in Larimer County, using HUD designations of MFI.

Figure III-23.
Households by Income as a Percent of HUD MFI, Larimer County, 2018

Household Income (as a % of HUD MFI)	Owners		Renters		Total	
	Num.	Pct	Num.	Pct	Num.	Pct
Total Households	**86,247**	**100%**	**47,280**	**100%**	**133,527**	**100%**
Less than 30% MFI	5,218	6%	11,095	23%	16,313	12%
30% to 50% MFI	6,767	8%	9,817	21%	16,584	12%
50% to 80% MFI	12,373	14%	10,543	22%	22,916	17%
80% to 120% MFI	9,173	11%	5,194	11%	14,367	11%
More than 100% MFI	52,716	61%	10,631	22%	63,347	47%

Source: HUD Comprehensive Housing Affordability Strategy (CHAS), 2018 5-year ACS, and Root Policy Research.

Publicly assisted affordable housing inventory. As the rental market has become more competitive, low income renters find it increasingly challenging to find market rate units. Limited naturally occurring affordable housing contributes to the need for publicly assisted rental housing—housing that receives some type of public subsidy in exchange for occupant income restrictions.

Larimer County has 3,656 units developed using Low Income Housing Tax Credits (LIHTC), all of which are designated affordable to households earning less than 60 percent MFI. Ten percent of those units are affordable to households earning less than 30 percent MFI.

In addition, the county has 789 unit of HUD-funded housing, including project-based Section 8, public housing, and other multifamily. Combined, these sources have created 4,445 units of income restricted affordable housing.

There are also about 2,300 housing choice vouchers in use in Larimer County, with which recipients can find market-rate units that meet their needs.[6]

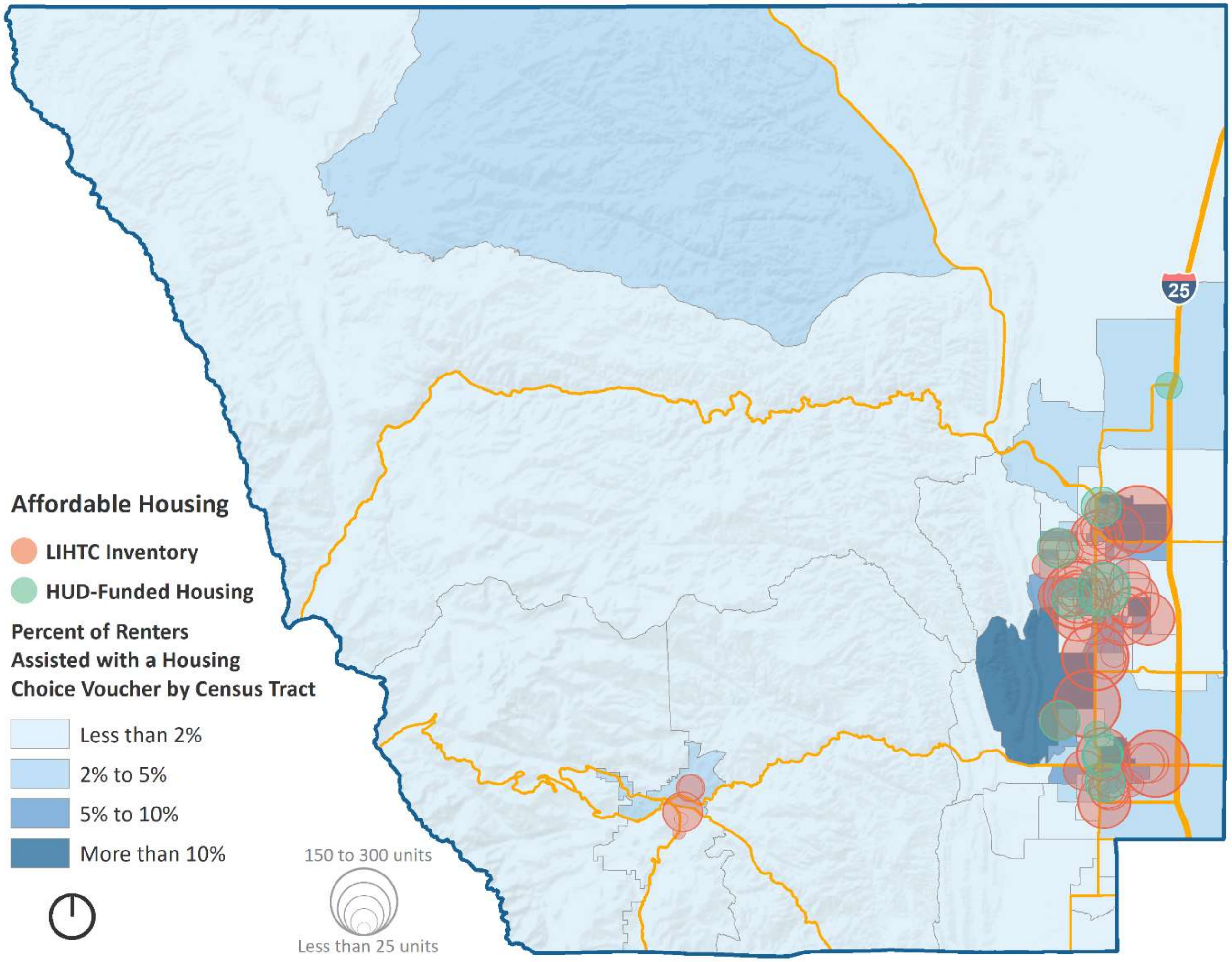
Figure III-24, on the following page, shows the geographic distribution of LIHTC and HUD-funded units, along with the percentage of renters in each Census tract that are using a voucher. As illustrated, publicly assisted units are concentrated in larger communities (which have zoning capacity for multifamily). Vouchers are used throughout the county but have the highest use along the I-25 corridor communities.

[6] Vouchers and units are not necessarily additive as vouchers can be used in subsidized units, creating overlapping subsidies.

Figure III-24. Publicly Assisted Housing in Larimer County

Source:

Colorado Housing Finance Authority, U.S. Department of Housing and Urban Development, and Root Policy Research.



Resident and stakeholder perspectives. Engagement outreach for the Housing Needs Assessment included a focus group with low-income families and individuals as well as a focus group with non-profit service providers in Northern Colorado. Representation among residents included formerly homeless, residents of income restricted housing, people with disabilities, families with children, and Hispanic households. The service providers focus group included organizations representing a wide variety of vulnerable populations included. Input from both groups is summarized below:

Low-income families and individuals:

- Participants all emphasized that housing prices (rentals and for-sale) is increasing across the entire housing spectrum and that new development almost exclusively serves higher income residents.
- Participants all agreed that the housing market does fail to serve low income residents, specifically:
    - Residents with poor credit history;
    - Residents who want to rent but have no rental history (or have poor rental history);
    - Residents who want to rent but cannot afford the "3x the rent" requirement (i.e., landlords requiring income be at least three times contract rent); and
    - Residents with a criminal history.
- Residents highlighted specific market gaps and desired market options including affordable entry-level ownership; accessible housing for people with disabilities; affordable housing prices across the spectrum; and housing for residents who are homeless.
- In addition to the housing products above, residents discussed resource and service needs that would help address underlying housing challenges more broadly, specifically:
    - Better public transportation system (with inter- and intra-community connections);
    - Better energy prices and access to renewable energy options;
    - Childcare and after-school programming for kids (and specific resource supports for single parents especially single dads);
    - Credit consolidation and credit improvement programs; and
    - More support, services, and housing for homeless residents.

Stakeholder input:

- Across the board, stakeholders highlighted the need for additional affordable housing—for both renters and owners, citing the high proportion of cost burdened renters, relatively low wages in service industries, market trends of housing costs outpacing wage growth, and long waiting lists for affordable housing as clear indicators of need.

- Though challenges differ by community and household, stakeholders noted acute needs for older adults, low income families, and single person households. They also noted the disproportionate impact on Hispanic residents and immigrants, particularly those without documentation, who may have limited access to resources, face language barriers, and face housing discrimination.

- Specific housing product needs highlighted by service providers included low income family units, units for single person households (micro units but not single room occupancy), targeted resources and units for youth and older adults, and inventory for rapid rehousing programs.

- Policy barriers to affordability included restrictive occupancy limits, lack of multifamily zoning in the county, and limited funding for housing and supportive services.

- Stakeholders were also concerned about a potential wave of evictions as eviction moratoriums (enacted during the pandemic) expire.

- Stakeholders suggested the county consider the following regulatory, policy, and programmatic recommendations to contribute to housing solutions throughout Larimer County:

    - Address barriers to development through land use and zoning changes (options for moderate density, residential, and multifamily);
    - Relax occupancy restrictions to unlock housing options for coops and other non-traditional occupancy contexts;
    - Create a locally funded, flexible housing trust fund to support affordable housing and housing services (suggested sources of funding included real estate transfer tax[7], property tax, or sales tax);
    - Support affordable development through infrastructure planning;
    - Take an active role in convening a regional approach to housing affordability and collaborate with existing network or local governments and service providers.

[7] Real estate transfer tax is currently prohibited by state law.

SECTION IV.

HOUSING AFFORDABILITY AND GAPS

SECTION IV.
Housing Affordability and Gaps

This section builds upon previous sections by connecting changes in affordability to housing needs. This includes:

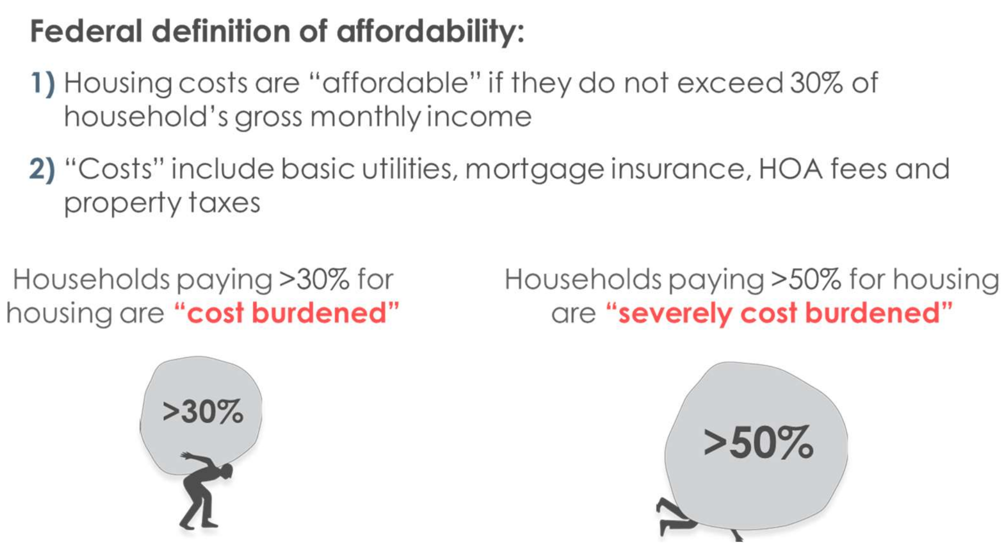
- How changes in the market have affected rental affordability and "purchasing power";
- An analysis of cost burden among renter and owner households;
- A rental gaps analysis comparing supply and demand by price point and affordability;
- Ownership gaps analysis evaluating renters' ability to purchase a home;
- An analysis of worker affordability by industry; and
- As summary of the top affordability needs in Larimer County.

The section begins with a definition of affordability and how affordability is typically measured.

Defining and Measuring Housing Affordability

The most common definition of affordability is linked to the idea that households should not be cost burdened by housing. A cost burdened household is one in which housing costs—the rent or mortgage payment, plus taxes and utilities—consumes more than 30 percent of monthly gross income.

Figure IV-1.
Affordability Definitions



The 30 percent proportion is derived from historically typical mortgage lending requirements.[1] Thirty percent allows flexibility for households to manage other expenses (e.g., child care, health care, food costs, etc.).

Spending more than 50 percent of income on housing costs is characterized as severe cost burden and puts households at high risk of homelessness—it also restricts the extent to which households can contribute to the local economy.

Other common indicators of housing affordability include:

- **Housing costs v. income.** Many indices used to monitor affordability trends compare housing costs to income levels to gauge change in purchasing power. At the most simplistic level, these compare median home prices to median incomes. Although such indices are useful in comparing markets, they fail to capture the uniqueness of some markets (e.g., how property taxes affect housing costs).

- **Housing gaps.** A housing gaps model compares the supply of housing at various price points to demand, using income as a proxy. This model allows an examination of housing affordability challenges by income range.

Each of these measures is discussed in more detail throughout this section.

Changing Incomes and Affordability

Housing price increases have outpaced rising incomes over the past decade resulting in declining affordability within the rental and ownership markets alike. Widening affordability gaps are particularly acute in the for-sale market, pushing ownership further out of reach for many households.

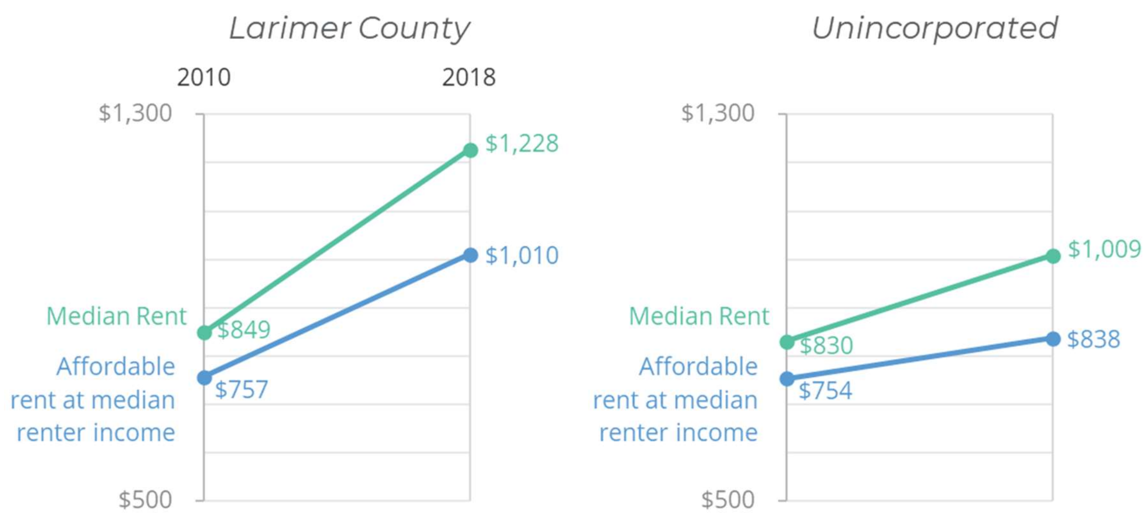
Absorbing rent increases. Between 2010 and 2018, the median rent in Larimer County increased from $849 to $1,228—as $379 per month or 45 percent increase. Renter incomes rose as well, but only by 33 percent, not enough to absorb the change rents.

Trends in unincorporated Larimer County reflect smaller gains to both incomes and rent prices, but still result in a decline in renter affordability. Median renter income rose by 11 percent while median rent rose by 21 percent.

[1] Recently, the 30 percent threshold has been questioned as possibly being lower than what a household could reasonably bear. Indeed, the U.S. Department of Housing and Urban Development has considered raising the contribution expected of Housing Choice ("Section 8") Voucher holders to 35 percent of monthly income. However, most policymakers maintain that the 30 percent threshold is appropriate, especially after taking into account increases in other household expenses such as health care.

Figure IV-2 summarizes the changes in median rent and median renter income in Larimer County as a whole and unincorporated Larimer County from 2010 to 2018—a macro view of how well renters are able to manage changes in the rental market.

Figure IV-2.
Change in Rental Affordability, 2010 to 2018



Source: 2010 and 2018 5-year ACS and Root Policy Research.

Figure IV-3 shows changes to renter affordability for individual jurisdictions within Larimer County. Rising rents outpaced renter income gains in all communities except Laporte, though even in Laporte affordable rent for the median renter household is still below that of the market median rent.

Figure IV-3.
Change in Renter Affordability by Community, 2010 to 2018

	Median Renter Income		Median Gross Rent		Compound Annual Growth		
	2010	2018	2010	2018	Renter Income	Gross Rent	*Change in Renter Affordability*
Larimer County	**$30,291**	**$40,415**	**$849**	**$1,228**	**3.7%**	**4.7%**	↓
Unincorporated	**$30,178**	**$33,504**	**$830**	**$1,009**	**1.3%**	**2.5%**	↓
Estes Park	$27,350	$27,458	$789	$932	0.0%	2.1%	↓
Fort Collins	$28,197	$38,946	$853	$1,278	4.1%	5.2%	↓
Johnstown	$34,879	$39,583	$1,058	$1,715	1.6%	6.2%	↓
Laporte	$26,917	$37,446	$671	$849	4.2%	3.0%	↑
Loveland city	$35,064	$46,338	$836	$1,192	3.5%	4.5%	↓
Wellington	$67,528	$88,155	$1,146	$1,600	3.4%	4.3%	↓
Windsor	$42,875	$51,759	$961	$1,232	2.4%	3.2%	↓

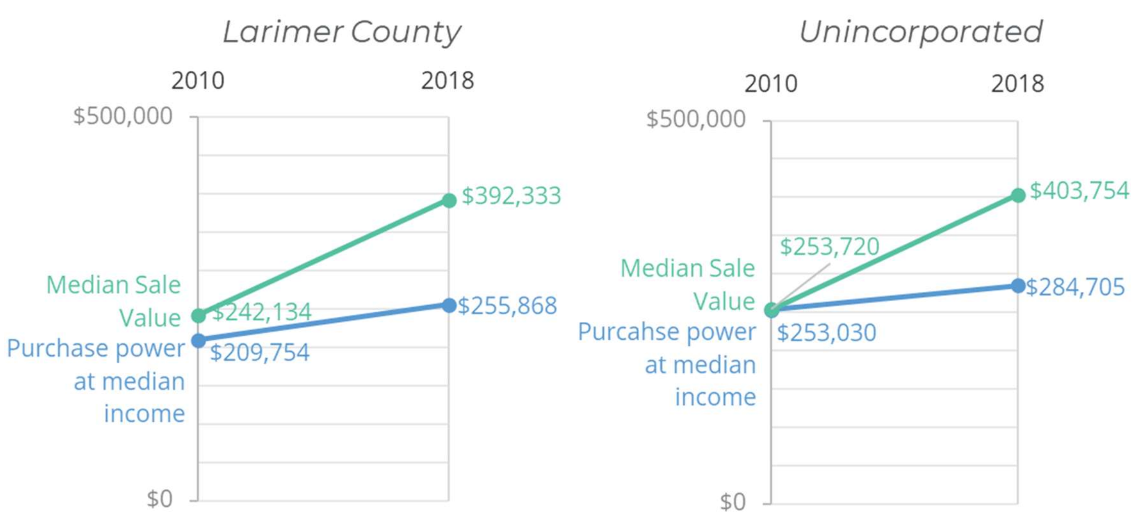
Source: 2010 and 2018 5-year ACS and Root Policy Research.

Changes in purchasing power. The purchasing power of renters who wish to own (as well as other households) is affected by a number of factors, including home prices, incomes, and also mortgage interest rates and access to capital. Falling interest rates between 1999 and 2010 generally allowed potential buyers to improve their purchasing power, despite relatively stagnant incomes. However, since 2010, home prices have increased rapidly—much faster than incomes—and interest rates have dropped only slightly. As a result, purchasing power at the median income has lagged far behind home prices in Larimer County (both incorporated areas and unincorporated areas).

Figure IV-4 shows changes in median sale values (as measured by Zillow Analytics) and purchasing power at the median household income for Larimer County and unincorporated county households.

In 2010, the median household income of $56,447 could afford a home priced at about $210,000 (based on a 4.69% interest rate with 10% down on a 30-year fixed loan and assuming 30% of monthly housing costs go toward insurance, utilities, HOA and taxes).[2] In 2018, the median household income of $67,664 could afford a home priced at $256,000 (based on a slightly lower interest rate but otherwise the same lending assumptions). Over that eight-year period, purchasing power increased by 22 percent for median income households but the median sale price increased substantially faster—up 62 percent from 2010. Similar trends were evident in unincorporated areas of the county.

Figure IV-4.
Change in For-Sale Affordability, 2010 to 2018



Note: Purchasing power calculation assumes 10% down on a 30 year fixed loan and 30% of monthly housing costs go toward insurance, utilities and taxes.

Source: 2010 and 2018 5-year ACS and Root Policy Research.

[2] It should be noted that existing owners with substantial equity in their homes may be able to purchase under different lending conditions. This analysis focuses on typical early or first-time buyers using a 30-year loan.

Figure IV-5 shows changes to owner affordability for individual jurisdictions within Larimer County. Housing prices outpaced income gains in all communities except Timnath, though even in Timnath purchasing power for the median household is below that of the median market price.

Figure IV-5.
Change in For-Sale Affordability by Community, 2010 to 2018

	Purchasing Power at Median Income		Median Home Sale Value (ZHVI)		Compound Annual Growth		*Change in For-Sale Affordability*
	2010	2018	2010	2018	Purchase Power	Sale Value	
Larimer County	**$209,754**	**$255,868**	**$242,134**	**$416,541**	**2.5%**	**7.0%**	↓
Unincorporated	**$253,030**	**$284,705**	**$253,720**	**$429,010**	**1.5%**	**6.8%**	↓
Berthoud	$261,202	$275,474	$272,803	$468,067	0.7%	7.0%	↓
Estes Park	$196,120	$192,222	$338,176	$508,079	-0.3%	5.2%	↓
Fort Collins	$184,270	$234,949	$241,359	$422,349	3.1%	7.2%	↓
Johnstown	$261,525	$341,238	$228,113	$402,783	3.4%	7.4%	↓
Laporte	$164,620	$240,526	$227,921	$407,413	4.9%	7.5%	↓
Loveland	$203,541	$242,803	$216,098	$376,997	2.2%	7.2%	↓
Red Feather	$234,216	$203,929	$210,304	$311,625	-1.7%	5.0%	↓
Timnath	$305,986	$480,017	$352,102	$529,447	5.8%	5.2%	↑
Wellington	$247,200	$336,465	$208,390	$360,972	3.9%	7.1%	↓
Windsor	$282,301	$365,703	$277,491	$453,675	3.3%	6.3%	↓

Note: Purchasing power calculation assumes 10% down on a 30 year fixed loan and 30% of monthly housing costs go toward insurance, utilities and taxes.

Source: 2010 and 2018 5-year ACS and Root Policy Research.

Purchasing power is not the only—and may not be the best—measure of affordability dynamics in a given market. Rising home prices also make it more challenging to save for a down payment to purchase a home. Assuming a 10 percent down payment, the median sale price in 2010 required a $24,000 down payment—about 43 percent of the median household's annual income. In 2018, the median sale price required a $39,000 down payment, about 58 percent of the median household's income. For renters looking to purchase a home, rising rental prices also impact the ability to save for a down payment.

COVID-19 impacts. The full impact of the COVID-19 pandemic on housing affordability and stability is not yet known. National estimates indicate rising housing insecurity and higher risk of eviction (once moratoriums are lifted) with a disproportionate impact on households of color.[3]

---

[3] https://files.consumerfinance.gov/f/documents/cfpb_Housing_insecurity_and_the_COVID-19_pandemic.pdf

Data from the Census Bureau's Household Pulse Survey, conducted throughout the pandemic, show that Colorado's housing insecurity is slightly below the national average but that eviction likelihood is similar to the nation overall (despite some additional volatility). Figure IV-6 shows measures of housing insecurity and eviction likelihood based on the Household Pulse Survey data. Note that data are not available at the local level.

Figure IV-6. Housing Insecurity and Eviction Likelihood in the Wake of COVID-19 Pandemic, Colorado and United States

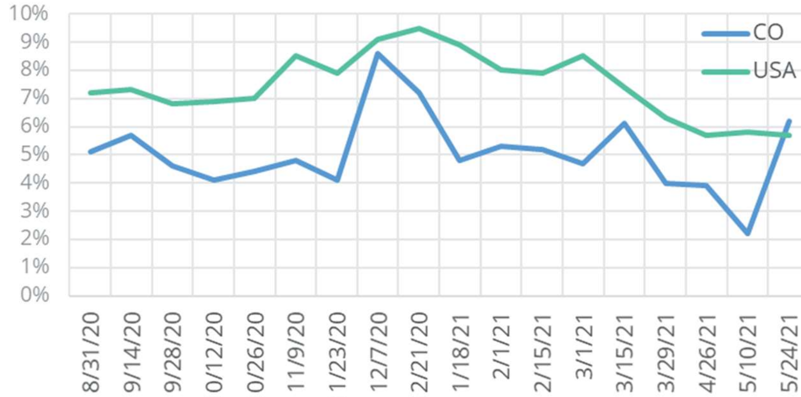
Note:

Data not available at the local level.

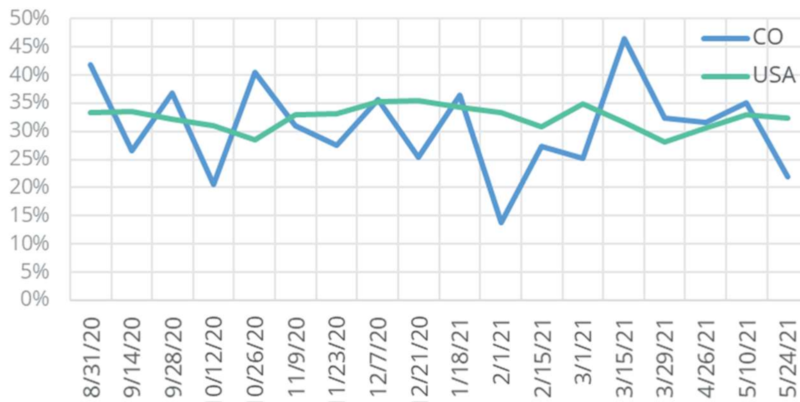
Source:

U.S. Census Bureau, Household Pulse Survey and Root Policy Research.

Housing Insecurity: Percentage of adults who are not current on rent or mortgage payments and who have slight or no confidence that their household can pay next month's rent or mortgage on time.



Eviction Liklihood: Percentage of adults living in households not current on rent or mortgage where eviction or foreclosure in the next two months is either very likely or somewhat likely.



Cost Burden

Cost burden, defined as spending 30 percent or more on housing costs is another measure of affordability trends. While the median affordability analysis above allows for a macro-view of the market, an analysis of cost burden demonstrates affordability (or lack thereof) at a more nuanced level for individual households.

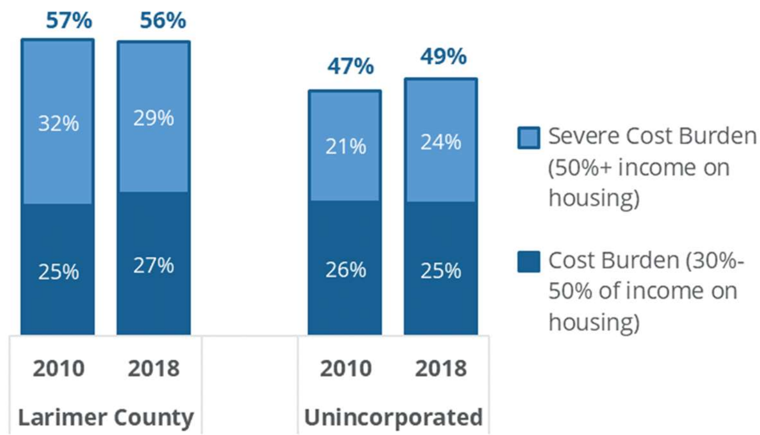
Cost burdened renters. More than half of all Larimer County renters (56%), 25,456 renter households, are cost burdened, spending 30 percent or more of their income on housing costs. More than one quarter of renters (27% or 13,153 households) are severely costs burdened, spending at least half of their income on housing costs.

Renters living in unincorporated Larimer County have similar—though slightly lower—rates of cost burden: 49 percent are cost burdened and 25 percent are severely cost burdened. Rates of cost burden have remained fairly stable between 2010 and 2018, with a very slight decline evident in the county overall but a slight increase in unincorporated areas (demonstrated in Figure IV-7).

Figure IV-7. Cost Burdened Renters, 2010 and 2018

Source:

2010 and 2018 5-year ACS and Root Policy Research.



Of the 25,456 cost burdened renters in Larimer County, nearly two-thirds live in Fort Collins. Figure IV-8 shows the distribution of cost burdened renters by jurisdiction.

Figure IV-8. Distribution of Cost Burdened Renters by Community, 2018

Source:

2018 5-year ACS and Root Policy Research.

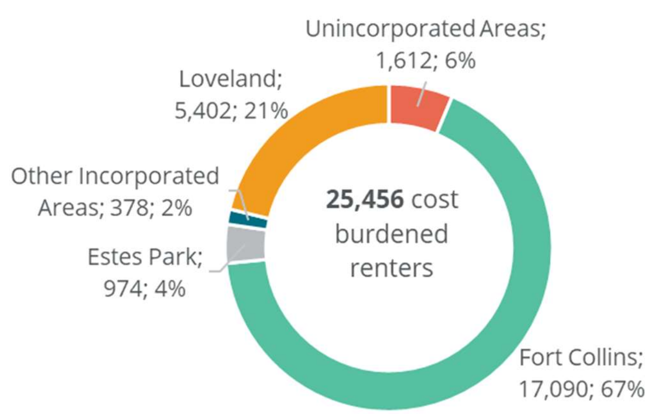


Figure IV-9 maps the proportion of renters in each Census tract that are cost burdened. Areas with the highest rates of cost burdened are in/around Fort Collins, Loveland, and Estes Park.

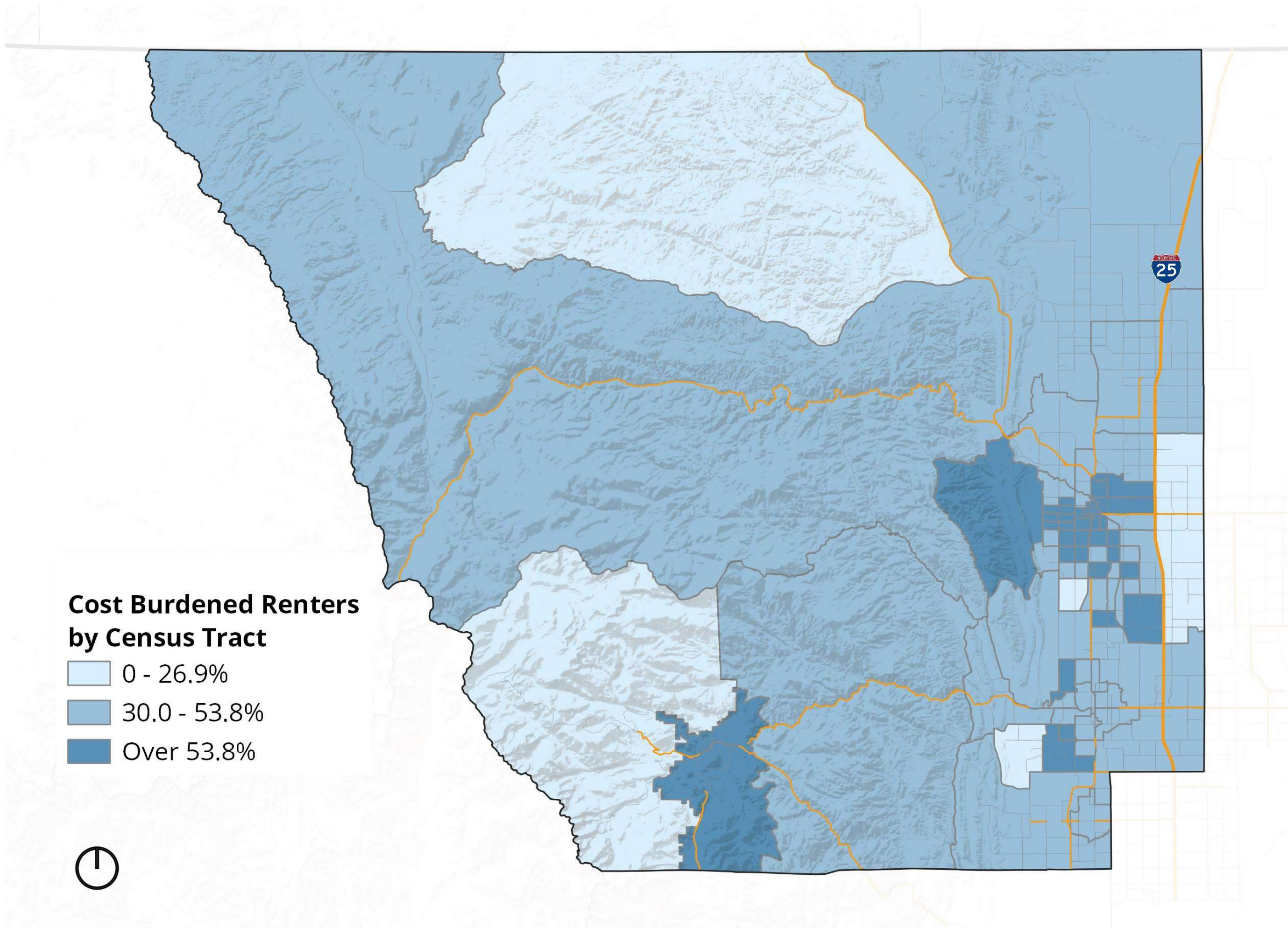
Figure IV-9. Cost Burdened Renters by Census Tract, 2018

Note:

The county wide rent cost burden rate is 53.8%.

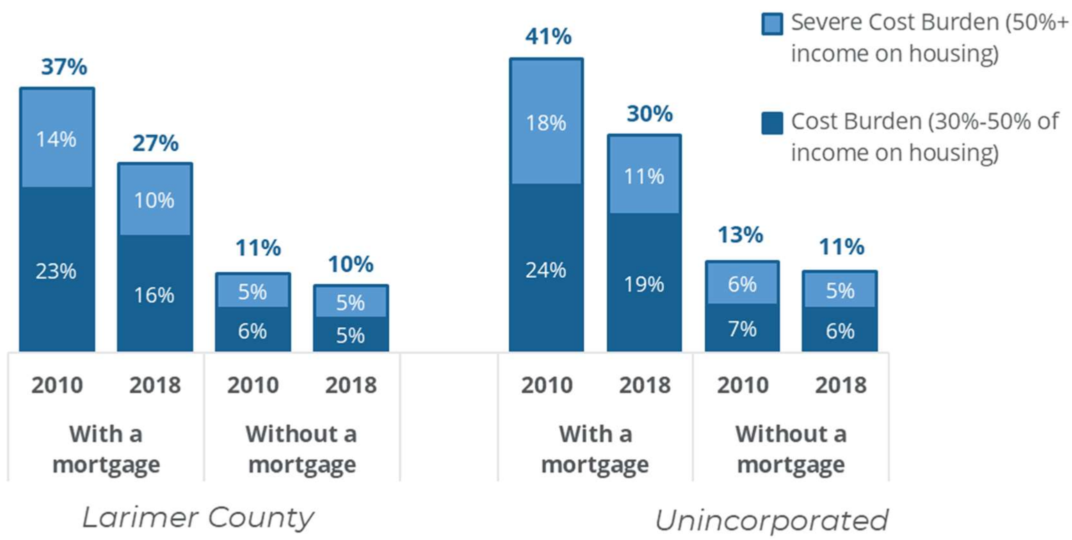
Source:

2018 5-year ACS and Root Policy Research.



Cost burdened owners. Among owners cost burden is higher among those who have a mortgage rather than those who own their homes free and clear (see Figure IV-1). Cost burden and severe cost burden among owners in both Larimer County overall and in unincorporated areas has declined since 2010. In 2018, 27 percent of owners with a mortgage countywide were cost burdened and 30 percent of owners in unincorporated areas were cost burdened.

Figure IV-10.
Cost Burdened Owners, 2010 and 2018



Source: 2010 and 2018 5-year ACS and Root Policy Research.

Of the 18,322 cost burdened owners in Larimer County, 37 percent live in Fort Collins, 29 percent live in unincorporated areas, and 22 percent live in Loveland. Figure IV-11 shows the distribution of cost burdened renters by jurisdiction.

Figure IV-11.
Distribution of Cost Burdened Owners, 2018

Source:
2018 5-year ACS and Root Policy Research.

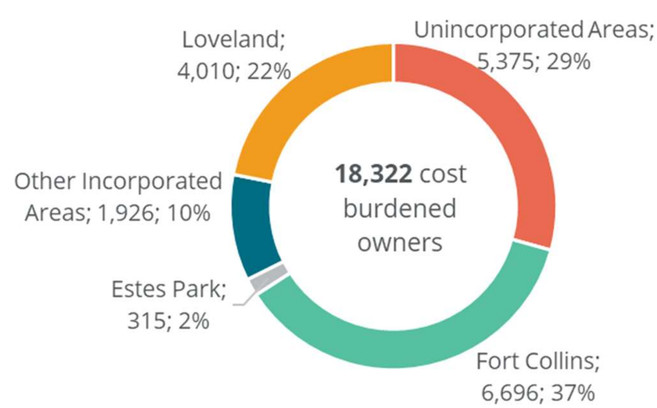


Figure IV-12 maps the proportion of owners with mortgages in each Census tract that are cost burdened.

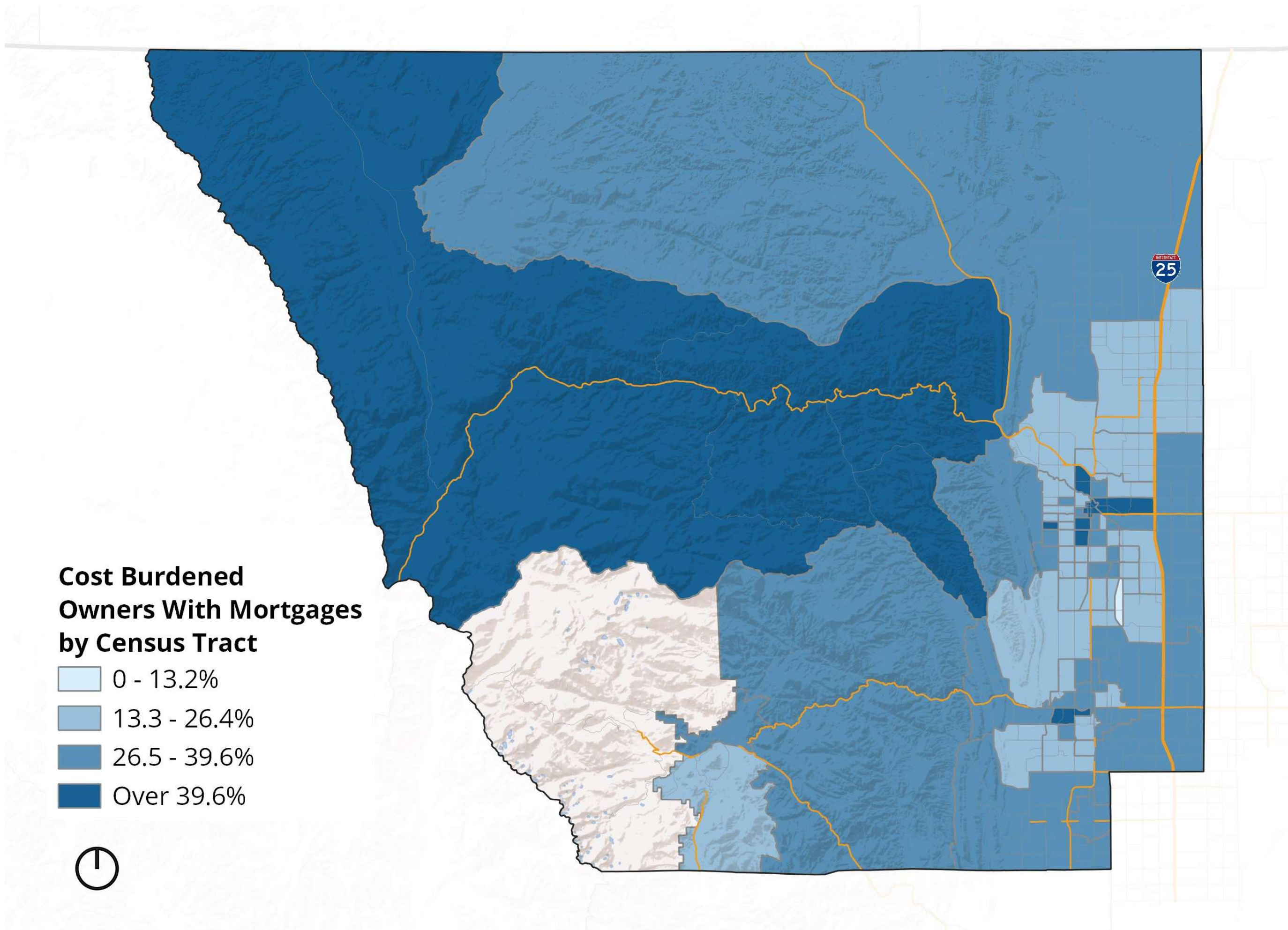
Figure IV-12. Cost Burdened Owners with Mortgages by Census Tract, Larimer County, 2018

Note:

The statewide owners with mortgages cost burden rate is 26.4%.

Source:

2018 5-year ACS and Root Policy Research.



Gaps Analysis

To examine how well Larimer County's current housing market meets the needs of its residents Root Policy Research conducted a modeling effort called a "gaps analysis." The analysis compares the supply of housing at various price points to the number of households who can afford such housing. If there are more housing units than households, the market is "oversupplying" housing at that price range. Conversely, if there are too few units, the market is "undersupplying" housing. The gaps analysis conducted for the county addresses both rental affordability and ownership opportunities for renters who want to buy. Gaps were analyzed for the county overall and for unincorporated areas of the county.

Mismatch in the rental market. Figures IV-13 and IV-14 compare the number of renter households in Larimer County (and unincorporated areas) in 2018, their income levels, the maximum monthly rent they could afford without being cost burdened, and the number of units in the market that were affordable to them.

The "Rental Gap" column shows the difference between the number of renter households and the number of rental units affordable to them. Negative numbers (in parentheses and red font) indicate a shortage of units at the specific income level; positive units indicate an excess of units. The rental supply data does account for publicly assisted units so gaps are above and beyond currently provided income-restricted units.[4] Renter households who face a rental gap are not homeless; they are cost burdened, occupying units that are more expensive than they can afford.

Figure IV-13.
Mismatch in Rental Market, Larimer County, 2018

Renter Incomes	Maximum Affordable Gross Rent	Rental Demand (Current Renters)		Rental Supply (Current Units)		Gap
		Num.	Pct.	Num.	Pct.	
Less than $10,000	$250	4,220	9%	512	1%	(3,708)
$10,000 to $19,999	$500	6,068	13%	1,714	4%	(4,354)
$20,000 to $24,999	$625	3,859	8%	2,015	4%	(1,844)
$25,000 to $34,999	$875	5,997	13%	6,591	14%	594
$35,000 to $49,999	$1,250	8,081	17%	14,305	29%	6,224
$50,000 to $74,999	$1,875	8,954	19%	16,984	35%	8,030
$75,000+	$1,875+	10,101	21%	6,534	13%	(3,567)
Total/Low Income Gap		47,280	100%	48,655	100%	(9,906)

Rental gap of **9,906 units** affordable to households earning <$25,000

Note: Rental supply is based on what renters currently pay; accounts for publicly assisted units and vouchers.

Source: 2018 5-year ACS and Root Policy Research.

[4] Publicly supported housing means housing that received public funding and has an income restriction (e.g., Public Housing units, project-based Section 8, Low Income Housing Tax Credits, etc.).

Figure IV-14.
Mismatch in Rental Market, Unincorporated Larimer County, 2018

Renter Incomes	Maximum Affordable Gross Rent	Rental Demand (Current Renters) Num.	Pct.	Rental Supply (Current Units) Num.	Pct.	Gap
Less than $10,000	$250	320	8%	77	2%	(243)
$10,000 to $19,999	$500	283	7%	213	5%	(70)
$20,000 to $24,999	$625	265	7%	329	8%	64
$25,000 to $34,999	$875	561	15%	674	17%	113
$35,000 to $49,999	$1,250	673	18%	1,433	37%	760
$50,000 to $74,999	$1,875	906	24%	824	21%	(82)
$75,000+	$1,875+	769	20%	330	9%	(439)
Total/Low Income Gap		3,777	100%	3,880	100%	(349)

Rental gap of **313 units** affordable to households earning <$20,000

Note: Rental supply is based on what renters currently pay; accounts for publicly assisted units and vouchers.

Source: 2018 5-year ACS and Root Policy Research.

The gaps analysis shows that:

- Twenty two percent of renters (10,288 households) living in Larimer County earn less than $20,000 per year. These renters need units that cost less than $500 per month to avoid being cost burdened. Just 5 percent of rental units (2,226 units) in the county rent for less than $500/month (including subsidized rental units). This leaves a “gap,” or shortage, of 8,062 units for these extremely low income households.

- Another 3,859 Larimer County renters earn between $20,000 and $25,000 per year. There are only 2,015 rental units priced at their affordability range (between $500 and $625/month), leaving a shortage of 1,8544 units.

- Altogether, the County has a shortage of rental units priced affordably for renters earning less than $25,000 per year of 9,906 units. These households consist of students, working residents earning low wages, residents who are unemployed and residents who are disabled and cannot work.[5]

[5] It is difficult, given data limitations, to easily separate out renters who are college students and may receive assistance paying rent from parents, student loans and/or other non-income sources. However, a recent study in Fort Collins estimates, which presents a gaps analysis with the same methodology as this report, estimates that adjusting for student households could result in a gap reduction of approximately 4,700 households. Accordingly, the Larimer County gap excluding students could be as low as 5,206 units for households earning less than $25,000. However, low income students may still be occupying units below their affordability level and therefore add pressure to the market, regardless of their financial need.

- For renters earning between $25,000 and $35,000, the market does offer proportional affordability but supply is limited, especially when considering the households earning less than $25,000 are forced to “rent up” into the price range affordable to those earning $25,000-$35,000, crowding the market.

- Among the 3,777 renters living in unincorporated areas of the county, 15 percent (603 households) earn less than $20,000 annually and therefore need units priced below $500 to avoid cost burden. Just 7 percent of rental units (290 units) in unincorporated area rent for less than $500/month (including subsidized rental units). This leaves a “gap,” or shortage, of 313 units.

- In unincorporated areas, there is proportional affordability for renters earning between $20,000 and $35,000, but, similar to the county overall, supply is very limited when considering households earning less than $20,000 are forced to “rent up.”

In sum, the private rental market in Larimer County and its unincorporated areas largely serves renters earning between $35,000 and $75,000 per year. The market fails to adequately serve renters earning less than $20,000 per year and struggles to serve those earning between $20,000 and $35,000—even when accounting for the impact of subsidized housing programs.

The “shortage” shown in the gaps model for high income renters (earning more than $75,000 per year) suggests those renters are spending less than 30 percent of their income on housing—perhaps in order to save for a down payment on a home purchase.

Gaps in the For Sale Market. A similar gaps analysis was conducted to evaluate the market options affordable to renters who may wish to purchase a home in Larimer County. Again, the model compared renters, renter income levels, the maximum monthly housing payment they could afford, and the proportion of units in the market that were affordable to them. The maximum affordable home prices shown in Figures II-15 and IV-16 assume a 30-year mortgage with a 10 percent down payment and an interest rate of 4.45 percent (the average rate for 2018 data). The estimates also incorporate property taxes, insurance, HOA payments and utilities (assumed to collectively account for 30% of the monthly payment).

The “Renter Purchase Gap” column shows the difference between the proportion of renter households and the proportion of homes listed or sold in 2019-2020 Q2 that were affordable to them. The “cumulative” gap column aggregates the gaps by income level, starting with households earning more than $25,000 per year. Negative numbers (in parentheses) indicate a shortage of units at the specific income level; positive units indicate an excess of units.

The for sale gaps analysis shows the Larimer County market offers some affordability for renters earning more than $75,000 per year and is manageable for renters earning between $75,000 and $100,000, assuming a willingness to consider attached housing options. However, in unincorporated areas, the cumulative gap persists even for households earning up to $150,000.

Renters earning less than $75,000 per year can afford a max home price of nearly $284,000. Fewer than 10 percent of homes in the county and in unincorporated areas were sold in that price range.

It is important to note that home size, condition and housing preferences are not considered in the affordability model. The model also assumes that renters are able to save for a 10 percent down payment (up to $28,000 for a household earning less than $75,000 annually).

Figure IV-15.
Mismatch in Renters Wanting to Buy Market, Larimer County, 2018

Income Range	Max Affordable Home Price	Potential Demand among 1st Time Buyers (Current Renters)		For-Sale Supply (Homes Sold 2019-20)		Renter Purchase Gap	Cumulative Gap Excluding <$25,000
		Num.	Pct.	Num.	Pct.		
Less than $25,000	$94,532	14,147	30%	1,481	8%	-22%	N/A
$25,000 to $34,999	$132,347	5,997	13%	261	1%	-11%	-11%
$35,000 to $49,999	$189,068	8,081	17%	351	2%	-15%	-26%
$50,000 to $74,999	$283,605	8,954	19%	1,571	8%	-11%	-37%
$75,000 to $99,999	$378,141	4,746	10%	4,449	24%	14%	-23%
$100,000 to $149,999	$567,213	3,488	7%	5,687	31%	23%	0%
$150,000 or more	$567,213 +	1,867	4%	4,844	26%	22%	22%

Note: Assumes an Interest rate of 4.45%. Sales data includes sales that occurred between January 2019 and September 2020.

Source: 2018 5 year ACS, Larimer County Assessor, and Root Policy Research.

Figure IV-16.
Mismatch in Renters Wanting to Buy Market, Unincorporated Larimer, 2018

Income Range	Max Affordable Home Price	Potential Demand among 1st Time Buyers (Current Renters)		For-Sale Supply (Homes Sold 2019-20)		Renter Purchase Gap	Cumulative Gap Excluding <$25,000
		Num.	Pct.	Num.	Pct.		
Less than $25,000	$94,532	868	23%	634	22%	-1%	N/A
$25,000 to $34,999	$132,347	561	15%	74	3%	-12%	-12%
$35,000 to $49,999	$189,068	673	18%	116	4%	-14%	-26%
$50,000 to $74,999	$283,605	906	24%	256	9%	-15%	-41%
$75,000 to $99,999	$378,141	332	9%	422	15%	6%	-35%
$100,000 to $149,999	$567,213	235	6%	616	21%	15%	-20%
$150,000 or more	$567,213 +	202	5%	777	27%	21%	1%

Note: Assumes an Interest rate of 4.45%. Sales data includes sales that occurred between January 2019 and September 2020.

Source: 2018 5 year ACS, Larimer County Assessor, and Root Policy Research.

What can workers afford? Figure II-17 displays affordable rental and ownership options for workers earning the average wage by industry.

Most industries have wages high enough to afford the median rent of $1,009 per month in unincorporated areas but only about half of all industries can afford the countywide median rent of $1,228. Service industries are particularly impacted: Trade, Transportation and Utilities (21% of all workers), Education and Health Services (14% of all workers), Leisure and Hospitality (17% of all workers), as well as Other Services (4% of all workers)—cannot afford the county's median rent based on average wages.

No industries have average wages high enough to afford the median home price in Larimer County or in unincorporated areas (assuming a single-earner household). Even if there are 1.5 earners per household (with both earners in the same industry), only two industries provide average wages high enough to afford the median sale value in the County (Manufacturing and Professional and Business Services, which collectively account for 27% of all Larimer County jobs).

Overall, the average Larimer County worker—earning $53,427 per year—could afford 54 percent of the county's rental units and 12 percent of the homes sold in the county in 2019-2020 Q2.

Figure IV-17.
Worker Affordability by Industry, Larimer County, 2018

Industry	Average Annual Wage	Max Affordable Rent	Can Afford Median Rent? In Larimer County?	Can Afford Median Rent? Unincorp. Areas?	Max Affordable Home Price	Can Afford Home Price? In Larimer County?	Can Afford Home Price? Unincorp. Areas?	Can Afford Median Home with 1.5 Earners per HH? In Larimer County?	Can Afford Median Home with 1.5 Earners per HH? In Unincorp. Areas?
Goods Producing	**$78,601**	**$1,965**	**yes**	**yes**	**$297,225**	**no**	**no**	**yes**	**yes**
Natural Resources and Mining	$48,246	$1,206	no	yes	$182,440	no	no	no	no
Construction	$58,278	$1,457	yes	yes	$220,375	no	no	no	no
Manufacturing	$97,452	$2,436	yes	yes	$368,509	no	no	yes	yes
Service Producing	**$46,762**	**$1,169**	**no**	**yes**	**$176,828**	**no**	**no**	**no**	**no**
Trade, Transportation, and Utilities	$42,745	$1,069	no	yes	$161,638	no	no	no	no
Information	$59,319	$1,483	yes	yes	$224,311	no	no	no	no
Financial Activities	$67,853	$1,696	yes	yes	$256,582	no	no	no	no
Professional and Business Services	$72,452	$1,811	yes	yes	$273,973	no	no	yes	yes
Education and Health Services	$47,444	$1,186	no	yes	$179,407	no	no	no	no
Leisure and Hospitality	$21,475	$537	no	no	$81,207	no	no	no	no
Other Services	$37,635	$941	no	no	$142,315	no	no	no	no
Average Larimer County Worker	**$53,427**	**$1,336**	**yes**	**yes**	**$202,031**	**no**	**no**	**no**	**no**

Note: Wage data reflect 2019 data. Median rent based on 2018 ACS median of $1,228 countywide and $1,009 in unincorporated areas. Median sale value from 2018 Zillow Analytics ($392,333 in Larimer County and $403,754 in unincorporated areas). Max home prices assumes 4.54% interest on a 3-year fixed with 10% downpayment, allocating 30% of monthly housing costs to non-mortgage expenses.

Source: Bureau of Labor Statistics 2019, ACS 2018 5 year estimates and Root Policy Research.

Summary of Affordability Needs

Housing pressures in the county are unlikely to improve if the region continues to be a destination for economic development and population growth. Housing price increases have outpaced rising incomes over the past decade resulting in declining affordability within the rental and ownership markets alike. Widening affordability gaps are particularly acute in the for-sale market, pushing ownership further out of reach for many households.

The top housing needs in Larimer County identified through the quantitative and qualitative analysis conducted for this study, include:

Rental Affordability

- Between 2010 and 2018, the median rent in Larimer County increased from $849 to $1,228—as $379 per month or 45 percent increase. Renter incomes rose as well, but only by 33 percent, not enough to absorb the change rents.
- Trends in unincorporated Larimer County reflect smaller gains to both incomes and rent prices, but still result in a decline in renter affordability. Median renter income rose by 11 percent while median rent rose by 21 percent.
- More than half of all Larimer County renters (56%), 25,456 renter households, are cost burdened, spending 30 percent or more of their income on housing costs. More than one quarter of renters (27% or 13,153 households) are severely costs burdened, spending at least half of their income on housing costs.
- Renters living in unincorporated Larimer County have similar—though slightly lower—rates of cost burden: 49 percent are cost burdened and 25 percent are severely cost burdened.
- Altogether, the County has a 9,900-unit shortage of rentals priced affordably for renters earning less than $25,000 per year.
- In unincorporated Larimer County, the gaps analysis shows a 313-unit shortage for households earning less than $25,000 (needing rentals for less than $500/month).

Homeownership Affordability

- As of 2020, median sale value was $417,000 in Larimer County overall and $429,000 in unincorporated areas, reflecting about a 70 percent increase over 2010 values.
- Purchasing power at the median income level has lagged far behind home prices in Larimer County (in both incorporated areas and unincorporated areas). In unincorporated areas, median households' purchasing power was similar to median sale values in 2010, but by 2018 there was a 30 percent gap between the two.

- In 2018, 27 percent of Larimer County owners with a mortgage were cost burdened and 30 percent of owners in unincorporated areas were cost burdened.

- The for sale gaps analysis shows the Larimer County market offers some affordability for renters earning more than $75,000 per year and is manageable for renters earning between $75,000 and $100,000. However, in unincorporated areas, the market doesn't' offer widespread affordability until households are earning $150,000 or more.

- Renters earning less than $75,000 per year can afford a max home price of nearly $284,000. Fewer than 10 percent of homes in the county and in unincorporated areas were sold in that price range.

- Rising rents and rising home prices both create barriers to ownership as current renters have a harder time saving for a down payment while the liquid capital required for a down payment rises with escalating home prices.

- The homeownership rate declined in the county between 2010 and 2018 (from 68% to 65%), driven by drops in ownership in the county's two largest cities (Loveland and Fort Collins). In contrast, the ownership rate in Weld County—which presents a more affordable ownership market—rose from 72 to 73 percent.

SECTION V.

RECOMMENDED STRATEGIES

SECTION V.
Recommended Strategies

The section begins with an overview of existing housing resources and programs in Larimer County. The section then summarizes the top housing needs in unincorporated areas (based on analysis in previous sections) and provides strategy recommendations for the County to consider in developing an action plan to address housing needs.

This section focuses on needs and solutions in unincorporated areas of Larimer County, though it also includes recommendations for how the County can support municipalities' housing efforts as well.

Existing Resources and Programs

Larimer County, as a whole, has a strong network of service providers and housing-related non-profit organizations, though resources tend to be concentrated in incorporated areas, particularly Loveland and Fort Collins. Both Loveland and Fort Collins receive state and federal resources dedicated to housing and community development (e.g., Community Development Block Grant funding, HOME Investment Partnership funding, and State Private Activity Bonds). However, there is no such dedicated revenue stream for housing services in smaller jurisdictions and unincorporated areas.

The County has four active Public Housing Authorities, which serve specific municipalities but can also make Housing Choice Vouchers available in unincorporated areas. These include the Estes Park Housing Authority, the Loveland Housing Authority, Housing Catalyst (primarily serving Fort Collins), and the Larimer County Housing Authority. These agencies receive federal funding through the U.S. Department of Housing and Urban Development (HUD) but also leverage Low Income Housing Tax Credits and Private Activity Bonds to increase the affordable housing supply in Larimer County. The State of Colorado also administers a housing voucher program, which can serve residents in unincorporated areas.

A number of other organizations in the county also work to increase or support affordable housing development and housing services including (but not limited to) Northern Colorado Continuum of Care, CARE Housing, Neighbor to Neighbor, Impact Development Fund, Habitat for Humanity, and Elevation Community Land Trust, GreenPath Debt Solutions, Salvation Army, Crossroads Ministry, and others. Some of these are focused specifically within municipal borders, while others serve the entire county or the broader region of northern Colorado. It is important to note however, that the vast majority of affordable housing development occurs within municipal borders (or GMAs) due to the availability of multifamily zoned land and infrastructure requirements.

The Larimer Home Improvement Program (LHIP) and MetroDPA program are also available throughout the county to assist with qualifying home repairs for current owners and emergency down payment and closing costs for aspiring homeowners. The State also funds a foreclosure prevention hotline to connect homeowners facing potential foreclosure with financial counseling resources.

The State of Colorado Division of Housing is also currently administering a program for rental and mortgage assistance for residents impacted (directly or indirectly) by COVID-19. Larimer County residents can apply directly with the state for support through the Colorado Emergency Rental Assistance program (ERAP).

Top Housing Needs in Larimer County

Previous sections of this report highlight the following core housing needs:

- **Additional affordable rentals** (or rental assistance), specifically for residents earning less than $25,000 per year. Rental affordability declined in both the county overall and in unincorporated areas over the past decade, as rent prices rose faster than incomes. Larimer County currently has a shortage of 9,900 units priced below $625 per month and the shortage in unincorporated areas is 313 units price below $625 per month.

- **Starter homes and family homes priced near or below $300,000**. Increasing the variety of product types in the county (e.g., smaller single family homes, single family attached products, mobile/manufactured and prefab homes) may help meet this need; but publicly assisted options and resources are also needed (e.g., down payment assistance and home repair programs, deed-restricted options like Habitat for Humanity, and community land trusts).

- **Diverse housing options to accommodate evolving needs** of residents and a wider array of market preferences and special needs. This includes expressed need for creative and non-traditional housing solutions, such as “missing middle” (low density, attached) housing, flexible occupancy and uses (e.g., cooperative living contexts), and accessory dwelling units (ADUs) with an option for renting.

- **Housing resources for special interest populations** including residents with accessibility/mobility needs, older adults, manufactured housing community residents, and people experiencing homelessness. Examples include:

    - Support for accessibility modifications (particularly in rural/mountain areas) and resources for aging in place;
    - Increasing the accessible housing inventory and the supply of supportive housing options;
    - Continued partnerships with Northern Colorado Continuum of Care and other service providers to help address the needs of people experiencing homelessness;

- Improved protections and resources for residents of manufactured housing communities with the intent of preserving this form of naturally occurring housing affordability; and
- Programs that assist residents with emergency home repair, energy efficiency, rental unit condition challenges, and utility costs can also help address underlying housing needs for low income and special needs households.

Recommended Strategies to Address Needs

The following recommendations are based on Root Policy Research's experience working with peer communities and best practices; they were developed in conjunction with Larimer County staff and reflect the input of County Commissioners, and resident and stakeholders that participated in the Housing Needs Assessment engagement efforts.

The recommendations are intended to offer a balanced approach for promoting housing affordability within Larimer County and are tailored to the county's role and resource options with a focus on unincorporated areas.

A county role/approach often looks different than a municipality—particularly as it relates to differences in development capacity. As noted earlier in this report, the vast majority of future development in Larimer County will occur in incorporated places, as the county has limited capacity for new housing development. Instead of prioritizing creation of affordable housing, strategies focus on the county's sphere of influence, such as:

- Regional coordination and alignment;
- Resource generation (taxing authority);
- Program/service support for residents in unincorporated areas;
- Land use in unincorporated areas; and
- Examining long-term County-level eviction/renter protection services.

Figure V-1 summarizes the recommendations in order of priority and timeline; detailed descriptions of each recommendation follow the figure.

Figure V-1.
Housing Strategy Recommendations for Larimer County

	Recommendations	Overview	Typical Beneficiaries
1.	**Continue Regional Collaboration**	Regional information sharing and highlight best practices	Varies; best practice sharing particularly benefits smaller communities without resources to conduct needs studies or best practice research. Also increases efficiency of housing programs countywide.
2.	**Publicize MetroDPA and LHIP programs**	Increase awareness of existing programs supporting home repair and access to home ownership.	Low-to-moderate income renters pursuing homeownership and low-to-moderate income owners with housing repair needs.
3.	**Identify Land Use Code Updates**	Increase housing diversity/affordability through land use cod changes (Clarion). Issues include occupancy limits, density, ADUs, tiny homes on wheels/RVs, development incentives, visitability*	Renters, owners, low- and moderate-income households, older adults, people with disabilities.
4.	**Improve Manufactured Housing Policies**	Zoning, alignment with FC and Loveland policies, infrastructure improvements, fund ongoing efforts for education/organization	Manufactured housing residents, particularly those in unincorporated areas.
5.	**Monitor/Leverage State, Federal, and Grant Funding**	Leverage increasing state and federal resources for Larimer's benefit	Varies by program. Includes emergency assistance (COVID-related), land use planning, affordable development, and housing services.
6.	**Provide Financial Support to Existing Services**	Direct funding to existing housing service providers and NoCOCoC.	Renters and owners with housing needs, particularly in unincorporated areas; people experiencing homelessness.
7.	**Address Barriers to Affordable Development**	CDBG for affordable housing infrastructure, grants to reduce water cost, political support of affordable projects	Affordable housing development - can benefit owners and renters
8.	**Consider Eviction Prevention and Renter Protections**	Best practice eviction protection and vulnerable rental protections (limit application fees, just cause evictions)	Low-income renters
9.	**Encourage Modular/Prefab Housing Manufacturing**	Pilot program, economic development	Affordable ownership and economic development
10.	**Create a Dedicated Local Funding Source**	Create a housing trust fund for affordable housing activities (property/sales tax, bond, General Fund, linkage/impact fee)	Depends on county priorities (flexible funding source); generally dedicated to very low-income residents. Some trust funds specify use by renter/owner, income level, special needs.
11.	**Establish a Land Bank/Land Donation Program**	Inventory public land; donate/discount for affordable development	Varies by type of development. (Can be allocated to affordable rental or ownership options)

Note: Recommendations are listed in order or priority and timeline. *Visitability refers to a measure of a place's ease of access for people with disabilities and generally includes wider doorways, a zero-step entry, and a first-floor powder room.

Source: Root Policy Research.

Detailed descriptions of each recommended strategy follow.

1. **Continue regional collaboration.** Continue to support regional collaboration of city leaders and housing experts to discuss current efforts and opportunities for regional partnerships. Facilitate county-wide information sharing and highlight best practices. Specific actions to help support regional collaboration include:

    - Maintain a matrix of housing policies/programs and the geographic areas of service;
    - Promote best practices in Land Use for small jurisdictions;
    - Provide resources to support land use code updates for smaller communities in the county that do not have sufficient staff to do so in-house (or sufficient funds to contract the work);
    - Convene all of the water districts (and other water-related stakeholders) within Larimer County to facilitate the creation of consistent and appropriate tap fees and water regulation[1]; and
    - Conduct one-on-one outreach to municipal staff to discuss status of housing issues, needs, and strategies (fall 2021).

2. **Publicize MetroDPA and LHIP programs.** Increase awareness of existing programs supporting home repair and access to home ownership. The following resources are currently available to Larimer County residents but are not being actively promoted by the County:

    - The Larimer Home Improvement Program (LHIP) is administered by the Loveland Housing Authority and offers low to no interest rate loans to income qualified families looking to repair or improve their homes.
    - MetroDPA is a regional program that helps create access to homeownership for income qualified households by providing downpayment assistance, mortgage options for lower FICO borrowers, and loans to assist low and very low income borrowers.
    - In addition, the County should continue to identify and promote other resources for first-time buyers.

3. **Identify Land Use Code updates.** Identify potential changes to land use code to increase flexibility in housing options and create affordable ownership opportunities. The County is currently working with Clarion Associates on updates to the land use

[1] This could include calibrating tap fees for smaller homes, offering non-potable options, etc.

code. The following amendments are recommended for consideration as part of that process:

- Revise current occupancy limits (and/or definition of family) to allow for more flexible living arrangements, in alignment with market preferences;
- Allow Accessory Dwelling Units (ADUs) throughout residential districts and allow for long term renter occupancy of ADUs;
- Increase density where appropriate to accommodate housing variety, including small lot development (e.g., patio homes) and "missing middle' housing types, such as duplexes, townhomes, and cottage apartments;
- Consider land use options for tiny homes and RVs—including tiny homes on wheels—to encourage opportunities for creative housing solutions (e.g., tiny homes as affordable housing for ag workers; RV parks that help address affordability for residents without diminishing recreational access);
- Incorporate development incentives[2] for affordable housing (2022 or later); and
- Consider accessibility/visitability policy or incentives (2022 or later).[3]

4. **Improve manufactured housing policies.** Reconcile disparities in manufactured housing policies/protections across the county and create opportunities for such housing:

- Maintain zoning and density that accommodates manufactured housing communities in the County. Evaluate existing allowances/standards to protect existing parks and consider incentives for mobile home park protection;
- Align manufactured housing policies with Fort Collins/Loveland;
- Provide infrastructure improvements (including traditional infrastructure and/or broadband) to manufactured home parks in exchange for maintaining affordable lot rents, or support resident acquisition of mobile home parks; and
- Fund mobile home efforts/protections, including supporting community organizing and/or neighborhood liaisons; education efforts (for both residents and park owners) about rights/responsibilities as well as legislative

---

[2] Development incentives are tied to a commitment to produce an agreed-upon share of affordable units and can take many forms, including height/density bonuses, other zoning variances, fee waivers, fast-track developments, etc.

[3] Visitability refers to a measure of a place's ease of access for people with disabilities and generally includes wider doorways, a zero-step entry, and a first-floor powder room.

changes (both state and local); and options for resident ownership opportunities through non-profit housing partnerships.

5. **Monitor/leverage state, federal, and grant funding.** Monitor funding and legislative changes at the state and federal level and be prepared to leverage new funding sources and programs.

   - The Colorado Division of Housing (CDOH) budget is forecasted to double in the coming years based on recent legislative changes.[4] Though the state is still determining their strategic priorities, much of the increase is expected to go into the Housing Development Grant program. Larimer County should be prepared to apply for funding and/or support local non-profit applications and should plan for financial or in-kind contributions. (While there is no required minimum local financial match from applicants, CDOH expects some local contribution in the form of funding and/or in-kind contributions).[5]
   - In addition to expanding local funding, CDOH is also receiving substantial federal resources as part of the CARES Act and American Rescue Plan Act. Details on state allocations and guidance on use of funds is still pending, but Larimer County should continue to monitor developments and opportunities;
   - Pending legislative proposals may also provide opportunities for Larimer County. HB21-1271 (if passed) would provide funding and technical assistance to local governments to make regulatory and land use changes that promote affordable housing; and
   - Promote state-funded rental and mortgage assistance for Larimer County residents impacted (directly or indirectly) by COVID-19 through the Colorado Emergency Rental Assistance program (ERAP).

6. **Provide financial support to existing services.** Consider direct financial support of ongoing housing services and programs (contingent on the provision of services to residents of unincorporated Larimer County):

   - Support the efforts of existing groups within the County that support housing affordability and accessibility (e.g., Neighbor to Neighbor, CARE Housing, Loveland Housing Authority, Housing Catalyst, Partnership for Age Friendly Communities, etc.). Rather than duplicating efforts/programs, partner with existing service providers to leverage their work for the benefit of residents throughout the county. Such service could include housing

[4] https://cdola.colorado.gov/strategic-housing-working-group

[5] https://cdola.colorado.gov/office-of-housing-finance-sustainability/funding-application

counseling for foreclosure and eviction prevention, down payment assistance, home rehabilitation and accessibility improvements, rental assistance, etc.; and

- Resource allocation for homeless services and direct funding to the NoCOCoC, and incentives or support to increase inventory of Rapid Rehousing, Permanent Supportive Housing, and/or other appropriate housing types (units and/or landlords).

7. **Address barriers to affordable development.** Continue to work on efforts that can remove barriers (and lower costs) for affordable housing development:

    - Evaluate the potential for CDBG funding (state application) for infrastructure that facilitates affordable housing development;
    - DOLA Administrative Planning Grant for developing a water plan; and
    - Demonstrate political support of affordable housing development.

8. **Consider eviction prevention and renter protections.** Adopt best practices in eviction prevention and renter protections and examine long-term resources beyond COVID funding. A variety of mechanisms can be used to regulate landlord behavior that may impact low income renters and distort the rental market:

    - Limiting application fees (amount and/or number of applicants);
    - Landlord-tenant information/education;
    - Mediation program for evictions (Trinidad model);
    - Representation in court proceedings for eviction cases; and
    - Laws that prevent owners from evicting tenants for certain reasons ("just cause" evictions). These laws can protect tenants from arbitrary evictions, foreclosure- related evictions, and landlord retaliation for asserting tenant rights.

    The County should also consider tracking eviction data and communicating trends to regional stakeholders and partners.

    Related pending state protections that the county should track include:

    - Limits on late fees; financial penalties for illegal lockouts in lieu of eviction; more time for renters to produce rent prior to eviction (SB173); and
    - Changes waiting period to execute writ of restitution in evictions from 2 days to 10 days (HB1121).

9. **Encourage modular/prefab housing manufacturing.** Explore creative housing development options, including modular/prefab housing solutions.[6]

   - Examples from around the state include Northstar Homes (based in Loveland but homes manufactured in Nebraska and Minnesota), IndieDwell, FadingWest, Tomecek Studio, Studio Shed, Colorado Timberframe, 359 Design, Phoenix Haus, Rocky Mountain Home Builders (Colorado Modular), ZipKit Homes, Liscott Custom Homes, Smart Pads. Some companies—such as Alpine Homes in Fort Collins and Clayton Homes in Denver—offer both modular and manufactured housing options. (Note, not all modular/prefab constructors cater to affordable products).
   - Development of a successful local pilot or model project could offer new housing options to residents as well as help support further interest from the development community in future housing projects. The County may also want to evaluate the feasibility of economic development potential for a manufactured housing plant located in Larimer County.

10. **Create a dedicated local funding source (i.e., housing trust fund.** Housing trust funds are distinct funds established by city, county, or state governments that receive ongoing dedicated sources of public funding to support the preservation and production of affordable housing. Housing trust funds shift affordable housing funding from annual budget allocations to the commitment of dedicated public revenue. A stable, predictable funding source enables long-term planning and progress on affordable housing. Such funds can be allocated according to community needs and county priorities including affordable housing development, preservation, or housing/homeless services. Revenue sources are varied and include:

    - Dedicated property tax mill or sales tax;
    - Dedicated affordable housing bond;
    - General Fund allocation; and/or
    - Commercial and/or residential linkage fees (or impact fees).

11. **Establish a land bank/land donation program.** Identify and set aside publicly owned land for affordable and mixed-income housing (rental or owner). Work to identify opportunities to acquire underutilized properties and explore public-private partnerships (e.g., churches who have surplus land) that could create opportunities for affordable housing development.

---

[6] Note that modular homes are distinct from manufactured homes. Though both are off-site built homes, modular homes comply with local building codes/standards (similar to site-built homes) while manufactured homes follow national standards set by HUD. In addition, manufactured homes can be set either on pier and beam foundation (to allow for future relocation) or on a permanent foundation. Modular homes are built on permanent foundations.

It is increasingly common for local governments to donate vacant land or underutilized properties (e.g., closed schools, vacant or out-of-date public sector offices) for use as residential mixed-income or mixed-use developments. Some properties are acquired after businesses have been closed for illegal use or very delinquent taxes. These properties are then held in a "land bank," and eventually redeveloped by nonprofit or private developers through a Request for Proposal (RFP) process. Land banks vary in forms from single parcels to multiple, scattered site properties, to large tracts of land. A good starting point in this process for any community is creating an inventory of existing public land that could be used for housing sites in the future.

Action Steps

Specific action steps for the County are summarized below and include implementation of the above recommendations as well as administrative actions:

- Move forward on recommendations as outlined in Figure V-1;
- Update service agreements with Housing Catalyst and Loveland Housing Authority;
- Identify what other service agreements are needed for the Larimer County Housing Authority based on identified needs and gaps in services; and
- Revise the objective statement to focus on affordable housing stock in Larimer County.