

Huerfano County

Housing Needs Assessment

December 2023

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Executive Summary

This Housing Needs Assessment is an update of the 2019 Housing Needs Assessment created by the Community Strategies Institute. This report includes several findings that appeared in the 2019 Housing Needs Assessment, along with selected results of the Community Survey conducted as part of that assessment.

During the development of this Housing Needs Assessment, economic development professionals, community leaders, business owners, and residents have all cited the need for more quality, affordable housing opportunities in Huerfano County. The findings of this assessment confirm this need; there is a documented need for additional units, particularly rental units affordable to households at nearly all income levels and ownership opportunities for households making up to 100% AMI. This assessment draws on data from the Census and American Community Survey, Colorado Department of Local Affairs, Colorado Department of Labor and Employment, Ribbon Demographics, and more.

This assessment identifies the following trends regarding Huerfano County's demographics, employment, housing stock, and housing market:

1. **Aging & Declining Population** Huerfano county's population (6,945) has increased slightly since 2018, but the County's population has still not increased to its levels in early to mid-2000s (7,823). The County's population is projected to continue decreasing in coming decades, declining to less than 5000 in 2047. In the coming years, Huerfano County's population will have a larger share of residents ages 75 and above. This trend is also projected in the state of Colorado overall, but it is expected to be more pronounced in Huerfano County compared to the rest of the state.
2. **High Unemployment & Poverty** Huerfano County still maintains the highest unemployment rate in the state of Colorado. Since 2014, the percentage of Huerfano County residents earning wages has decreased by 10%, while the percentage of those collecting Social Security has increased by 12%. These two trends have been consistent over the last decade.
3. **Fewer County Residents Also Work in Huerfano County** From 2015 to 2020, the number of people commuting into Huerfano County stayed roughly the same. However, as of 2020, 16% fewer people live *and* work in the county, and 26% more residents worked outside the county. Nearly half of workers have a commute greater than 50 miles.
4. **Income Disparity Between Owners and Renters** Nearly 40% of Huerfano County homeowners earn over \$75,000 per year, with 24% earning over \$100,000. About 65% of renters in Huerfano County have annual incomes of \$40,000 or less. This income disparity between homeowners and renters is a persistent problem in Huerfano County, and it is projected to increase over time. Just over 30% of renters have incomes between 81-100% AMI. This represents an increase compared to the previous Housing Needs Assessment.
5. **Older Housing Stock and Limited New Construction** A quarter of all occupied housing units in Huerfano County were constructed before 1939, and only about 10% (509) units were constructed since 2000. Most units in the county were built between 1960 and 1999.
6. **Housing Market Heating Up** Compared to the last Housing Needs Assessment, there are substantially more homes being listed and sold in Huerfano County. Since 2019, the County has averaged between 15-20 listings sold per month, compared to an average of 6 per month in 2018. The percentage of asking price received has also increased substantially, and average sales prices have quadrupled since 2015, from about \$80,000 to nearly \$350,000 in

2022. Median sales prices have also increased about 72% from about \$160,000 in 2018 to about \$275,000 in 2022.

7. **Limited Rental Availability** At the time of writing, the national rental vacancy rate is about 6.3%. A healthy vacancy rate in a given housing market is between 4-8%. Rental vacancy rates in Colorado have hovered at about 5% between 2014 and 2021, while Huerfano County's rental vacancy rates have decreased substantially from a high of 8% in 2014 to about 0% between 2017 and 2020. In 2021, Huerfano County and Walsenburg's vacancy rates increased to about 3% and 4%, respectively, while La Veta's vacancy rate remained at 0%. Low vacancy rates indicate that demand for units is greater than the supply. In addition, as shown in the table below, there is an estimated deficit in rental units at all income levels except 0-30% AMI and 61-80% AMI.

Huerfano County Rental Gap Analysis

	# OF RENTERS	AFFORDABLE PRICE (3 PERSON)	# OF UNITS	RENTAL HOUSING SURPLUS/DEFICIT
0-30% AMI	305	\$555	391	86
31-50% AMI	150	\$925	101	-49
51-60% AMI	117	\$1,110	19	-98
61-80% AMI	27	\$1,480	38	11
81-100% AMI	379	\$1,850	0	-379
>100% AMI	244	\$2,220	140	-104

Source: American Community Survey; Ribbon HISTA Demographic

8. **Housing Costs Sometimes Exceed Local Earning Power** As shown in the table below, the average annual income in Huerfano County is \$42,336. The maximum affordable rent for this average income (i.e., the amount that a person earning this income could pay without paying over 30% of their income on housing) is \$1,234. Median gross rent in Huerfano County was just over \$600. Just over 25% of renters in Huerfano County are paying over \$1000 in rent per month; this metric has climbed since the last Housing Needs Assessment. As shown below, the maximum affordable home sale price for the County's average income is \$192,135. Average sale prices for April 2023 were \$263,292 in Walsenburg, \$305,400 in Gardner, \$379,739 in Cuchara, and \$469,920 in La Veta.

Huerfano County, Affordable Prices at Average Wage, 2022

	AVERAGE WAGE 2021*	AFFORDABLE RENTER COST	AFFORDABLE SALES PRICE
Huerfano County	\$42,336	\$1,234	\$192,135

Source: Sources: Colorado Department of Labor and Employment

* The average annual wage is calculated based on the earnings of an individual and not the combined earnings of a household. It's important to note that the household income may surpass this average wage if there are multiple earners within the household. The average wage for an individual in Huerfano County in 2022 falls within the range of 60-80% of the Area Median Income (AMI).

9. **Lack of Quality Rental Properties** While some units are affordable to local earners, they may not be in good condition. In a survey conducted as part of the 2019 Housing Needs Assessment, 28% of respondents indicated that their housing was in “Fair” or “Poor” condition. In a survey conducted as part of the 2023 Coordinated Planning Projects, 55% of respondents indicated that substandard housing was one of the biggest issues related to housing in Huerfano County.
10. **Need for Additional Rentals and Ownership Opportunities** As indicated by the county’s low vacancy rates and the gaps analysis above, there is a need for additional housing units for rent and for purchase. This assessment highlights the **need for 533 additional rental units** with a mix of income targets, compared to 518 in 2019. The highest need is for units affordable to households in the 80-100% AMI group. A “Homebuyer Gaps” analysis conducted as part of the Housing Needs Assessment indicates a gap in the market for current renters earning less than 100% AMI who would like to purchase a home in Huerfano County.

This Housing Needs Assessment has been developed as part of the **2023 Coordinated Planning Projects**, a group of simultaneous projects that also include an update to the **Huerfano County Comprehensive Plan**, an **Innovative Housing Opportunities Plan**, and a **Hazard Mitigation Plan**. Because these other plans will contain recommendations related to land use and housing, this Housing Needs Assessment does not provide a specific list of recommendations. Recommendations for improving Huerfano County’s overall housing stock and opportunities for affordable housing will primarily live in the Innovative Housing Opportunities Plan. For a discussion of the ways that the Innovative Housing Opportunities Plan will use the findings of the Housing Needs Assessment, see the Conclusion section at the end of this report.

A Note on Area Median Income (AMI) As A Metric

Area Median Income (AMI) is a standard measure of income in a given geography. It is typically used in estimates of the affordability of different levels of housing costs for residents of different income levels in an area. This Housing Needs Assessment uses AMI for this purpose. However, the planning team would like to acknowledge that AMI likely is not a true representation of Huerfano County residents’ income and financial resources. Due to the county’s rural environment, residents have to devote much higher portions of their time and income to transportation costs compared to other kinds of communities.

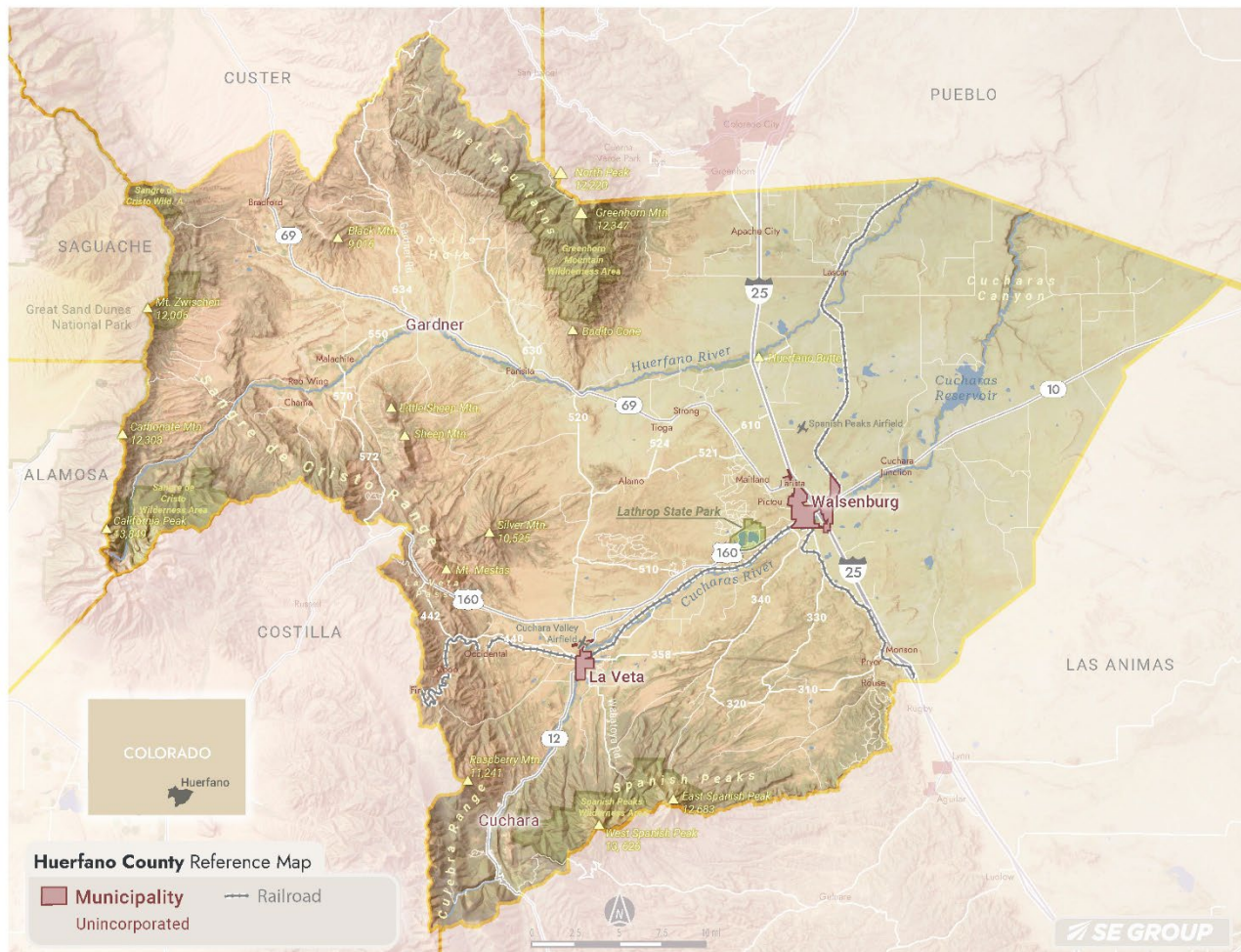
According to the Housing and Transportation Index, a tool developed by the Center for Neighborhood Technology that tracks housing and transportation costs, Huerfano County’s average housing and transportation costs make up 67% of median household income in the county. For about 13% of county residents, housing and transportation costs make up over 87% of their income. At an average of 35% of median household income, transportation costs are particularly steep in Huerfano County. For households earning about \$30,000 dollars a year (about 80% of the median household income for the county), typical housing and transportation costs make up 82% of income. It should be noted that the Housing and Transportation Index may draw on different data sources for housing cost than those that are used in this report.

Demographic Trends and Forecasts

This report section summarizes the population, households, and other significant demographic characteristics in Huerfano County, along with the City of Walsenburg and Town of La Veta. This data helps contextualize the present and projected trends in demographics that influence the housing needs and disparities in the County.

This Housing Needs Assessment analyzes conditions and needs in Huerfano County, which spans 1,593 square miles in the south-central region of Colorado. The area encompasses a mix of rugged terrain, ranching land, grasslands, wooded residential subdivisions, and small urban areas. Natural areas in the county include the Spanish Peaks Wilderness, Lathrop State Park, San Isabel National Forest, Sangre de Cristo Wilderness, and Greenhorn Mountain Wilderness. Walsenburg serves as the County seat and accommodates 44% of the total residents in Huerfano County. La Veta follows as the second-largest community, home to 13% of the County's population. The remaining 43% of the County's inhabitants reside in unincorporated areas spread out throughout the County and clustered in places such as Cuchara and Gardner. Huerfano County contains important highway corridors for travel and commerce within Colorado and to neighboring states, including Kansas and New Mexico. Interstate 25 facilitates north-south connections, while highways 160 and 69 provide access to the southeastern and southwestern parts of the state.

Figure 1. County Reference Map



Population Trends

The following population estimates, trends, and forecasts draw on the Colorado Department of Local Affairs (DOLA) Demographic Section and the United States Census Bureau’s American Community Survey. Table 1 shows the population estimates in Huerfano County, Walsenburg, La Veta, and Unincorporated Huerfano County. The current estimated population of Huerfano County is 6,945, which has remained relatively stable over the last 5 years with a slight increase primarily due to net migration. However, since 2005, the County population has decreased by 11.2 percent. The decline is mainly observed in the City of Walsenburg, where the population decreased by 26.15 percent. On the other hand, La Veta and the unincorporated portion of Huerfano County experienced slight population increases (4% in La Veta and 6% in unincorporated Huerfano County).

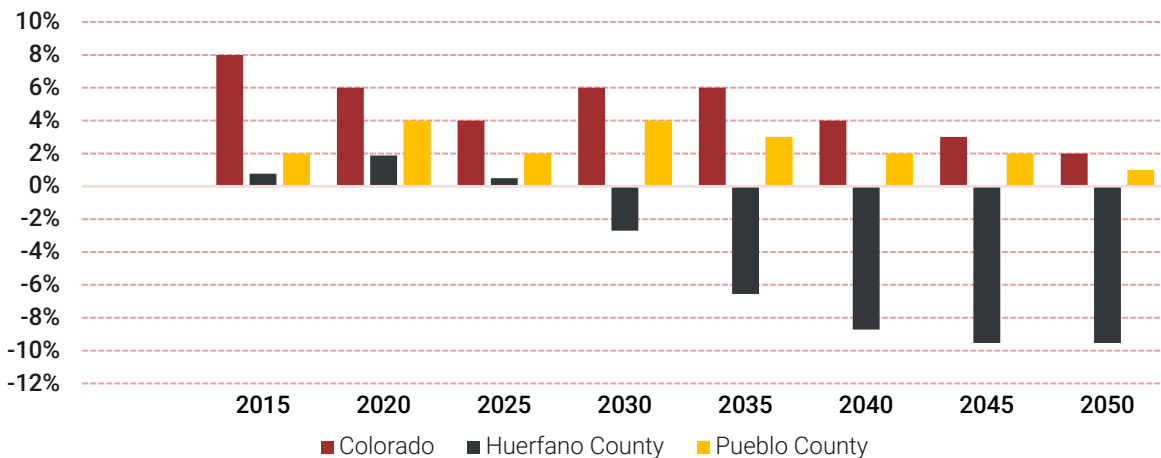
Table 1. Huerfano County, Estimated Population, 2005-2021

	2005	2010	2015	2020	2021	PERCENT CHANGE
Huerfano County	7,823	6,655	6,379	6,832	6,945	-11.22
La Veta	835	793	748	862	870	4.19
Walsenburg	4,168	3,045	2,868	3,049	3,078	-26.15
Unincorporated Huerfano	2,820	2,817	2,763	2,921	2,997	6.28

Source: Colorado State Demographer, Department of Local Affairs

The rate of population growth in Huerfano County has been slower compared to the rest of the state. Figure 2 illustrates the percentage change in population and provides projections for Huerfano County, Colorado, and Pueblo County.

Figure 2. Population Estimates for Huerfano County, Pueblo County, and Colorado, Percent Change (2015-2050)



The population in Huerfano County is expected to decrease over the next 20 years. Table 2 provides estimates of the number of births, deaths, net migration, and total population change within Huerfano County between the years of 2007 and 2021, and projections of these components for the years 2022 and 2046. The County experienced a major out-migration between 2007 and 2011. However, in the past three years, the County has experienced in-migration. This trend of in-migration

may reflect a general interest in Huerfano County’s relatively affordable housing (compared to other areas of Colorado). This kind of interest increases demand for available housing and can, paradoxically, increase housing prices. Increases in demand for housing and increasing housing costs are addressed in later sections of this assessment.

Table 2. Huerfano County, Components of Population Change Estimates & Forecasts (2007-2046)

YEAR	BIRTHS	DEATHS	NET MIGRATION	NET CHANGE
2007-2011	275	526	-828	-1079
2012-2016	249	504	305	50
2017-2021	218	578	584	224
2022-2026	228	631	305	-97
2027-2031	226	611	143	-242
2032-2036	203	614	-46	-460
2037-2041	173	594	-135	-555
2042-2046	148	557	-130	-536

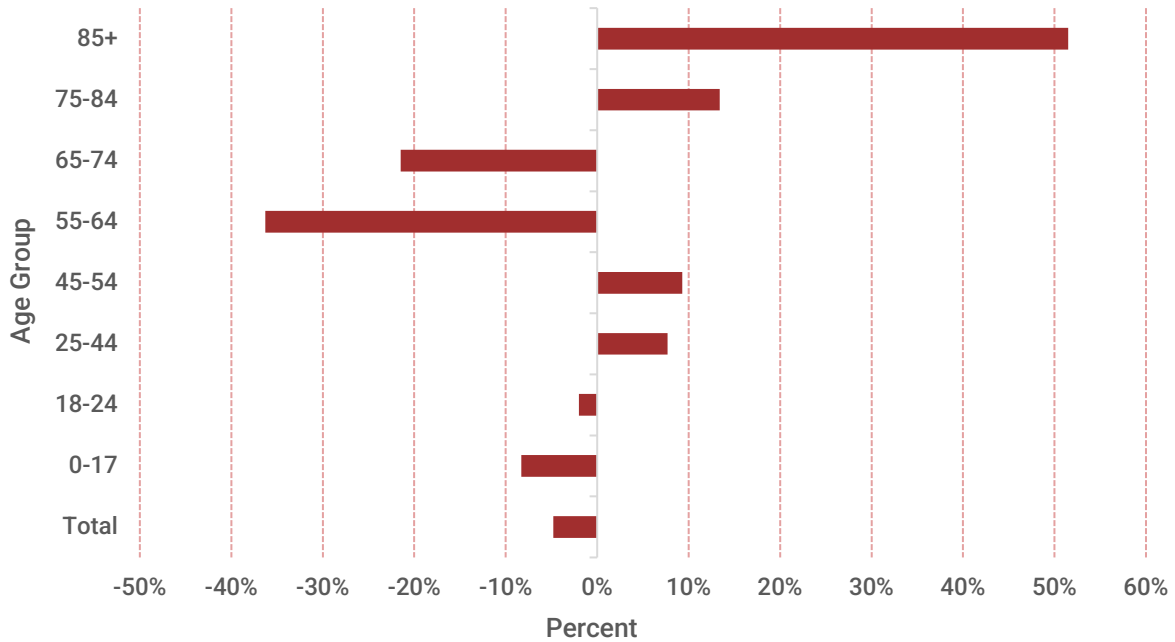
Source: Colorado State Demographer, Department of Local Affairs.

While the State Demographer expects Huerfano County in-migration to continue to outpace out-migration into the short term, the largest contributing factor of the forecasted population decrease in Huerfano County’s is an aging population. In 2021, it was estimated that 33.5 percent of residents were ages 65 and above, a trend that is expected to increase for the next 10 years. Figure 3 provides a comprehensive overview of the projected population distribution across different age groups in the county between 2021 and 2031. According to estimates, over the next decade, there will be a 13% increase in the population aged 75-84, and a significant 52% increase in the population aged 85 and above.

The state of Colorado is also experiencing a shift towards an aging population, though this shift is more pronounced in Huerfano County compared to the state overall. In Colorado, the 65+ age group is consistently growing, primarily due to individuals reaching that age rather than through net migration, combined with a declining birth rate since 2007. It is projected that in 2021, approximately 66,000 Coloradans turned 65, followed by an estimated 67,000 reaching that age in 2022. However, Huerfano County stands out as having a higher proportion of older adults compared to the rest of the state.

According to the State demographer's estimates, by 2030, at least 18% of Colorado's population will be over the age of 65. Huerfano County is expected to have 35% of its population in this age group by 2030. Although this share of the population is growing, the overall population is not. There are not enough births in the county or in-migration to outpace the general declining population trends as shown in Table 2.

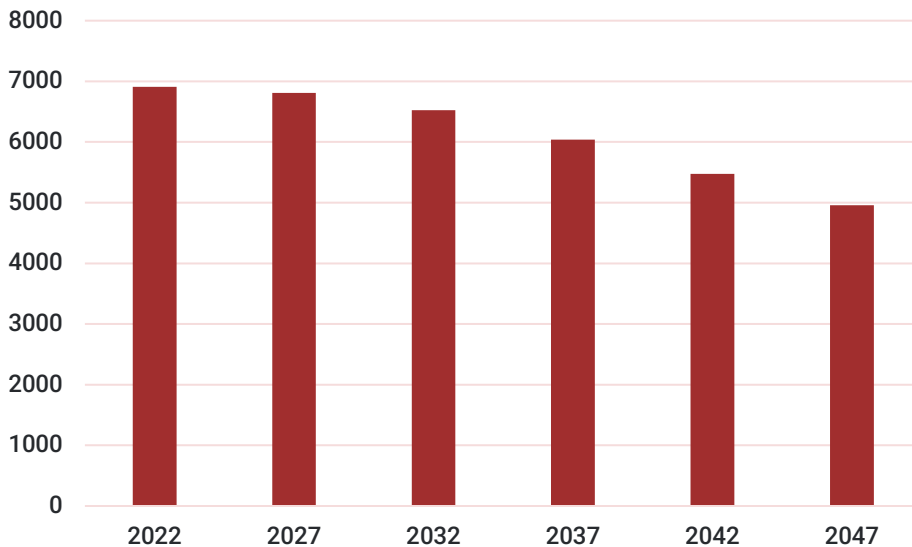
Figure 3. Projected Population Change by Age Group, 2021-2031



Source: Colorado State Demographer, Department of Local Affairs.

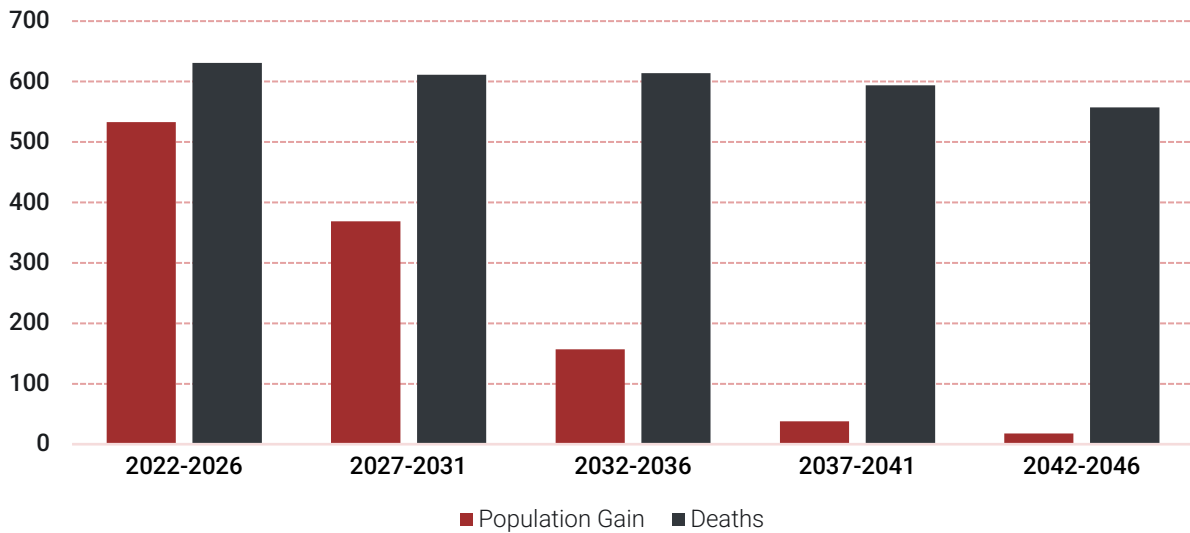
The County’s aging trends will dominate the area’s demographics for the next twenty years. Figure 4 provides a breakdown of the total population change, considering both births, net migration, and deaths. Estimates suggest that deaths in the County will surpass the net population gain by a significant margin. This scenario could potentially lead to substantial economic challenges for the County due to declining population trends overall.

Figure 4. Total Population, Projection 2022-2046



Source: Colorado State Demographer, Department of Local Affairs.

Figure 5. Huerfano County, Forecasted Total Population Gain and Total Deaths, 2020-2046



Source: Colorado State Demographer, Department of Local Affairs.

Population by Disability Status

According to the American Community Survey's 2021 estimate, 22% of residents in Huerfano County have some form of disability, which is twice the state's rate of 11%. Out of these individuals, 75% are seniors. In Huerfano County, 50% of people aged 75 and above have a disability, while 26% of adults between the ages of 65 and 74 in the County also live with a disability.

Table 3 provides a breakdown of the most prevalent types of disabilities in Huerfano County compared to the state of Colorado. Ambulatory, hearing, and independent living disabilities are the most common types within the County. Overall, Huerfano County experiences significantly higher rates of ambulatory, hearing, independent living, cognitive, and vision difficulties compared to the state of Colorado as a whole, which is expected given its higher relative population of older adults. This is significantly higher in Walsenburg. Individuals with disabilities often require modifications to their housing units, ensuring accessibility to kitchens and bathrooms. Those with severe disabilities may need in-home assistance or specialized living arrangements with staff members who can address their ambulatory and self-care needs.

Table 3. Huerfano County and Colorado, Most Common Type of Disability, Percentage, 2021

MOST COMMON TYPE OF DISABILITY	HUERFANO COUNTY	WALSENBURG TOTAL %	LA VETA TOTAL %	COLORADO TOTAL %
Ambulatory: Having Serious Difficulty walking or climbing stairs.	14.5%	20%	13.8%	4.9%
Hearing: Deaf or having serious difficulty hearing.	7.4%	10.1%	6.3%	3.7%
Independent Living: Because of a physical, mental, or emotional problem, having difficulty doing errands alone.	9.7%	15.9%	3%	4.4%
Cognitive: Because of a physical, mental, or emotional	9.5%	15.6%	1%	4.6%

problem, having difficulty remembering, concentrating, or making decisions.				
Vision: Blind or having serious difficulty seeing, even when wearing glasses.	4.6%	8.4%	1%	2.1%
Self-Care: Having difficulty bathing or dressing.	2.7%	2.5%	0%	1.8%

Source: U.S. Census Bureau, American Community Survey, 2021

Population by Race and Ethnicity

Huerfano County has a predominantly white and Hispanic population, with few residents belonging to other racial or ethnic groups. Table 4 provides a breakdown of population rates by race and ethnicity in Huerfano County and Colorado for 2021. In comparison to other regions in the state, Huerfano County has a slightly higher percentage of Native American individuals but significantly lower percentages of non-Hispanic Asian and Black individuals.

Table 4. Huerfano County and Colorado, Population Rates by Race and Ethnicity (2021)

	HUERFANO COUNTY	COLORADO
American Indian, non-Hispanic/Latino	1.1%	0.6%
Asian, non-Hispanic/Latino	0.7%	3.4%
Black, non-Hispanic/Latino	0.9%	4.1%
White, non-Hispanic/Latino	61.4%	67.1%
Hispanic/Latino	34.1%	22.2%

Source: Colorado State Demographer, Department of Local Affairs.

Population Living Below the Poverty Level

The poverty rates in Huerfano County exceed the state average, currently standing at 17.6%. In comparison, the state poverty rate is 9.7%, and it has been decreasing in recent years. However, Huerfano County has experienced an increase in poverty rates since 2017.

Poverty rates within the county are not uniform and vary across different areas. Walsenburg, in particular, has a higher poverty rate of 24.6%. On the other hand, La Veta has a lower poverty rate of 6.8%, which has been decreasing over time. This shift in wealth within the county is also reflected in the housing market, with corresponding changes in housing costs in the area with lower-income families becoming priced out.

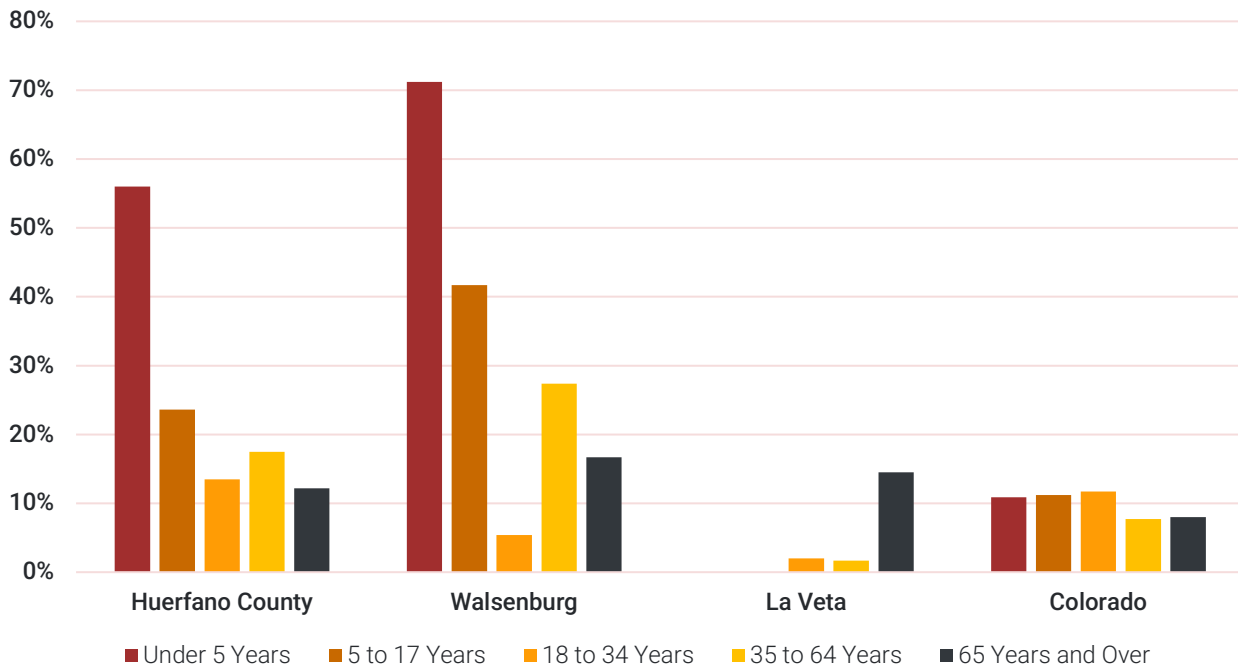
Table 5. Huerfano County and Colorado, Percent of Population Living Below Poverty Level (2017-2021)

	2017	2018	2019	2020	2021
Huerfano County	14.80%	16.00%	15.80%	16.20%	17.60%
La Veta	22%	15.20%	13.10%	8.80%	6.80%
Walsenburg	17.50%	20.50%	17.70%	21.10%	24.60%
Colorado	11.50%	10.90%	10.30%	9.80%	9.70%

Source: U.S. Census Bureau, American Community Survey, 2021

Twenty-four percent of Huerfano County residents between 5-18 years old are living below the poverty level. 56% of children under the age of 5 are living in poverty. Among those aged 18 to 34, 14% are living below the poverty level. The contrast between poverty levels among the young and old is particularly striking in Walsenburg. In Walsenburg, 42% of children ages 5-18 and 71% of those under 5 years old are living below the poverty level. Details of poverty by age distribution are included in Figure 5. This is also reflected in the percentage of students that qualify for free and reduced lunch. According to the Colorado 2020-2021 Department of Education data, 75 percent of students in Huerfano RE-1 qualify for free or reduced lunch. In La Veta RE-2, 37 percent of students qualify for free and reduced lunch, a number which has decreased in the last 5 years¹. The graph below shows a 0% poverty rate for individuals under 18 in La Veta; this is likely an inaccurate estimate that is a product of the very small sample size that has informed this data.

Figure 6. Percent of Population Living Below Poverty Level by Age Group and Location, 2017-2021



Sources: U.S. Census Bureau, American Community Survey, 2021.

Employment status is a crucial factor in determining poverty levels. This relationship is particularly striking in Huerfano County, where a substantial 80% of the unemployed population falls below the poverty line. This percentage far surpasses the rate in Colorado, where 26% of unemployed individuals are below the poverty level. Moreover, Huerfano County has experienced a significant increase in this trend over the past five years. In 2017, only 43% of unemployed individuals were below the poverty line, highlighting the magnitude of the shift. Considering this trend in context with other aging trends in the county, this may indicate that residents are increasingly retiring into poverty.

Familiesⁱⁱ in Huerfano County experience a relatively higher poverty rate than non-families. Out of the approximately 1,700 estimated families in the county for 2021, 14% are living below the poverty line. This is more than twice the rate of family poverty in Colorado as a whole, which stands at 6%. Notably, the poverty rate among female-headed households is particularly high, accounting for over half of the families in poverty in Huerfano County, with a rate of 8%.ⁱⁱⁱ

In Huerfano County, seniors represent another demographic that faces economic challenges. It is estimated that 12% of individuals aged 65 and over in the county live below the poverty threshold. This percentage is notably higher than the state's average, where only 7% of seniors are estimated to be living in poverty.^{iv} This disparity underscores the need for support for the senior and elderly population in Huerfano County.

Local Economy and Employment

This section of the report will examine employment trends and wage data in Huerfano County. This information is used to estimate the number and type of new housing units needed as well as price ranges necessary to meet the housing needs of the area workforce.

Labor Force Participation

Colorado has witnessed employment growth in recent years, showing a recovery from the 2008 recession. The employment-to-population rate has reached its highest level since 2009, standing at 67%. Huerfano County's labor force participation is much lower than neighboring counties and the state overall. The County's aging population affects the robustness of the labor force; there is a growing proportion of residents older than typical working age. Huerfano County's labor force participation rate falls below the national average and is projected to stagnate or further decline in the coming decades.

Table 6. Huerfano County Labor Force Participation Rate, Estimates and Projections (2010-2040)

YEAR	HUERFANO COUNTY	COLORADO
2010	49.1%	71%
2015	45.1%	67.5%
2020	46.7%	69%
2025	45.6%	66%
2030	46.1%	65.6%
2035	47.2%	65.5%
2040	48.3%	65.2%

Source: Colorado State Demographer, Department of Local Affairs.

Unemployment Rate

As of June 2023, Huerfano County maintains the highest unemployment rate in the state of Colorado. The County's current unemployment stands at 5.7%. In 2022, the county's unemployment rate was 6.1%, while Colorado's overall unemployment rate was 2.8%. It is important to note that the unemployment rate only accounts for individuals actively seeking employment and participating in the labor force.

Table 7 presents the unemployment rates of Huerfano County and its six neighboring counties from 2017 to 2022. There have been significant fluctuations in unemployment rates due to the impact of the COVID-19 pandemic. Nonetheless, Huerfano County consistently records some of the highest unemployment rates among the surrounding areas.

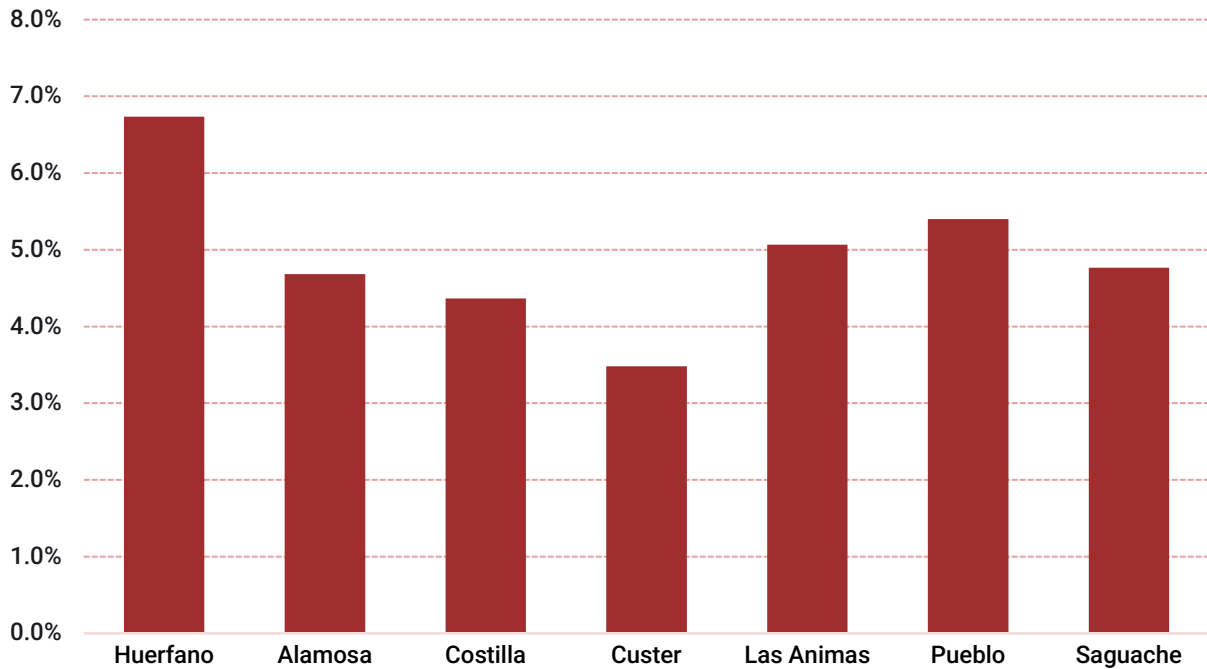
Table 7. Huerfano County and Neighboring Counties, Unemployment Rate, 2017-2022

	2017	2018	2019	2020	2021	2022
Huerfano	5.3	6.1	5.5	8.8	8.6	6.1
Alamosa	3.2	3.8	3.8	6.8	6.4	4.1
Costilla	3.3	4.1	6.4	4.7	3.4	4.3
Custer	2.8	3.4	2.9	4.6	4.3	2.9
Las Animas	3.7	4.4	3.8	6.9	7.0	4.6
Pueblo	4.0	4.5	3.9	7.6	8.0	4.4
Saguache	4.1	4.4	3.9	6.6	6.2	3.4

Source: U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics

Since the 2008 recession, overall unemployment across the state has decreased and Huerfano County has seen this as well. However, on average, Huerfano County’s unemployment rate exceeded that of its neighbors during the past five years despite the fluctuation caused by the pandemic. Figure 7 shows the average unemployment rate in Huerfano County and each of the six neighboring counties between 2017 and 2021.

Figure 7. Huerfano County and Neighboring Counties, Average Unemployment Rate, 2017-2021



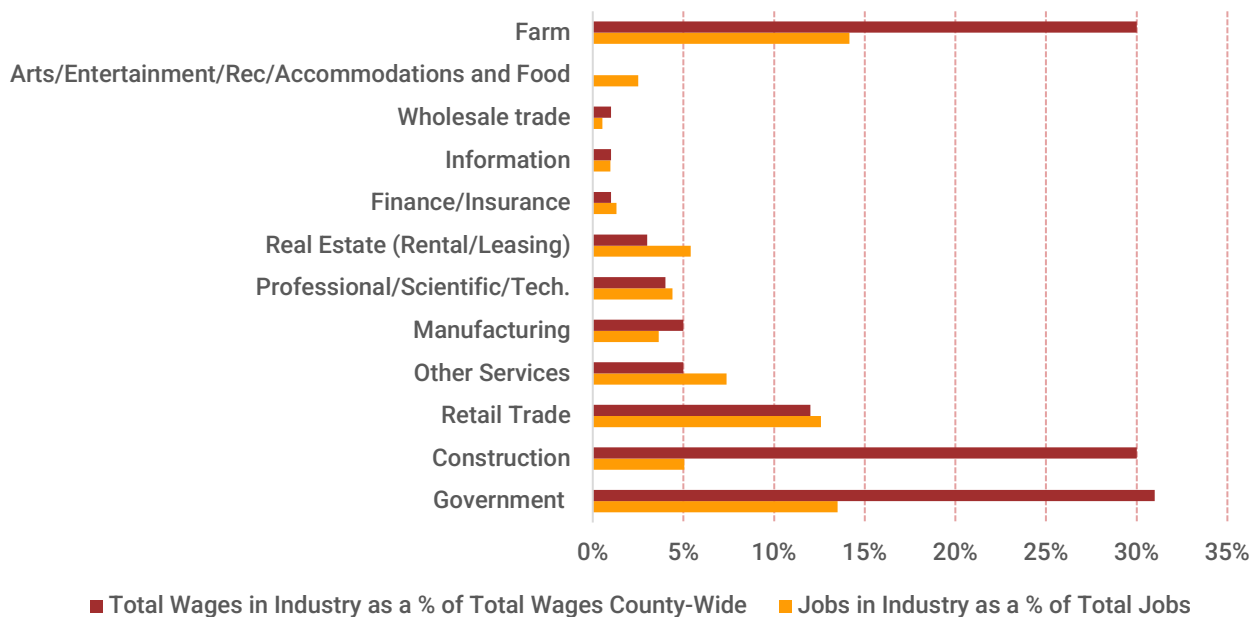
Employment and Wages

Much of the employment base in Huerfano County is related to education, healthcare, and social services. Other leading industries are arts, entertainment, accommodation and food services, retail, and public administration.

Huerfano County has a lower proportion of employees working in service-related positions compared to the state of Colorado as a whole. Specifically, there are fewer employees working in professional, scientific, and management compared to the rest of the state. There is a higher percentage of employees working in and finance, insurance and real estate industries compared to the rest of the state, perhaps due to the large prevalence of vacation properties and second homes. It should also be noted that over the last 5 years, jobs in agriculture have nearly doubled, potentially due to the growth in the cannabis industry. Manufacturing also has a high percentage of employees. Details of jobs by industry as a percentage in total jobs in Huerfano County are provided in Figure 8 below.

Not all industries are valued the same in Huerfano County. Figure 8 includes the jobs in a specific industry as a percentage of total jobs, and the industry-specific annual wages as a percentage of total annual wages throughout Huerfano County. This data shows that while construction makes up only 5% of the total jobs in Huerfano County, almost 30% of all annual wages are earned by those working in construction. Farm work is another significant source of income, accounting for 14% of jobs but contributing to 30% of the total wages. The rise in agricultural activity in Huerfano County might be attributed to the expanding cannabis industry, which is widespread throughout the state.

Figure 8. Huerfano County, Jobs and Annual Wages as a Percentage of Total Jobs and Wages, 2021



Source: Bureau of Economic Analysis, 2021¹

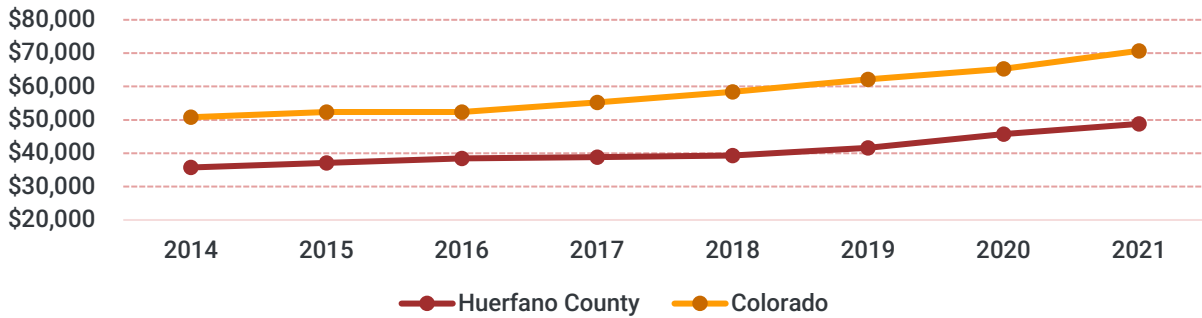
¹ The 2019 Housing Needs Assessment also included a table using US Census data to summarize industries in Huerfano County compared to industries statewide. The Bureau of Economic Analysis uses different methods than the US Census

Note: Some industries are not included to avoid disclosure of confidential information. Employment may be full-or part-time.

Employment Income and Benefits

Per capita income is a simple way to measure the average income of people in a specific geographical location, and includes non-labor income sources such as dividends, interest, rent, and transfer payments. In 2021, the per capita income in Huerfano County was \$48,801. This was 30% less than the average per capita income in the state of Colorado in 2021. And while Huerfano County’s per capita income has grown in recent years, the growth is somewhat flatter in comparison to the rest of the state. Details of this rate comparison can be found in Figure 9.

Figure 9. Huerfano County and Colorado, Per Capita Income, 2014-2021

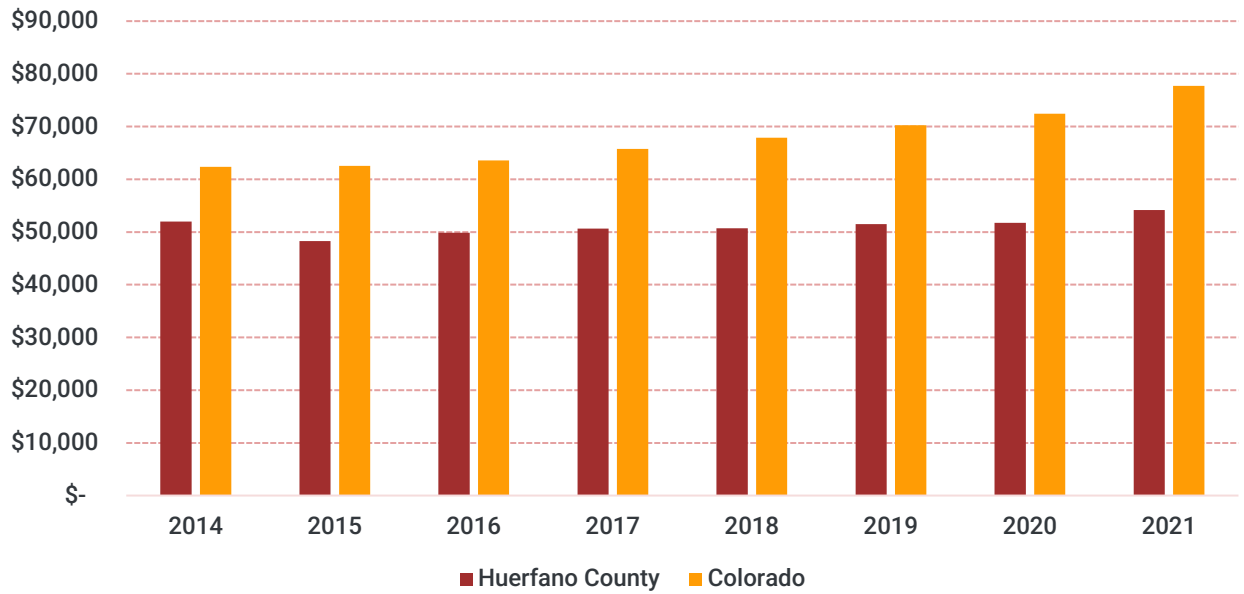


Source: U.S. Bureau of Economic Analysis, Regional Economic Account

Huerfano County’s wage stagnation is more pronounced when looking at the average annual earnings. As seen in Figure 10, between 2014 and 2021, the average worker in Colorado increased their wage by about \$2,000 annually. In Huerfano County, the average worker wage or salary only increased by \$300 annually during the same time period, indicating that employees in Huerfano County have not experienced the same wage and salary increase that the average Colorado worker has experienced.

Figure 10. Huerfano County and Colorado, Average Annual Earnings, (full-time workers) 2014-2021 (Inflation-adjusted dollars)

Bureau to analyze industries, and their data is considered more authoritative on that topic. For this reason, the 2023 Housing Needs Assessment does not include this same table from the US Census Bureau.



Source: U.S. Census Bureau, American Community Survey, 2021 Estimates.

In Huerfano County, a significant percentage of average annual earnings comes from income for retirees, people with investment income, and business owners. Since 2014, the percentage of people earning wages has decreased by 10% in Huerfano, while those collecting Social Security has increased by 12%. This has been a consistent trend over the last decade. In 2021, 54% of income earners in Huerfano County collected Social Security. Figure 11 provides details of Huerfano County earnings, Social Security, and retirement income between 2014 and 2021. Figure 12 provides the same income details during the same timeframe for the state of Colorado as a whole.

Figure 11. Huerfano County Percent Income from Earnings, Social Security, or Retirement, 2014-2021

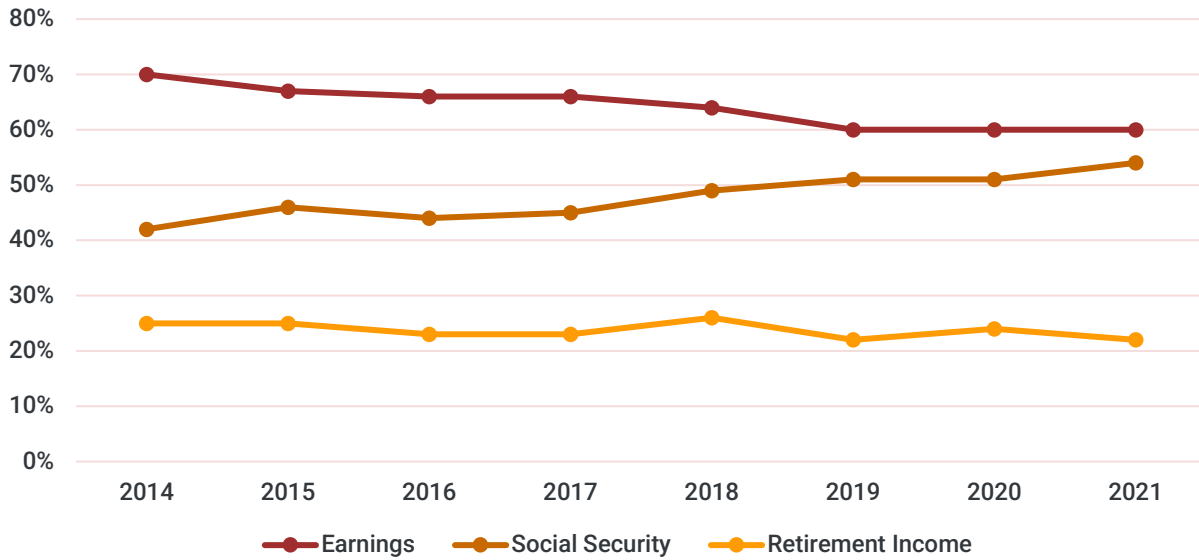
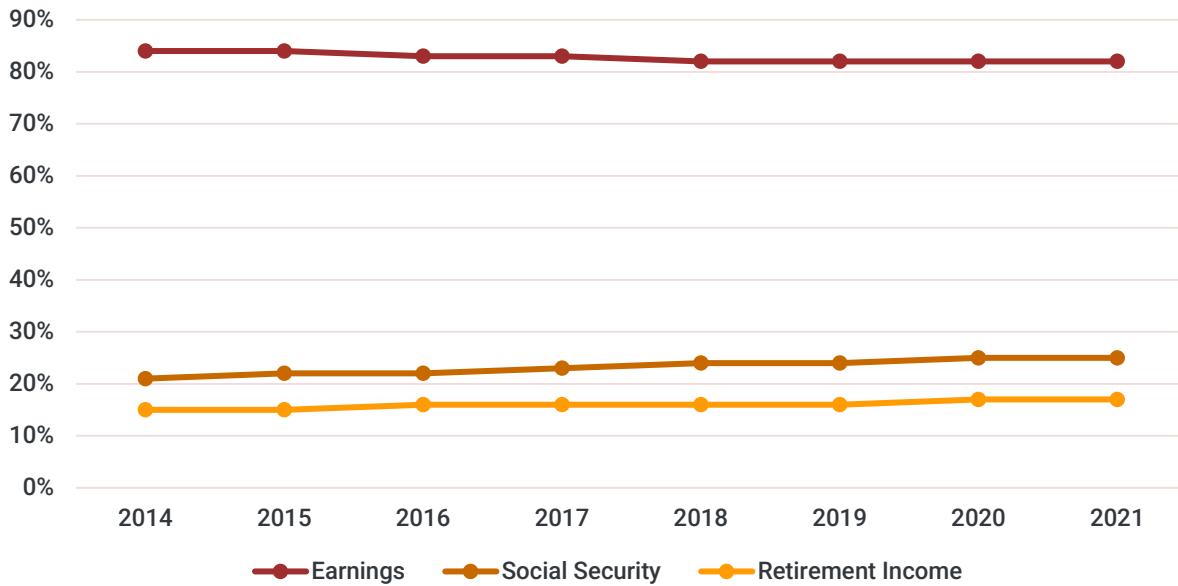


Figure 12. Colorado, Percent Income from Earnings, Social Security, and Retirement, 2014-2021



Commuting Data

The U.S. Census On the Map data series analyzes commuting patterns. The On the Map graphic in Figure 13 shows the number of workers who commute into Huerfano County each day for work, the number who stay within the County for work, and the number who leave the County for work. In 2020, 852 of Huerfano County workers both lived and worked in Huerfano County. 495 people were employed in Huerfano County but lived outside the County; 1,248 people lived in Huerfano County but were employed outside of the County.

Figure 13. Huerfano County, Commuting In-Flow/Out-Flow Analysis, 2020

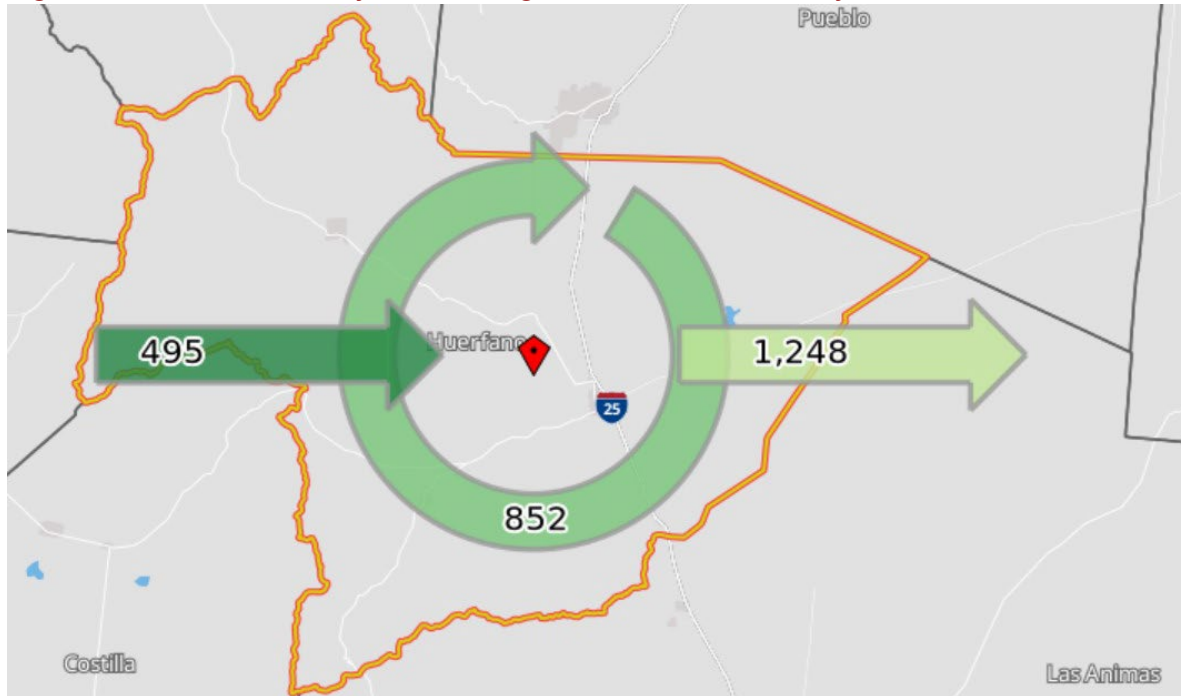
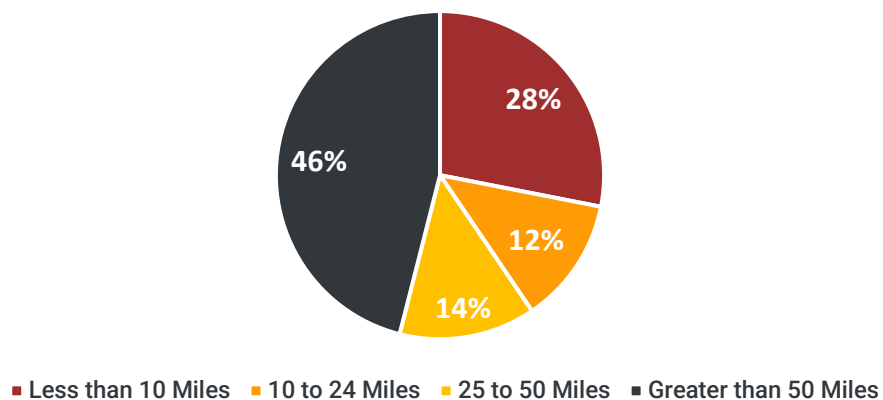


Figure 14 provides details of commuting distance for workers who live in Huerfano County. About a quarter of all Huerfano County workers commute less than 10 miles to work. However, nearly half of workers have a commute of greater than 50 miles. This is a significant change which has occurred over the last 5 years. In 2015, nearly half of workers lived within 10 miles of work.

Having more local housing choices in a variety of price ranges could reduce the number of workers commuting longer distances to employment centers and reduce the reliance on vehicles. With access to more housing choices in the area, workers have more options to choose from when considering job opportunities within Huerfano County. In interviews conducted as part of the Huerfano County Coordinated Planning projects (Comprehensive Plan, Innovative Housing Opportunities Plan, Hazard Mitigation Plan), local employers and stakeholders cited several examples of prospective employees deciding not to take a job in Huerfano County due to an overall lack of housing options.

Figure 14. Job Counts by Distance to Home, 2020



Household Trends and Characteristics

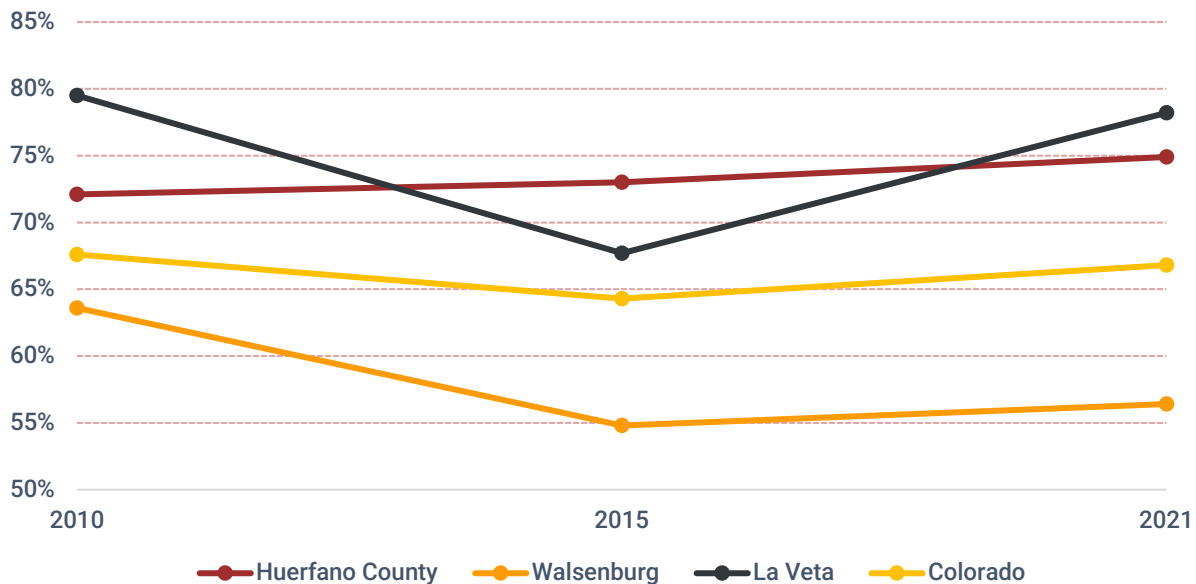
The information in this section will provide a framework for understanding current housing conditions and needs, including the number of households, households by tenure, and households by income levels in Huerfano County.

Households by Tenure

Figure 15 provides a breakdown of homeownership rates in Huerfano County, Walsenburg, La Veta, and Colorado for the years 2010, 2015, and 2021. Overall, Huerfano County (including municipalities) boasts high homeownership rates, with over 70% of housing units being occupied by owners. This rate has remained consistent since 2010. However, within Walsenburg, homeownership rates are comparatively lower than the rest of the County and have experienced a decline since 2010. As of 2021, only 56% of housing units in Walsenburg were occupied by homeowners.

In contrast, nearly 80% of housing units in La Veta are owner-occupied, although this figure has fluctuated over the past decade. In the state of Colorado, homeownership rates have remained relatively stable throughout the years.

Figure 15. Huerfano County, Homeownership Rates 2010-2021



Source: US Census Bureau, American Community Survey 5-year estimates

Table 8 provides comprehensive information about the number and rates of homeowner households with specific demographics in Huerfano County and Colorado. In Huerfano County, the majority of homeowner households are comprised of families. However, the presence of children within these households is relatively low. Only 10% of all homeowner-occupied housing units in Huerfano County house children under the age of 18. In comparison, the rate of homeowner-occupied housing units with children in the state of Colorado is 26%. It is worth noting that this percentage has been decreasing over the past five years, both locally in Huerfano County and statewide in Colorado.

A significant proportion of Huerfano County homeowners consists of older adults who live alone. Out of the non-family households that make up 38% of Huerfano County, 25% of these households

are owned by individuals aged 65 or above who reside alone. In contrast, the rate of such households in the state of Colorado is 10%. When comparing Huerfano County homeowners to the rest of the state, it becomes evident that they are less likely to be families with children and more likely to be older adults living alone.

Table 8. Huerfano County, Owner-Occupied Family and Non-Family Households, Select Characteristics, 2021

	HUERFANO COUNTY	COLORADO
Family Households	62%	63%
Households with Children Under 18 Years Old	10%	26%
Non-Family Households	38%	27%
Householder Living alone over age 65	25%	10%

Source: U.S. Census Bureau, American Community Survey, 2021

Typically, homeowners have been living in Huerfano County longer than renters. Table 9 includes information about the move-in year among owners and renters in Huerfano County. In Huerfano County, the median year a homeowner moved into their home is 2006. In contrast, the median year a renter moved into their home is 2016. In Walsenburg, 48% of homeowners moved into their homes prior to 1999. In contrast, only 10% of Walsenburg renters moved in 1999 or earlier.

When considering unincorporated areas of Huerfano County, the highest proportion of homeowners arrived between 2000 and 2009, accounting for 32% of the total. On the other hand, renters predominantly relocated between 2015 and 2018. It is worth noting that there are no documented records of renters in unincorporated Huerfano County before 1999. Renters generally exhibit greater mobility compared to homeowners, as they are more likely to have moved to a community in recent years or within a community at a higher frequency.

Table 9. Huerfano County, Year Moved in By Tenancy and Location

	LOCATION	2019 OR LATER	2015 TO 2018	2010 TO 2014	2000 TO 2009	1999 OR EARLIER	MEDIAN YEAR
Owner Occupied	Huerfano County	6%	27%	9%	23%	36%	2006
	Walsenburg	5%	24%	10%	13%	48%	2002
	La Veta	0%	38%	14%	12%	36%	2010
	Unincorp. County	7%	26%	7%	32%	28%	2008
Renter Occupied	Huerfano County	8%	41%	27%	16%	7%	2015
	Walsenburg	10%	38%	31%	12%	10%	2015
	La Veta	0%	55%	12%	33%	0%	2018
	Unincorp. County	6%	45%	22%	28%	0%	2014
Total Occupied	Huerfano County	6%	30%	14%	21%	28%	2010
	Walsenburg	7%	30%	19%	12%	31%	2012
	La Veta	0%	42%	13%	16%	28%	2015
	Unincorp. County	7%	27%	8%	32%	26%	2010

Source: U.S. Census Bureau, American Community Survey, 2021

Householder by Age Range

In 2021, Huerfano County contained a significant proportion of householders, defined as the heads of households who participated in the census, who were 65 years old or older. This accounts for 46% of all householders. However, projections from the Colorado Department of Local Affairs indicate that these households will begin to decline after 2030. This data underscores the overall trend of an aging population in Huerfano County. While many seniors prefer to remain in their homes for as long as possible, a considerable number start exploring alternative housing options as they age and find it increasingly challenging to live independently. These alternatives may include senior-specific properties, assisted living facilities, or nursing homes. Table 10 presents estimates and projections of the age distribution among householders in Huerfano County from 2021 to 2045.

Table 10. Huerfano County, Householder Age Range, Estimates and Projections, 2021-2045

AGES	2021	2025	2030	2035	2040	2045
18-24	2%	2%	2%	2%	2%	2%
25-44	20%	21%	23%	23%	20%	18%
45-64	32%	29%	27%	30%	34%	37%
65 & Over	46%	48%	48%	46%	44%	43%

Source Colorado State Demographer, Department of Local Affairs.

Household Incomes

Median incomes in Huerfano County are lower than the rest of the state. Renters have lower median incomes than owners, as detailed in Table 11

. Walsenburg has a lower median income than that of the rest of Huerfano County.

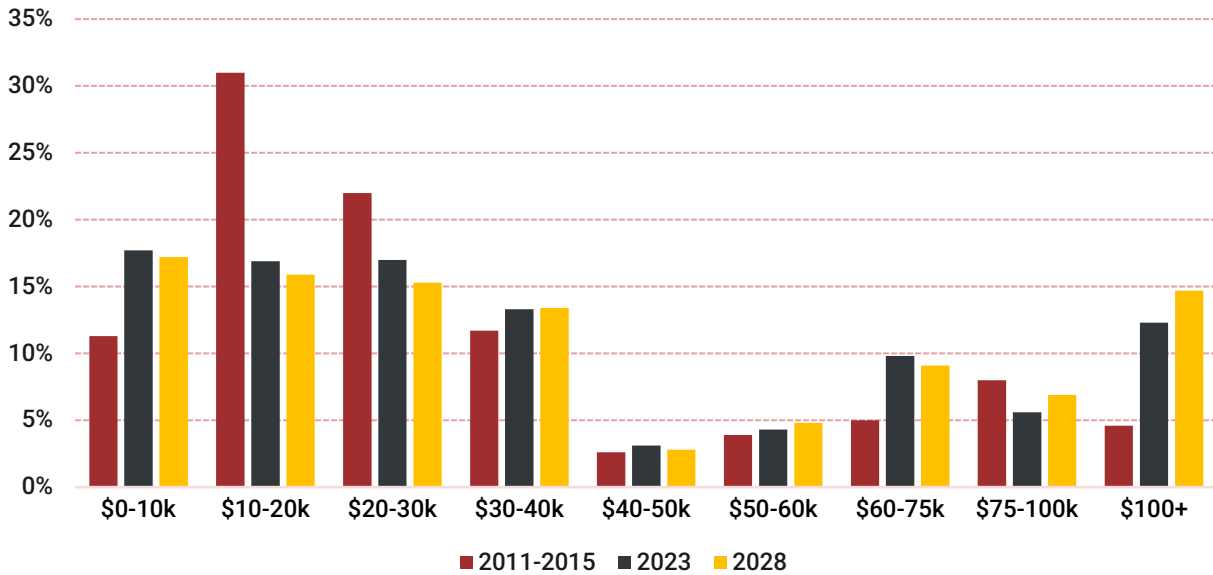
Table 11. Median Household Income, By Tenure, 2021

AGES	MEDIAN INCOME	OWNERS	RENTERS
Huerfano County	\$45,724	\$54,829	\$22,210
La Veta	\$45,991	\$46,368	n/a
Walsenburg	\$33,372	\$40,764	\$22,365
Colorado	\$82,254	\$101,183	\$53,626

Source: U.S. Census Bureau, American Community Survey, 2021

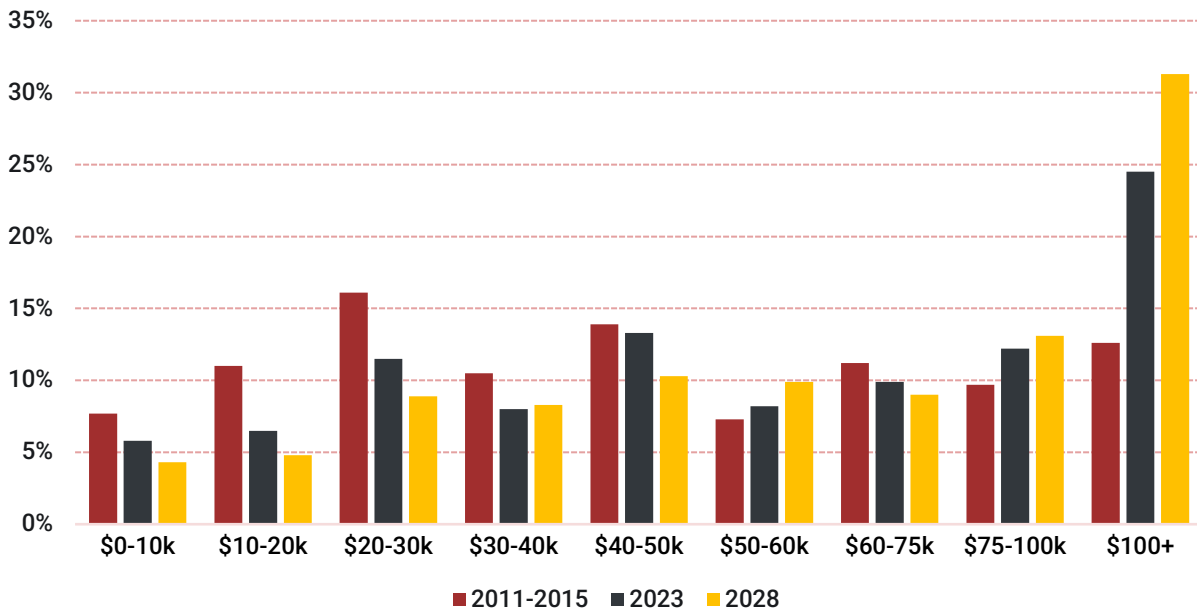
Figures 16 and 17 provide detailed information on estimated and projected income ranges for renters and homeowners in Huerfano County. Homeowners generally exhibit a broader range of income levels, but in recent years, an increasing number of homeowners are surpassing the local average median income. Presently, nearly 40% of homeowners earn over \$75,000 per year, with 24% earning over \$100,000. On the other hand, approximately 65% of renters in Huerfano County have annual incomes of \$40,000 or less. This income disparity between homeowners and renters is a persistent problem in the county.

Figure 16. Renter Income Ranges, Estimates and Projections, All Ages, 2015-2028



Source: Ribbon Demographics, HISTA Data, 2023

Figure 17. Owner Income Ranges, Estimates and Projections, All Ages, 2015-2028



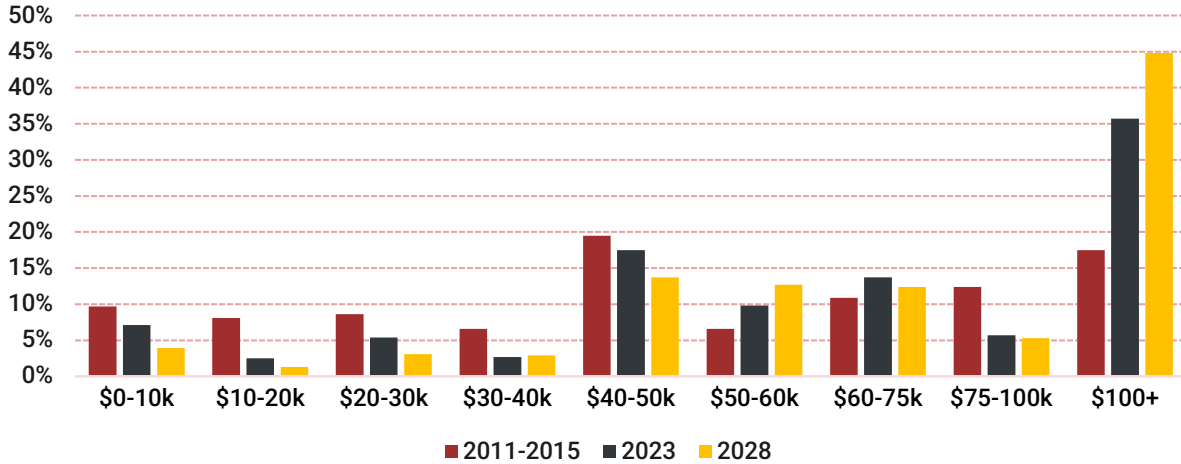
Source: Ribbon Demographics, HISTA Data, 2023

Younger homeowners in Huerfano County are wealthier than their older counterparts. In 2011-2015, only 17% of homeowners ages 15-54 earned more than \$100,000 annually; This number has increased to 36% as of 2023, and it is estimated that this number will increase to 45% by 2028.

Figures 18 and 19 outline homeowner incomes for two different age ranges; 15 to 54 years old and older than 55 years. In 2021, homeownership among those ages 55 and older was more evenly distributed among all income earners, compared to younger homeowners; 14% of homeowners over

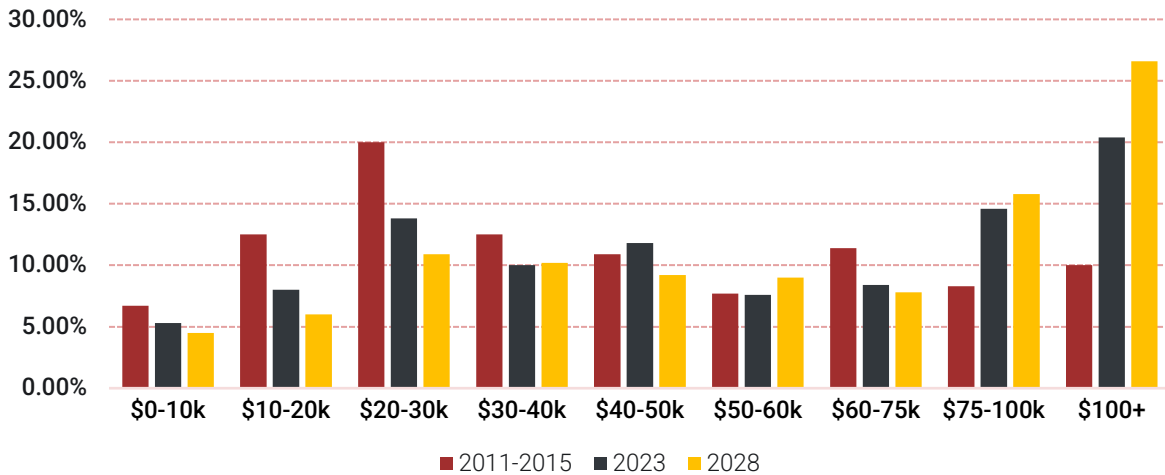
55 years old earned \$20,000 to \$30,000 annually, while 20% earned more than \$100,000 annually. This has outpaced estimates from the previous projections. By 2028, there is an expected increase in the income ranges for those older than 55; but not nearly as significant as that of younger homeowners. This may be due to the fact that rising home prices over the years make it only possible for wealthier buyers to afford homeownership whereas decades ago, older homebuyers were able to purchase homes even with lower incomes.

Figure 18. Owner Income Ranges, Estimates and Projections, Ages 15-54, 2011-2028



Source: Ribbon Demographics, HISTA Data, 2023.

Figure 19. Owner Income Ranges, Estimates and Projections, Ages 55+, 2011-2028



Source: Ribbon Demographics, HISTA Data, 2023.

Area Median Income Estimates

The U.S. Department of Housing and Urban Development (HUD) establishes income ranges that play a crucial role in determining eligibility for various housing programs and benefits. To estimate the number of households falling within each income range based on tenure and household size, this analysis has utilized Ribbon Demographics HISTA data. Many HUD and USDA Rural Development housing programs primarily target households with incomes equal to or below 80% of the Area

Median Income (AMI) for assistance. Certain rental assistance programs and rental properties restrict residency to individuals with incomes between 50% and 60% of the AMI. Meanwhile, homebuyer loans offered through the USDA Rural Development and Colorado Housing Finance Authority impose income limits at 80% and 100% of the AMI.

Table 12 presents the HUD AMI income ranges for Huerfano County in 2022, categorized by the number of people residing in each household. This report utilizes information from the Colorado Housing and Finance Authority, which provides calculations for various AMI ranges specific to Huerfano County. The subsequent pages will employ the income ranges for Huerfano County to determine the number of households falling within each respective range.

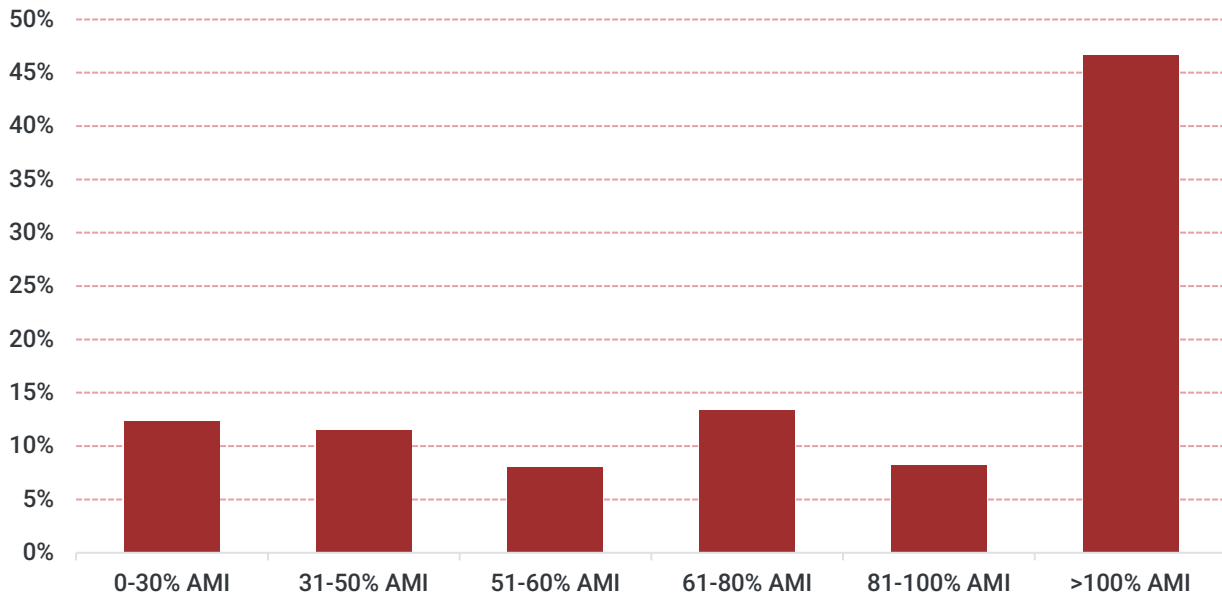
Table 12. HUERFANO COUNTY, AREA MEDIAN INCOME LIMITS, 2022

	1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON
30% AMI	\$17,280	\$19,740	\$22,200	\$24,660	\$26,640
50% AMI	\$28,800	\$32,900	\$37,000	\$41,100	\$44,400
60% AMI	\$34,560	\$39,480	\$44,400	\$49,320	\$53,280
80% AMI	\$46,080	\$52,640	\$59,200	\$65,760	\$71,040
100% AMI	\$57,600	\$65,800	\$74,000	\$82,200	\$88,800
120% AMI	\$69,120	\$78,960	\$88,800	\$98,640	\$106,560

Source: Colorado Housing and Finance Authority, 2022.

In Huerfano County, nearly half of homeowners make over 100% AMI and while there are homeowners with a range of incomes, over time homeowners are becoming wealthier^v. Figure 20 details homeowner households by income level.

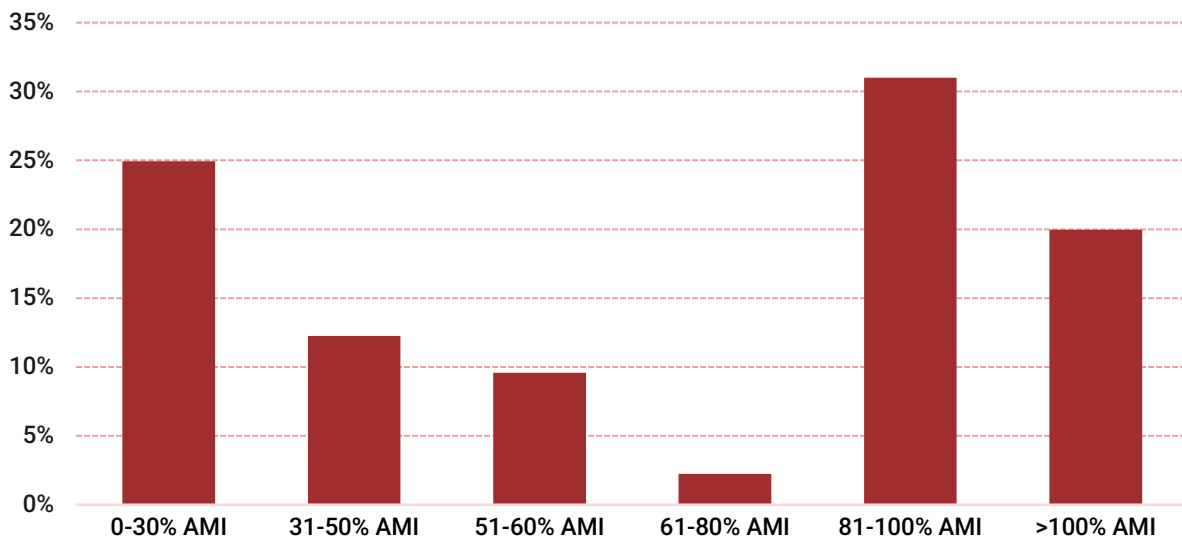
Figure 20. Homeowner Households by Income Level, 2023 Estimates



Source: Ribbon Demographics HISTA Data 2023

In Huerfano County, it is typical for renters to have lower median incomes compared to homeowners. A significant portion of renters, approximately a quarter of them, have incomes at or below 30% of the Area Median Income (AMI). However, there is an emerging trend of a growing number of renters with incomes exceeding 80% of the AMI. This indicates a shift in the rental market. For a more comprehensive understanding, please refer to Figure 21, which provides a breakdown of renter households categorized by income level.

Figure 21. Renter Households by Income Level, 2023 Estimates



Source: Ribbon Demographics HISTA Data 2023

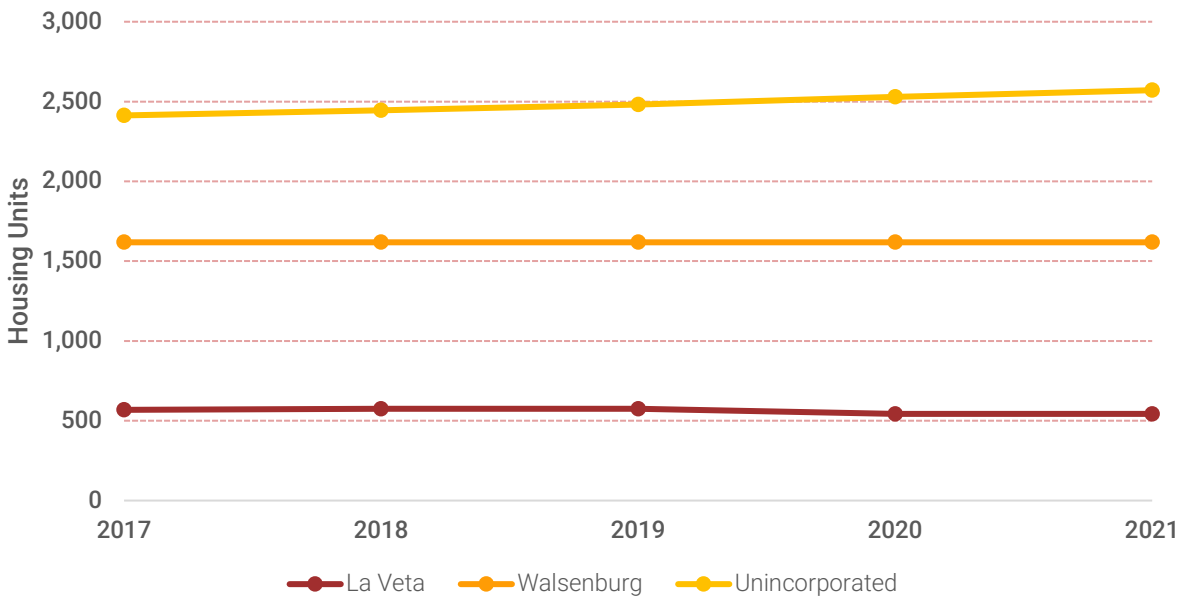
Housing Inventory

The Housing Inventory section of the report will focus on the current housing stock as well as recent housing construction by unit type and price range for Huerfano County, for-sale and for- rent, housing conditions, housing types, and other characteristics. This data will be used to estimate new housing production needs in Huerfano County.

Number and Types of Housing Units

According to 2021 estimates, the total number of housing units in Huerfano County amounts to 4,732. This represents a 3% increase in the previous five years. Figure 22 shows where these housing units are distributed between the County, La Veta and Walsenburg. The data also reveals that the majority of housing unit growth (though limited) has been concentrated in the unincorporated portions of the county, whereas housing unit development has remained relatively stagnant in La Veta and Walsenburg.

Figure 22. Total Housing Units, Estimates, 2017-2021

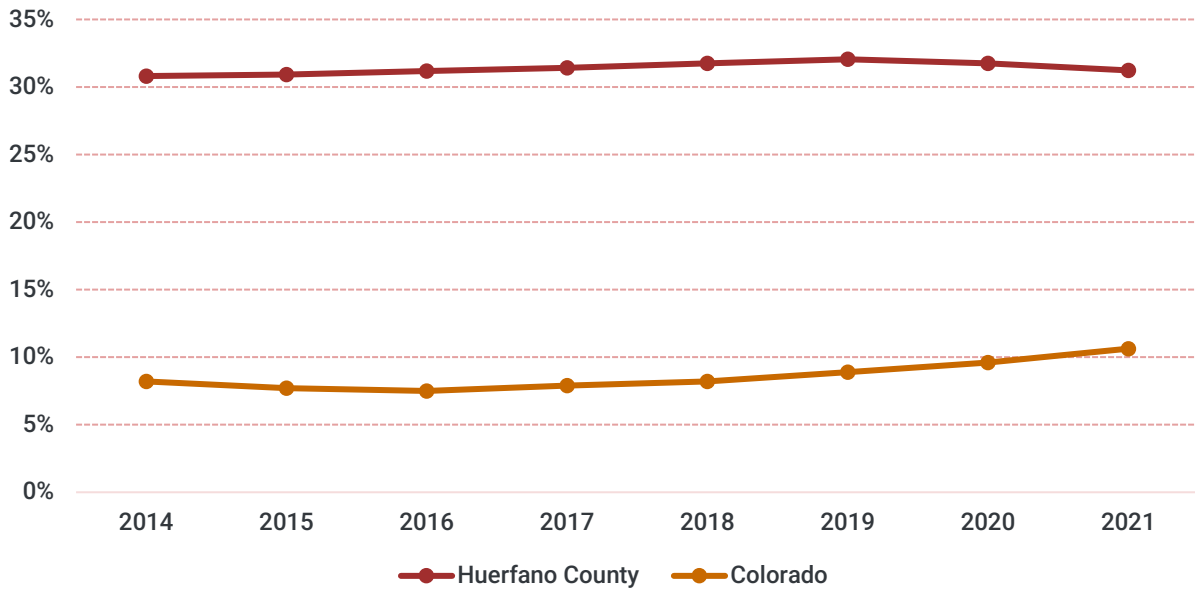


Source: Colorado State Demographer, Department of Local Affairs.

Vacant Housing Units

There are a total of 3,254 occupied housing units in Huerfano County, resulting in a vacancy rate of 31%. This vacancy rate is notably higher compared to the state average of 11%. Figure 23 explores the vacancy rate in Huerfano County and Colorado between 2014 and 2021. And while the county vacancy rate has remained relatively stable, the state has seen a slight increase in the vacancy over time.

Figure 23. Huerfano County and Colorado, Vacancy Rate, 2014-2021



Source: Colorado State Demographer, Department of Local Affairs, American Community Survey 2021.

Table 13 provides a breakdown of the vacant units by location, revealing that most vacant units are situated in the unincorporated areas of the county. In contrast, the incorporated town of La Veta and the city of Walsenburg exhibit significantly lower vacancy rates.

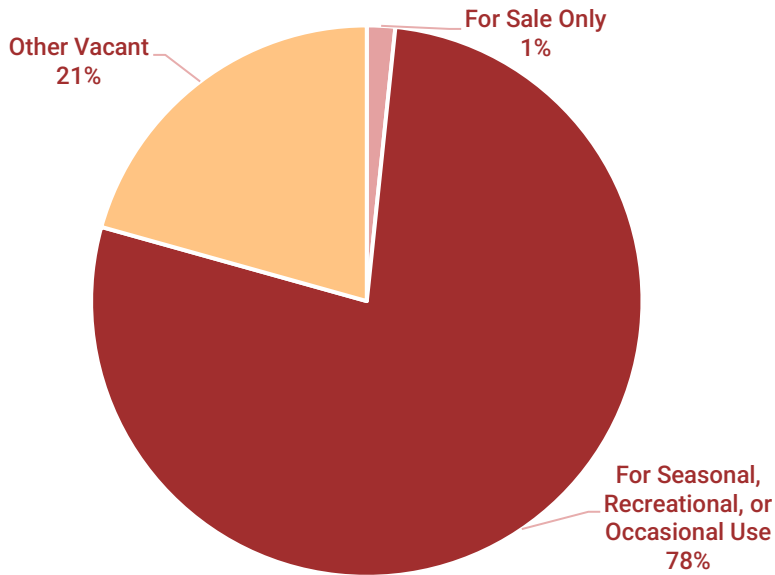
Table 13. Vacancy Rates, 2021

	UNINCORPORATED HUERFANO COUNTY	LA VETA	WALSENBURG
Total Units	2,571	543	1,618
Occupied	1,406	449	1,399
Vacant	1,165	94	219
Vacancy Rate	45%	17%	14%

Source: American Community Survey, 2021.

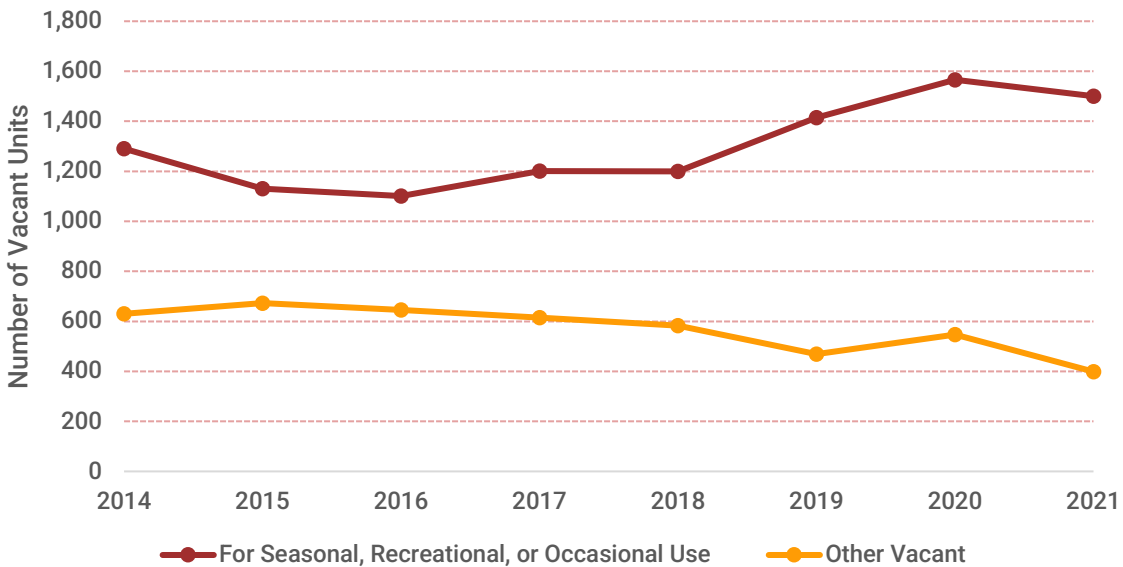
A considerable portion of the vacant housing units in Huerfano County are used seasonally. Figures 24 and 25 illustrate the proportion and the evolution of the types of vacant housing units over time. As the number of "other vacant" units, comprising 20% of the total, has been declining, there has been an increase in the number of units designated for seasonal, recreational, or occasional use. Currently, in Huerfano County, the census data estimates suggest that there are no vacant housing units available for rental purposes.

Figure 24. Huerfano County, Type of Vacant Units, 2021



Source: Colorado State Demographer, Department of Local Affairs, American Community Survey 2021.

Figure 25. Huerfano County, Type of Vacant Units, 2021



Source: Colorado State Demographer, Department of Local Affairs, American Community Survey 2021.

While the overall vacancy rate has remained relatively steady over time, there has been a notable increase in the percentage of seasonal vacancies within the past five years. This shift signifies a changing trend in the housing market, with a larger portion of housing stock being utilized as vacation homes compared to previous periods.

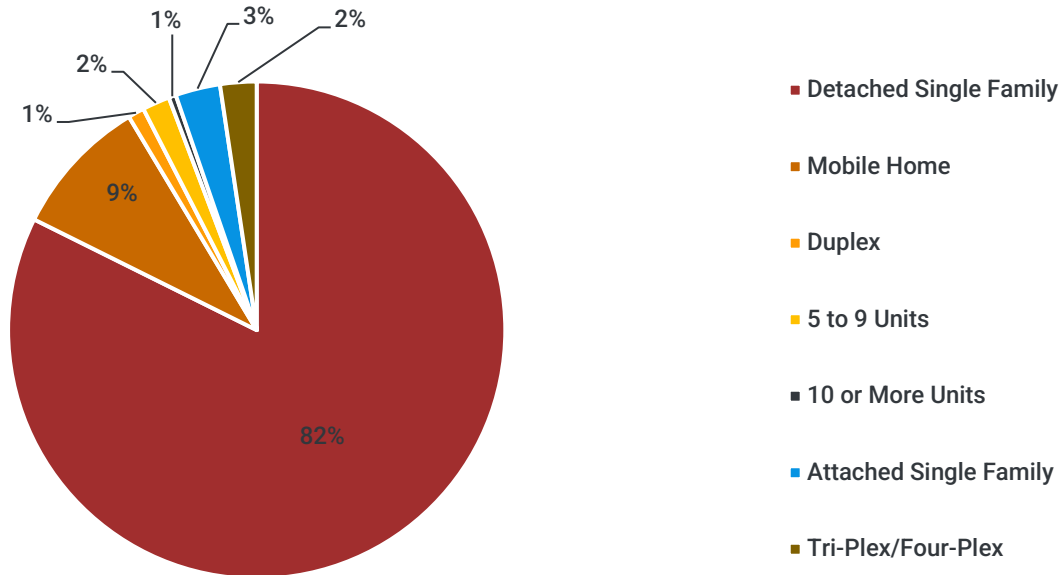
Furthermore, vacancies can sometimes degrade the quality of the housing stock, potentially causing blight down the road. In some cases, families may choose to leave a housing unit unoccupied

following the passing of a loved one or when family members move away from the community. As absentee owners may not properly maintain their properties and building exteriors, many older homes become uninhabitable due to lack of use. This issue is compounded by the risk of vacant homes in Walsenburg catching fire, and the subsequent failure to remove or demolish the resulting burned remnants. These abandoned units contribute to blight within the community.

Characteristics of Occupied Housing Units

The following section of the assessment focuses on occupied housing units and the characteristics of housing units by tenure. Most housing units in Huerfano County are single-family homes. There are few attached townhomes, condo units, or multiplex units. The majority of larger, multiunit apartments are found in Walsenburg. The largest apartment complexes with more than 10 units are in Walsenburg and La Veta. Figure 26 provides details and rates of size and type of occupied housing units.

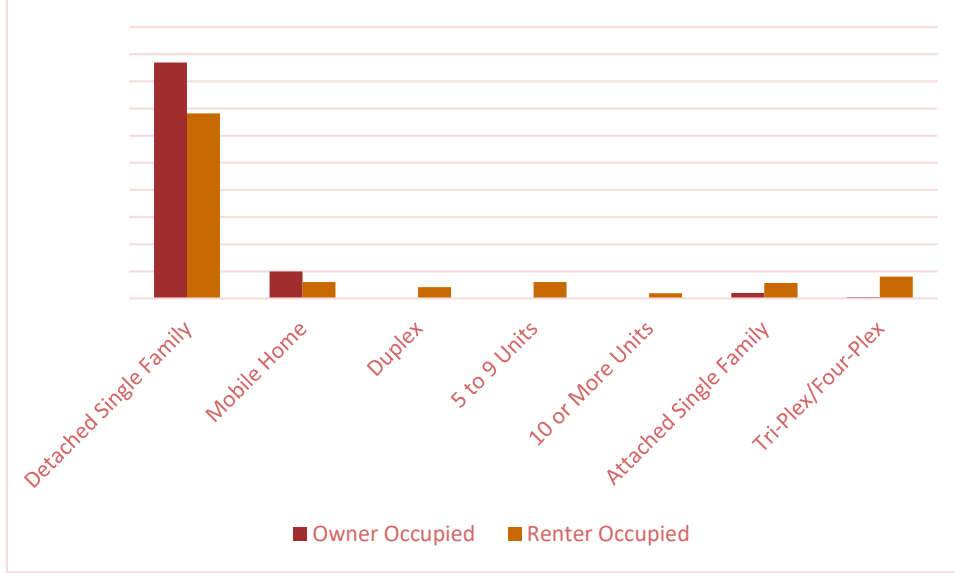
Figure 26. Huerfano County, Characteristics of Occupied Housing Units



Source: Colorado State Demographer, Department of Local Affairs, American Community Survey 2021.

As Figure 27 shows, more single-family homes and mobile homes are owner-occupied, while almost all attached units are occupied by renters.

Figure 27. Huerfano County, Owner and Renter % Occupancy, by Unit Type, 2021



Source: U.S. Census Bureau, American Community Survey, 2021.

In Huerfano County, 72% of occupied housing units are 2 to 3 bedrooms, while very few are studio apartments. According to the American Community Survey and shown in Table 14, owners tend to live in larger units than renters throughout the County. Still, this data shows that the most common living unit available to both owners and renters are 2–3-bedroom homes.

Table 14. Huerfano County, Occupied Housing Units by Bedrooms and Tenure, 2021

	OWNER OCCUPIED UNITS	RENTER OCCUPIED UNITS
No Bedroom	.5%	6%
1 Bedroom	2%	25%
2-3 Bedroom	66%	62%
4 or More Bedroom	32%	7%

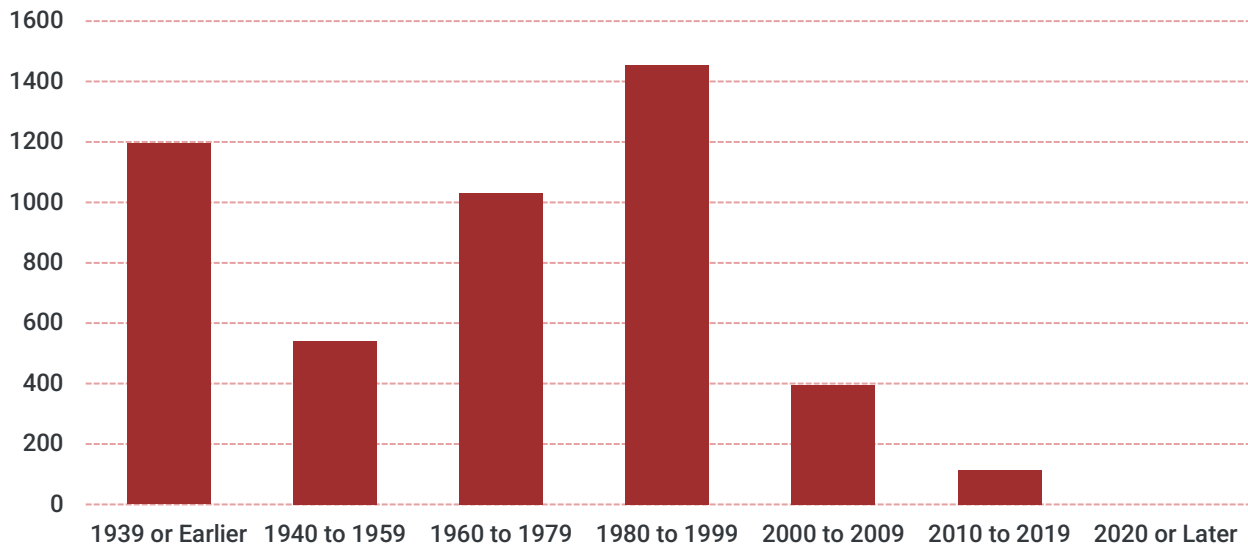
Source: U.S. Census Bureau, American Community Survey, 2021.

While this study did not identify the average square footage of housing units in Huerfano County specifically, the Department of Housing and Urban Development (HUD) uses the following housing unit sizes to represent today’s standard for modest, but decent housing size: 0-bedroom 500 square feet (SF), 1-bedroom 700 SF, 2-bedroom 900 SF, 3-bedroom 1,200 SF, 4-bedroom 1,500 SF, 5-bedroom 1,700 SF 2 and 6-bedroom 1,900 SF. This provides an important reference when considering the housing stock available in Huerfano County.

Age of Occupied Housing Units

Most housing units in Huerfano County are several decades old; a quarter of all occupied housing units in Huerfano County were constructed before 1939, and only about 10% (509) units were constructed since 2000 (Figure 28). Most units were built between 1960 and 1999.

Figure 28. Huerfano County, Housing Units by Year Built



As of the 2021 Census, many of the homes built in the last 10 years are in unincorporated Huerfano County. And while the census estimated that no homes have been built between 2020 and 2021, according to building permit data there has been an increase in permitting and building activity in the last couple years throughout the county beginning in 2020.

There are advantages and disadvantages associated with having an older housing stock. The age of houses available can pose challenges in terms of finding safe and suitable units for households. Many older homes require costly renovations and lack energy efficiency, which becomes particularly significant in an aging and economically challenged community. However, it is important to protect and maintain older housing stock as a means of preserving affordable housing. This is especially crucial during times when housing development is challenging and expensive, and land values are generally high or increasing, as is the case presently. Striking a balance between preserving historic and older housing stock while creating opportunities for new development is becoming increasingly important to effectively diversify the available housing options.

Building Permits

Over the past 10 years, there has been an increase in building and development in the county. The number of building permits issued in 2022 was nearly double that of 2012. While a substantial portion of this activity consists of smaller projects such as fences, window installations, garage expansions, and electrical replacements, around 35 percent of the increased permit activity in 2022 can be attributed to new construction, remodels, additions, and general development-related projects.^{vi} This represents a 10 percent increase compared to the average of the previous 10 years. The increased interest in development has been particularly noticeable in the last 5 years. The data presented in Table 15 only represented permitting activity in Huerfano County and does not include activity in Walsenburg or La Veta.

Table 15. Development Related Building Permits Issued, Huerfano County, 2012-2022

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Addition	6	5	6	12	8	9	13	6	9	12	10
Comm BLDG	1	1	0	6	5	5	4	1	1	4	1
Demolition	3	8	3	3	10	7	16	9	2	3	6
MFG Home	9	4	5	5	6	9	12	17	6	15	10
New Const.	4	4	2	0	0	4	14	8	24	42	98
New Home*	11	17	16	24	34	21	16	7	5	1	0
Remodel	8	13	19	22	23	16	39	26	18	22	25
Tiny House ²	0	0	0	0	0	0	0	0	0	0	2
Total	42	52	51	72	86	71	114	74	65	99	152

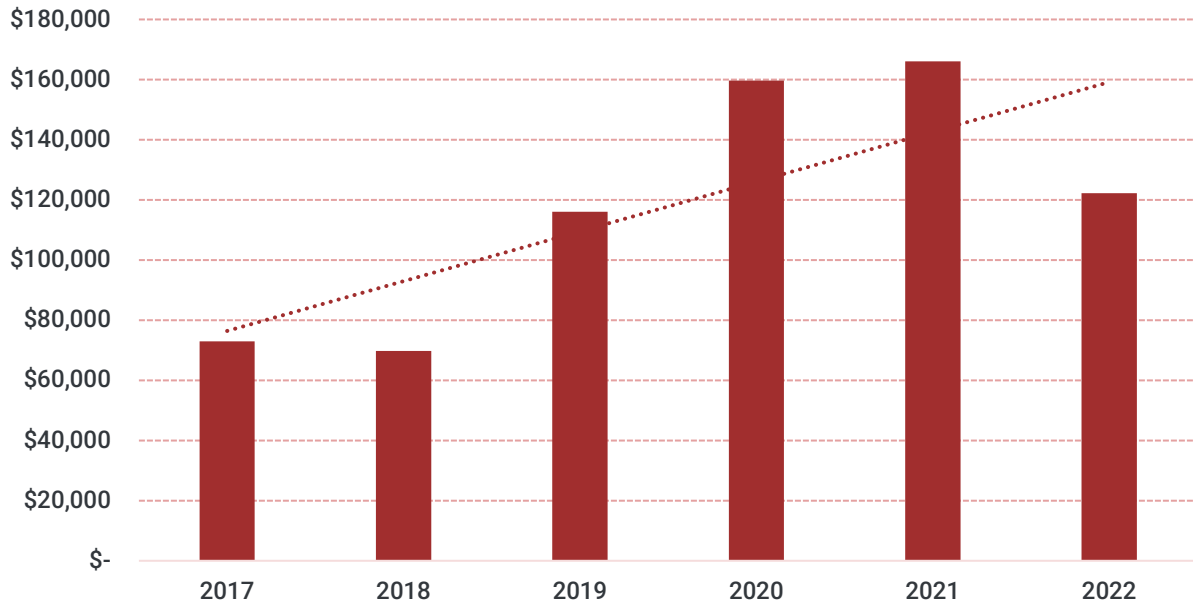
Source: Huerfano County, 2022

*In the past five years, there has been a notable shift in this category. Rather than tallying the quantity of newly built homes, the county has redefined the category and now considers "New Homes" as New Construction.

To provide a clearer picture of the residential or commercial development within the County, this analysis examined the valuation of all building permits. These are detailed in Figure 29 below. The average valuation of permitted projects has generally increased over the last 5 years, a trend consistent with the last Housing Needs Assessment. New homes will typically command a higher average project valuation compared to smaller projects, such as garages or additions. Regardless, this increase in average valuation indicates that some Huerfano County homeowners are continuing to invest in upgrades to their homes.

² Tiny homes are not permitted in Huerfano County, though there are two in Walsenburg.

Figure 29. Huerfano County, Average Valuation of Building Permits, 2017-2021



Building permit data for Walsenburg and La Veta indicates increased interest in permitting, with some exceptions. The data suggests that the COVID-19 pandemic may have impacted building activity in these towns, with permit activity dropping off slightly in 2020. However, it should also be noted that the tracking methods for this data have evolved over time, leading to some inconsistencies. The 2019 HNA also highlighted this issue as well, particularly concerning La Veta. While it is reasonable to infer a general upward trend, the exact figures presented below may not be entirely accurate.

Table 16. Development Related Building Permits Issued, Walsenburg, 2014-2022

	2014	2015	2016	2017	2018	2019	2020	2021	2022
Addition	NA	NA	NA	NA	NA	NA	4	7	4
Comm BLDG	NA	NA	NA	NA	NA		1	1	0
Demolition	NA	3	6	4	10		1	2	1
MFG Home	NA	NA	NA	NA	NA		0	1	0
New Const.	NA	NA	NA	NA	NA		0	1	2
New Home*	NA	3	1	1	3		0	1	4
Remodel	3	2	8	7	17		7	9	10
Tiny House	NA	NA	NA	NA	NA		0	1	1
Total Development Related Permits	3	8	15	12	30		13	23	22
Total Building Permits	43	61	81	120	126		47	174	144

Source: City of Walsenburg.

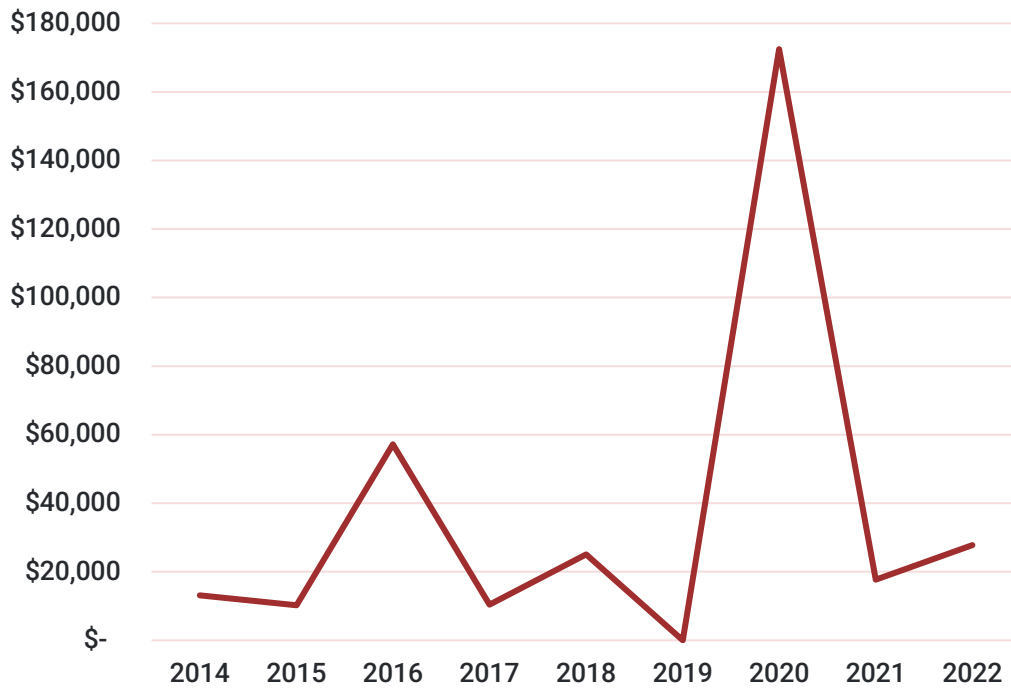
Table 17. Development Related Building Permits Issued, La Veta, 2017-2022

	2017	2018	2019	2020	2021	2022
Addition	4	1	1	0	3	0
Comm BLDG	3	3	0	3	2	3
Demolition	0	3	1	0	0	3
MFG Home	1	0	1	0	0	0
New Const.	NA	NA	NA	NA	NA	NA
New Home*	6	2	0	2	3	2
Remodel	4	21	12	6	11	5
Tiny House	0	0	0	0	0	0
Total Development Related Permits	18	30	15	11	19	13
Total Building Permits	63	170	157	62	84	75

Source: Town of La Veta.

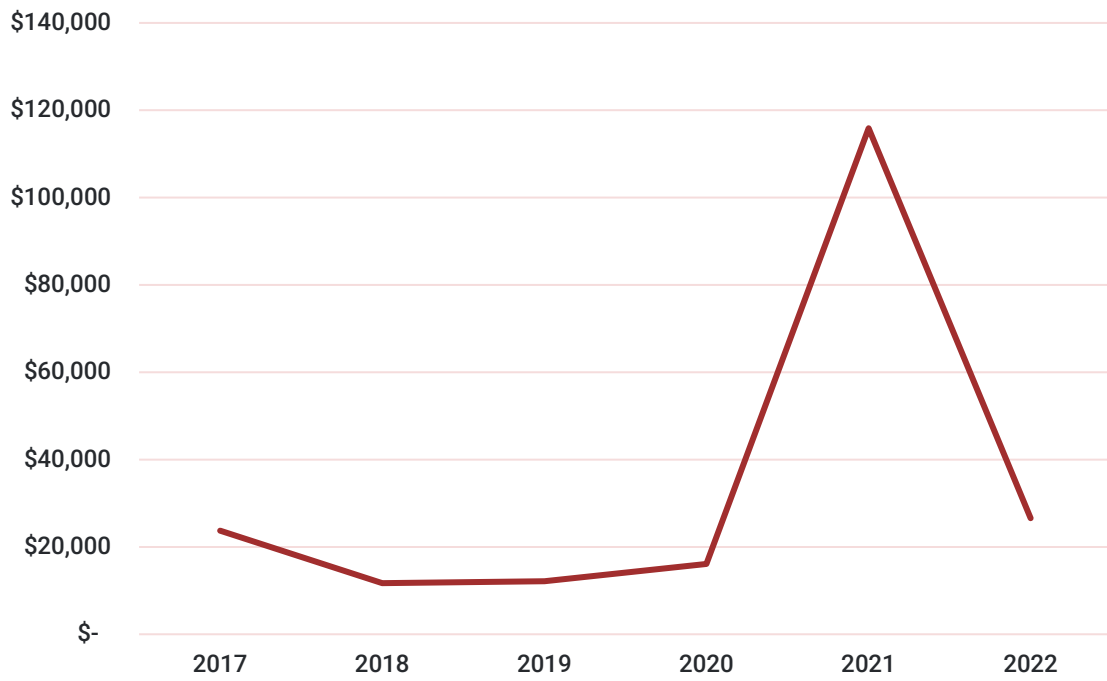
The valuation of building permits for the two municipalities have shown significant fluctuations over the years. These variations are often influenced by occasional large-scale projects. Typically, in an average year, the majority of building permit activities have involved minor renovations, roof replacements, and some smaller new constructions. However, these figures can be heavily skewed by a single major project. For instance, in 2020, Walsenburg experienced significant construction with the establishment of a Love's travel center gas station, valued at nearly \$7 million. La Veta also had a notable project in 2021 in the form of a large residential home construction in town. Absenting these outliers, the data trends indicate an overall stagnancy in the value of permitted projects in both Walsenburg and La Veta.

Figure 30. Walsenburg, Average Valuation of Building Permits, 2014-2021



Source: City of Walsenburg.

Figure 31. La Veta, Average Valuation of Building Permits, 2017-2021



Source: Town of La Veta.

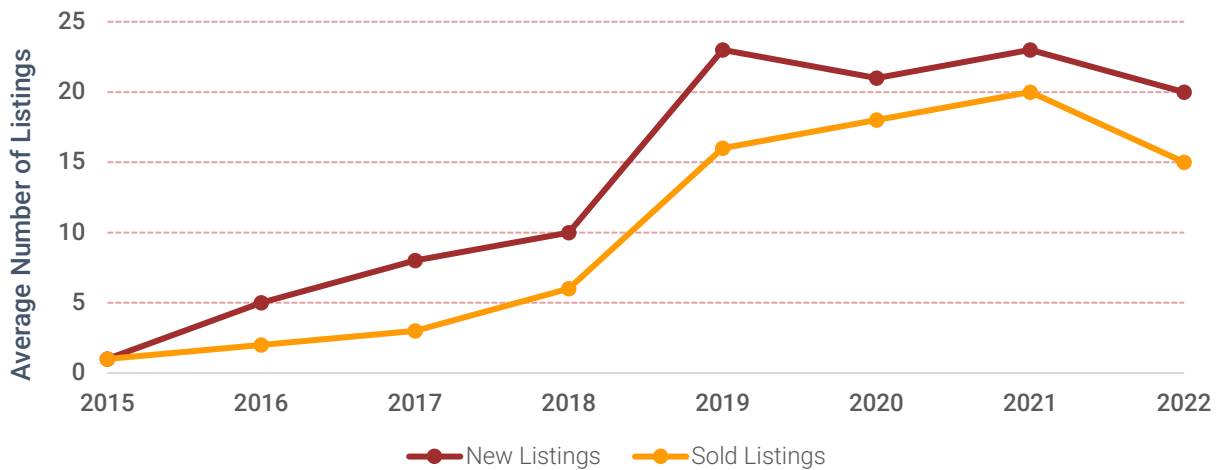
Housing Market Conditions

Data and local realtors indicate that the housing market in Huerfano is robust. Housing prices have increased in recent years, and demand for houses has also increased. This trend has gotten stronger in recent years. This section will explore the housing sales and rental market within Huerfano County.

Sales Market

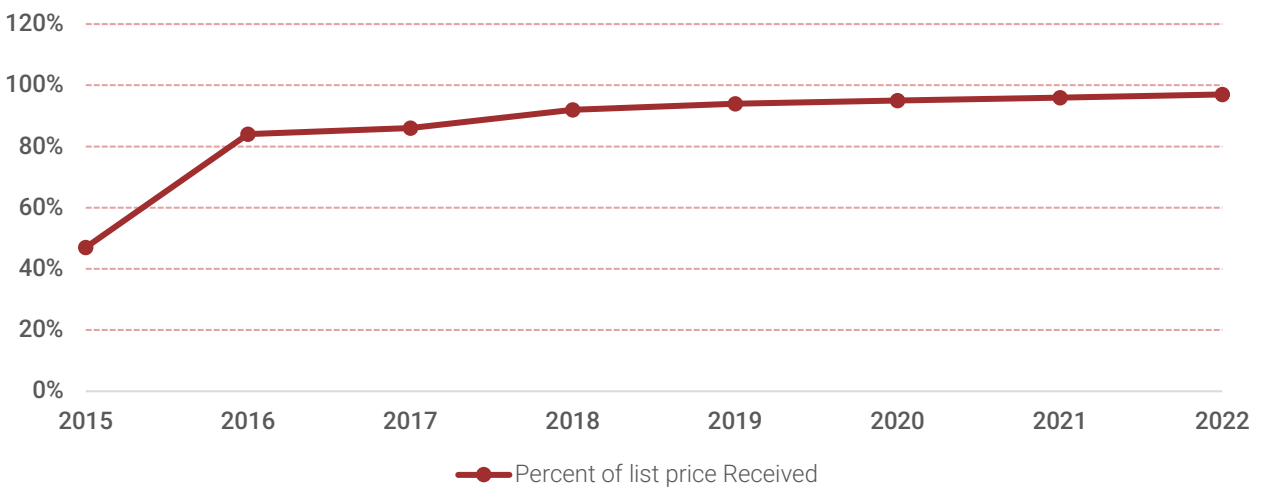
This report has compiled data from the local Real Estate Association to identify trends in Huerfano County's real estate market. Figures 32 through 34 provide an overview of Huerfano County's real estate market in recent years, including number of new and sold listings, average sales price, percent of asking price received, and inventory of homes for sales.

Figure 32. Average Monthly New and Sold residential Listings, 2019-2022



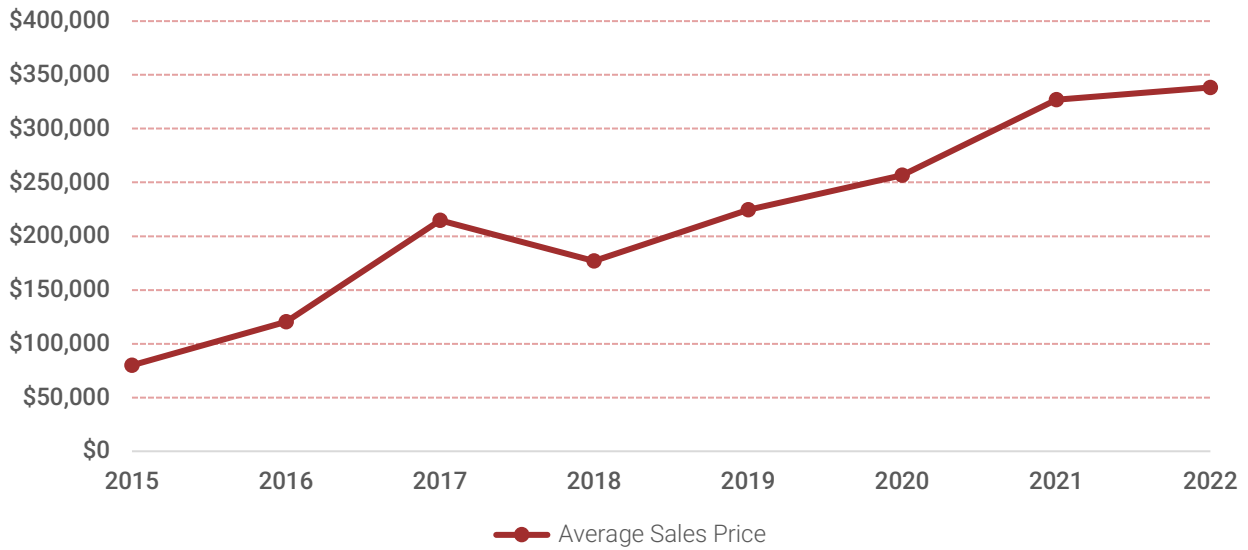
Source: MLS, Huerfano County, 2022

Figure 33. Average Percent of Asking Price Received, 2019-2022



Source: MLS, Huerfano County, 2022

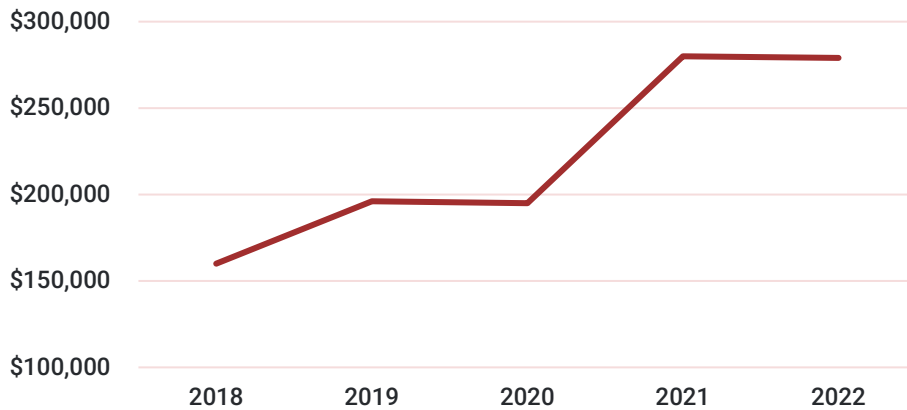
Figure 34. Average Residential Sales Price, 2015-2022



Source: MLS, Huerfano County, 2022

Since 2015, Huerfano County’s real estate market has increased in almost every metric. More houses are being listed and sold in the County, the percentage of asking price received has increased substantially and average sales prices have quadrupled. However, there are houses in areas of the County, such as vacation homes at Cuchara, La Veta or rural ranch homes, which are priced much higher than the rest of the County. The sales of one of these outliers can quickly skew the overall picture of housing sales in the County. To account for this, Figure 35 shows the median sales price of residential properties. This figure also reflects the consistent market growth in the Huerfano housing market.

Figure 35. Median Residential Sales Price, 2018-2022



Source: MLS, Huerfano County, 2022

To gain insights into the present residential sales market in Huerfano County, this analysis collected home listings data from the MLS system for April 2023. The data includes information such as the number of units currently available for sale, average listing price, average age of homes, average number of bedrooms and bathrooms, and the average number of days these properties remained on

the market. Table 18 presents this data for Huerfano County, while Table 19 shows details on Walsenburg, La Veta, Cuchara, and Gardner for the previous year 2022. These data demonstrate the key market trends in the area. It is important to note again that the average listing price is higher than the median prices shown in Figure 36, likely the result of a few high-end properties bringing up the average.

Table 18. Huerfano County, Current Residential Homes Listing, April 2023

	# OF UNITS	AVERAGE LISTING \$	AVERAGE YEAR BUILT	AVERAGE # BEDROOMS	AVERAGE # BATHROOMS	AV. DAYS ON MARKET
Huerfano County	88	\$733,981	1972	3	2	111

Source: MLS Data, April 2023.

Table 19. Huerfano County, Current Residential Homes Listing, April 2023

	TOTAL ACTIVE LISTINGS	TOTAL SOLD	AVERAGE SALES PRICE	AVERAGE PERCENT OF ASKING PRICE
Walsenburg	146	88	\$263,292	96
La Veta	67	43	\$469,920	98
Cuchara	44	31	\$378,739	100
Gardner	17	5	\$305,400	96

Source: MLS Data, 2022

In recent years, a significant portion of the residential homes in Huerfano County have been sold primarily in Walsenburg and La Veta, the County's main population centers. The listing prices in La Veta tend to be higher compared to other areas within the county. On average, the listing price for homes in La Veta is more than twice the price of a home listed in Walsenburg.

Figure 36 provides an overview of the price ranges for homes in Huerfano County as of April 2023. The majority of listed homes in the region fall within the price range of \$100,000 to \$299,999. However, it is worth noting that approximately one-third of the listed homes are priced at \$500,000 or above. This represents a significant increase compared to previous years and aligns with the prevailing price trends observed in the area. It is important to keep in mind that this data represents a snapshot of a single month, but it is consistent with the overall pricing patterns in the region.

Figure 36. Huerfano County, Current Active Listings of Residential Homes by Listing Price, April 2023



Source: MLS Data, April 2023

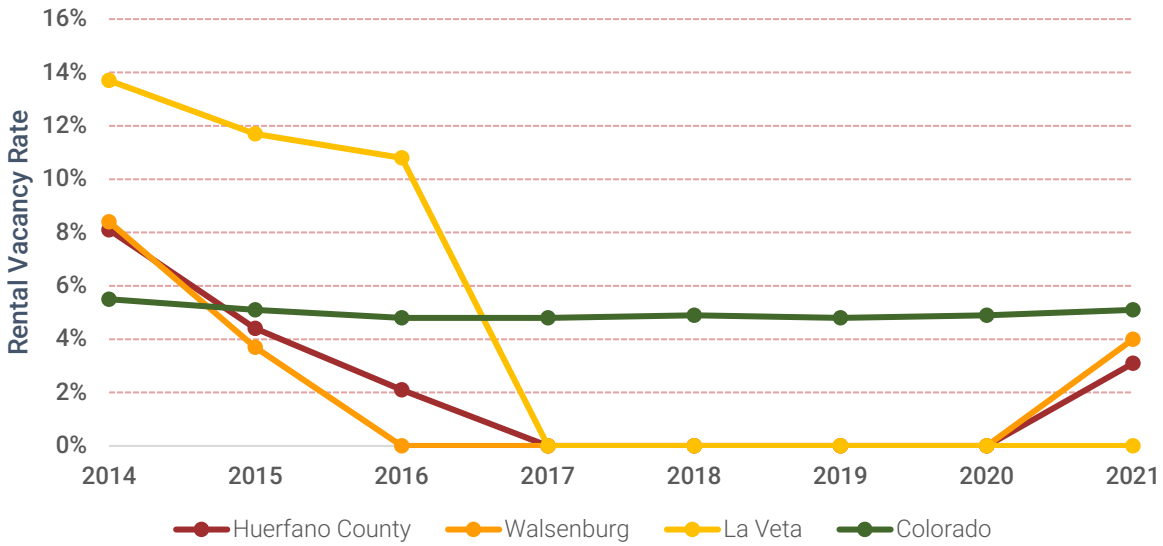
Rental Market

In the 2019 Housing Needs Assessment, several key informants mentioned that finding properties to rent in Huerfano County is informal, decentralized, and relies on word-of-mouth recommendations and other personal connections. Responses to the 2023 Coordinated Planning Projects Visioning Survey and consultation with county residents have indicated that it is still challenging to find rental properties in the area. Because of this characteristic of renting in Huerfano County, collecting rental rate and rental market data was difficult. This report relies primarily on the data from U.S. Census Bureau 2021 American Community Survey data, which provides estimated rental rates and vacancy rates by at the County and municipality levels.

As indicated earlier in this report, and shown in Figure 37 below, there is a shortage of rental units in Huerfano County; the vacancy rate among rental units in the County decreased to 0% in 2017 and remained there until recently. This is consistent in Walsenburg and La Veta as well.

When compared to the vacancy rate within the rest of the state, it is clear that Huerfano County's rental unit availability is limited. As shown in Figure 37, rental vacancy rates in Colorado have remained consistent between 2014 and 2021, while Huerfano County's rental vacancy rates have plummeted. According to the Vermont Housing Finance Agency, the national vacancy rate is about 5.6 percent, and a healthy vacancy rate is between 4-8 percent. A very low vacancy rate suggests a lack of adequate housing supply. An informal rental market may also contribute to unreliable data in the vacancy rate, especially as it hovers near zero. This data does not reflect renters that are in less than desirable rental properties, living with roommates when they don't want to, or other renter arrangements.

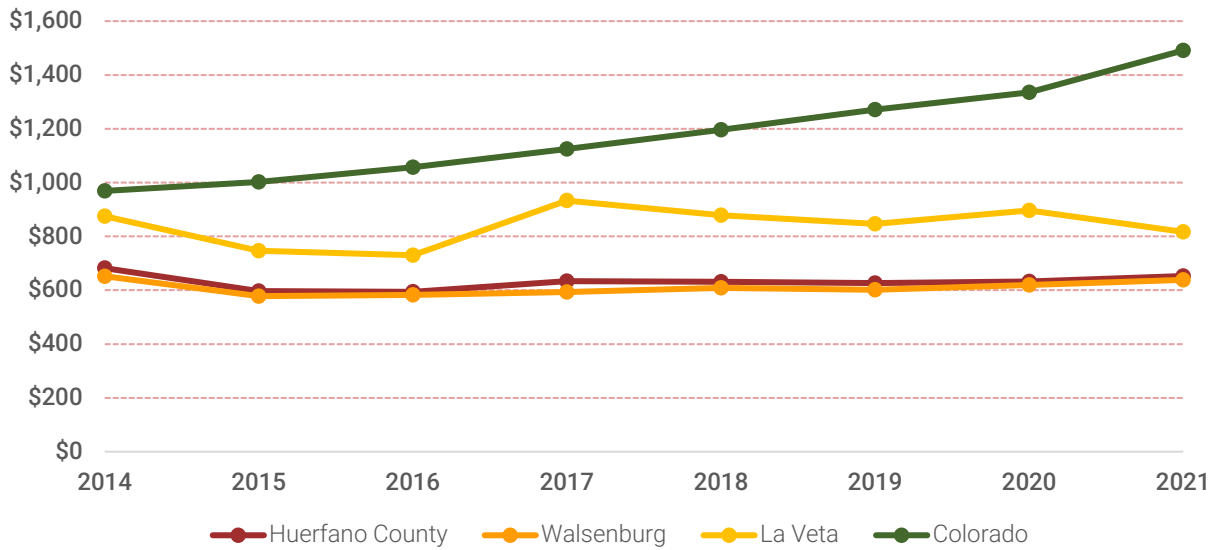
Figure 37. Huerfano County and Colorado, Rental Vacancy Rates, 2014-2021



Source: US Census, American Community Survey 5- year estimates

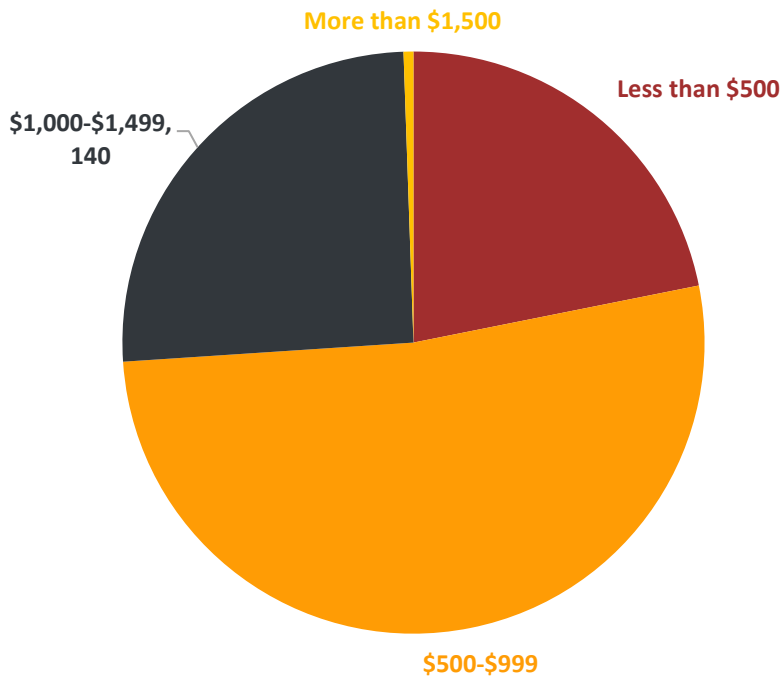
Figure 39 below details the median gross rents in Huerfano County, Walsenburg, La Veta, and Colorado from 2014 to 2021. In Huerfano County, specifically in Walsenburg, rates have remained consistent, hovering between \$570 and \$680. La Veta rental rates have experienced volatility in the County, with some fluctuation between \$800 and \$1000. Meanwhile, rental rates in Colorado are higher than rates in Huerfano County and have consistently increased since 2014.

Figure 38. Huerfano County and Colorado, Median Gross Rent, 2014-2021



Source: U.S. Census Bureau, American Community Survey.

Figure 39. Huerfano County, Gross Rents 2021



Source: U.S. Census Bureau, American Community Survey.

Figure 38 shows gross rents – the amount of rent stipulated in a lease – in Huerfano County in 2021. On average, more than half of renters in Huerfano County were paying between \$500 and \$999 per month. However, since the last Housing Needs Assessment there is a larger portion of renters paying over \$1000 monthly.

Table 20 details the percentage of renters paying a range of rental rates in Huerfano County, La Veta, and Walsenburg. Renters in La Veta are paying more than renters in other parts of the County. In La Veta, 32% of renters are paying more than \$1,000 per month for rent, while only 5% of renters in Huerfano County as a whole pay more than \$1,000 per month for rent. Renters paying less than \$350 are likely living in subsidized affordable housing units where rents are capped as a percentage of the renter's income.

Table 20. Huerfano County, Percent of Renters by Rental Rate Ranges, 2021

	HUERFANO COUNTY	LA VETA	WALSENBURG
Less than \$100	2%	0%	3%
\$100 to \$149	2%	14%	0%
\$150 to \$199	2%	13%	1%
\$200 to \$249	1%	0%	1%
\$250 to \$299	0%	0%	0%
\$300 to \$349	10%	0%	13%
\$350 to \$399	5%	0%	6%
\$400 to \$449	23%	18%	27%
\$450 to \$499	3%	0%	4%
\$500 to \$549	9%	0%	12%
\$550 to \$599	3%	0%	4%
\$600 to \$649	0%	0%	0%
\$650 to \$699	2%	0%	3%
\$700 to \$749	2%	0%	2%
\$750 to \$799	1%	12%	0%
\$800 to \$899	7%	12%	7%
\$900 to \$999	3%	0%	0%
\$1,000 to \$1,249	5%	32%	0%
No cash rent	20%	0%	16%

Source: U.S. Census Bureau, American Community Survey

Rental Rates by Unit Size

Huerfano's housing rental market is decentralized; therefore, identifying a true "market rent" for various sizes of rental units was difficult for this analysis. This analysis utilized information and definitions provided by the Department of Housing and Urban Development (HUD) and the Colorado Housing Finance Authority to understand affordable and low-income housing.

The general recommendation is to spend a maximum of about 30% of gross monthly income on rent. This “30% Rule” is used by housing entities, such as the Colorado Housing Finance Authority (CHFA), to identify maximum rental rates for developers utilizing the LIHTC or CHFA loans to develop rental properties. Table 21 identifies the maximum rental rates these developers can charge tenants earning 30% to 60% of the AMI. Again, this chart should be used for general guidance on affordable rental rates in the County.

Table 21. Huerfano County Maximum Rents Defined by HUD and Used by CHFA, 2022

	STUDIO	1 BDRM	2 BDRM	3 BDRM	4 BDRM
30% AMI	\$432	\$462	\$555	\$641	\$715
50% AMI	\$720	\$771	\$925	\$1,068	\$1,192
60% AMI	\$864	\$925	\$1,110	\$1,282	\$1,431
80% AMI	\$1,152	\$1,234	\$1,480	\$1,710	\$1,908
100% AMI	\$1,440	\$1,542	\$1,850	\$2,137	\$2,385
120% AMI	\$1,728	\$1,851	\$2,220	\$2,565	\$2,862

Source: CSI

Please note that the Affordable Prices in Huerfano County in the tables in the next section include details of affordable rental prices based on the number of persons living in a unit and AMI income ranges, rather than the number of bedrooms in a unit detailed in Table 21.

Housing Gaps and Needs

To determine the need for new housing units within a community, it is important to review various indices of need. These include the number of households who pay more than they can afford for housing, conditions in the market indicating that demand is greater than supply (e.g., vacancy rates). In rural communities where the data is less robust, it can be difficult to identify gaps and needs in the market using a traditional gaps analysis, which compares current pricing to current household numbers.

Affordable Prices in Huerfano County

Table 21 shows the affordable rent and home price at each of the HUD income limits by household size in 2022. According to rental market data discussed in the previous section, more than 50% of renters in Huerfano County are paying between \$500 and \$999 per month on rent. Meanwhile, \$555 is the affordable rate (for a 2-bedroom) for 30% AMI and there are limited rentals available under this price without subsidy. Therefore, renters at 0% to 30% AMI will have a hard time finding market rentals within their price range. Additionally, renters at 31% to 50% AMI in La Veta, where 32% of renters are paying more than \$1,000 per month for rent, will have a hard time finding market rentals.

Buyers with good credit who have incomes at 0% to 60% AMI are going to have a difficult time finding a home to purchase in the County; a third of listed homes currently for sale are priced above \$500,000 and the average home price for 2022 was \$338,329. Lower priced homes are often in need of repairs and could cost more than the appraised value considering the cost to bring them up to a safe and decent condition.

Table 22. Huerfano County, Affordable Housing Prices at HUD Income Limits, 2022

HUD INCOME LIMITS					
INCOME LIMITS	1 PERSON	2 PERSON	3 PERSON	5 PERSON	5 PERSON
30% AMI	\$17,300	\$19,750	\$23,030	\$27,750	\$32,470
50% AMI	\$28,800	\$32,900	\$37,000	\$41,100	\$44,400
60% AMI	\$34,560	\$39,480	\$44,400	\$49,320	\$53,280
80% AMI	\$46,050	\$52,600	\$59,200	\$65,750	\$71,050
100% AMI	\$57,550	\$65,800	\$74,000	\$82,200	\$88,800
120% AMI	\$69,050	\$78,900	\$88,800	\$98,650	\$106,550
AFFORDABLE RENT/UTILITIES					
INCOME LIMITS	STUDIO	1 BEDROOM	2 BEDROOM	3 BEDROOM	4 BEDROOM
30% AMI	\$432	\$462	\$555	\$641	\$715
50% AMI	\$720	\$771	\$925	\$1,068	\$1,192
60% AMI	\$864	\$925	\$1,110	\$1,282	\$1,431
80% AMI	\$1,152	\$1,234	\$1,480	\$1,710	\$1,908
100% AMI	\$1,440	\$1,542	\$1,850	\$2,137	\$2,385

120% AMI	\$1,728	\$1,851	\$2,220	\$2,565	\$2,862
AFFORDABLE HOMES SALES PRICE*					
INCOME LIMITS	STUDIO	1 BEDROOM	2 BEDROOM	3 BEDROOM	4 BEDROOM
30% AMI	\$91,772	\$101,779	\$131,898	\$159,868	\$184,032
50% AMI	\$119,889	\$131,800	\$167,923	\$191,647	\$230,601
60% AMI	\$140,342	\$153,889	\$194,527	\$232,236	\$264,820
80% AMI	\$176,124	\$192,135	\$240,169	\$271,801	\$323,740
100% AMI	\$232,358	\$252,372	\$312,415	\$351,955	\$416,878
120% AMI	\$269,067	\$293,084	\$365,135	\$412,582	\$490,491

Source: 2022 US HUD Colorado Adjusted Home Income Limits Table for Huerfano County, 2022 AMIs and Sales Price % Huerfano County

* Using 5.52% interest, suggested for 2022 as calculated by HUD.

Based on average wage data from the Colorado Department of Labor and Employment for 2022, Table 22 illustrates affordable rental rates and sales prices for workers earning the average wage. It's worth noting that the affordable rental prices for a single person seeking a 1-bedroom home at these wages tend to align with the higher end of the market rental rates observed in Huerfano County and many of the rental units are at a lower price point. However, there are also very few homes for sale at the price range that aligns with this income level. Additionally, it is important to acknowledge that the average wage assumes year-round employment with a 40-hour workweek, which may not be accessible to many individuals in Huerfano County. As noted earlier in this report there are many people that are not earning wages but relying on social security, retirement benefits and other federal benefits.

Table 23. Huerfano County, Affordable Prices at Average Wage, 2022

	AVERAGE WAGE 2021*	AFFORDABLE RENTER COST	AFFORDABLE SALES PRICE
Huerfano County	\$42,336	\$1,234	\$192,135

Source: Sources: Colorado Department of Labor and Employment

* The average annual wage is calculated based on the earnings of an individual and not the combined earnings of a household. It's important to note that the household income may surpass this average wage if there are multiple earners within the household. The average wage for an individual in Huerfano County in 2022 falls within the range of 60-80% of the (AMI).

When examining Huerfano County's wider economic landscape, introducing new industries or employers can draw more workers to the area. It's crucial to offer a variety of housing options at different price points that are both affordable for current residents and appealing to newcomers. The 2019 Housing Needs Assessment included a fundamental analysis linking wages to affordability. This same analysis is also referenced in Table 23, which provides a detailed breakdown of the annual income of hourly workers, determining the affordable rent and home purchase price for each wage bracket. While many rental units are affordable for these wage earners, the challenge lies in finding a unit in good condition. For those earning over \$30 per hour, they are more likely to find affordable homes in Walsenburg, where the average house price is \$263,292. However, other areas in the County are typically out of reach for these earners.

Table 24. Huerfano County, Affordable Prices at Average Wage, 2022

	ANNUAL INCOME	AFFORDABLE RENTER COST	AFFORDABLE SALES PRICE
Job \$10/hour	\$20,000	\$500	\$93,747
Job \$12/hour	\$24,000	\$600	\$112,496
Job \$15/hour	\$30,000	\$750	\$140,620
Job \$20/hour	\$40,000	\$1,000	\$187,493
Job \$30/hour	\$60,000	\$1,500	\$281,240
Job \$40/hour	\$80,000	\$2,000	\$374,986

Source: CSI

Table 25. Huerfano County, Affordable Prices for Selected Salaries in Huerfano County, 2023

	ANNUAL INCOME	AFFORDABLE RENTER COST	AFFORDABLE SALES PRICE
Convenience Store Clerk	\$33,280	\$832	\$155,882
New Teacher (Walsenburg)	\$37,000	\$925	\$173,432
New Teacher (La Veta)	\$37,700	\$943	\$176,713
Nursing Assistant	\$39,280	\$988	\$184,119
Local Banker	\$47,840	\$1,196	\$224,243
Experienced Woodworker	\$62,400	\$1,560	\$292,491

Source: CSI

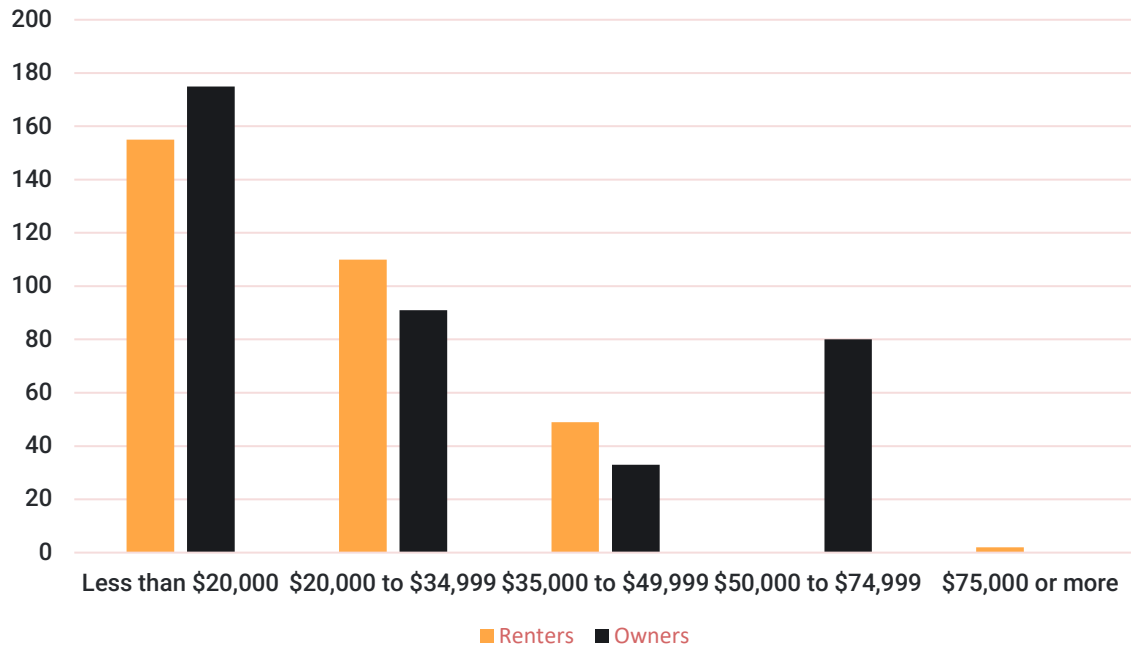
These calculations above are based on Area Median Income (AMI), which is a standard measure of income in a given geography. In Huerfano County, where transportation costs are much higher, AMI likely is not a true representation of Huerfano County residents' income and financial resources. According to the [Housing and Transportation Index](#), a tool developed by the Center for Neighborhood Technology that tracks housing and transportation costs, Huerfano County's average housing and transportation costs make up 67% of median household income in the county. For about 13% of county residents, housing and transportation costs make up over 87% of their income. At an average of 35% of median household income, transportation costs are particularly steep in Huerfano County. For households earning about \$30,000 dollars a year (about 80% of the median household income for the county), typical housing and transportation costs make up 82% of income. It should be noted that the Housing and Transportation Index may draw on different data sources for housing cost than those that are used in this report.

Cost-Burdened Renters

Cost-burdened status is an indication of housing need and the need for reduced rental costs. Renter households who pay more than 30% of their income for rent and utilities are considered cost burdened. Figures 38 and 39 outline the number and percentage of renters and owners in Huerfano

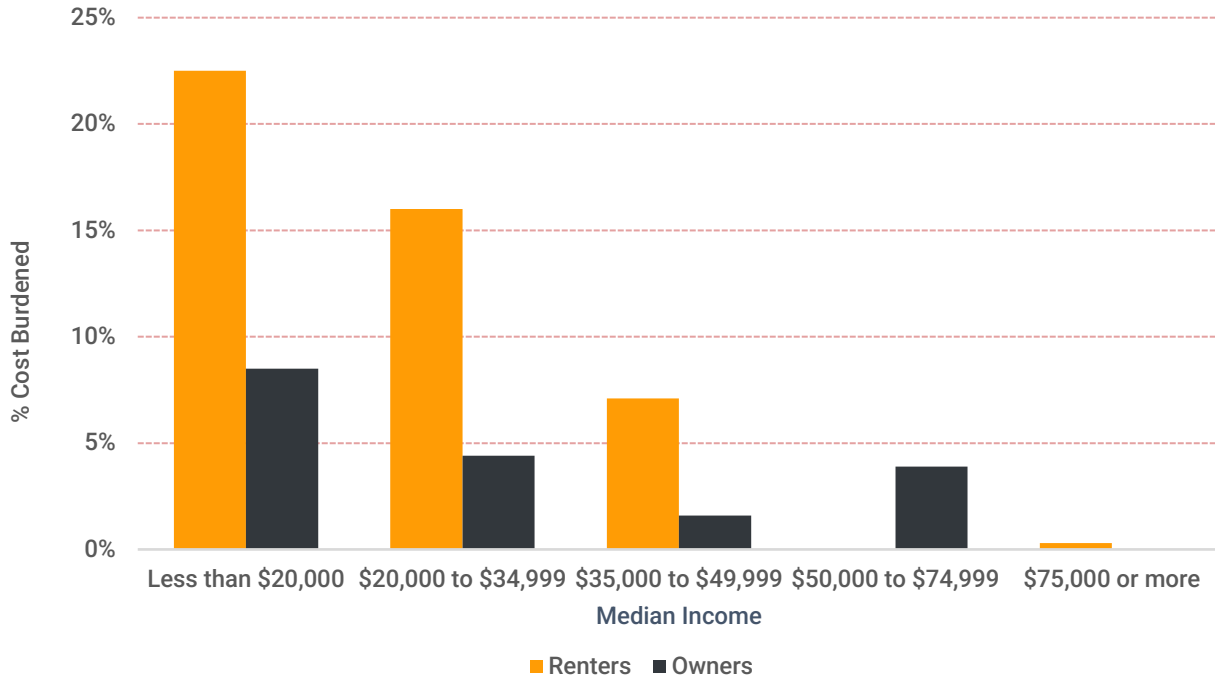
County who were paying more than 30% of their income to housing costs in 2021. Renters earning less than \$35,000 per year are significantly more likely to be cost burdened than owners in the same income range.

Figure 40. Huerfano County, Number of Cost Burdened Renters and Owners, by Median Income, 2021



Source: U.S. Census Bureau, American Community Survey, 2021.

Figure 41. Huerfano County, Percentage of Cost-Burdened Renters and Owners, by Median Income, 2021



Source: U.S. Census Bureau, American Community Survey, 2021.

Affordable Rentals Gap Analysis

Table 24 shows the gap between the number of current renter households by income range in Huerfano County, and the number of units affordable to the renter in the market. Currently there are gaps in the 30% to 50% AMI range and the above 80% AMI ranges. This may indicate a shortage in varied housing stock with stock available for only very low-income levels. Moreover, this shortage may also indicate a lack of diverse housing options in terms of different unit sizes and accommodations suitable for various household sizes.

Notably, there is a scarcity of rental units for households earning more than 100% AMI. This shortage of rentals at higher income levels could pose challenges for industries or companies considering establishing businesses in the area, as it may impact the availability of suitable housing for their employees. A lack of such housing also means that if there were suitable housing options, households earning more than 100% AMI might relocate out of their current housing situations, possibly freeing up additional housing stock for households in lower income brackets.

Table 26. Huerfano County Rental Gap Analysis

	# OF RENTERS	AFFORDABLE PRICE (3 PERSON)	# OF UNITS	RENTAL HOUSING SURPLUS/DEFICIT
0-30% AMI	305	\$555	391	86
31-50% AMI	150	\$925	101	-49
51-60% AMI	117	\$1,110	19	-98
61-80% AMI	27	\$1,480	38	11
81-100% AMI	379	\$1,850	0	-379
>100% AMI	244	\$2,220	140	-104

Source: American Community Survey; Ribbon HISTA Demographic

As discussed above, it is likely that renters with higher incomes are living in lower rent units due to a lack of supply in homes in their price ranges, so the gap shown in this analysis does not represent the total number of units needed to meet the current demand for the whole market. However, the gap shows that there is a need for mid- to higher-priced units that would be affordable to renters at higher income ranges.

As detailed in Tables 25 and 26 below, Walsenburg also lacks rental housing but experiences this shortage by different degrees for different income brackets. La Veta on the other hand does not seem to have a substantial gap in rental housing, although anecdotal input from La Veta residents has suggested that finding rental housing is still quite challenging and expensive.

Table 27. Walsenburg, Rental Gap Analysis

	# OF RENTERS	AFFORDABLE PRICE (3 PERSON)	# OF UNITS	RENTAL HOUSING SURPLUS/DEFICIT
0-30% AMI	234	\$555	356	122
31-50% AMI	115	\$925	81	-34
51-60% AMI	78	\$1,110	0	-78
61-80% AMI	8	\$1,480	1	-7
81-100% AMI	24	\$1,850	0	-24
>100% AMI	115	\$2,220	86	-29

Source: American Community Survey; Ribbon HISTA Demographic

Table 28. La Veta, Rental Gap Analysis

	# OF RENTERS	AFFORDABLE PRICE (3 PERSON)	# OF UNITS	RENTAL HOUSING SURPLUS/DEFECIT
0-30% AMI	15	\$555	35	20
31-50% AMI	6	\$925	18	12
51-60% AMI	11	\$1,110	0	-11
61-80% AMI	6	\$1,480	25	19
81-100% AMI	3	\$1,850	0	-3
>100% AMI	32	\$2,220	0	-32

Source: American Community Survey; Ribbon HISTA Demographic

The low vacancy rates in Huerfano County and the above gap analysis indicates the need for more rental housing units within the County. Small to medium-scale rental buildings with a mix of income targets would meet some of the current demand for rentals.

Gaps in Homebuyer Opportunities

Economic development professionals, realtors, and community leaders all cite the need for more decent units for sale throughout Huerfano County.

Table 27 shows the prices affordable to three person households at current HUD income limits, the number of renters in the who earn these incomes, and the number of units that were on the market in April 2023. This gap is estimated for Huerfano County. Most housing units on the market have prices affordable to households above 100% AMI. There are very few home buying options for those earning less than 100% AMI.

Table 29. Huerfano County, Homebuyer Gaps, 2019

	CURRENT RENTERS	AFFORDABLE PRICE (3 PERSON)	APRIL 2023 INVENTORY AT AFFORDABLE PRICE
0-30% AMI	305	\$131,800	5
31-50% AMI	150	\$167,922	5
51-60% AMI	117	\$194,527	8
61-80% AMI	27	\$240,169	9
81-100% AMI	379	\$312,415	11
>100% AMI	244	\$329,012	39

Source: American Community Survey; Ribbon HISTA Demographic

While there has been an increase in development activity in the County, the data presented above shows that there are few units that have come onto the market to meet the sales desires of existing renters who would like to buy a home, especially for households at 100% AMI or below. The development of a modest number of new, decent housing units throughout the region, priced at or

below \$150,000 could easily be absorbed by current renters, and would help businesses attract and retain employees.

Community Surveys

The Huerfano County Coordinated Planning Projects team conducted a Visioning Survey between April 18th and June 23rd, 2023. This survey received 264 responses, with 206 complete responses and 58 incomplete responses. The survey was available to take online and in print.

The survey asked a range of questions related to the County's three Coordinated Planning Projects (Comprehensive Plan update, Innovative Housing Opportunities Plan, and Hazard Mitigation Plan).

2023 Visioning Survey Results

Participants' Residence

77% of survey respondents were full-time residents of Huerfano County. 13% were part-time residents. The survey received responses from throughout the county, as shown in the table below.

Table 30. 2023 Visioning Survey Results, Participant Residence

PARTICIPANT RESIDENCE	PERCENTAGE
Walsenburg	36%
La Veta	21%
Cuchara or nearby	14%
Gardner or nearby	13%
Other	16%

Demographic Information

- 80% of respondents indicated that they were homeowners, while 16% indicated that they were renters. Compared to Census data, homeowners were slightly overrepresented in the survey; according to ACS 5-Year Estimates (2021), about 75% of households in Huerfano County are owner-occupied.
- The survey reached mostly older residents of the county; 69% of survey respondents were over age 50
- 73% of survey respondents identified as White/Caucasian, 9% identified as Hispanic, 8% identified as having multiple ethnicities/other, and 9% selected that they preferred not to answer.
- The survey reached long-time and newer residents: 40% of survey respondents indicated that they have lived in the County for more than 20 years, while about 25% of respondents indicated that they have lived in the county for 5 or fewer years
- Most respondents (64%) live with one other adult

Housing Priorities

Respondents indicated that the following issues were the biggest issues related to housing in Huerfano County:

- Lack of homes for middle-income individuals (66% of respondents)
- Lack of homes for low-income individuals (64%)
- Rising rents and costs (60%)
- Substandard housing (55%)
- Lack of homes for older community members (38%)

Housing Satisfaction & Housing Insecurity

- As previously discussed, some respondents to the survey were non-residents of Huerfano County. Of these respondents, half indicated that they were looking to relocate to Huerfano County.
- 64% of respondents indicated that they feel very satisfied with their housing situation. Respondents from outside Walsenburg and La Veta indicated higher levels of satisfaction with their housing situation relative to respondents from Walsenburg and La Veta. Respondents from Walsenburg and La Veta were more likely to report being “Very Dissatisfied” with their housing situation.
- 77% of respondents report that they are not looking for a new housing situation. A higher proportion of La Veta respondents are looking for a new housing situation (27%).
- Respondents who reported looking for a new housing situation indicated the following primary reasons:
 - Looking for a home with better amenities
 - Looking to purchase a home
 - Struggling to pay for housing
 - Looking for more space to accommodate their family
- Respondents were most interested in the following home amenities/features:
 - Garage space
 - Yard space
 - Pet-friendly
 - Multiple bedrooms and bathrooms
 - Walkable to destinations
- 10% of respondents indicated that they feel housing insecure. The definition of housing insecurity as provided in the survey was as follows: “If an individual is housing insecure, they lack consistent, safe, and affordable access to adequate housing. Housing insecurity can mean living in overcrowded or substandard housing, being unable to afford rent or mortgage payments, experiencing homelessness, or facing or at risk of eviction or foreclosure.”
- Of the respondents who indicated that they felt housing insecure, 73% cited that they were having a hard time finding other options. Other respondents indicated that they would like to move but can’t afford higher rent or moving costs, or they feel uncomfortable or unsafe aging in place in their housing.

Figure 42. Huerfano County, Select Feedback, Coordinated Planning Projects Survey, 2023.

“My cousin, recently divorced with four kids, cannot find anything bigger than a 2 bedroom rental and even that rental is too expensive, even though she works full time.” – Write-in response

“I have family and friends in other parts of Colorado that love Huerfano County. A number of them have expressed that they can't move here because the only affordable houses for sale in Walsenburg are outdated and have failing infrastructure. The only new houses and stuff that I see are in the smaller (and wealthier) parts of the county. We have plenty of nice options for older and retired folks that have decades of savings to work with, but practically nothing for growing family's who want to live in our Walsenburg. Not having dignified housing options for people here is actively preventing our growth as a community.” – Write-in response

“I give to this community a lot. Working and volunteering. I'm very active and make things happen here. Yet I'm in slumlord housing and can't afford anything better, nor is anything better available. It's a vicious cycle.” – Write-in response

“I know people who are homeless in Walsenburg. I saw a 2bdr 1 bath recently listed for \$1200/mo plus utilities. Even when I worked at the bank, that would have been way out of my price range. We either need affordable housing or wage increases. I thank the Universe I own my house outright.” – Write-in response

“When an emergency situation happen to me n changed my work status it took me almost 8 months to get into senior housing which is income based n that is such a blessing I was forced to retire at the time n it changed my income. There should be more availability for Seniors n Low-Income Renters” – Write-in response

“My experience: I had to live with my mother as a grown adult until I could find a rental for myself and my child. I was only able to get a rental house because a friend decided to rent her home out. I get a break on rent, the friend could easily charge more, but they are kindly giving me a discount. Even then it's a struggle to break even every month. I applied for a preapproval for a mortgage but I could not get enough to get a house in decent shape. I don't have the skills or resources to purchase a home that needs work. I am working hard towards a higher education degree so I can earn more money, but I'm afraid even that won't be enough because the cost of housing is so high in Huerfano. I will gladly move back down south where the towns are small and friendly like Walsenburg, but at least I can afford a home of my own.” – Write-in response

2019 Community Survey Results

As part of the 2019 Housing Needs Assessment update, the Community Strategies Institute created and distributed an online survey to collect primary data from the community. A hard copy of the survey was made available at the Spanish Peaks Library in Walsenburg. The County also included a link to the survey on the June 2019 water bill. Ninety individuals responded to the survey.

Participants' Residence

The majority of respondents live in Walsenburg, as detailed in Table 29 below.

Table 31. 2019 Community Survey Results, Participant Residence

PARTICIPANT RESIDENCE	PERCENTAGE
Walsenburg	72.6%
La Veta	19%
Cuchara	2.4%
Gardner	2.4%
Other	3.6%

Source: CSI

Overall, 56% of survey respondents were homeowners, while 40% were renters. As a percentage of the overall population, homeowners are slightly overrepresented in the survey.

Rental Information

The results in Table 30 below show the rent averages among survey participants and the fair market rent as determined by the Walsenburg Housing Authority. A large majority of respondents were residents of Walsenburg, and therefore rental data here is more reflective of the rental situation in Walsenburg than other parts of the County. Rents in Huerfano County ranged from \$450 for a studio to \$1,500 for a unit with more than 3 bedrooms. Some of those renting one-bedroom units pay less than those renting studio apartments.

Defining Fair Market Rent

Fair Market Rent (FMR) is a term used by the U.S. Department of Housing and Urban Development (HUD) and housing authorities to establish rent levels for housing assistance programs, such as the Section 8 Housing Choice Voucher program. The Fair Market Rent is the amount determined by the housing authority that represents the average rent, including utilities (except telephone), for a standard unit in a particular area. FMR is typically determined using a variety of analyses and factors, including local prices of rentals and local utility costs. FMR is usually determined on the level of a metropolitan area or county.

Table 32. 2019 Community Survey Results, Participant Residence

BEDROOM	AVERAGE RENT	FAIR MARKET RENT*
Studio	\$492	\$430
1 Bedroom	\$625	\$433
2 Bedroom	\$843	\$533
3 Bedroom	\$1,050	\$760
More than 3 Bedrooms	\$1,500	\$764

Source: CSI

*As determined by the Walsenburg Housing Authority

Overall, renters are satisfied with their units. 71% of respondents indicated their rental units were in GOOD or EXCELLENT condition, while 28% indicated their rental units to be in FAIR or POOR condition. Additionally, 75% of respondents are satisfied with their current housing situation.

72% of renters expect to stay in Huerfano County for more than five years. This can help the planning process for rental units and the ownership market. The large majority of renters plan on staying in the County long term, indicating that the County can consider ways to encourage homeownership opportunities among current renters.

A few survey respondents included comments in CSI’s survey, directly criticizing the rental market in Huerfano County. These comments, in Figure 38 below, confirm some of the general data points discussed above: low vacancy rate, a market that favors landlords, and the overall increasing cost of renting.

Figure 43. Huerfano County, Select Feedback, CSI Community Survey. May 2019

“The real estate companies have a running list of people who are looking for rentals in Walsenburg...Most are looking for Walsenburg rentals but have broadened their search to even include out of town, but still in Huerfano County, and La Veta to be able to find something. ”

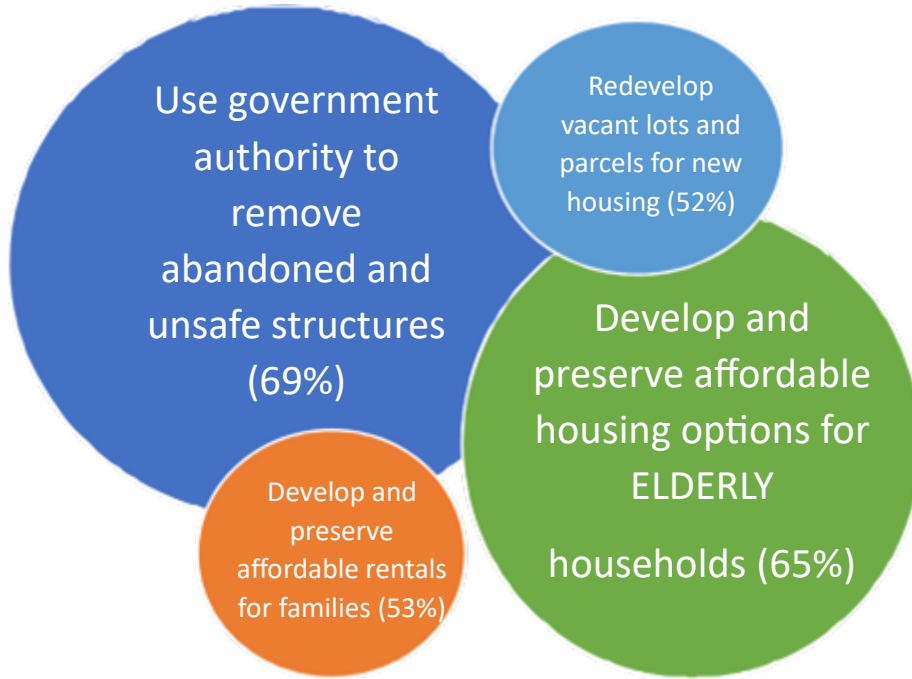
“La Veta does not have any rental properties for people moving into the area unless they are low income and can get on the waiting list at low-income apartments. There needs to be a mid-income apartment or condo complex for middle class workers wanting to move to the area. This affects our possible teachers, medical, single parents, young couples saving up to buy a home.”

“Huerfano County does not have many high paying jobs for people to be able to pay the amount of rent landlords are asking for on top of the VERY overpriced cost of utilities”

Prioritization of Community Needs

Community and economic development, and affordable housing were identified by survey respondents as the highest priority for the County. Seventy one percent believe that community and economic development is the highest community priority, and 61% believe that affordable housing is the highest community priority. Details of responses in Figure 42.

Figure 44. HUERFANO COUNTY, PRIORITIZATION OF AFFORDABLE HOUSING NEEDS, 2019 COMMUNITY SURVEY



When asked about what type of housing related activities the County should prioritize, there was strong support for the County to remove abandoned and unsafe structures. This sentiment was also reflected in CSI’s interviews with key stakeholders in the community. Developing and preserving affordable housing options for elderly households was also seen as a priority by a large majority of community participants. Given Huerfano County’s aging demographics, the desire to make housing affordable and available for aging households is understandable. A list of the top four priorities among community survey respondents are as follows:

- Use government authority to remove abandoned and unsafe structures (69%)
- Redevelop vacant lots and parcels for new housing (52%)
- Develop and preserve affordable rentals for families (53%)
- Develop and preserve affordable housing options for ELDERLY households (65%)

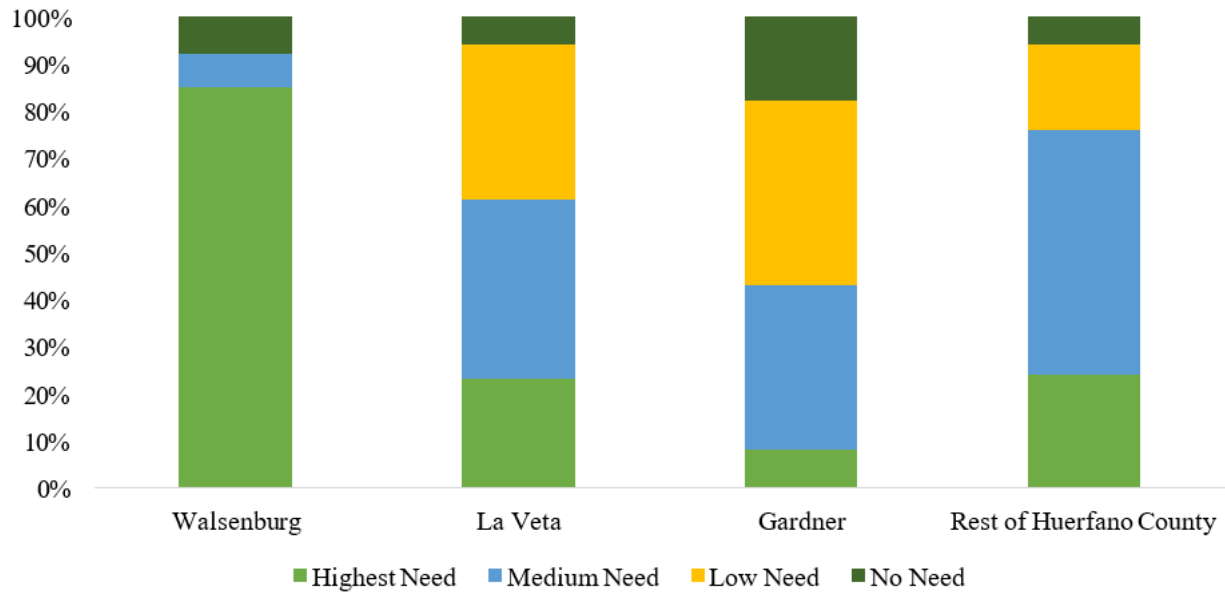
Shortage of Housing

Community members surveyed do not believe the County has enough housing to meet the needs of the community, nor do they believe the County can meet the housing needs of a growing workforce. Seventy six percent of respondents do not think there is enough housing to meet the needs of the community, while 81% do not think there are enough affordable housing options in Huerfano County to meet the needs of a growing workforce.

Geographic Priorities

Survey respondents overwhelmingly agree that Walsenburg has the greatest need for improved housing. Details of geographic prioritization responses in Figure 43.

Figure 45. Huerfano County, Geographic Prioritization of Housing Needs, 2019 Community Survey



Housing as a Broader Community Issue

Overall, community members are concerned with broader issues economic and community development within Huerfano County, and affordable housing issues and concerns are seen as by the community as a main challenge to greater economic and community development.

Conclusion

In the 2023 Coordinated Planning Projects Survey, respondents indicated that the following issues were the biggest issues related to housing in Huerfano County:

- Lack of homes for middle-income individuals (66% of respondents)
- Lack of homes for low-income individuals (64%)
- Rising rents and costs (60%)
- Substandard housing (55%)
- Lack of homes for older community members (38%)

These responses echoed those received in the Community Survey that was conducted as part of the 2019 HNA. In that survey, respondents indicated that the following items were top priorities related to housing in Huerfano County:

- Using government authority to remove abandoned and unsafe structures
- Affordable housing for elderly and family households;
- Community and economic development;
- Improving the housing stock in Walsenburg.

The 2023 Housing Needs Assessment confirms that nearly all of the issues stated above are impacting the housing market in Huerfano County:

1. **Shortage of Affordable Homes** There is a projected need for **533 additional rental units** for a mix of income targets, particularly units affordable to households in the 80-100% AMI group. There is also a need for homes for purchase, with the largest market gap for current renters earning less than 100% AMI who would like to purchase a home in Huerfano County.
2. **Rising Rents and Costs** Median sales prices have increased about 72% from about \$160,000 in 2018 to about \$275,000 in 2022. Rents have increased slightly year-over-year since 2018 but have remained largely flat overall.
3. **Need for Housing for Elderly Community Members** This Housing Needs Assessment notes that an estimated 12% of Huerfano County residents aged 65 and above are living below the poverty level, compared to 6% of Colorado residents in the same age group. This disparity underscores the need for affordable housing, specifically for elderly residents in Huerfano County.
4. **Need to Address Substandard Housing** As noted in this report, there are a number of affordable units available for rent in Huerfano County, but not all of these units may be *quality housing*. In addition, the County has a problem with vacant housing units, which can often fall into disrepair. This is a particularly acute problem in Walsenburg, as highlighted by the respondents to the 2019 Community Survey.
5. **Need for Support for Economic Development** A workforce is composed of individuals who live and work in a given place. To grow Huerfano County's workforce, those workers need places to work and places to live. The County lacks reasonably priced, quality housing where prospective workers could live in order to relocate or stay in Huerfano County. Without this type of housing, the County will struggle to attract and retain workers. This means the county will have fewer families, community members, and businesses over time. Efforts to support

affordable and quality housing opportunities in Huerfano County also support economic development in the county.

Using the Findings of the Housing Needs Assessment

At the time of writing, Huerfano County is engaged in several concurrent planning projects (the 2023 Coordinated Planning Projects). These projects, which include the Huerfano County Comprehensive Plan Update, an Innovative Housing Opportunities Plan, and a Hazard Mitigation Plan, will collectively help the County assess its main strengths and weaknesses and identify primary goals for the future.

The Housing Needs Assessment particularly informs the Innovative Housing Opportunities Plan (IHOP), a planning process that addresses the need for additional affordable housing opportunities in Huerfano County. Unlike the Comprehensive Plan update, the IHOP project area includes La Veta and Walsenburg as well as the broader County. The primary purposes of the IHOP are as follows:

- Identify 3 or more “Opportunity Sites” for affordable housing in La Veta, Walsenburg, and broader Huerfano County based on a thorough analysis of suitability for housing development
- Identify opportunities to update land use codes in La Veta, Walsenburg, and Huerfano County to support the development of affordable housing
- Conduct stakeholder interviews and public engagement related to affordable housing needs and potential strategies

The IHOP will summarize and apply findings of the Housing Needs Assessment as they specifically relate to affordable housing. In addition, the Housing chapter of the Comprehensive Plan update will include a suite of recommendations based on the findings of the 2023 Housing Needs Assessment.

Endnotes

ⁱ Colorado Department of Education, SchoolView Data Center, 2021 results.

https://edx.cde.state.co.us/SchoolView/DataCenter/reports.jsp;jsessionid=K6Ekc0gRZKjYlKz8zkSLC0Qbo4ArQyA1Mrp6jiL2lSt63zQ4Hcl1!1115711167?_adf_ctrl-state=pac20phpb_4

ⁱⁱ The following definition is used in the US Census to define “families”: “The census concept of “family” is closely related to “household,” so it’s worth understanding the distinction. Specifically, a family is a household where two or more people are related by birth, marriage, or adoption. Except when precision dictates otherwise, Census Reporter uses “families” to refer to all kinds of households. There are also households of one person living alone, as well as households where none of the people are related to each other. The Census Bureau generally uses the term “nonfamily household” to distinguish these.” Census reporter, Families. More information about this definition can be found here: <https://censusreporter.org/topics/families/>

ⁱⁱⁱ 2021, US Census, American Community Survey, ACS 5-year estimate. Table number: B17019. Table Name: Poverty Status In The Past 12 Months Of Families By Household Type By Tenure

^{iv} 2021, US Census, American Community Survey, ACS 5-Year Estimate. Table number: S1701. Table Name: Poverty Status In The Past 12 Months

^v 2019, Huerfano County Housing Needs Assessment. Created by CSI.

^{vi} Huerfano County has categorized building permits types by the following categories: Addition, Ag Structure, Ag Structures, Carport, Comm Bldg., Deck, Demolition, Exten. Of, Fence, Foundation, Garage, Greenhouse, Heat System, In Kind, MFG Home, MISC, NA, New Const, New Home, None Given, Other, Out Bldg., Pole Barn, Remodel, Reroof, Siding, Signs, Storage, Stucco, Tiny House, Window. This analysis focuses on development activity related to housing and development. This analysis considers “development-related” permits include the following categories: Addition, Comm BLDG, Demolition, MFG Home, New Const, New Home, Remodel, Tiny House. This data does not guarantee that the construction was completed or reflect number of units. This data generally reflects development activity in the area.