

2024



INNOVATIVE HOUSING OPPORTUNITIES PLAN

Huerfano County, La Veta, Walsenburg

The Innovative Housing Opportunities Plan, or IHOP, is a plan to support the generation of affordable housing in Huerfano County, Walsenburg, and La Veta. This Executive Summary is provided as a companion to the IHOP document, which represents over a year of research, analysis, and public engagement.

EXECUTIVE SUMMARY





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A vision for affordable housing in Huerfano County, Walsenburg, and La Veta



Key Objectives of this Project

1. **Guide and inform updates to land use codes** in project area (Huerfano County, Walsenburg, and La Veta) to better encourage the development and preservation of affordable housing.
2. **Support collaborative decision-making on affordable housing** between local governments, developers, employers, development partners, organizations, and community members in the project area.
3. **Summarize public priorities with regard to affordable housing** (including general priorities for affordable housing and priorities for specific potential affordable housing sites).
4. **Guide future development of affordable housing** in all three jurisdictions; support and direct the development of affordable housing on the 13 identified affordable housing sites in the project area.
5. **Provide information and insight on the suitability of additional affordable housing sites** in the project area based on a thorough spatial analysis that included hazard mapping information from the county's 2024 Hazard Mitigation Plan.
6. **Summarize information on available funding sources** for affordable housing development and preservation in the project area; support the acquisition of grants to fund affordable housing efforts in the project area.
7. **Complement the goals and land use recommendations of the 2024 Huerfano County Comprehensive Plan Update.**

What is Affordable Housing?

Affordable housing is defined as housing that is priced affordably for the person living in it, generally considered to be around 30% of their income.

Affordable housing can come in many forms, including new constructions, adaptive reuse of existing structures, and shared equity models. It is not limited to public housing and can encompass both rental and ownership options. The concept of affordable housing spans rental and ownership models. In rental housing, tenants pay a portion of their income towards rent, often supported by government subsidies or affordable housing programs. In ownership models, initiatives like shared equity programs help individuals purchase homes at reduced prices, making homeownership more accessible. A crucial element in determining affordability is the Area Median Income (AMI), which is set by the U.S. Department of Housing and Urban Development (HUD). Want to learn more? See [DOLA's Affordable Housing 101 Toolkit](#) for more information.

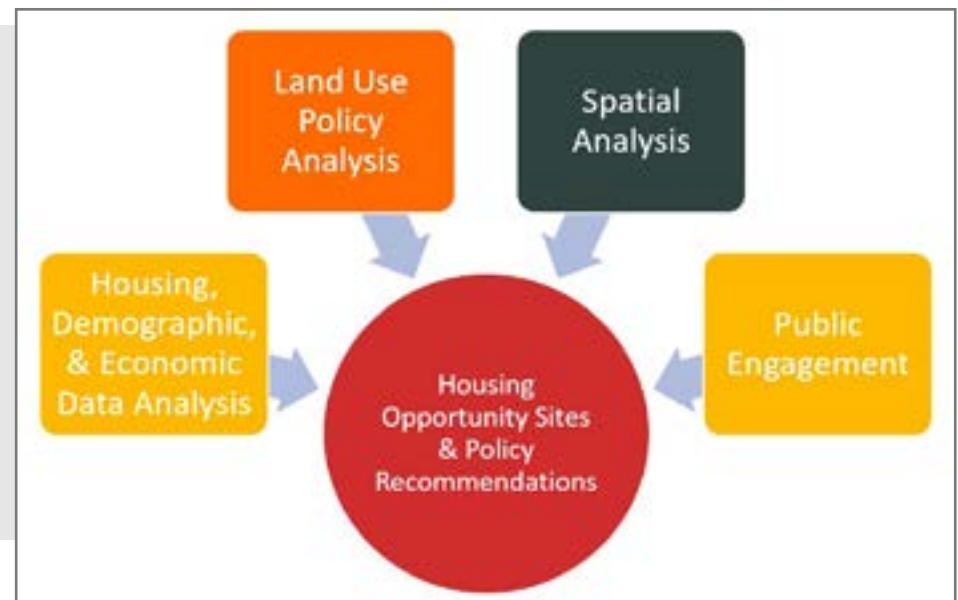
Four Project Pillars

This planning process consisted of four main components, as summarized in this graphic. Key components of the IHOP included an update to the county's Housing Needs Assessment; a thorough review of land use codes of Huerfano County, Walsenburg, and La Veta; a mapping analysis to locate suitable parcels for affordable housing development; and public engagement in the form of a community survey, 2 open houses, and 15 focus groups meetings.

The Need for Affordable Housing

When a community lacks affordable housing, several things happen: residents struggle to pay for housing costs they cannot afford with their current salaries. These individuals may take on additional jobs to make ends meet or they may leave the community altogether. Prospective residents do not relocate to the area for jobs because they cannot find housing. Young people tend to leave the area because they lack housing options they can afford. Vulnerable demographics, such as older residents, consistently lack housing options that are right for them because they have nowhere else to go. Residents struggling with addiction, domestic violence, and other challenges struggle to improve their situations because it is challenging to find safe, affordable housing.

In short, affordable housing is essential for public health, quality of life, and the local economy. Without adequate housing, a community cannot sustain a workforce or meet the needs of vulnerable members of its population.



Affordable Housing In Huerfano County: The Issues

Housing costs have steeply increased.

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.

Housing Costs Exceed Local Earning Power

Statewide, the lowest earners are highest cost-burdened – this means the people earning the least are paying the highest percentage of their income on housing costs. Cost burden is also higher for renters than homeowners in Colorado and disproportionately affects minority residents.

The average annual income in Huerfano County is \$42,336. The maximum affordable home sale price for the county's average income is \$192,135. However, in April 2023, average home sale prices were significantly higher, with properties in Walsenburg selling for \$263,292, in Gardner for \$305,400, in Cuchara for \$379,739, and in La Veta for \$469,920.

The median gross rent in Huerfano County is slightly over \$600. Notably, over 25% of renters in the county are paying more than \$1,000 per month in rent, a figure that has increased since the last Housing Needs Assessment.

Lengthy Commutes and Difficulty Recruiting and Retaining Workforce

As noted in the Huerfano County Housing Needs Assessment, 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. Anecdotally, employers consulted during this planning process have shared that it is highly challenging to retain staff because of a lack of suitable and affordable housing options within Huerfano County, Walsenburg, and La Veta.

An Aging Population with Specialized Housing Needs

Huerfano County's population is expected to age and decline in the future. In the next 10 years, there is expected increase of 13% in the population aged 75-84 and a significant 52% increase in the population aged 85 and above in the next 10 years. The County's population is projected to continue decreasing to under 5000 in 2047. That's down from 7,823 in the to mid-2000s (7,823). These trends indicate that there will be a strong need for senior housing going forward, as well as housing for nurses and other skilled workers who will be needed to support older residents in Huerfano County.

Housing Needs

As noted in the table below, there is a strong need for rental units in the project area. The needs for **rental units** are as follows:

| AMI Brackets | Huerfano County Needs | Walsenburg Needs | La Veta Needs |
|--------------|--------------------------|---------------------------|--------------------------|
| 0 - 30% | <i>(86 unit surplus)</i> | <i>(112 unit surplus)</i> | <i>(20 unit surplus)</i> |
| 31- 50% | 49 units | 34 units | <i>(12 unit surplus)</i> |
| 51 - 60% | 98 units | 78 units | 11 units |
| 61 - 80% | <i>(11 unit surplus)</i> | 7 units | <i>(19 unit surplus)</i> |
| 80 - 100% | 379 units | 24 units | 3 units |
| 100% + | 104 units | 29 units | 32 units |

It should be noted that the above housing needs are estimates based on local housing and earnings data. Demographic data collection in rural areas is challenging and can have some inaccuracies. As noted in the 2023 HNA, Area Median Income (AMI) can sometimes be an inaccurate measure of true earnings and cost of living in rural communities, where residents often have higher transportation and energy costs.

Affordable Housing In Huerfano County: The Plan

Community Goals



1. There is abundant, quality housing for **workforce and community-serving professionals**.



2. There is abundant, quality **specialized housing (transitional housing, etc)**.



3. There is **sustainably built and sited housing** (hazard and water-conscious practices, adaptive reuse, sustainable materials).



4. Huerfano County residents have access to housing, improving **economic vitality and community health**.



Top Tactics



01.

Build capacity to plan, construct, and manage affordable housing and support the process.



02.

Identify and provide a designated funding source for affordable housing.



03.

Establish a clear and effective development process to facilitate diverse housing development.



04.

Facilitate local ownership and occupancy, year-round community.



05.

Preserve and maintain Naturally Occurring Affordable Housing (NOAH).



06.

Site housing away from hazards and close to community amenities.

Finding Suitable Locations for Affordable Housing

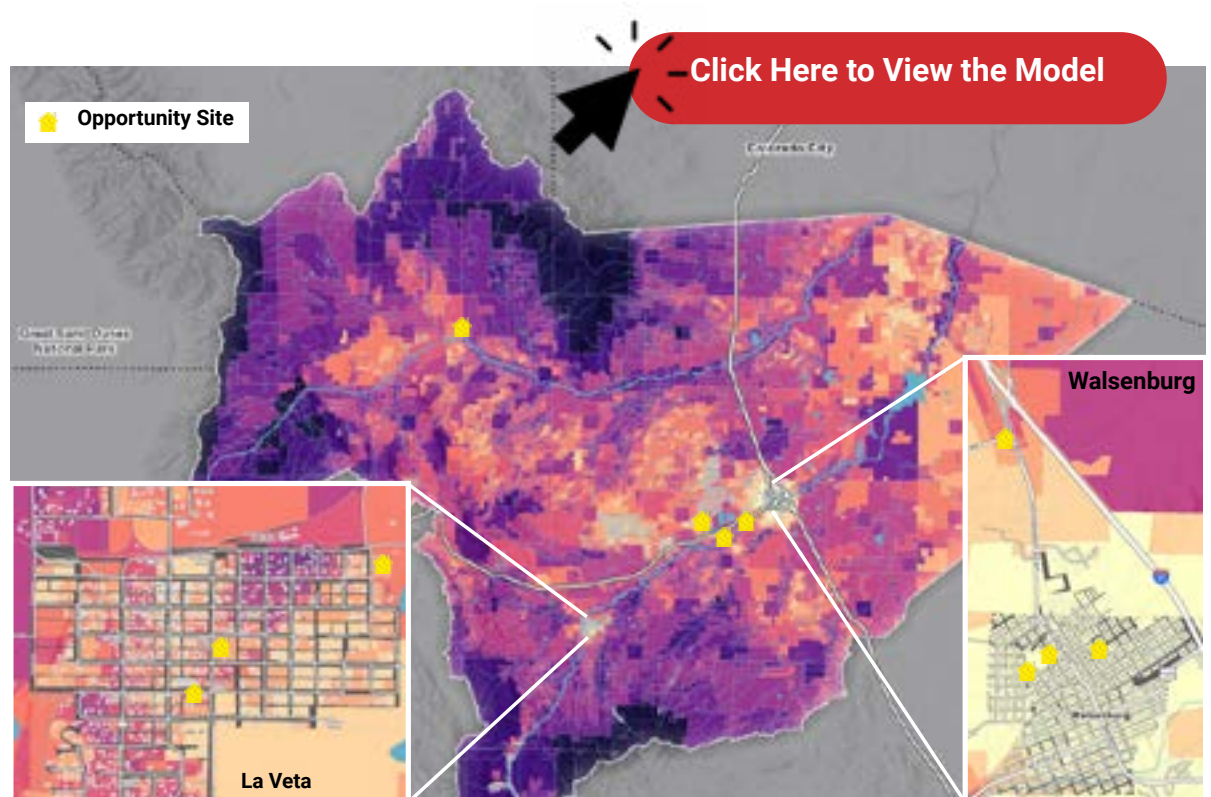
A suitability analysis map is a powerful tool in local and regional planning that helps identify the most suitable locations for various land uses, such as housing development, including affordable housing.

What This Model Does:

This model ranks all the parcels in Huerfano County, La Veta, and Walsenburg on their proximity to amenities that are desirable for housing development (e.g., schools, libraries, roadways, businesses) and their distance from factors that are less desirable for housing development (e.g., burn risk areas, steep slopes, hazardous waste sites). More suitable areas are shown in **light yellow**, while less suitable areas are shown in **purple** or **black**.

How the Plan Uses the Model:

The IHOP document identifies over 13 potential affordable housing sites, drawing on the suitability analysis, as well as input from the project Steering Committee and focus group discussions. The document includes a profile of each site, including its strengths, challenges, a suggested development pathway, and funding sources.



Opportunity Sites for Affordable Housing

Consult the full IHOP document for a profile of each site, including its strengths, challenges, a suggested development pathway, and funding sources.

Town of La Veta



School Campus
Tier 1



Ballfields
Tier 2



Hoobler Property
Tier 3

City of Walsenburg



Spruce and Sproul
Tier 1



Former Football Field
Tier 2



St. Mary's School
Tier 3



Former Motel
Tier 2



Washington School
Tier 2



Polk Ave School
Tier 2

Huerfano County



Rio Cucharas Inn
Tier 2



Gardner PUD Site
Tier 1



Black Knight Inn
Tier 3



Youth Camp
Tier 2

How Does Affordable Housing Get Done?

This timeline outlines the stages and approximate duration of each phase of developing affordable housing, which can generally take anywhere from three to six years to move from initial visioning to completed construction. This timeline is an adaptation of the Colorado Department of Local Affairs Typical Development Timeline.



Huerfano County Affordable Housing Stakeholder Map



The IHOP project’s stakeholder map is the result of extensive community engagement in Huerfano County, including over fifteen stakeholder conversations and ten site tours. This map aims to clarify the roles of various organizations and individuals involved in affordable housing development, highlighting their primary contributions to different phases of the process. While some stakeholders participate in multiple phases, they are categorized by the phase in which they play the most significant role. Notably, some stakeholders we could not engage with are marked with an asterisk. Currently, the stakeholders on the map are unaffiliated, leading to a lack of coordination and efficiency in addressing affordable housing needs. One key strategy proposed is to establish a housing nonprofit or coalition to serve as a central organizing body, enhancing collaboration and capacity for affordable housing projects. This map serves as a resource for those looking to develop affordable housing and connect with relevant stakeholders and community members, providing insights into the diverse range of organizations contributing to the housing landscape, including those not explicitly focused on housing.

How to Use the IHOP Document

If I want to...

I should look in the..

Learn about the top recommendations of this plan



Introduction (p.4)

Learn about housing market & needs, public input



Appendix A: Housing Needs Assessment

Learn about recommended policies for affordable housing



Appendix B: Affordable Housing Strategies Review

Learn about suitable sites for affordable housing



Finding Locations for Affordable Housing (p.55)

Learn how to assess a site for affordable housing



Finding Locations for Affordable Housing (p. 70)

Learn about housing partners, development process, funding sources



Housing Stakeholders & Development Partners (p. 173); Appendix C: Funding Guide

