

CITY OF TRINIDAD – HOUSING NEEDS ASSESSMENT - DATE: SEPTEMBER 07, 2022

By: Root Policy Research | 6740 E Colfax Ave., Denver, CO 80220 | www.rootpolicy.com | 970-880-1415

For: City of Trinidad | 135 N Animas St., Trinidad, CO 81082 | www.trinidad.co.gov | 719-846-9843

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INTRODUCTION

The City of Trinidad, Colorado contracted Root Policy Research to complete a well-researched and data-driven Housing Needs Assessment to provide baseline data on housing needs as it relates to economic development and a clear, actionable housing strategy to address the unique housing needs of the City of Trinidad.

TOP HOUSING NEEDS IN TRINIDAD TODAY

Additional affordable rentals, particularly for service industry residents earning less than \$25,000. The current gaps in rental housing are largest for households earning less than 30% AMI and households earning more than 100% AMI. With a shortage of 146 rental units for households earning less than 30% AMI in 2019, the city could support an additional LIHTC development to meet these needs.

Starter homes and workforce housing priced near or below \$250,000. Stakeholders emphasized a need for new single family detached (two to three bedroom) housing for young families.

Increased ownership product diversity. Stakeholders emphasized the extremely limited opportunities for seniors who want to downsize and first-time homebuyers entering the market. There is a need for condos, patio homes, or townhouses specifically geared toward seniors and first-time homebuyers.

Home modifications and improvements are needed. Half (49%) of homes sold from 2017 to 2021 were built prior to 1950—these homes appear affordable but are likely in need of major repairs and remodels prior to move in.

Downtown Trinidad offers opportunities for tourism, placemaking, economic development, and a variety of housing types. Stakeholders expressed a growing interest in tourism and downtown revitalization efforts. The ongoing renovations of entertainment venues, a new hotel, and the growing arts scene in the city offer opportunities to leverage the renewed energy in downtown to produce new housing units and rehab existing buildings.

REPORT ORGANIZATION:

- I. Existing Conditions
- II. Housing Needs
- III. Community Engagement
- IV. Recommendations

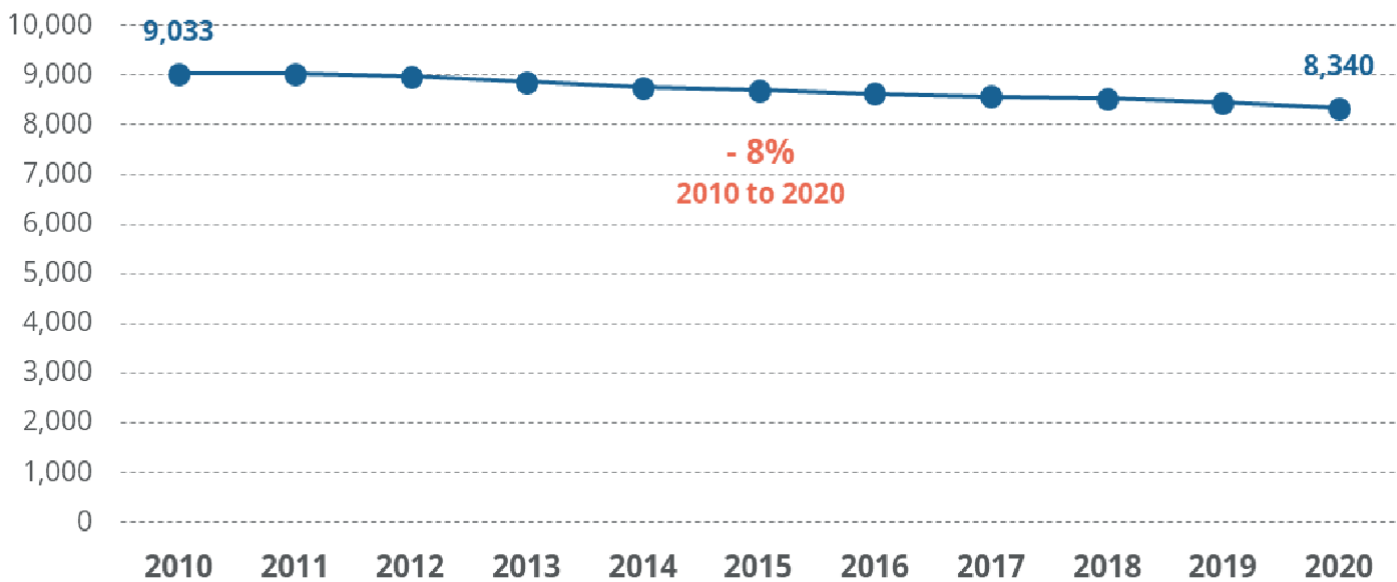
WHY WORK TO ADDRESS HOUSING NEEDS?

- Research shows that a constrained housing market negatively impacts economic growth.
- Residents' housing needs change over time, most often due to aging, education and skill development, employment, economic disruption, care for family members, and/or transition to a fixed income.
- Recent trends in market prices, increasing mortgage interest rates, and land constraints are putting the city out of reach for middle income households.
- The existing housing products and price points offered may not be able to accommodate the needs of starter families, the growing workforce, or aging residents who wish to downsize.

EXISTING CONDITIONS

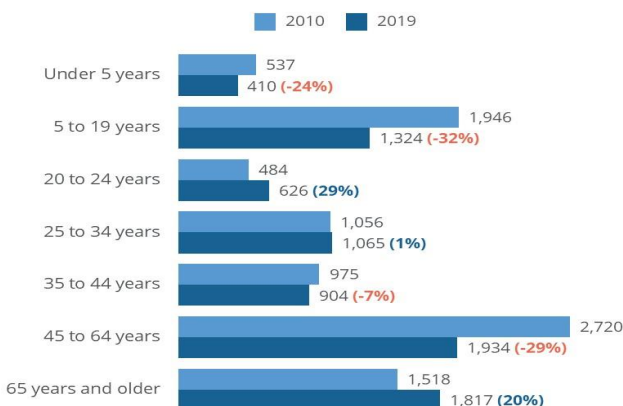
- The population in the City of Trinidad has been decreasing since 2010. However, in recent years (2015-2020) population loss has slowed compared to the previous five years and Las Animas County gained population during this time. (ES-1).
- Trinidad's young professional and senior population experienced the greatest population growth rates from 2010 to 2019. (ES-2)
- Families with Children have decreased in the City of Trinidad, and this is reflected in the shifting age distribution in the city as well as the Trinidad School District 1's enrollment trends.
- Renter household incomes lagged behind increases in owner household incomes from 2010 to 2019. Renter household incomes increased by 8% during this time while owner median incomes increased by 29%.
- Employment in Las Animas County has not yet recovered to pre-recession levels. However, the New Elk Mine reopened in 2021 and will bring an estimated 200 new jobs in the next year. (ES-3)

Figure ES-1. Population, Trinidad, 2010 to 2020



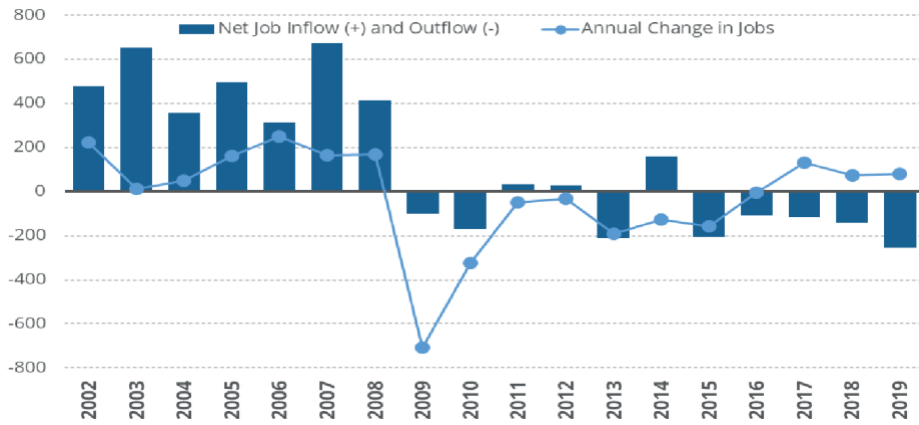
Source: Colorado Department of Local Affairs (DOLA) and Root Policy Research.

Figure ES-2. Population Distribution by Age, Trinidad, 2010 and 2019



Source: 2010 and 2019 5-Year ACS and Root Policy Research.

Figure ES-3. Annual Change in Employment in Las Animas County and Net Commuting in City of Trinidad, Inflow (+) and Outflow (-), 2002 to 2019

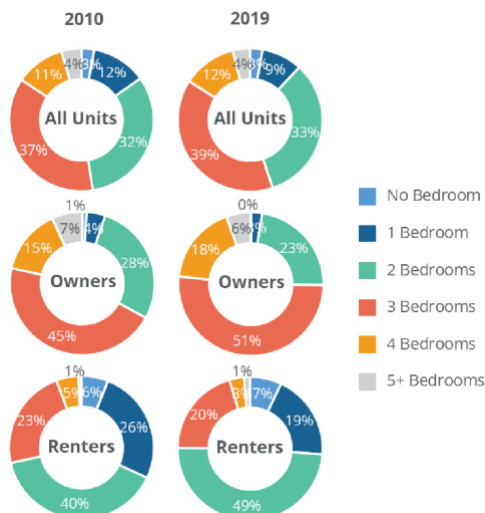


Source: LEHD and Root Policy Research.

HOUSING MARKET

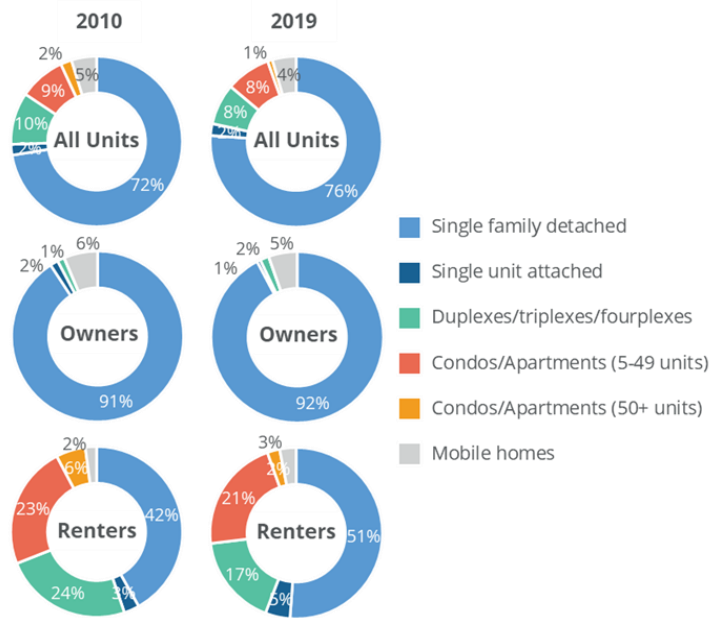
- Household sizes decreased in the City of Trinidad from 2010 to 2019 with an increase in single and two person households
- Most rental units are one- or two-bedrooms (74%) compared to for sale housing (26%). (ES-4)
- The inventory of single family residential increased from 72% of the total housing stock in 2010 to 76% in 2019. (ES-5)
- Conversely, duplexes, triplexes, and fourplexes—which are typically smaller and would better meet growing demand for smaller ownership opportunities—decreased from 10% to 8%. (ES-5)
- There are several proposed developments in the pipeline with and without entitlements from the City of Trinidad.
- If all projects that have been approved by the city are built, 57 rental units will be added to the market.
- If all proposed projects are constructed, 240 new rental units could be added in the city.
- Although Trinidad offers relative market affordability, there are still many residents that struggle to keep up with rising rents and home prices.

Figure ES-4. Distribution of Bedrooms by Tenure, Trinidad, 2010 and 2019



Source: 2010 and 2019 5-year ACS, Root Policy Research.

Figure ES-5. Distribution of Units in Structure by Tenure, Trinidad, 2010 and 2019



Source: 2010 and 2019 5-year ACS, Root Policy Research.

CURRENT HOUSING NEEDS

RENTAL MARKET

- The current rental housing gap in the City of Trinidad is 146 units for households earning less than 30% AMI.
- Stakeholders have expressed a need for luxury rental units with amenities to attract workers to the area.

OWNERSHIP MARKET

- Ownership housing gaps for prospective buyers (current renters) are most prevalent for households earning less than 30% AMI and over 100% AMI.
- Households earning less than 30% AMI are generally not served by the ownership market without deep subsidies. On the other hand, housing for households earning over 100% AMI is generally not eligible for subsidies through traditional avenues.
- From 2018 to 2022, there were 24 home improvement loans in Las Animas County with an average of \$79,583 in improvements. On average, improvements were 31% of the home's value.
- There is a need for "move-up" homes and luxury rentals with community amenities to attract skilled labor and provide opportunities for economic mobility in the city.

Figure ES-6. Rental Gaps, Trinidad, 2019 - Source: 2020 5-year ACS and Root Policy Research.

Income Range	Maximum Affordable Gross Rent	Rental Demand (Current Renters) Number	Rental Demand (Current Renters) Percent	For-Sale Supply (Home Sold 2017-2021) Number	For-Sale Supply (Home Sold 2017-2021) Percent	Gap
0-30% of AMI	\$441	630	40%	484	28%	(146)
31-50% of AMI	\$735	278	18%	507	29%	228
51-80% of AMI	\$1,176	216	14%	598	34%	382
81-100% of AMI	\$1,470	112	7%	116	7%	4
101-120% of AMI	\$1,764	110	7%	16	1%	(93)
121% of AMI or more		218	14%	19	1%	(200)
Total/Low Income Gap (<30% AMI)		1,564	100%	1,739	100%	(146)

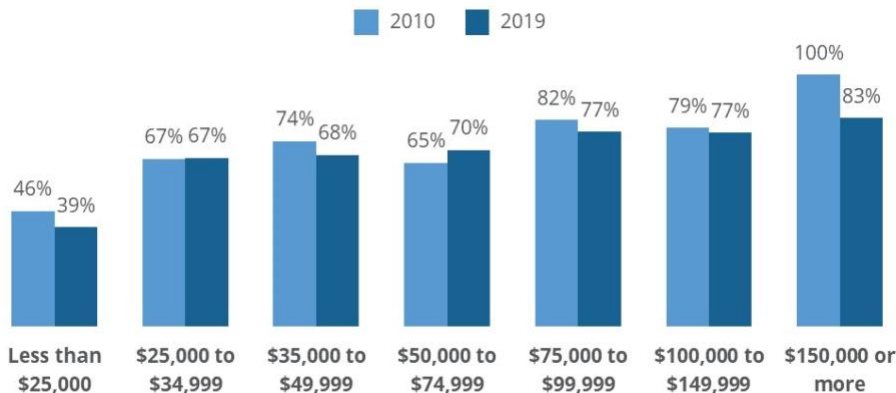
Source: 2020 5-year ACS and Root Policy Research.

Figure ES-7. Renter Purchase Gaps, Trinidad, 2019 - Source: 2020 5-year ACS, MLS, and RPR

Income Range	Max Affordable Home Price	Potential Demand 1 st Time Home Buyers (Current Renters) Number	Potential Demand 1 st Time Home Buyers (Current Renters) Percent	For-Sale-Supply (Homes Sold 2017-2021) Number	For-Sale-Supply (Homes Sold 2017-2021) Percent	Renter Purchase Gap	Cumulative Gap
0-30% of AMI	\$88,107	630	40%	169	17%	-23%	-23%
31-50% of AMI	\$146,762	278	18%	274	28%	10%	-13%
51-80% of AMI	\$234,869	216	14%	287	29%	15%	2%
81-100% of AMI	\$293,524	112	7%	104	11%	3%	6%
101-120% of AMI	\$352,229	110	7%	54	5%	-2%	4%
121% of AMI or more		218	14%	94	10%	-4%	0%

Source: 2020 5-year ACS, MLS, and Root Policy Research.

Figure ES-8. Homeownership Rates, by Household Income, 2010 and 2019



Source: 2010 and 2019 5-year ACS, and Root Policy Research.

FUTURE HOUSING NEEDS

- The New Elk Mine reopened in 2021—the mine was originally opened in 1951 and ceased coal production in 1994. By the end of 2021, it was estimated the mine would be employing 100 workers with the intention to add around 200 in 2022.
- According to the Quarterly Census of Employment and Wages, the average weekly wage for miners in Las Animas County in 2021 was \$1,390 or about \$72,000 annually.
- The average mine worker would be able to afford a maximum monthly rent of \$1,807 or a \$360,000 mortgage in the City of Trinidad.
- There is an estimated need for an additional 98 rental units and 152 for sale units over the next 10 years.
- In addition to new units, there is a need for additional rental subsidies for 146 renters earning less than 30% AMI and 293 renters earning over 100% AMI.

IF YOUR HOUSEHOLD EARNS...					
\$17,650 < 30% AMI	\$29,400 31-50% AMI	\$47,050 51-80% AMI	\$58,800 81-100% AMI	\$70,560 101-120% AMI	\$70,560+ > 120% AMI
THE MAXIMUM RENT YOU CAN AFFORD IS...					
\$440	\$740	\$1,180	\$1,470	\$1,760	\$1,760+
THE MAXIMUM HOME PRICE YOU CAN AFFORD IS...					
\$88,000	\$148,000	\$236,000	\$294,000	\$351,000	\$351,000+
HOUSING TYPES AFFORDABLE TO RENTERS					
Publicly subsidized	ADU/Duplex	New multifamily		All products	
	Older non-subsidized multifamily	New multifamily with incentives			
HOUSING TYPES AFFORDABLE TO OWNERS					
Nonprofit	Older SFD		Newer SFD		

EXISTING HOUSING GAPS (NEED FOR ADDITIONAL SUBSIDIES)					
146 rental subsidies				93 rental subsidies	200 rental subsidies
24% for sale subsidies				4% for sale subsidies	8% for sale subsidies
SHORT TERM RENTALS (10-YEAR INVENTORY LOSS)					
16 rental units	3 rental units	1 for sale unit			
26 for sale units	4 for sale units				
NEW ELK MINE EMPLOYMENT (200 NEW EMPLOYEES)					
				79 rental units	121 for sale units
ESTIMATED FUTURE HOUSING NEEDS					
146 rental subsidies	16 rental units	3 rental units		293 rental subsidies	79 rental units
	31 for sale units			121 for sale units	

Source: Root Policy Research.

COMMUNITY ENGAGEMENT

STAKEHOLDER PERSPECTIVES.

- Stakeholders emphasized the need for single family homes for young families and mine workers, smaller for sale products for seniors to downsize, rental units for service workers, and housing needs across the spectrum.
- Developers interviewed highlighted barriers to housing development. Most notably including the shortage of contractors, cost of government approvals, and land costs and legal disputes.
- Stakeholders expressed optimism over the city's continued economic development and growing tourism industry, while some others remain skeptical of sustained growth.
- Stakeholders expressed concern over the quality of existing housing and the lengthy waitlists for home modifications.
- Many stakeholders disapprove of recent initiatives to change land use in the city while some others believe HOA's and historic district designations will protect older neighborhoods from change.

RESIDENT SURVEY RESPONSES.

- **166** survey responses
 - **80%** live in Trinidad
 - **7%** are in-commuters
 - **8%** live in Trinidad part time/other
 - **71%** are homeowners
 - **18%** are renters
 - **6%** are in a precarious housing situation
 - **75%** live in single family detached homes
 - **63%** are 1-2 person households
 - **37%** are 3+ person households
- Respondents indicated the top factors in choosing their current home were liking the home or apartment, liking the neighborhood, affordable cost, the prospect of residents' current home as a good investment for rent or future resale, and allowing pets.
 - Single-family homes (both larger and smaller), homes with a larger yard, and more affordable homes, are among the types of housing that residents who plan to move desire.
 - Respondents expressed a strong desire for the housing stock to accommodate a wide range of residents including those living on a fixed income, low- and moderate-income families, and residents with mobility challenges.
 - The most common housing types considered "appropriate in my neighborhood" by respondents were, small homes with less than 1,500 square feet (63%), medium-sized single-family homes between 1,500 and 3,000 square feet (50%) and detached accessory dwelling units (48%).

RECOMMENDATIONS

Root Policy Research offers the following recommendations as priority considerations for the City of Trinidad. Recommendations are based on Root's experience working with peer communities and best practices in policy solutions to housing needs.

- 1) **Adopt an affordable housing goal** that articulates the city's priorities for housing development). Formally adopting local affordable housing goals signals to the development community, the City's desire for affordable development; provides a benchmark for the City in navigating negotiations with developers and/or establishing incentives. Goal structure varies by community; for example, goals can be:
 - a) Output oriented (e.g., 10% of all housing units will be affordable to households earning less than 80% AMI by 2040).
 - b) Input oriented (e.g., the City will allocate 20% of housing trust fund resources to services for people experiencing homelessness); or
 - c) Value oriented (e.g., increase the supply of attainable ownership housing available to those making less than 100% AMI).
 - d) Goals should be related to identified needs, reflect City priorities, and provide clear direction with measurable outcomes.
- 2) **Measure the outcomes of the \$1.5 million investment in the city's Housing Now incentive program and leverage ongoing downtown revitalization efforts to further the city's workforce housing goals.**

Applications opened on July 18th, 2022, to apply for the city's new Housing Now incentive program. City Council approved a one-time allocation for initiative of \$1.5 million. There are three different incentives programs property owners or developers may apply for including the Downtown and Vacant Housing Program; the New Workforce Housing Now Program; and the Affordable Housing Utility and Tap Fee

Deferral Program. The city should evaluate program success and outcomes and then consider long-term sustainable funding sources for continued implementation (see Recommendation 6 for funding options).

- 3) **Inventory publicly owned land that may be suitable for housing development** (and/or acquire vacant or underutilized properties) and donate or discount for affordable and mixed-income housing. Such properties are typically held in a “land bank” by the City and eventually redeveloped by nonprofit or private developers through a Request for Proposal (RFP) process. Land banks vary in forms from single parcels to multiple, scattered site properties, to large tracts of land. The land can be donated, discounted, or offered on a land lease to the selected developer who agrees to a specified affordability level or community benefit. A good starting point in this process for any community is creating an inventory of existing public land that could be used for housing sites in the future.

The city could also assist existing landowners with land remediation efforts and legal challenges to allow for housing development, in exchange for affordability commitments.

- 4) **Collaborate with the South Central Council of Governments to contribute resources and local knowledge to the Housing Rehabilitation and Emergency Repairs Program.** Help existing homeowners improve their properties, increase the safety of the housing stock, and promote accessibility by contributing resources to the existing Housing Rehabilitation and Emergency Repairs program. According to stakeholders, the waitlists for home repairs in Trinidad are five to six years. Additionally, due to the age of the existing housing and lack of oversight in the past, the cost of improving existing housing may be prohibitive for the average homeowner.

The city should continue their partnership with Trinidad State College to acquire dilapidated properties and improve them for an affordable price. Currently, the program can facilitate the rehabilitation of one to two properties per year. The City of Trinidad aides the program by identifying and purchasing the vacant homes for rehabilitation and instituting a deed restriction on resale of the property. Trinidad State College indicated that it is difficult to scale the program because there are not enough students or applicants interested in the training. The City of Trinidad could help garner support and interest for the program in the larger region and state.

- 5) **Bundle improvement projects to attract contractors to the area.** The city should help organize disparate efforts to get home repairs to encourage contractors to travel to Trinidad. Stakeholders indicated that bundling jobs would make travel more attractive to contractors and would help alleviate the extensive waitlists for repairs.
- 6) **Increase funding for affordable housing** through a dedicated local funding source and access to state funding sources. The City Council has approved a one-time \$1.5 million budget to the City’s Economic Development Fund for the implementation of the Housing Now incentive program. Continued revenue sources for local housing funding are varied and include General Obligation Bonds, commercial and/or residential linkage fees, sales tax, property taxes, jurisdictional general fund set-aside or cash-in-lieu from inclusionary zoning buyouts, and other types of taxes, generally those that are directly tied to demand for housing.

In addition to evaluating options for local funding allocations, the City of Trinidad should investigate, and leverage state programs administered through Colorado Division of Housing (CDOH) for affordable development (e.g., 1271 Incentives Grant Program and Housing Tax Credits). CDOH’s budget is forecasted to double in the coming years based on recent legislative changes. Trinidad should be prepared to apply for funding and/or support local non-profit applications and should plan for financial or in-kind contributions. (While there is no required minimum local financial match from applicants, CDOH expects some local contribution in the form of funding and/or in-kind contributions).

- 7) **Zoning/land use:** The City of Trinidad is currently in the process of evaluating their zoning and land use code for consistency with housing objectives. The city should strive to increase flexibility and implement best practices that allow product diversity and a mix of uses and encourage affordable development. Development incentives could also be included in the code to formalize affordability requirements in exchange for development benefits.

- a) Common zoning regulations negatively impacting affordable development include minimum house and/or lot sizes, limited land zoned for moderate soft density (missing middle) options and/or multifamily, prohibitions on accessory dwelling units, restrictions on land zoned and available for multifamily and manufactured housing.
- b) The community survey and stakeholder input provide guideposts for implementing land use changes while respecting the character of existing neighborhoods.
- c) The city should continue efforts to revitalize Downtown Trinidad to cultivate a strong sense of place, attract new development, and rehabilitate existing vacant housing units. The downtown area contributes to the economic vitality of the community and has potential to accommodate additional housing types to service the full spectrum of housing needs in the city.

SECTION I. EXISTING CONDITIONS

The City of Trinidad, Colorado contracted Root Policy Research to complete a well-researched and data-driven Housing Needs Assessment to provide baseline data on housing needs as it relates to economic development and a clear, actionable housing strategy to address the unique housing needs of the City of Trinidad. This section of the report provides existing conditions that impact housing demand including demographic context and employment trends.

DEMOGRAPHIC CONTEXT

For the purposes of this analysis, the following demographics are provided as context for the housing needs in Trinidad.

Population	Race & Ethnicity	Limited English Proficiency	Age	Student Enrollment	Household Size & Family Composition	Incidence of Disability	Educational Attainment
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EMPLOYMENT

The following employment characteristics are provided in this section.

Total Quarterly Employment	Employment by Industry	Average Wages by Industry	Commuting Patterns
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SOURCES OF DATA FOR THIS MARKET ANALYSIS.

This study relies on the following data sources.

American Community Survey (ACS)	Quarterly Census of Employment & Wages (QCEW)	Colorado Department of Local Affairs (DOLA)	Colorado Department of Labor & Employment	Multiple Listing Service (MLS)	AirDNA Short term Rental Database (AirDNA)	LEHD Origin-Destination Employment Statistics	Colorado Department of Education
			Home Mortgage Disclosure Act data (HMDA)	Las Animas County Assessor Data			

DEMOGRAPHIC CONTEXT

This section provides a summary of demographic characteristics of the population in Trinidad.

Population. Figure I-1 shows the total population in Trinidad, Las Animas County, and the State of Colorado in 2010, 2015, and 2019. Overall, Trinidad and the county experienced a decrease in population during this time. However, population loss slowed from 2015 to 2019 for the city and county population increased during this time. The State of Colorado has experienced continual growth from 2010 to 2019.

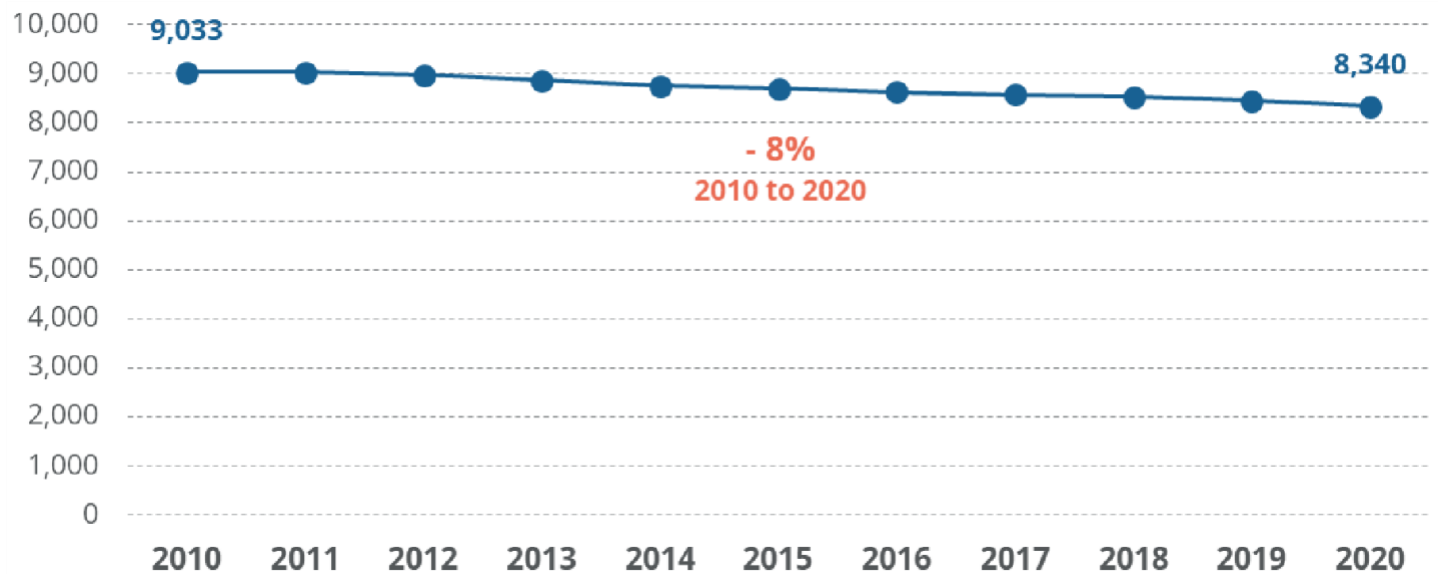
Figure I-1. Population Growth, 2010 to 2019

	2010	2015	2019	2010-2015 Number	2010-2015 Percent	2015-2019 Number	2015-2019 Percent
Trinidad	9,033	8,692	8,442	-341	-4%	-250	-3%
Las Animas	15,407	14,047	14,493	-1,360	-9%	446	3%
Colorado	5,050,332	5,453,996	5,763,976	403,664	8%	309,980	6%

Source: DOLA and Root Policy Research.

Figure I-2 shows population in the City of Trinidad from 2010 to 2020. According to the Department of Local Affairs population estimates, there was an 8% decrease in the population from 2010 to 2020 in the City of Trinidad for a total of 8,340 people in 2020.

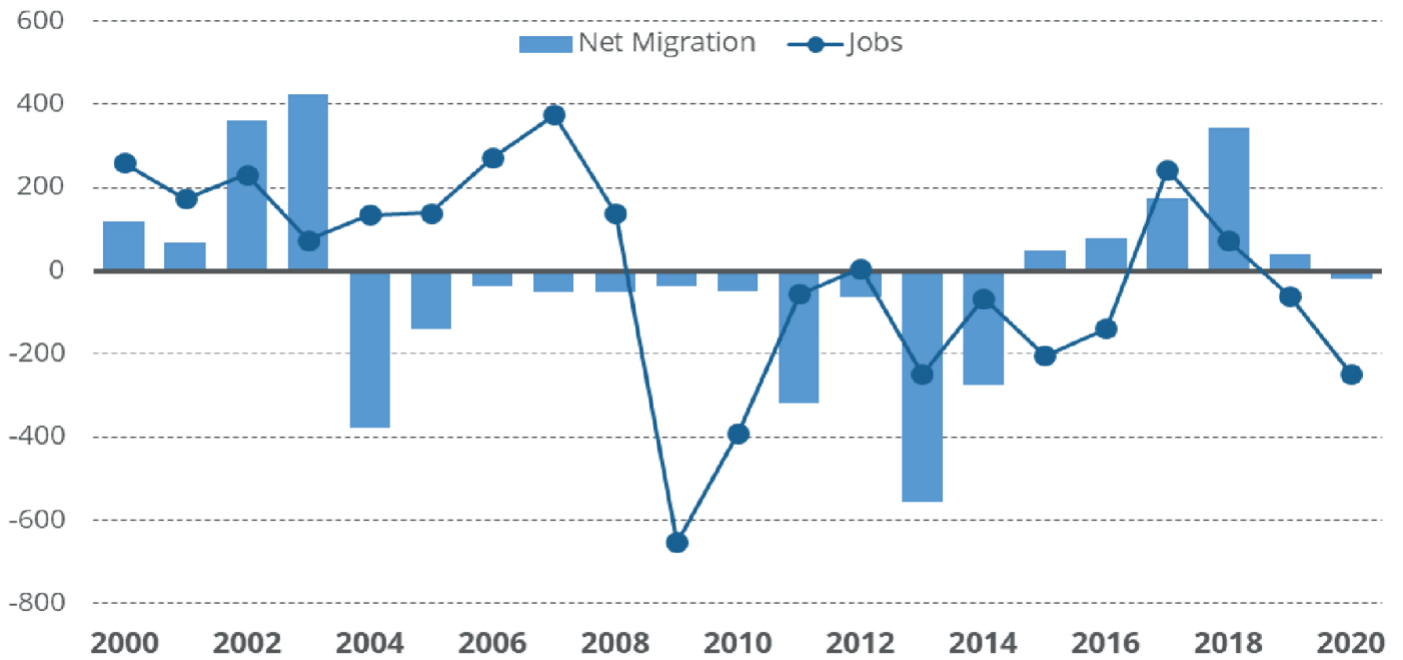
Figure I-2. Population Change, Trinidad, 2010 to 2020



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

Figure I-3 shows the countywide annual net migration and annual job change from 2000 to 2020. From 2004 to 2014, Las Animas County experienced negative net migration every year. Similarly, the county lost jobs from 2009 to 2016. Las Animas County was beginning to recover lost population and employment until the emergence of the COVID-19 pandemic.

Figure I-3. Annual Net Migration and Job Change, Las Animas County, 2000 to 2020

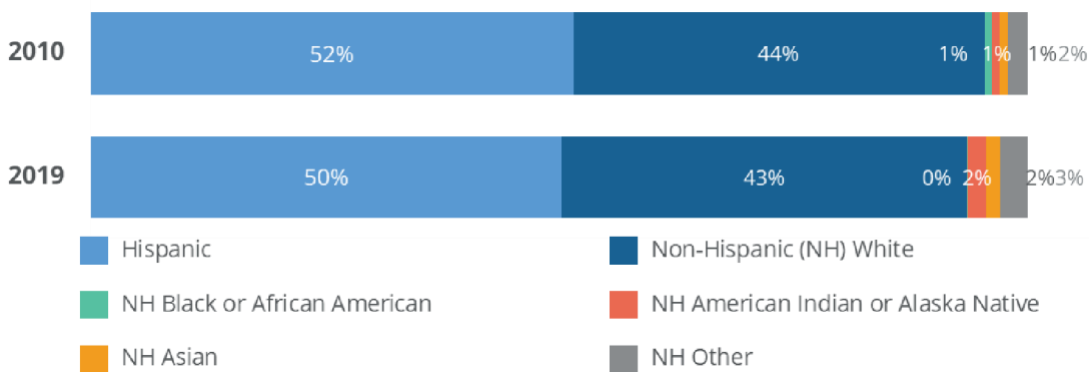


Source: Colorado Department of Local Affairs (DOLA) and Root Policy Research.

Race and ethnicity. Figure I-4 shows the share of the population by race and ethnicity in 2010 and 2019 in the City of Trinidad. The share of residents that identified as Hispanic decreased from 52% in 2010 to 50% in 2019 (698 Hispanic residents) and non-Hispanic White residents also decreased from 44% to 43% (559 residents).

Those proportional declines were offset by increases in residents who identified as American Indian and Alaska Native and other races during this time. The population of American Indian and Alaska native population nearly doubled from 85 residents in 2010 to 152 in 2019.

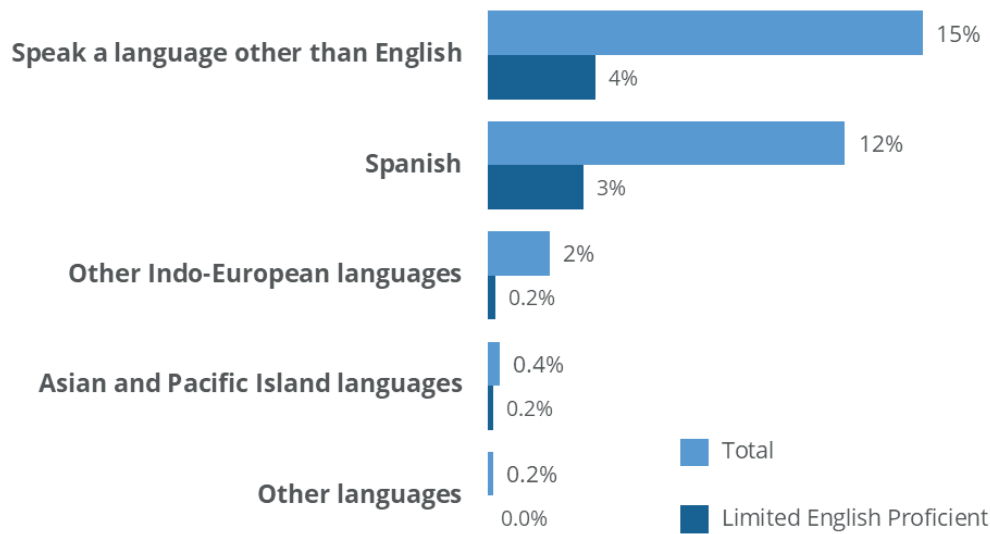
Figure I-4. Race and Ethnicity Distribution, Trinidad, 2010 and 2019



Source: 2010, and 2019 5-year ACS.

Limited English proficiency. The share of the population that speaks English “less than very well” (Limited English Proficient or LEP) in the City of Trinidad was 4% compared to 7% in the State of Colorado. The most common languages spoken at home—other than English—include Spanish (12%), other Indo-European languages (2%), and Asian and Pacific Island languages (<1%).

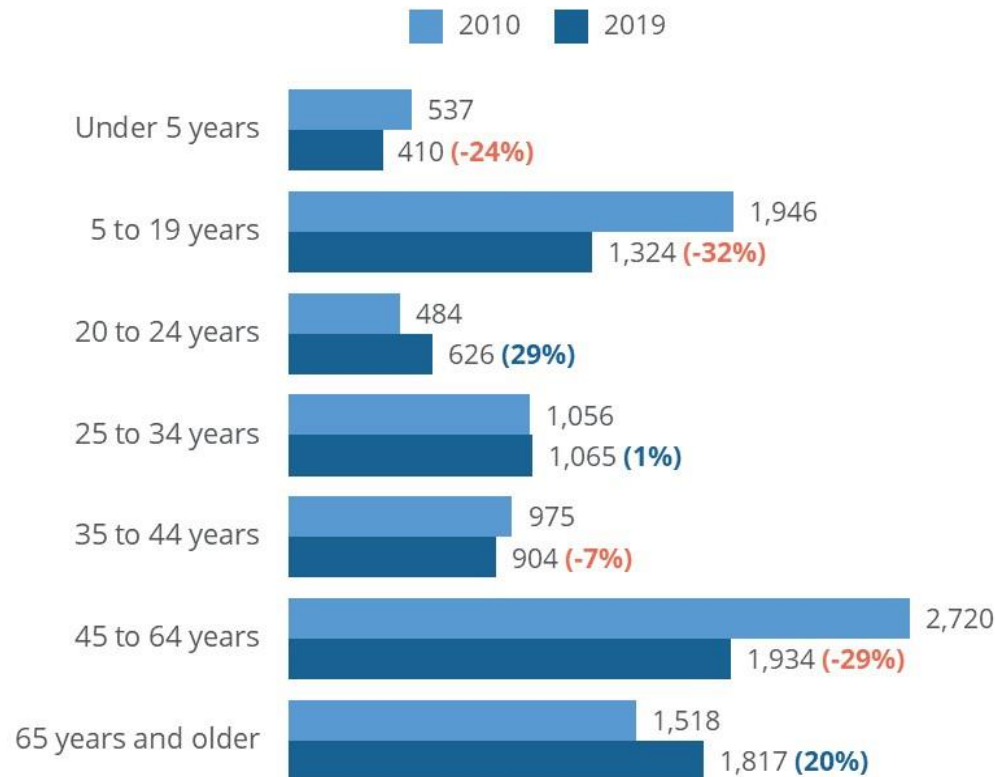
Figure I-5. Share of the Total Population by Language Spoken at Home and English Proficiency, Trinidad, 2019



Note: Some language groups have been consolidated for simplicity; any single group with at least 150 speakers and/or at least 100 LEP persons is shown individually. Source: 2019 5-Year ACS and Root Policy Research.

Age. Figure I-6 shows the shifts in population by in Trinidad between 2010 and 2019. Currently, nearly half (46%) of the total population is over the age of 45. The share of the seniors (65+) and young adults (20-34) both increased. These two populations—young professionals and seniors—need resources for downsizing, buying their first home, and/or aging in place. Over the same time, there was a decline in the number of children (less than 19 years old) and working age adults aged 35 to 64.

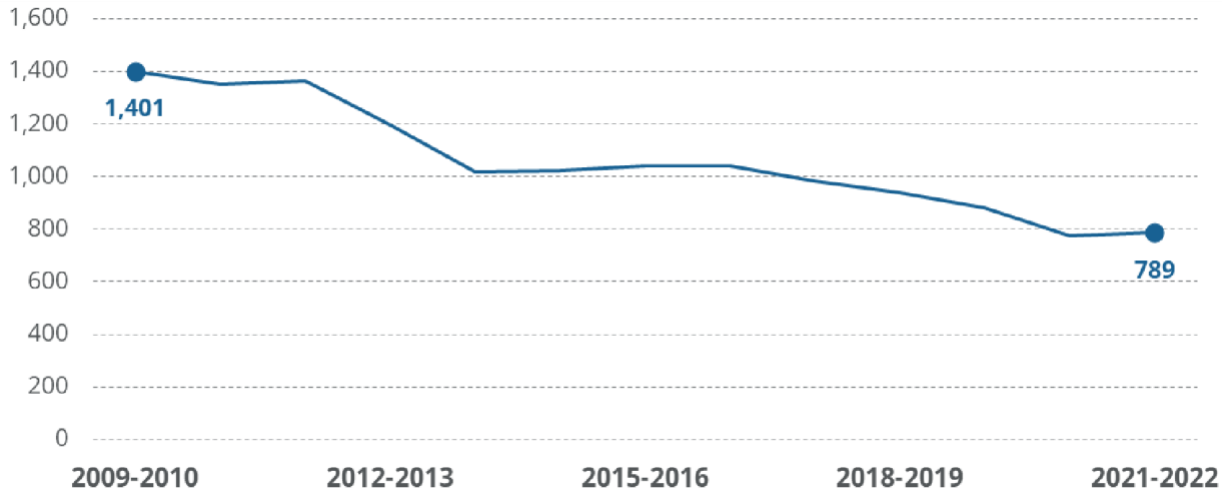
Figure I-6. Population Distribution by Age, Trinidad, 2010 and 2019



Source: 2010 and 2019 5-Year ACS and Root Policy Research.

Student enrollment. Similarly, student enrollment in Trinidad District 1 decreased from 1,401 in the 2009 to 2010 school year to 789 in the 2021 to 2022 school year, as shown in Figure I-7. The district experienced a total loss of 612 students or 43% of the school’s population. Stakeholders interviewed for this housing needs assessment indicated a lack of affordable housing is detrimental to school districts in two ways: 1) it is difficult to house qualified teachers in the community and 2) the lack of affordable housing for families results in fewer students in the district.

Figure I-7. Total Pre-School to Grade 12 Student Enrollment, Trinidad District 1, 2009-2022

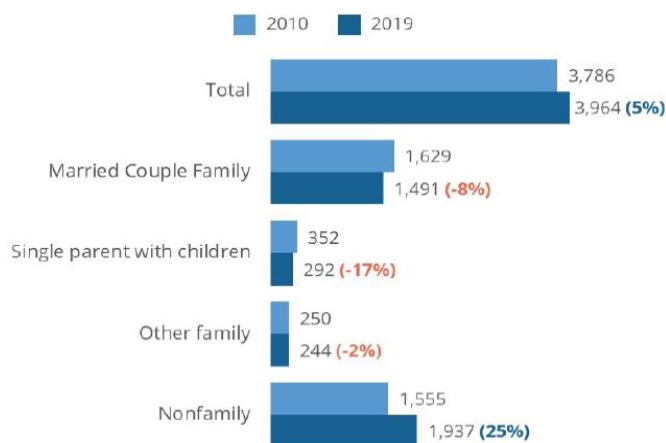


Source: Colorado Department of Education.

Household size and family composition. Figures I-8 and I-9 summarize the type and size of households in the City of Trinidad in 2010 and 2019. From 2010 to 2019, the city gained nonfamily households and family households. During this same time, average household size decreased for all groups except nonfamily households.¹

These trends are consistent with the shifts in age distribution discussed above and collectively indicate a need for smaller housing units suitable for nonfamily households and first-time homebuyers.

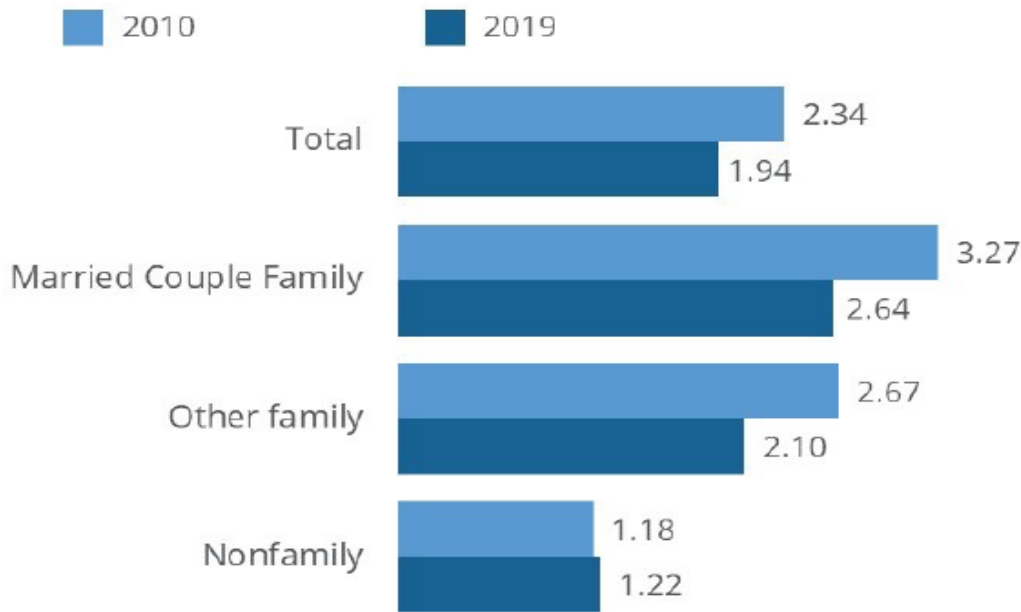
Figure I-8. Households by Type, Trinidad, 2010 and 2019



Source: 2010, and 2019 5-year ACS and Root Policy Research.

¹ The ACS defines nonfamily households as follows: “A nonfamily household consists of a householder living alone (a one-person household) or where the householder shares the home exclusively with people to whom he/she is not related.”

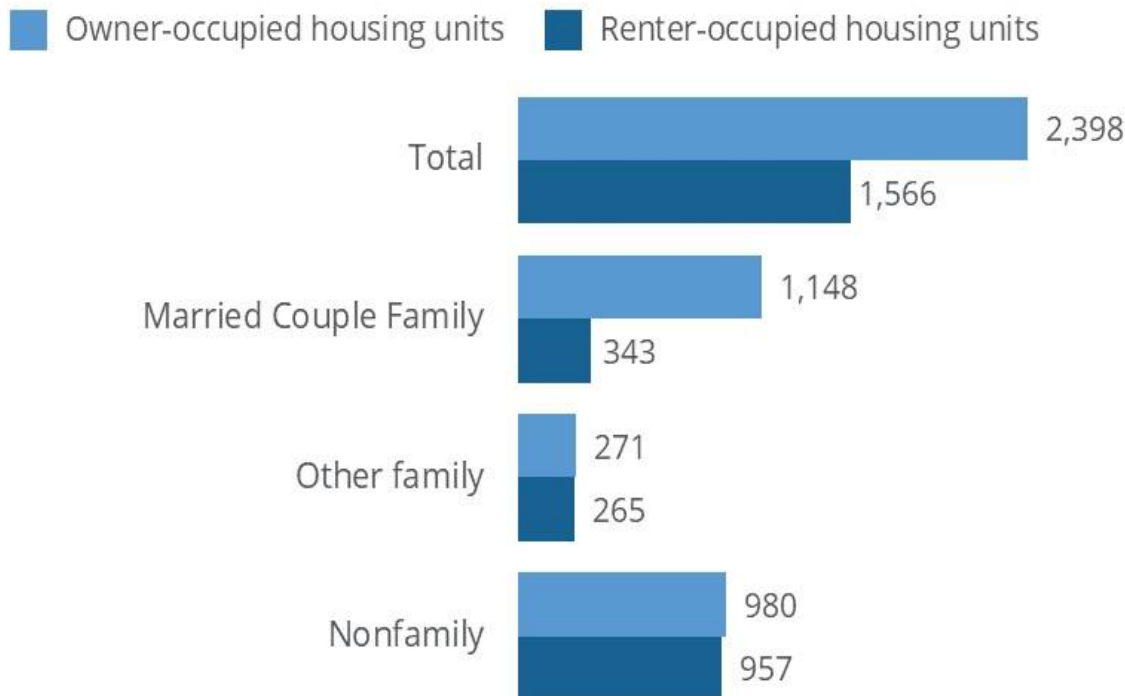
Figure I-9. Average Household Size by Household Type, Trinidad, 2010 and 2019



Source: 2010, and 2019 5-year ACS and Root Policy Research.

Figure I-10 shows tenure by household type in 2019 for the City of Trinidad. Most households live in owner occupied units (60%). Whereas nonfamily and other family households are more likely to occupy rentals—likely because there are limited ownership opportunities for smaller household sizes and first-time buyers.

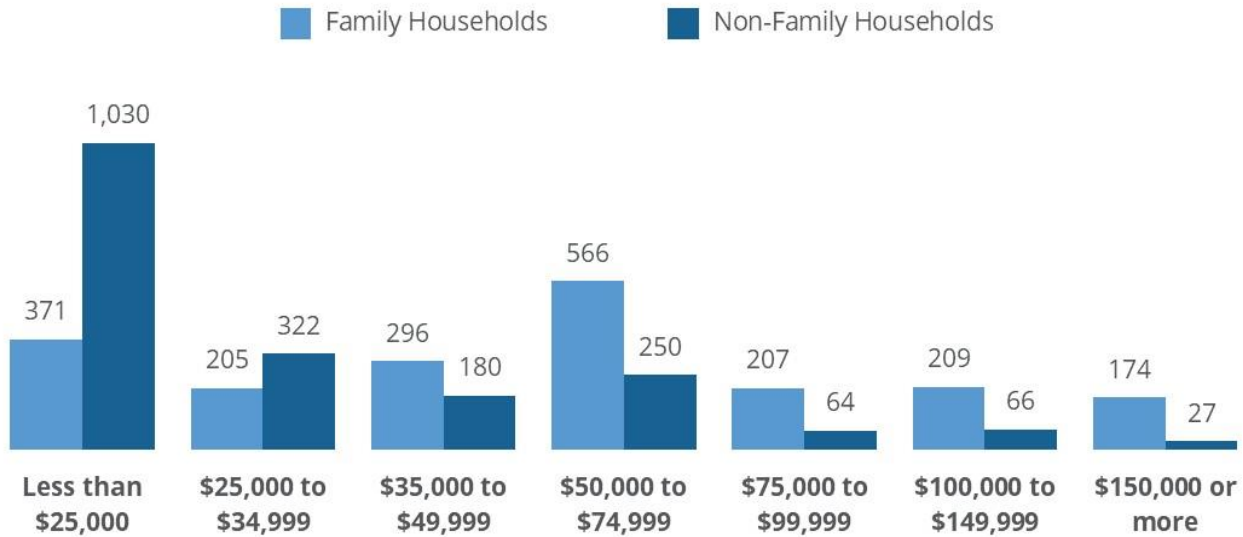
I-10. Tenure by Household Type, Trinidad, 2019



Source: 2019 5-year ACS and Root Policy Research.

Figure I-11 shows the distribution of households by income for both family and nonfamily households. Nonfamily households are more likely to earn less than \$25,000 whereas most family households earn more than \$50,000.

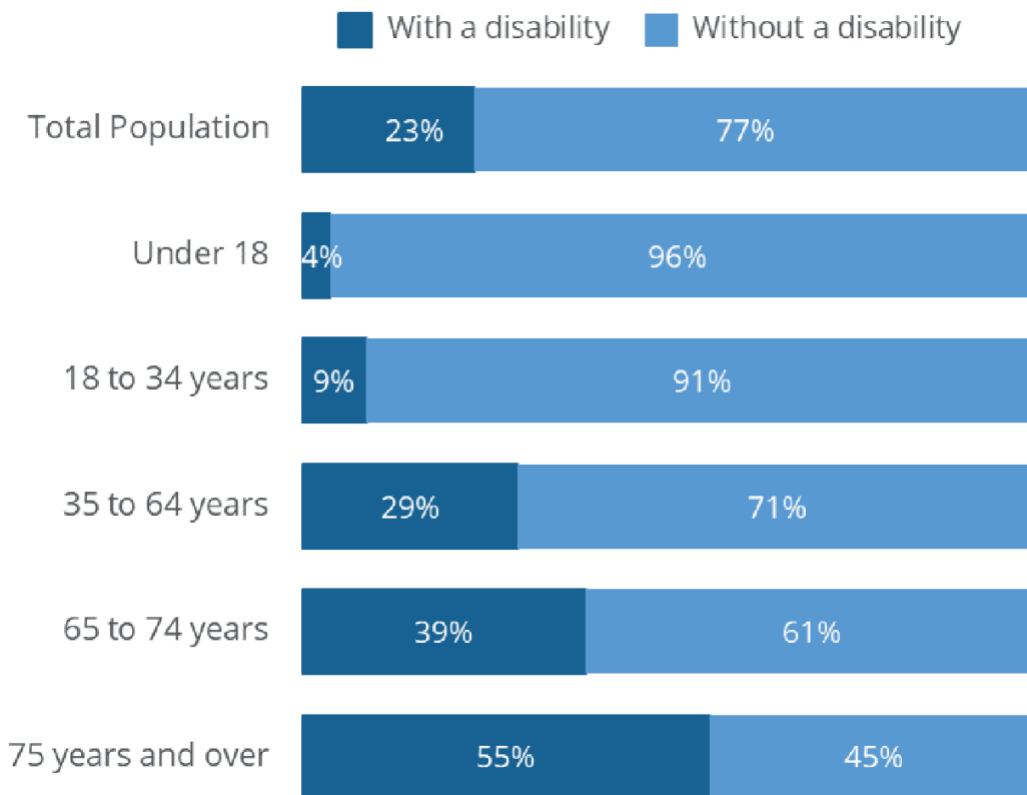
Figure I-11. Family and Nonfamily Households, by Income, Trinidad, 2019



Source: 2019 5-year ACS and Root Policy Research.

Disability. Figure I-12 shows the incidence rate of people living with a disability by age. The incidence of disability increases as the population ages. With a growing senior population and nearly half of the population over the age of 45, accessibility improvements in housing units, resources to age in place, and access to accessible transportation will be critical housing needs in the city.

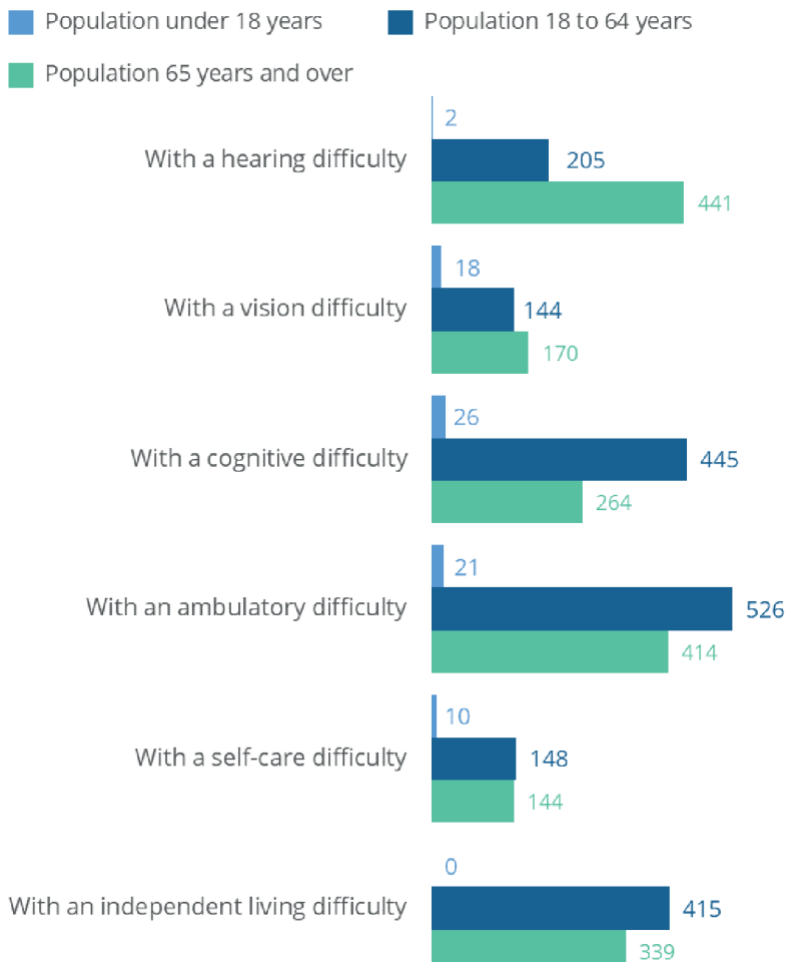
I-12. Incidence of Disability by Age, Trinidad, 2019



Source: 2019 5-year ACS and Root Policy Research.

Figure I-13 shows the distribution of residents living with a disability by type and age of the resident. Ambulatory and independent living disabilities can be aided by accessibility features within the home to help residents age in place and maintain independence for individuals living with these disabilities.

Figure I-13. Population with a Disability by Age and Type, Trinidad, 2019



Source: 2019 5-year ACS and Root Policy Research.

Education. Figure I-14 shows educational attainment for the population over 25 years old in the City of Trinidad in 2010 and 2019. The share of residents with some college or an associate degree increased during this time. All other attainment levels decreased. Residents with higher educational attainment generally have higher household income and diminished housing needs compared to those without a high school degree.

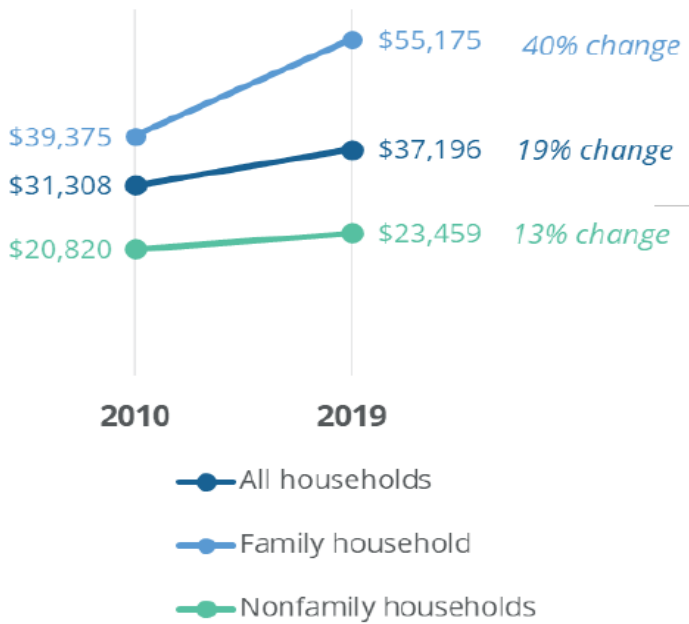
Figure I-14. Educational Attainment Distribution, Trinidad, 2010 and 2019

	2010 Number	2010 Percent	2019 Number	2019 Percent	Percent Change 2010-2019
Less than high school graduate	1,122	18%	820	14%	-27%
High school graduate	1,874	30%	1,556	27%	-17%
Some college or Associates Degree	2,094	33%	2,402	42%	15%
Bachelor's Degree or higher	1,185	19%	942	16%	-20%

Source: 2010, and 2019 5-year ACS, Root Policy Research.

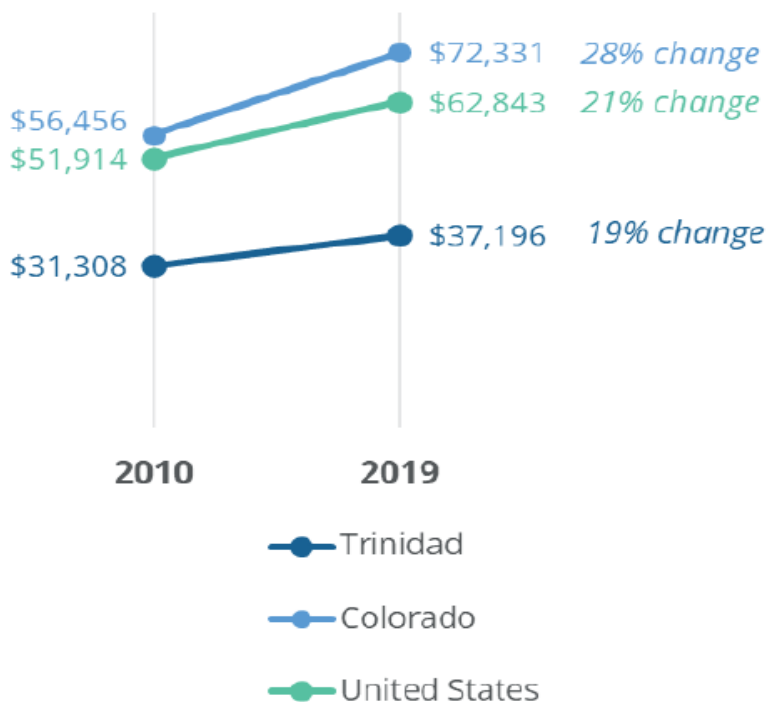
Income and poverty. Figure I-15 shows the change in median income by household type from 2010 to 2019. Overall, incomes increased by 19% from \$31,308 in 2010 to \$37,196 in 2019. Over the same time, median household income increased by 21% in the State of Colorado and 28% in the United States, as shown in Figure I-16. Family households experienced a larger increase in median household income in Trinidad with a 40% change compared to nonfamily households with a 13% change.

Figure I-15. Median Household Income by Household Type, Trinidad, 2010 and 2019



Source: 2010 and 2019 5-year ACS and Root Policy Research.

Figure I-16. Median Household Income, 2010 and 2019



Source: 2010 and 2019 5-year ACS and Root Policy Research.

Figure I-17 shows the income distribution of all households in the City of Trinidad in 2010 and 2019. Households naturally move between income brackets over time, but large changes in the share of households within an income bracket can indicate a shift in the types of households in the community.

Households earning \$150,000 or more increased the most by 124 households from 2010 to 2019 (157% increase). Similarly, households earning between \$50,000 and \$75,000 increased by 119% or 424 households. Conversely, the city lost the highest share of households earning between \$100,000 and \$150,000 (26% decrease) and households earning less than \$10,000.

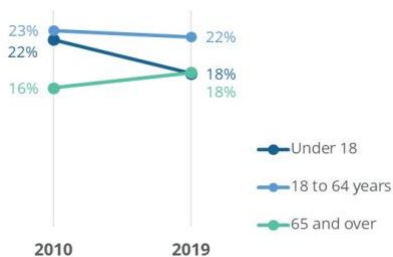
Figure I-17. Income Distribution, Trinidad, 2010 and 2019

	2010 Number	2010 % Total Households	2019 Number	2019 % Total Households	Change 2010-2019 Numerical Change	Change 2010-2019 Percent Change
Total Households	3,786	100%	3,964	100%	178	5%
Household Income						
Less than \$5,000	333	9%	250	6%	-83	-25%
\$5,000 to \$9,999	334	9%	259	7%	-75	-22%
\$10,000 to \$14,999	302	8%	327	8%	25	8%
\$15,000 to \$19,999	217	6%	282	7%	65	30%
\$20,000 to \$24,999	344	9%	260	7%	-84	-24%
\$25,000 to \$34,999	554	15%	510	13%	-44	-8%
\$35,000 to \$49,999	504	13%	472	12%	-32	-6%
\$50,000 to \$74,999	356	9%	780	20%	424	119%
\$75,000 to \$99,999	356	9%	318	8%	-38	-11%
\$100,000 to \$149,999	407	11%	303	8%	-104	-26%
\$150,000 or more	79	2%	203	5%	124	157%

Source: 2010, and 2019 5-year ACS, Root Policy Research.

Figure I-18 shows the poverty rate by age in the City of Trinidad in 2010 and 2019. Child poverty rates decreased from 22% in 2010 to 18% in 2019. Conversely, poverty among seniors increased two percentage points from 16% to 18%. Likely due to the increase in the aging population living on a fixed income in the community and a decrease in family households with children.

Figure I-18. Poverty Rate by Age, Trinidad, 2010 and 2019



Source: 2010 and 2019 5-year ACS and Root Policy Research.

Differences for renters and owners. Figure I-19 shows the income distribution of households in the city by tenure in 2010 and 2019. Generally, owner households have higher incomes with 50% of owner households earning more than \$50,000 in 2019 compared to 26% of renter households. From 2010 to 2019, owner median income increased 29% or \$11,196 compared to renter median income which increased 8% or \$1,710.

Figure I-19. Income Distribution by Tenure, Trinidad, 2010 and 2019

	2010	2019	Change 2010 – 2019 Percentage Point Change	Change 2010 – 2019 Numerical Change
Owner Median Income	\$38,573	\$49,769	29%	\$11,196
Income Distribution				
Less than \$5,000	7%	5%	-1%	-24
\$5,000 to \$9,999	4%	1%	-3%	-69
\$10,000 to \$14,999	7%	5%	-2%	-37
\$15,000 to \$19,999	5%	6%	1%	30
\$20,000 to \$24,999	7%	5%	-3%	-58
\$25,000 to \$34,999	16%	14%	-1%	-28
\$35,000 to \$49,999	16%	13%	-2%	-50
\$50,000 to \$74,999	10%	23%	13%	316
\$75,000 to \$99,999	12%	10%	-2%	-46
\$100,000 to \$149,999	14%	10%	-4%	-88
\$150,000 or more	3%	7%	4%	89
Total:	100%	100%		35
Renter Median Income	\$21,049	\$22,759	8%	\$1,710
Income Distribution				
Less than \$5,000	13%	8%	-5%	-59
\$5,000 to \$9,999	17%	15%	-2%	-6
\$10,000 to \$14,999	10%	13%	3%	62
\$15,000 to \$19,999	7%	9%	2%	35
\$20,000 to \$24,999	12%	9%	-3%	-26
\$25,000 to \$34,999	13%	11%	-2%	-16
\$35,000 to \$49,999	9%	10%	0%	18
\$50,000 to \$74,999	9%	15%	6%	108
\$75,000 to \$99,999	5%	5%	0%	8
\$100,000 to \$149,999	6%	4%	-2%	-16
\$150,000 or more	0%	2%	2%	35
Total	100%	100%		143

Source: 2010, and 2019 5-year ACS, Root Policy Research.

EMPLOYMENT

Figure I-20 shows the total employment in Las Animas County by quarter from 2000 to 2021. During this time, total employment in the county increased from 4,658 in 2010 to 4,803 in 2021. Employment peaked in the third quarter of 2008 at 6,307 jobs and reached its lowest point in the first quarter of 2021 at 4,617 jobs. The onset of the Great Recession in 2008 and the COVID-19 pandemic in 2020 both caused a loss of employment in the county.

Figure I-20. Total Employment by Quarter, Las Animas County, 2000 and 2021



Source: QCEW and Root Policy Research.

Figure I-21 shows employment by industry in Las Animas County in 2010 and 2020. The industries that experienced the highest percentage growth during this time include retail trade (38%), agriculture and forestry (37%), and health care and social assistance (22%). The industries that experienced the highest percentage loss of employment during this time include arts and recreation (65% decrease), information (51% decrease), administrative and waste services (48% decrease), and construction (47% decrease).

Figure I-21. Employment by Industry, Las Animas County, 2010 and 2020

	2010 Number	2010 Percent	2020 Number	2020 Percent	Percentage Change 2010 – 2020
Goods Producing	741	14%	548	11%	-26%
Mining	245	5%	239	5%	-2%
Agriculture, Forestry, Fishing & Hunting	25	0%	34	1%	37%
Construction	357	7%	190	4%	-47%
Manufacturing	115	2%	85	2%	-26%
Service Providing	3,778	72%	3,351	70%	-11%
Health Care and Social Assistance	706	14%	862	18%	22%
Retail Trade	618	12%	851	18%	38%
Public Administration	612	12%	577	12%	-6%
Accommodation and Food Services	510	10%	511	11%	0%
Educational Services	682	13%	499	10%	-27%
Other Services, Ex. Public Admin	564	11%	348	7%	-38%
Finance and Insurance	170	3%	135	3%	-20%
Transportation and Warehousing	151	3%	91	2%	-40%
Wholesale Trade	87	2%	86	2%	-1%
Professional and Technical Services	77	1%	78	2%	2%
Real Estate and Rental and Leasing	100	2%	70	1%	-30%
Administrative and Waste Services	81	2%	43	1%	-48%
Arts, Entertainment, and Recreation	63	1%	25	1%	-61%
Information	42	0%	21	0%	-51%
Utilities	21	0%	17	0%	-19%
Management of Companies and Enterprises	N/A	N/A	N/A	N/A	N/A
Total Employment	5,231	100%	4,766	100%	-9%

Source: QCEW and Root Policy Research.

Figure I-22 shows the average weekly wage by industry in Las Animas County. Average wages in the county increased 30% from \$607 in 2010 to \$787 in 2020. Manufacturing, accommodation and food services, and arts and recreation experienced the highest percent change in average wages from 2010 to 2020. The top growing industries in the county—agriculture and forestry, retail trade, and health care and social assistance—had average weekly wages of \$782, \$572, and \$914 respectively in 2019.

Figure I-22. Average Weekly Wages by Industry, Las Animas County, 2010 and 2020

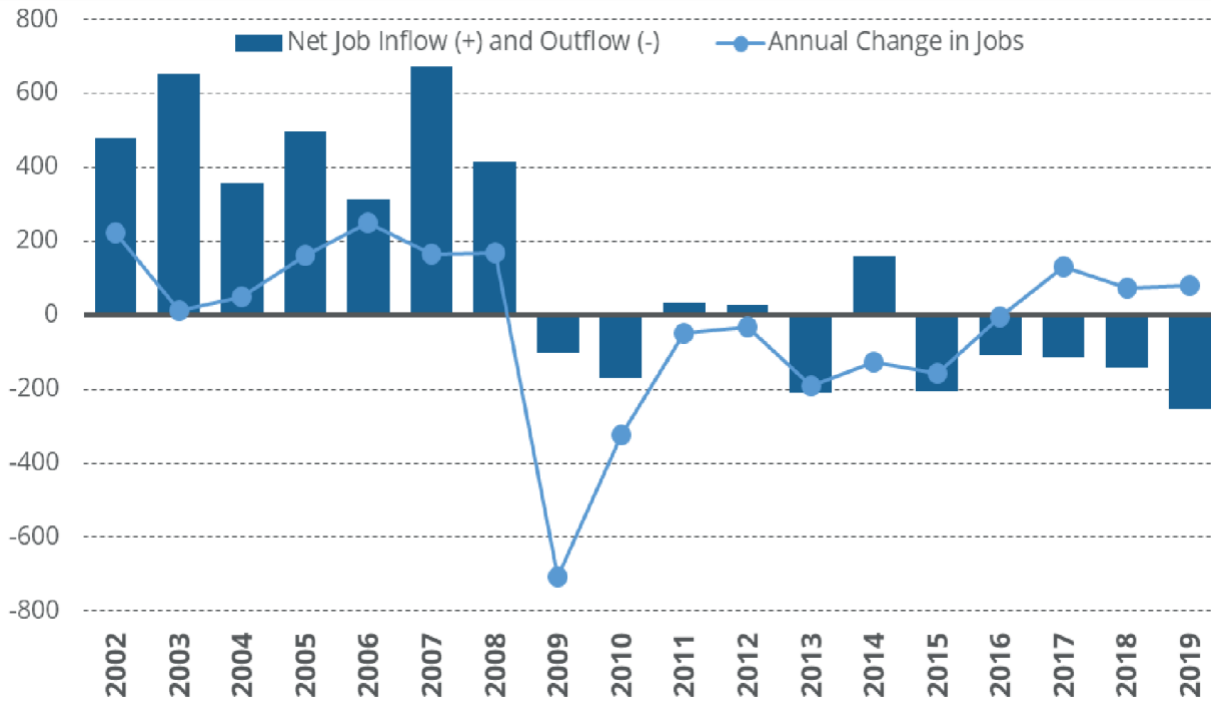
	Avg. Weekly Wage 2010	Avg. Weekly Wage 2020	Percent Change 2010 – 2020
Goods Producing			
Mining	\$1,233	\$1,390	13%
Agriculture, Forestry, Fishing & Hunting	\$624	\$782	25%
Construction	\$704	\$822	17%
Manufacturing	\$650	\$1,084	67%
Service Providing			
Health Care and Social Assistance	\$634	\$914	44%
Retail Trade	\$463	\$572	23%
Public Administration	\$783	\$991	27%
Accommodation and Food Services	\$250	\$396	58%
Educational Services	\$587	\$758	29%
Other Services, Ex. Public Admin	\$292	\$398	36%
Finance and Insurance	\$782	\$970	24%
Transportation and Warehousing	\$1,111	\$1,204	8%
Wholesale Trade	\$919	\$1,274	39%
Professional and Technical Services	\$920	\$1,089	18%
Real Estate and Rental and Leasing	\$686	\$787	15%
Administrative and Waste Services	\$555	\$658	19%
Arts, Entertainment, and Recreation	\$286	\$452	58%
Information	\$603	\$747	24%
Utilities	\$1,136	\$1,541	36%
Management of Companies and Enterprises	N/A	N/A	N/A
Total Employment	\$607	\$787	30%

Source: QCEW and Root Policy Research.

Commuting patterns. According to the Origin-Destination Employment Statistics, 54% of Trinidad residents are employed outside of the city and 51% of the city’s jobs are filled by in-commuters. An estimated 1,650 people are employed and living in the City of Trinidad.

Figure I-23 shows the annual change in total employment in Las Animas County from 2002 to 2019 and the total net commuting in the City of Trinidad over the same time. Net commuting is calculated by subtracting the out-commuters from the in-commuters—therefore, in years where net commuting is positive, more employees are commuting to work in Trinidad than commuting from Trinidad to work elsewhere. Generally, net commuting decreases when total employment decreases in the County.

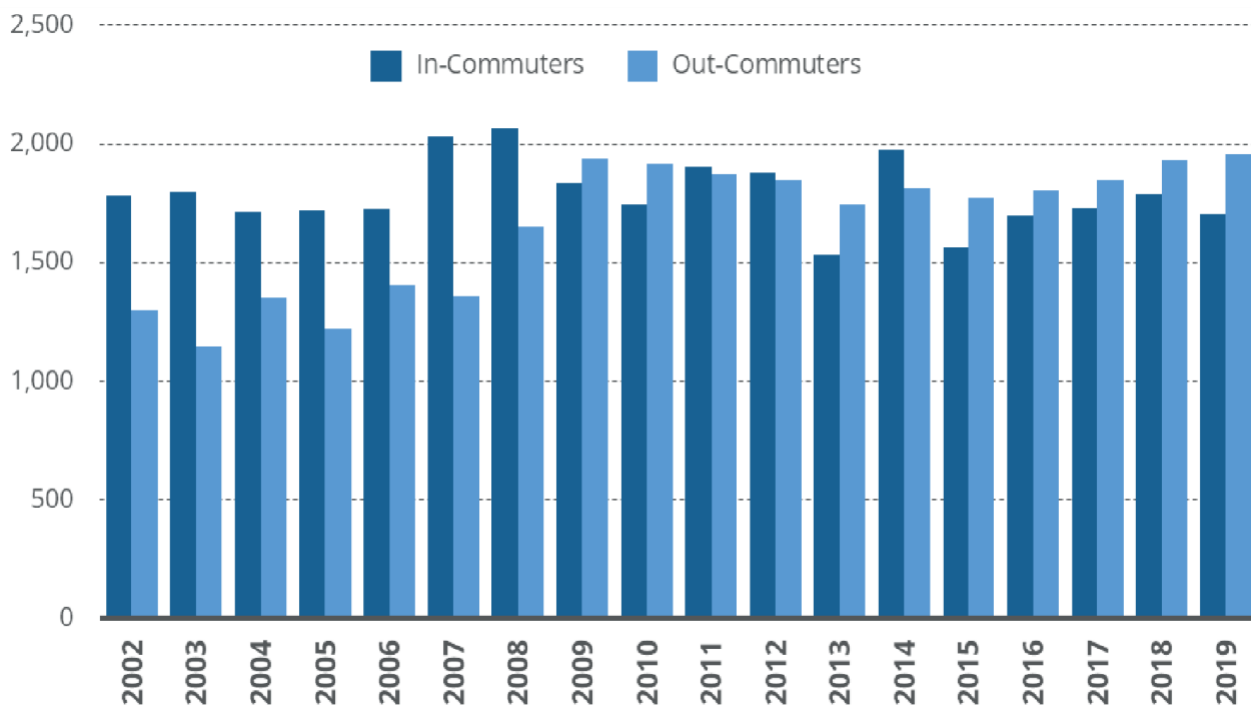
Figure I-23. Annual Change in Employment in Las Animas County and Net Commuting in City of Trinidad, Inflow (+) and Outflow (-), 2002 to 2019



Source: OnTheMap Application and LEHD Origin-Destination Employment Statistics, QCEW, and Root Policy Research.

Figure I-24 shows the number of in- and out-commuters in the City of Trinidad from 2002 to 2019. The number of in-commuters that work in the City of Trinidad has remained relatively stable—between 1,500 and 2,000 commuters—over this time. In 2019, the top three counties that in-commuters came from included Las Animas County (725 commuters), Pueblo County (127), and Huerfano County (103). Conversely, Trinidad residents were most likely to commute to work in Las Animas County (367 out-commuters), Pueblo County (225), and El Paso County (222) in 2019.

Figure I-24. Number of In- and Out-Commuters, City of Trinidad, 2002 to 2019



Source: OnTheMap Application and LEHD Origin-Destination Employment Statistics, QCEW, and Root Policy Research.

SECTION II. HOUSING NEEDS

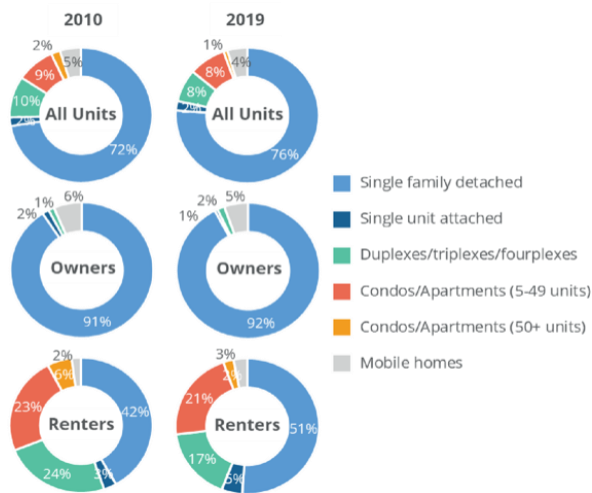
This section identifies housing needs in the City of Trinidad by examining the housing stock, area median income and affordability, rental housing, for sale housing, and future housing demands.

HOUSING STOCK

Figure II-2 shows the distribution of units in structure by tenure in the City of Trinidad in 2010 and 2019. Single family detached housing makes up 76% of all units, 92% of owner-occupied units, and 51% of renter occupied units. The share of households in single family detached units increased across all tenures from 2010 to 2019.

Renters are more likely than owners to live in a mix of housing types with 21% in condos or apartments (5-49 units) and 17% in a duplex, triplex, or fourplex. The share of renters living in a duplex, triplex, or fourplex decreased from 24% in 2010 to 17% in 2019.

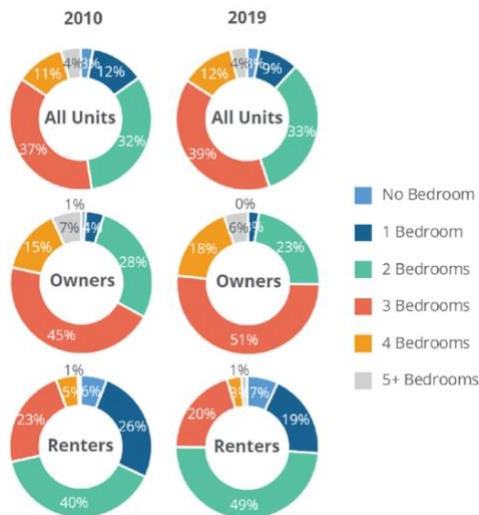
Figure II-2. Distribution of Units in Structure by Tenure, Trinidad, 2010 and 2019



Source: 2010 and 2019 5-year ACS, Root Policy Research.

Figure II-3 shows the distribution of housing units by number of bedrooms and tenure in 2010 and 2019. Most of all units are two- or three-bedroom units (72%) followed by four-bedrooms (12%) and one-bedrooms (9%). Owner households are more likely to occupy units with more bedrooms whereas renter households are more likely to occupy one- or two-bedroom units.

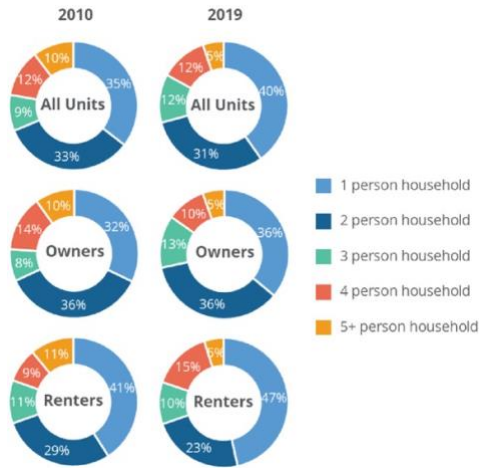
Figure II-3. Distribution of Bedrooms by Tenure, Trinidad, 2010 and 2019



Source: 2010 and 2019 5-year ACS, Root Policy Research.

Figure II-4 shows the distribution of households by size and tenure in 2010 and 2019. Generally, household sizes have decreased in the City of Trinidad. There is a greater share of single and two-person households in rental units compared to owner occupied units.

Figure II-4. Distribution of Household Size by Tenure, 2010 and 2019



Source: 2010 and 2019 5-year ACS, Root Policy Research.

AREA MEDIAN INCOME AND AFFORDABILITY

Area Median Income (AMI). Eligibility for housing programs is generally based on how a household’s income falls within HUD-determined income categories. The categories are based on the regional Area Median Income or AMI.

Although AMI categories can vary by specific housing program, in general, they include:

- Households earning 30% of AMI or below are considered “extremely” low income. These households can also be thought of as those living under the federal poverty threshold.²
- Households earning between 31% and 50% of AMI are “very” low income.
- Households earning between 51% and 80% percent of AMI are “low” income.
- Those earning more than 80% percent are considered “moderate” income and, in most high-cost markets, are eligible for housing programs.

The 4-person Las Animas County Median Income for 2021 is \$57,200—this is the actual AMI or the observed AMI in Las Animas County meaning it is closest to reality. However, the actual AMI for Las Animas County is adjusted by HUD to produce income limits for households earning 30%, 50%, and 80% AMI. Both the actual and adjusted income limits are presented in Figure II-5 below. The income limits for households earning 30% of AMI are adjusted to the poverty threshold while income limits for 50% and 80% AMI were adjusted to 50% of the State Non-Metro Area Median Family Income.

Throughout the study, relevant data are presented by AMI brackets. For consistency, AMI income brackets used in this study follow the 2021 income limits for a 2-person household, as determined by HUD³. These income limits are calculated for Las Animas County. The figure below presents the current AMI thresholds by household size used to determine eligibility levels for affordable housing.

Figure II-5. Area Median Income Limits by Household Size, Adjusted and Actual, 2021

² The federal poverty threshold is not based on the AMI and, as such, does not vary by city and state except for Alaska and Hawaii. For that reason, poverty and 30 percent AMI are generally similar.

³ A two-person household was chosen because it most closely reflects the average household size in Trinidad, which was 1.94 in the 2019 5-year ACS estimates.

Note: 30% income limits (extremely low income) are adjusted to the poverty guidelines established by the Department of Health and Human Services. 50% (very low income) and 80% (low income) limits were adjusted to meet 50% of the State Non-Metro Median Family Income. 100%- and 120%-income limits were adjusted in the same magnitude as 50% and 80%. Actual Area Median Incomes are calculated from HUD’s Median Family Income for a family of four.

		1 person	2 Person	3 Person	4 Person
Adjusted Area Median Income					
	30%	\$15,450	\$17,650	\$21,960	\$26,500
	50%	\$25,750	\$29,400	\$33,100	\$36,750
	80%	\$41,200	\$47,050	\$52,950	\$58,800
	100%	\$51,500	\$58,800	\$66,200	\$73,500
	120%	\$61,800	\$70,560	\$79,440	\$88,200
Actual Area Median Income					
	30%	\$8,649	\$12,355	\$15,444	\$17,160
	50%	\$14,414	\$20,592	\$25,740	\$28,600
	80%	\$23,063	\$32,947	\$41,184	\$45,760
	100%	\$28,829	\$41,184	\$51,480	\$57,200
	120%	\$34,595	\$49,421	\$61,776	\$68,640

Source: U.S. Department of Housing and Urban Development and Root Policy Research.

Affordability. Housing costs are affordable if they do not exceed 30% of a household’s gross monthly income—as discussed below in the definition of cost burden. Figure II-6 shows affordable rents and home prices by AMI level in Las Animas County for a two-person household.

Figure II-6. Maximum Affordable Gross Rent and Home Price by AMI, 2021

Note: HUD 2-person adjusted AMI for Las Animas County is used for these calculations. Assumes a 30-year mortgage at a rate of 3.35% with a 10% down payment, 20% of monthly payment is used for property taxes, utilities, insurance.

% of AMI	Max Income	Max Affordable Gross Rent	Max Affordable Home Price
30%	\$17,650	\$440	\$88,000
50%	\$29,400	\$740	\$148,000
80%	\$47,050	\$1,180	\$236,000
100%	\$58,800	\$1,470	\$294,000
120%	\$70,560	\$1,760	\$351,000

Source: HUD and Root Policy Research.

Figure II-7 shows the HUD adjusted income limits by AMI for a 2-person household and the type of housing that is affordable at each price point.

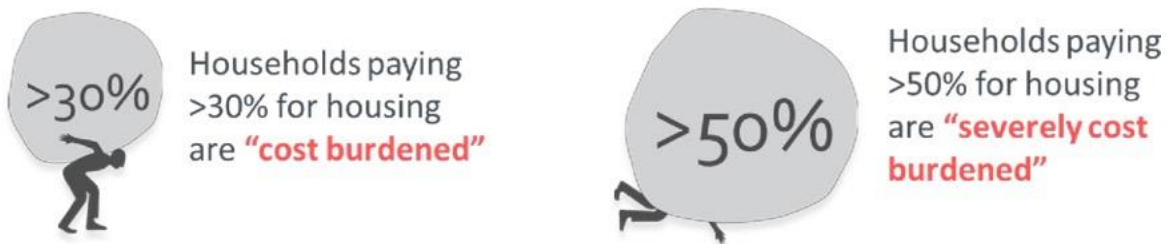
Figure II-7. HUD Adjusted AMI Limits and Affordability, 2021



Note: HUD 2-person adjusted AMI for Las Animas County is used for these calculations. Assumes a 30-year mortgage at a rate of 3.35% with a 10% down payment, 20% of monthly payment is used for property taxes, utilities, insurance. Source: 2019 ACS 5-year estimates, HUD, and Root Policy Research.

Housing cost burden. Cost burden exists when households pay more than 30 percent of their gross household income for housing costs. Housing costs include the rent or mortgage payment, homeowners' association (HOA) fees, utilities, mortgage insurance, renter or homeowner insurance, and property taxes.

Severe cost burden—paying more than 50 percent of monthly gross income on a household rent or mortgage—is an indicator of critical housing needs. Severe cost burden is also linked to a high risk of eviction or foreclosure, and homelessness.



Cost burden does not consider transportation costs. When transportation costs are included, housing affordability is further beyond many Trinidad households' reach.

RENTAL HOUSING NEEDS

This section provides a summary of rental housing needs based on rental market trends, rental production, cost burden, and rental gaps in the City of Trinidad.

Rental market trends. According to the ACS, median gross rent remained relatively flat from 2010 to 2019 from \$707 to \$702 per month. Figure II-8 shows the distribution of rental units by household income needed to afford rent without being cost burdened.

The inventory of rental units affordable to households earning between \$20,000 and \$50,000 increased (units priced between \$625 and \$1,250). Over the same time, luxury units priced over \$1,250 and affordable units priced less than \$625 decreased.

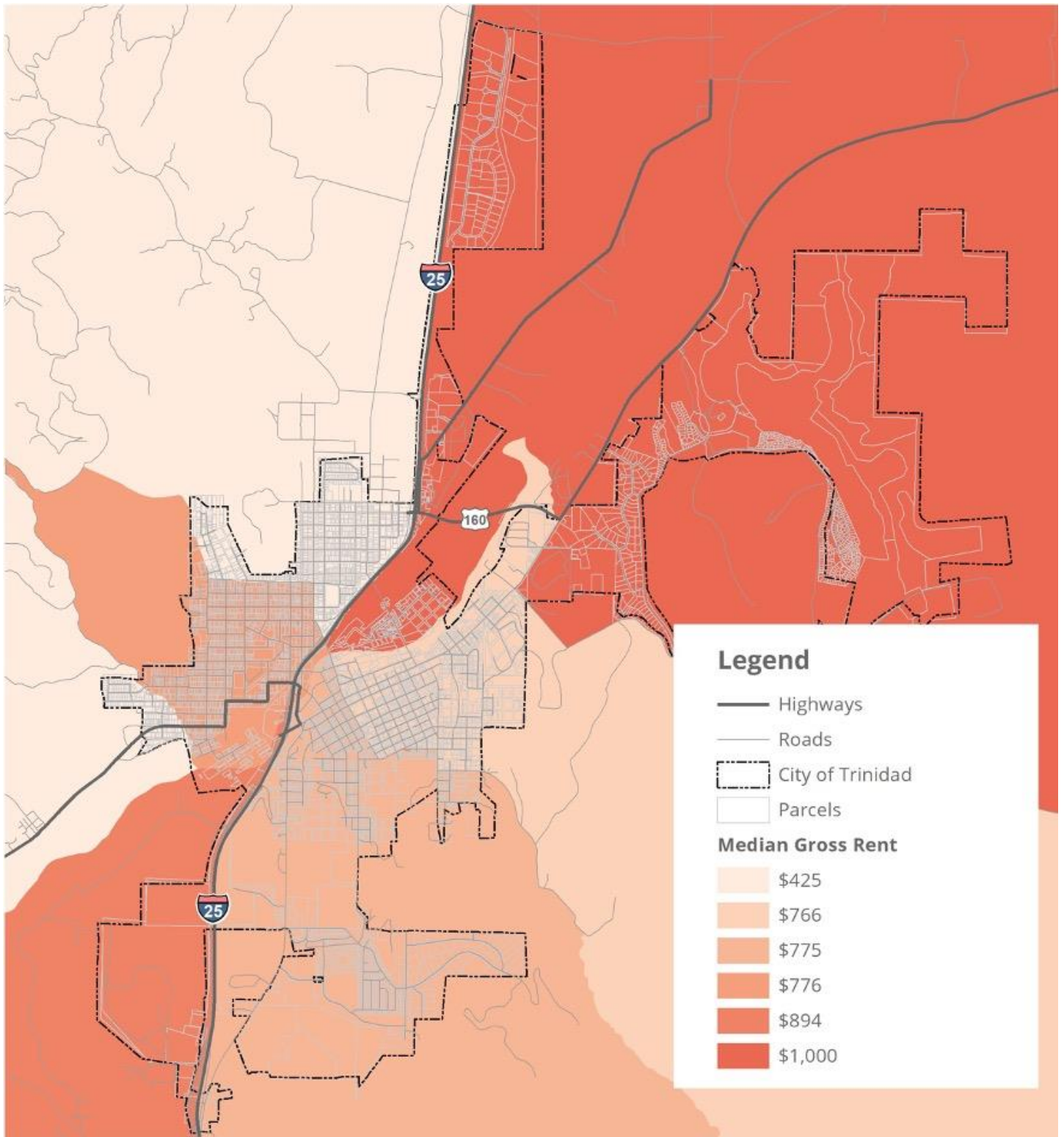
Figure II-8. Occupied Rental Units by Household Income Range, 2010 and 2019

Income Range	Max Affordable Gross Rent	2010 Number	2010 Percent	2019 Number	2019 Percent	Change
Less than \$5,000	\$125	16	1%	5	0%	-10
\$5,000 to \$9,999	\$250	72	5%	107	6%	34
\$10,000 to \$14,999	\$375	132	8%	227	13%	95
\$15,000 to \$19,999	\$500	231	15%	171	10%	-60
\$20,000 to \$24,999	\$625	189	12%	132	8%	-57
\$25,000 to \$34,999	\$875	494	31%	564	32%	70
\$35,000 to \$49,999	\$1,250	265	17%	456	26%	192
\$50,000 to \$74,999	\$1,875	86	5%	65	4%	-21
\$75,000+	\$1,875+	94	6%	13	1%	-81
Total		1,578	100%	1,739	100%	161

Source: 2010 and 2019 5-year ACS and Root Policy Research

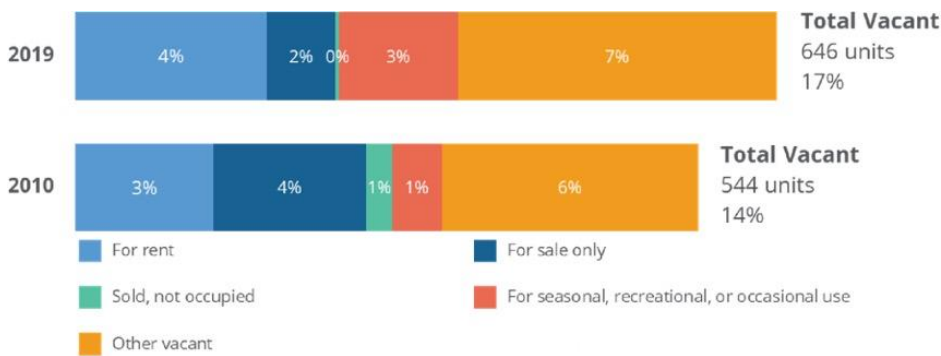
Figure II-9 shows the median gross rent by census tract in 2019. Rents are highest in the northeast and southwest areas of the city.

Figure II-9. Median Gross Rent by Census Tract, 2019



Source: 2019 5-year ACS and Root Policy Research

Figure II-10. Share of Total Housing Units Vacant by Reason, 2010 and 2019



Source: 2010 and 2019 5-year ACS, Root Policy Research.

Rental production. According to the ACS, the City of Trinidad added 161 rental units to the market between 2010 and 2019. There are several projects in the pipeline that are ripe to move forward with development. These include:

- 24-unit apartment project with 80% of units affordable to households earning under 120% AMI and 20% of units for households below 80% AMI.
- Eight units in a downtown restoration of a historic building; and 20 to 25 units in a conversion of an old school.

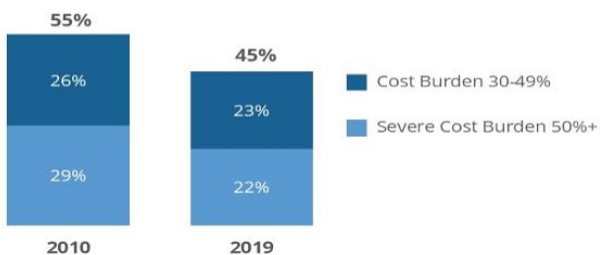
There are additional residential projects that are in the pipeline but have not submitted for entitlements. These include:

- Potential LIHTC project with 34 three-bedroom units.
- 18 units in historic renovation project.
- 98-unit townhome development.
- 25-unit apartment development in downtown; and
- Six-to-eight-unit apartment development.

If all projects move forward with development, the City of Trinidad could add between 57 to 240 rental units to the market.

Cost burden. Housing is considered affordable if a household can spend less than 30% of their household’s income on housing costs. Households that spend more than the 30% threshold are considered cost burdened and have less money available to spend on other essentials like healthcare, childcare, groceries, and transportation. Households are considered extremely cost burdened if they spend more than 50% of their income on housing costs.

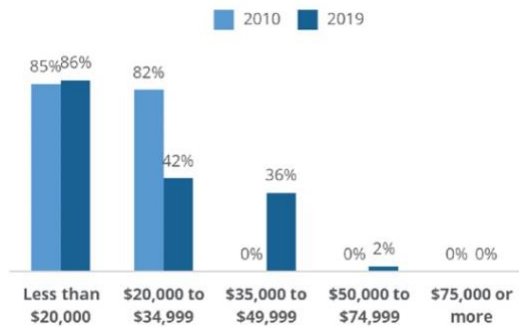
Figure II-11. Cost Burdened Renters, 2010 and 2019



Source: 2010 and 2019 5-year ACS, Root Policy Research.

Figure II-11 and Figure II-12 show cost burden trends for renter households from 2010 to 2019. Generally, cost burden decreased for renters during this time; however, cost burden among renters earning less than \$20,000 remains high. Additionally, cost burden for households earning between \$35,000 and \$50,000 increased from zero to 36%. Equal to 48 households out of the 135 households within that income bracket.

Figure II-12. Cost Burdened Renters by Household Income, 2010 and 2019

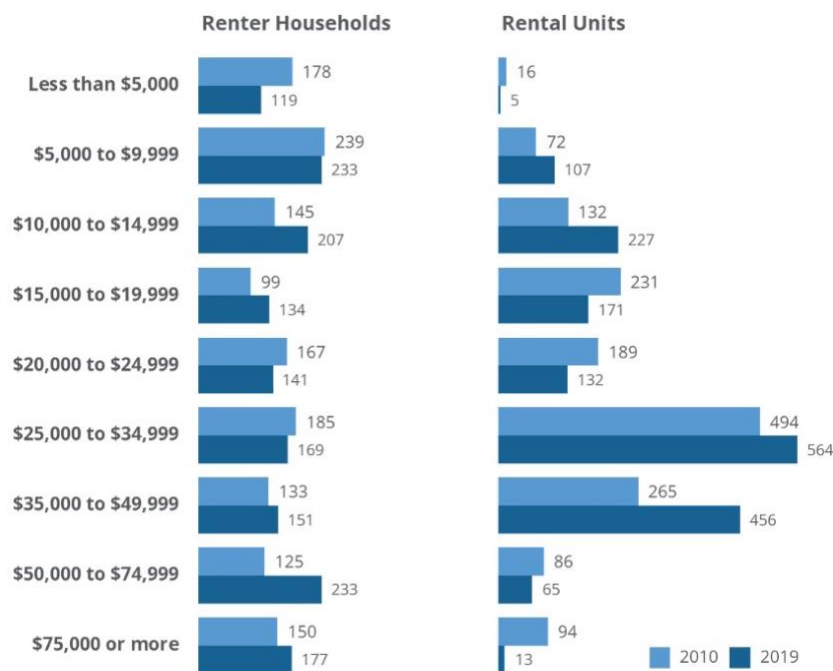


Source: 2010 and 2019 5-year ACS, Root Policy Research.

Rental gaps. This section highlights trends in rental housing costs and renter incomes from 2010 to 2019. Figures II-13 and II-14 compare the share of renter households and rental units in 2010 and 2019. Generally, these figures show natural appreciation of rents and household incomes. Figure II-13 focuses on the changes in the distribution of household incomes and rents from 2010 to 2019.

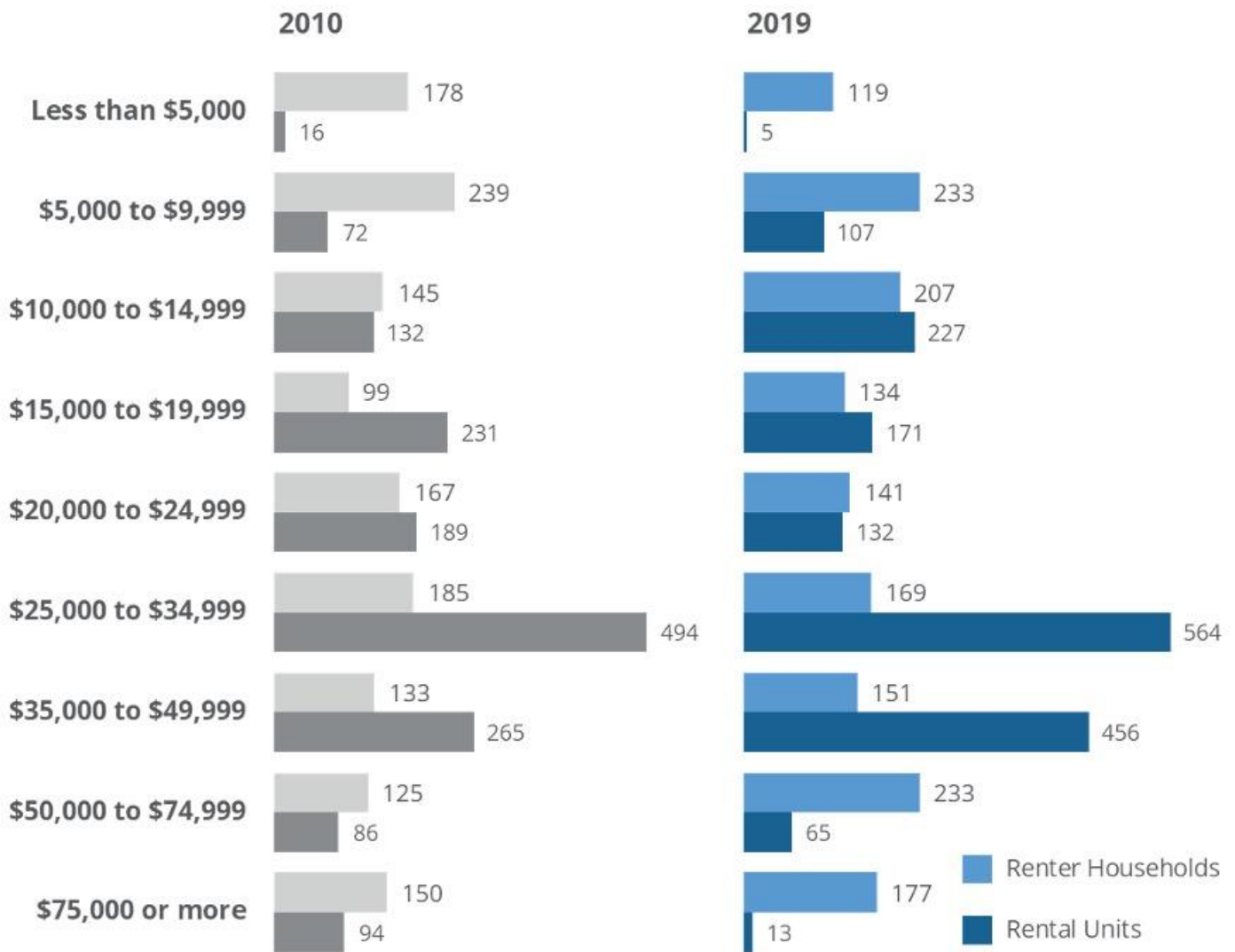
Figure II-14 on the other hand focuses on the gaps between the distribution of household incomes and rental units affordable to households earning that income. In other words, this figure begins to illuminate gaps in the rental market between what households can afford and the market prices of rental units. For example, for the estimated 119 households earning less than \$5,000 there are only five units available. This suggests that renter households are paying rents higher than 30% of their household income which means they are cost burdened. Similarly, for high income renter households there is a shortage of luxury units. This suggests that these households are renting down and occupying lower-cost housing than they could otherwise afford.

Figure II-13. Share of Renter Households and Rental Units by Household Income, 2010 and 2019



Source: 2010 and 2019 5-year ACS, Root Policy Research.

Figure II-14. Share of Renter Households and Rental Units by Household Income, 2010 and 2019



Source: 2010 and 2019 5-year ACS, Root Policy Research.

Figures II-15, II-16, and II-17 show rental gaps by income and AMI. Rental gaps are calculated by comparing the number of households by income bracket to the number of rental units affordable to the households in that income bracket to identify price points with a shortage of rental units to serve those households.

There is a shortage of units available for households earning less than \$25,000. Most rental units are affordable to households earning between \$25,000 and \$50,000—rents between \$625 and \$1,250—while there are few luxury units for households earning more than \$50,000.

This translates to a shortage of 146-unit subsidies for households earning less than 30% AMI and a surplus of units for households earning 30% to 80% AMI. Surplus units are not vacant and available—they are occupied by households within income brackets with a shortage of units. This means households are either spending more than they can afford on rents—cost burdened—or spending less than they could afford. The rental gaps analysis points to a need to redistribute or subsidize units by price point rather than a need for additional units.

Figure II-15. Rental Gaps by Income, 2019

Income Range	Max Affordable Gross Rent	Rental Demand (Current Renters) Number	Rental Demand (Current Renters) Percent	Rental Supply (Current Units) Number	Rental Supply (Current Units) Percent	Gap
Less than \$5,000	\$125	119	8%	5	0%	(114)
\$5,000 to \$9,999	\$250	233	15%	107	6%	(126)
\$10,000 to \$14,999	\$375	207	13%	227	13%	20
\$15,000 to \$19,999	\$500	134	9%	171	10%	37
\$20,000 to \$24,999	\$625	141	9%	132	8%	(9)
\$25,000 to \$34,999	\$875	169	11%	564	32%	395
\$35,000 to \$49,999	\$1,250	151	10%	456	26%	305
\$50,000 to \$74,999	\$1,875	233	15%	65	4%	(168)
\$75,000+	\$1,875+	177	11%	13	1%	(164)
Total/Low Income Gap (<\$25,000)		1,564	100%	1,739	100%	(193)

Source: 2019 5-year ACS and Root Policy Research.

Figure II-16. Rental Gaps by AMI, 2019

Income Range	Max Affordable Gross Rent	Rental Demand (Current Renters) Number	Rental Demand (Current Renters) Percent	Rental Supply (Current Units) Number	Rental Supply (Current Units) Percent	Gap
0-30% of AMI	\$441	630	40%	484	28%	(146)
31-50% of AMI	\$735	278	18%	507	29%	228
51-80% of AMI	\$1,176	216	14%	598	34%	382
81-100% of AMI	\$1,470	112	7%	116	7%	4
101-120% of AMI	\$1,764	110	7%	16	1%	(93)
121% of AMI or more		218	14%	19	1%	(200)
Total/Low Income Gap (<30% AMI)		1,564	100%	1,739	100%	(146)

Note: HUD 2-person adjusted AMI for Las Animas County is used for these calculations. Source: 2019 5-year ACS and Root Policy Research.

Finally, the rental gap for households earning less than 30% AMI decreased from 2010 to 2019 from 344 to 146 units. This is primarily due to an increase of 308 units affordable to households earning less than 30% AMI during this time—units with rents below \$440.

Figure II-17. Rental Gaps by AMI, 2010 and 2019

Renter Income	2010 Rental Demand (Current Renters) Number	2010 Rental Demand (Current Renters) Percent	2010 Rental Supply (Current Units) Number	2010 Rental Supply (Current Units) Percent	2010 Gap	2019 Rental Demand (Current Renters) Numbers	2019 Rental Demand (Current Renters) Percent	2019 Rental Supply (Current Units) Number	2019 Rental Supply (Current Units) Percent	2019 Gap	2010-19 Change Renters	2010-19 Change Units	2010-19 Change Gap
0-30% of AMI	520	37%	176	11%	(344)	630	40%	484	28%	(146)	110	308	197
31-50% of AMI	228	16%	385	25%	157	278	18%	507	29%	228	50	121	71
51-80% of AMI	275	19%	608	39%	333	216	14%	598	34%	382	-59	-10	48
81-100% of AMI	81	6%	166	11%	85	112	7%	116	7%	4	31	-50	(81)
101-120% of AMI	64	4%	86	6%	22	110	7%	16	1%	(93)	46	-70	(115)
121% of AMI or more	254	18%	120	8%	(134)	218	14%	19	1%	(200)	-35	-101	(66)
Total/Low Income Gap (<30% AMI)	1,421	100%	1,541	100%	(344)	1,564	100%	1,739	100%	(146)	143	198	197

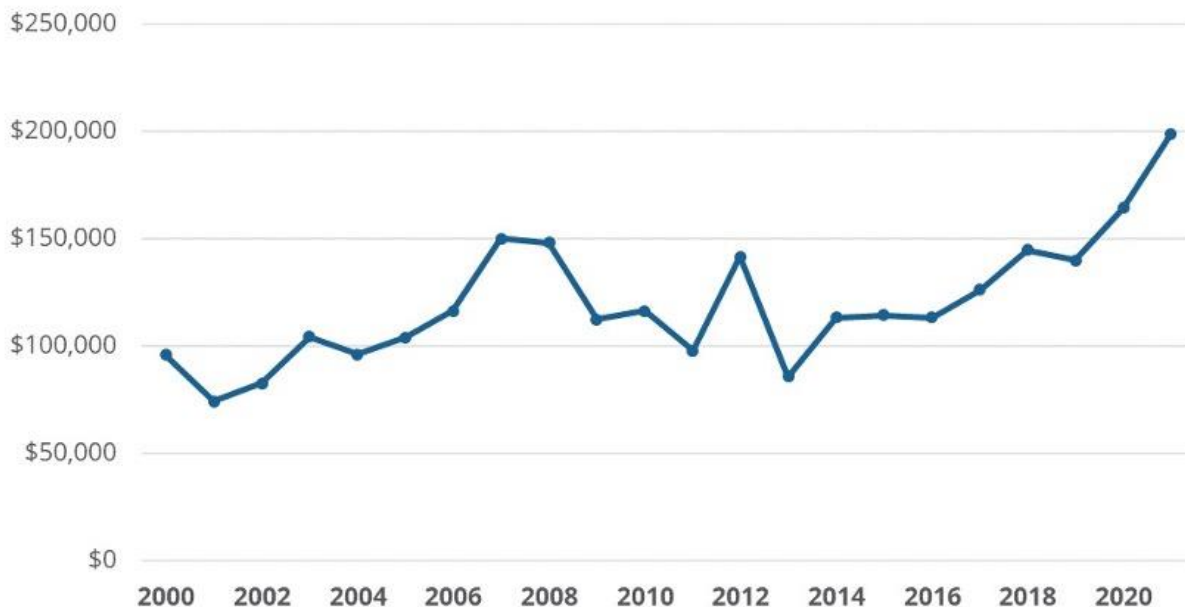
Note: HUD 2-person adjusted AMI for Las Animas County is used for these calculations. Source: 2010 and 2019 5-year ACS, Root Policy Research.

FOR SALE HOUSING NEEDS

This section provides a summary of owner housing needs based on for sale market trends, housing production, cost burden, and ownership gaps.

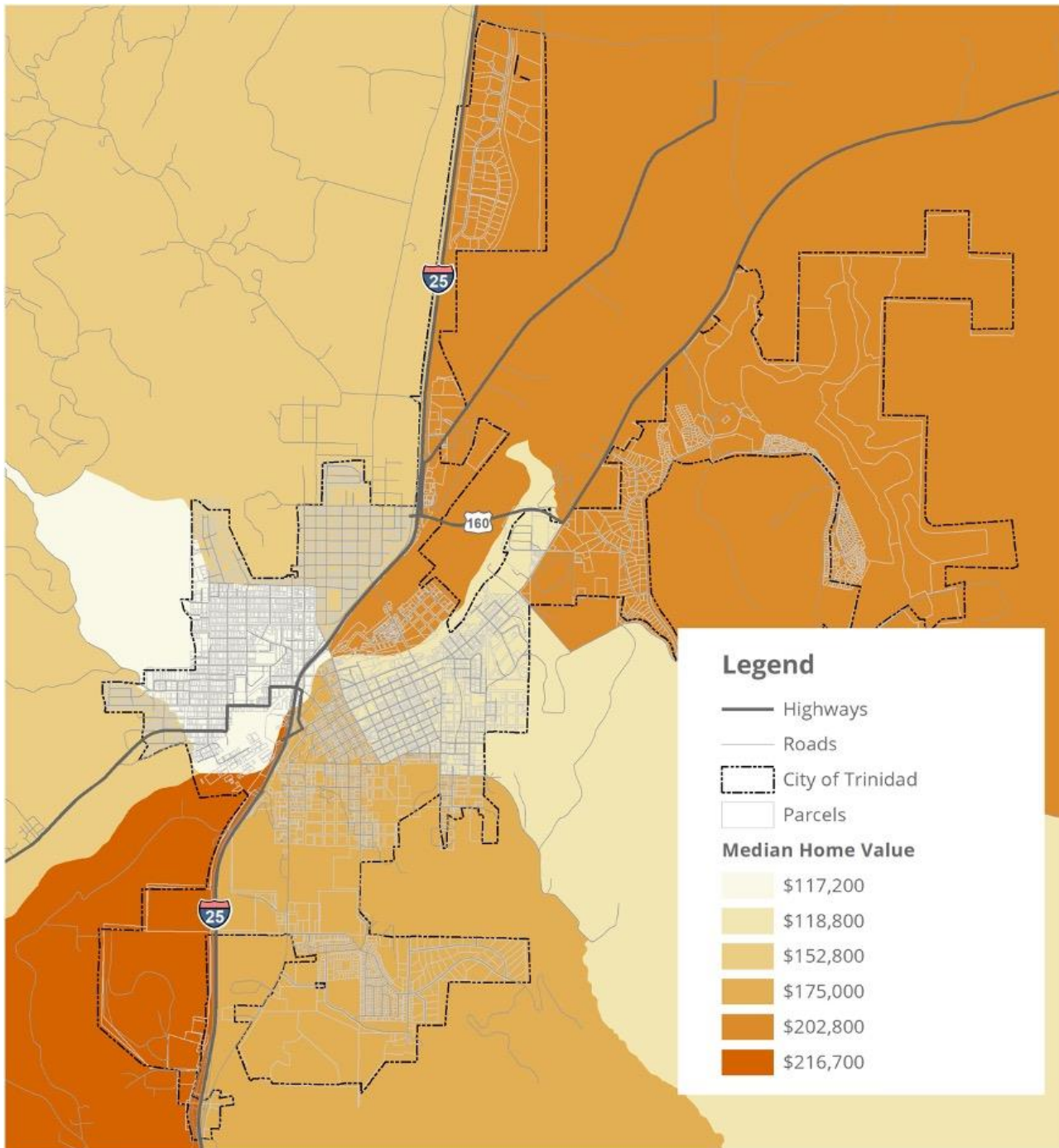
For sale market trends. Figure II-18 shows the average annual single family unit sale price from 2000 to 2021 in the City of Trinidad. During this time, average prices increased from \$96,000 to \$199,000 (107% increase).

Figure II-18. Average Annual Single Family Unit Sale Price, 2000 to 2021



Note: In 2012, properties in Galloping Goose Planned Unit Development were sold for \$250,000 each. Source: Las Animas County Assessor Data, 2019 5-year ACS, and Root Policy Research.

Figure II-19. Median Home Value by Census Tract, 2019



Source: 2019 5-year ACS and Root Policy Research.

Stakeholders in the City of Trinidad indicated that due to the age of the housing stock in the city, most homes priced below \$200,000 require remodeling and are not suitable for a turnkey move. The additional investments needed to make units habitable is not reflected in the average annual sale price.

Figure II-20 shows home improvement loans that were originated in Las Animas County from 2018 to 2020. There were 24 total loans during this time and the average loan amount was \$79,583. The average loan-to-property-value percentage shows the share of the home's total value that was taken as a loan for improvements. For example, a loan of \$79,583 with a 31% loan to value ratio would indicate the home is valued at \$256,687. In other words, one third of the home's value is required to make home improvements.

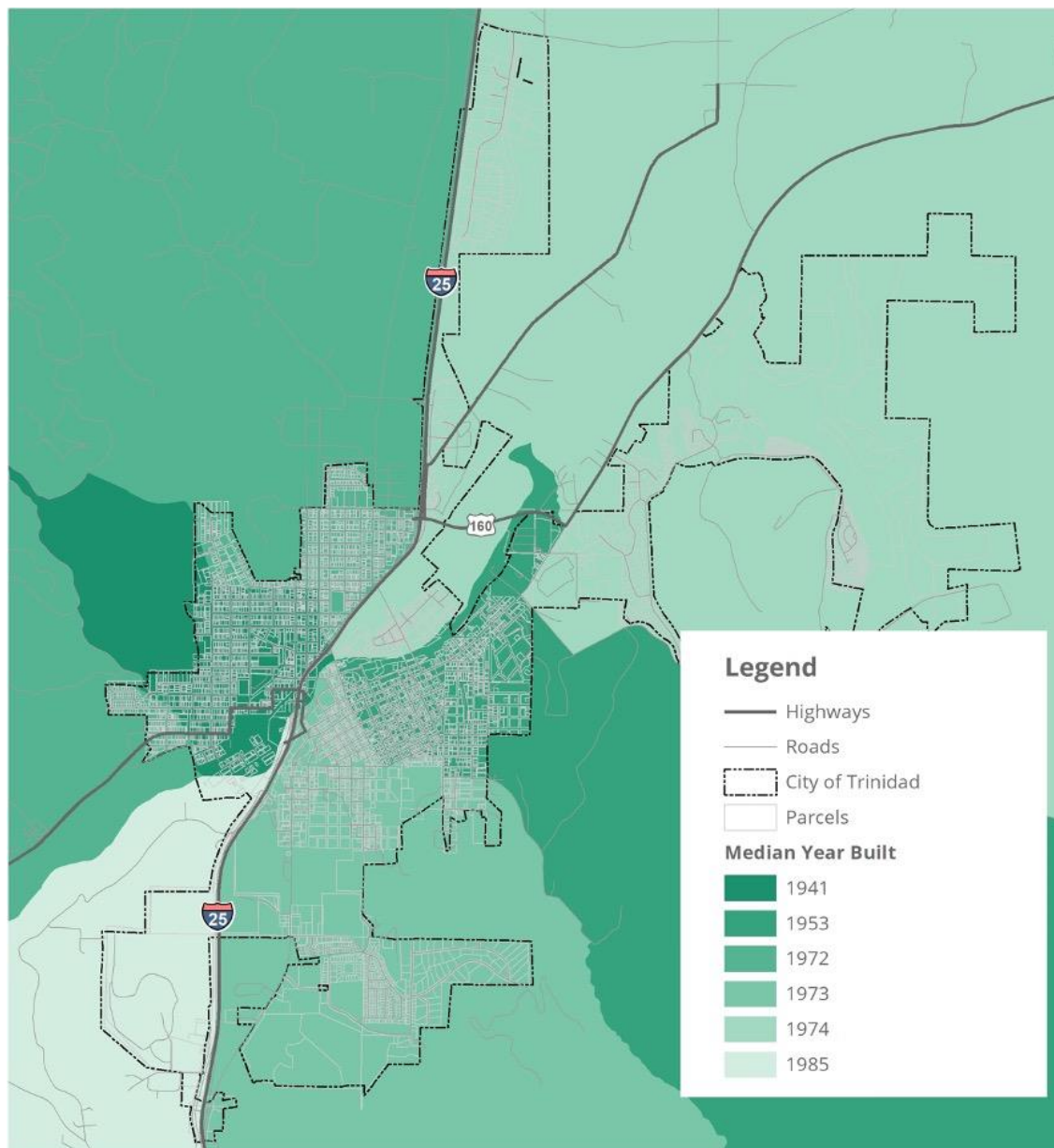
Figure II-20. Home Improvement Loans Originated, Las Animas County, 2018 to 2020

Year	Improvement Loans Originated	Avg. Loan Amount	Avg. Loan to Property Value %
2018	9	\$87,222	38%
2019	10	\$85,000	30%
2020	5	\$55,000	20%
Total	24	\$79,583	31%

Source: HMDA and Root Policy Research.

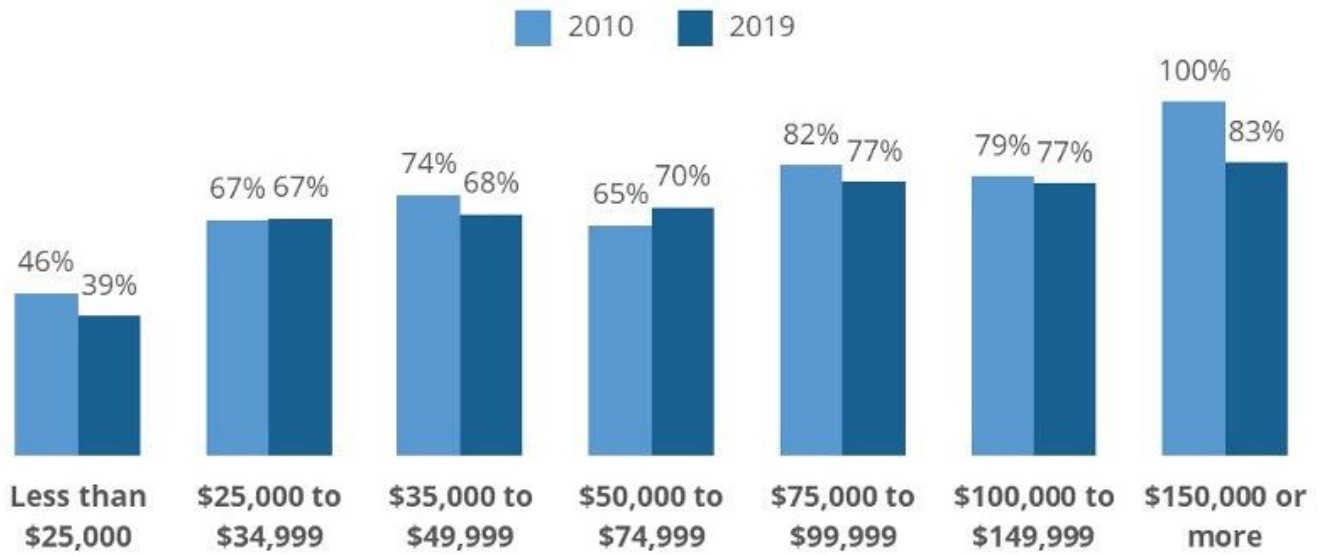
Figure II-21 shows the median year built by census tract in 2019. Generally, the oldest housing in the city is in the northwest area around Trinidad State College west of I25 and in the downtown area. These areas also have the lowest home values and appear relatively affordable compared to the rest of the city. The need for home improvements and repairs in these areas should be evaluated.

FIGURE II-21. MEDIAN YEAR BUILT BY CENSUS TRACT, 2019



Source: 2019 5-year ACS and Root Policy Research.

Figure II-22. Homeownership Rates, by Household Income, 2010 and 2019



Source: 2010 and 2019 5-year ACS, and Root Policy Research.

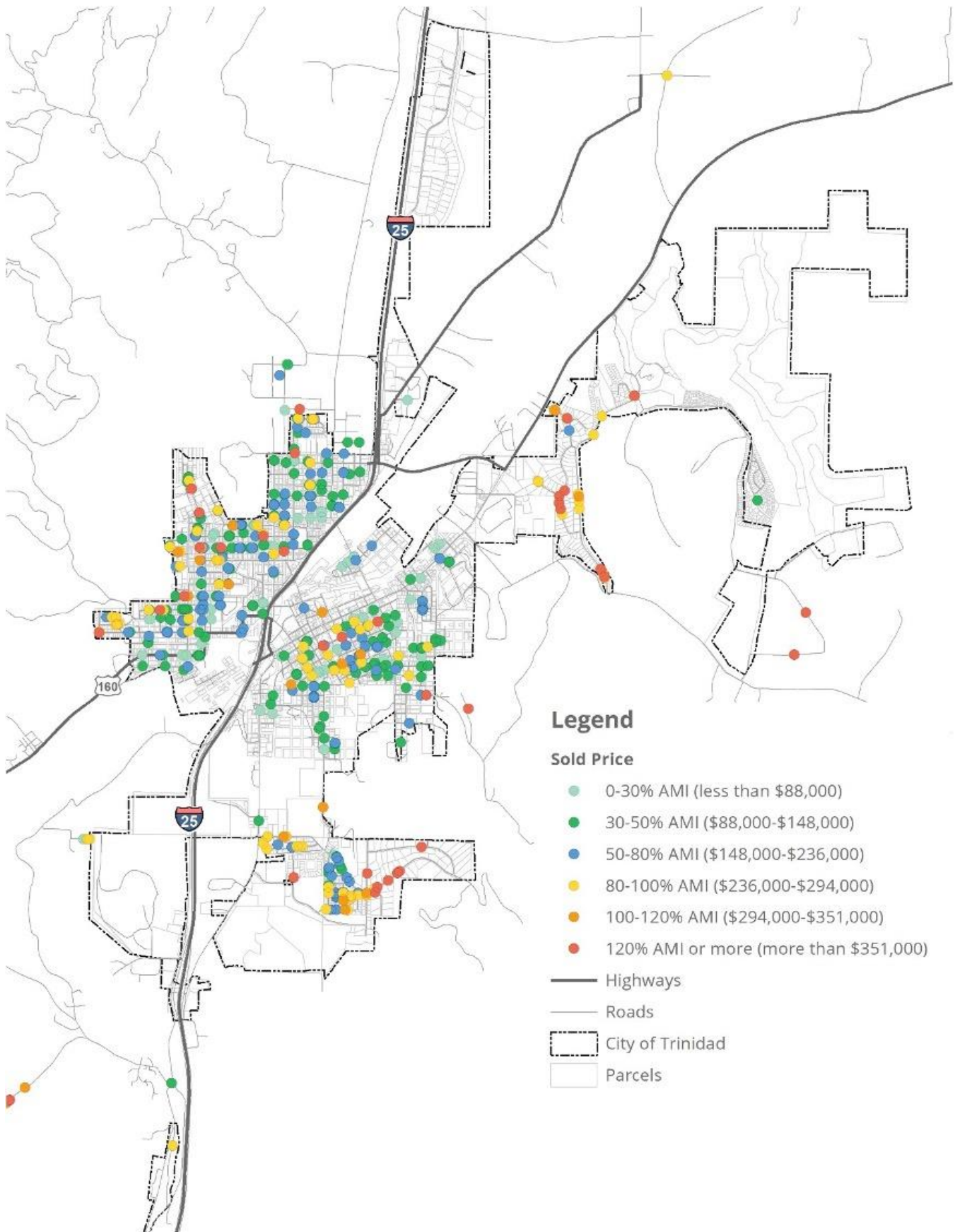
For sale housing production. Figure II-23 and Figure II-24 show the units sold from 2017 to 2021 in the City of Trinidad and the immediately surrounding areas. Sales are mapped by the AMI needed to afford the unit— sold prices are also specified.

Geographically, houses in the central areas of the city have a greater diversity of prices whereas, prices are generally higher for houses in the east and south outlying areas of the city.

Figure II-24 shows all the sales, including sales outside the City of Trinidad. Houses south of Trinidad and surrounding Trinidad Lake are generally more expensive than houses north of the city, where there is greater diversity in cost.

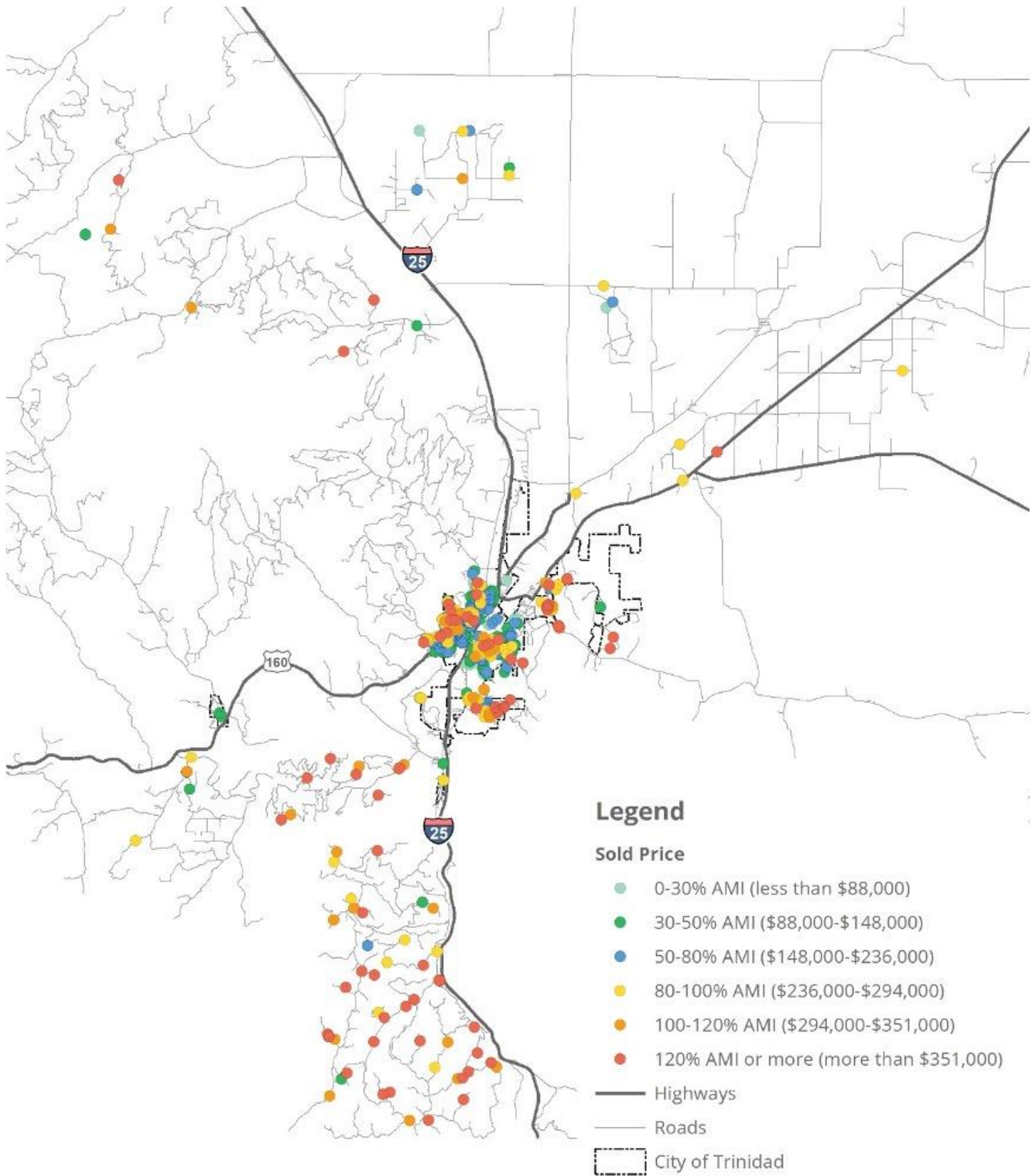
A note about the sales data. The following analysis of sales data includes all sales from 2017 to 2021 in the City of Trinidad and the immediately surrounding areas shown in Figure II-24. Not all sales data was mapped due to geocoding errors (38% of sales were not mapped). Of the sales that were mapped, 83% are in Trinidad.

Figure II-23. Sold Price by AMI, City of Trinidad, 2017-2021



Source: MLS and Root Policy Research.

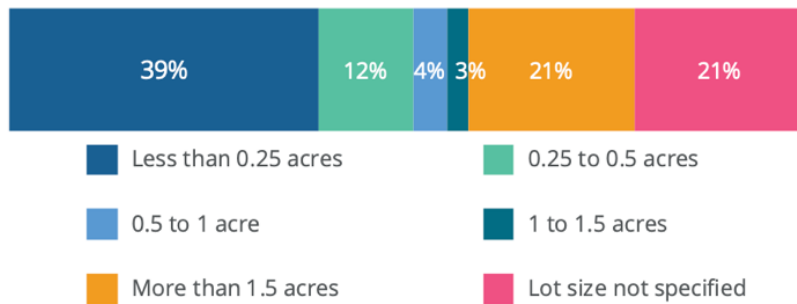
Figure II-24. Sold Price by AMI, 2017-2021



Source: MLS and Root Policy Research.

Figure II-25. Residential Sales by Lot Size, 2017 to 2021

Lot Size (acres)	Avg. Sale Price	Number of Sales	Percentage of Sales
Less than 0.25 acres	\$136,226	383	39%
0.25 to 0.5 acres	\$169,442	117	12%
0.5 to 1 acre	\$231,018	41	4%
1 to 1.5 acres	\$245,233	27	3%
More than 1.5 acres	\$303,819	205	21%
<i>Lot size not specified</i>	<i>\$160,609</i>	<i>210</i>	<i>21%</i>



Source: MLS and Root Policy Research.

Figure II-26 shows residential home sales by square footage for homes sold between 2017 and 2021. Larger homes generally have higher sale prices. About half of homes for sale had more than 1,500 square feet (52%).

Figure II-26. Residential Sales by Square Footage, 2017 to 2021

Square Feet	Avg. Sale Price	Number of Sales	Percentage of Sales
Less than 1,000	\$96,391	108	11%
1,000 to 1,250	\$126,504	177	18%
1,250 to 1,500	\$140,580	183	19%
1,500 to 2,000	\$188,222	208	21%
2,000 to 3,000	\$232,453	210	21%
More than 3,000	\$387,530	97	10%



Source: MLS and Root Policy Research.

Figure II-27 shows residential sales by the year the unit was built for homes sold between 2017 and 2021. Generally, newer homes are more expensive. Half of homes for sale during this time were built prior to 1950—many of these homes require repairs and remodels.

Figure II-27. Residential Sales by Year Built, 2017 to 2021

Year Built	Avg. Sale Price	Number of Sales	Percentage of Sales
Before 1950	\$141,486	485	49%
1950 to 1960	\$153,640	61	6%
1960 to 1970	\$136,410	30	3%
1970 to 1980	\$161,608	54	5%
1980 to 1990	\$193,871	40	4%
1990 to 2000	\$263,700	121	12%
2000 to 2010	\$280,473	161	16%
2010 to 2015	\$288,900	11	1%
After 2015	\$269,895	20	2%

Source: MLS and Root Policy Research.

Figure II-28 compares home sales from 2017 to 2021 by number of bedrooms to households by number of people. The average sale price for homes is affordable to households with the same number of people as bedrooms when using median income to calculate the household's purchasing power. However, half of homes for sale were three-bedroom units whereas 41% of households have one or two people.

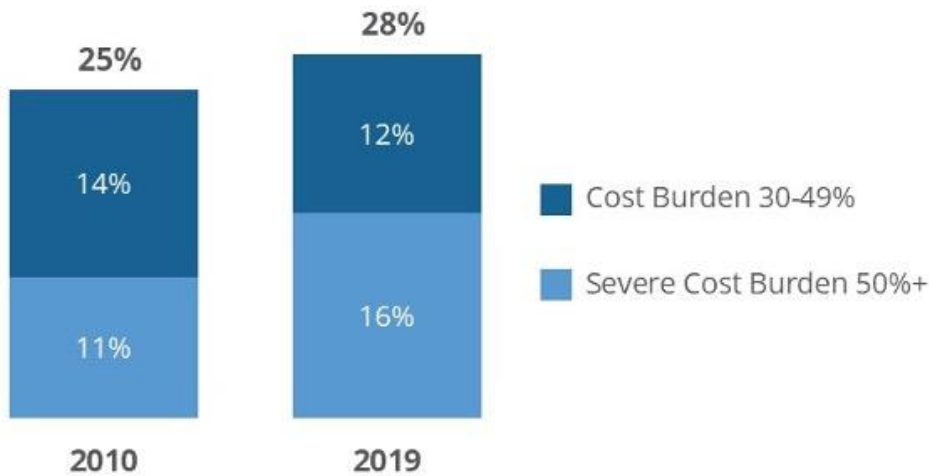
Figure II-28. Residential Sales by Number of Bedrooms and Households by Size

Bedrooms or People Per Household	Home Sales (2017-21) Avg. Price	Home Sales (2010-21) % of Sales	Households (2019) Median Income	Households (2019) Max Affordable	Households (2019) % of Households
1 or less	\$133,757	3%	\$18,254	\$91,122	40%
2	\$138,573	29%	\$50,690	\$253,040	31%
3	\$186,602	48%	\$54,353	\$271,325	12%
4	\$245,842	15%	\$64,176	\$320,360	12%
5 or more	\$317,085	5%	\$73,287	\$365,842	5%

Note: Assumes a 30-year mortgage at a rate of 3.35% with a 10% down payment, 20% of monthly payment is used for property taxes, utilities, insurance. Note: MLS, 2019 5-year ACS, Root Policy Research.

Cost burden. Figures II-29 and II-30 show cost burden trends for owner households from 2010 to 2019. While renter cost burden decreased during this time, owner cost burden increased by three percentage points, driven by an increase in owners that are "severely" cost burdened.

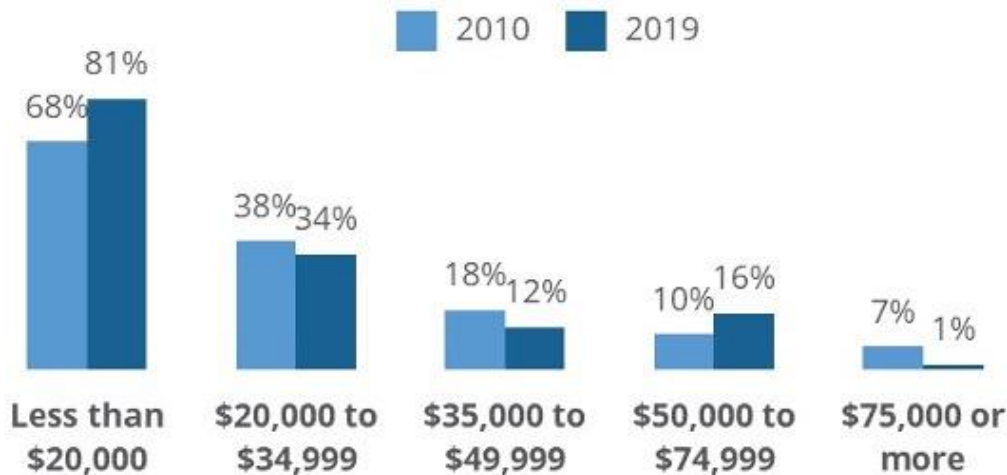
Figure II-29. Cost Burdened Owners, 2010 and 2019



Source: 2010 and 2019 5-year ACS, Root Policy Research.

Increases in owner cost burden were primarily for households earning less than \$20,000 (68% in 2010 to 81% in 2019) and between \$50,000 and \$75,000 (10% to 16%).

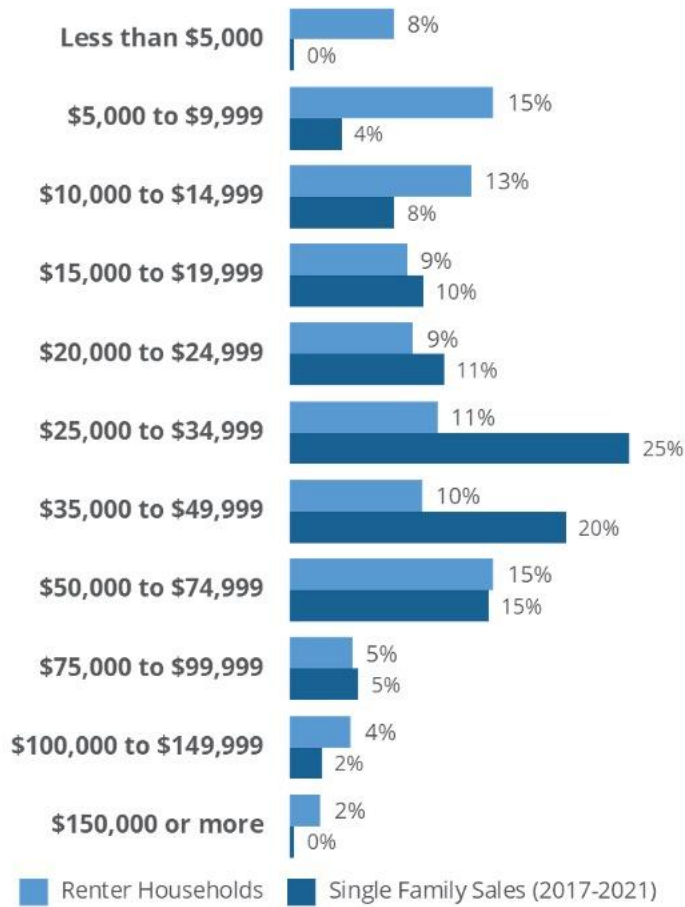
Figure II-30. Cost Burdened Owners by Household Income, 2010 and 2019



Source: 2010 and 2019 5-year ACS, Root Policy Research.

Ownership gaps. This section highlights gaps in homeownership by comparing the incomes of renters in the city—prospective buyers—with sales in recent years. Figure II-31 shows the share of renter households by income bracket and the share of homes they could afford from housing sales between 2017 to 2021. Most units sold were affordable to households earning between \$25,000 and \$75,000—units priced roughly between \$124,000 and \$374,000.

Figure II-31. Share of Renter Households and SINGLE-FAMILY Sales by Household Income, 2017 to 2021



Note: Assumes a 30-year mortgage at a rate of 3.35% with a 10% down payment, 20% of monthly payment is used for property taxes, utilities, insurance. Four attached residential units (duplex and triplexes) sold for an average of \$173,875 from 2019 to 2021. Source: MLS, 2019 5-year ACS, Root Policy Research.

Figures II-32 and II-33 show the estimated renter purchase gap by household income and AMI. Rental purchase gaps are calculated by comparing the proportion of renter households by income bracket to the proportion of home sales affordable to households in that income bracket. This analysis identifies price points with a shortage of ownership opportunities to serve prospective buyers.

There is a shortage of ownership opportunities for households earning less than \$25,000 and over \$75,000. Generally, households earning less than \$25,000—less than 30% AMI— will not be served by the ownership market except through a land trust or deeply subsidized units available through Habitat for Humanity. Households earning less than 30% AMI need homes priced below \$88,000.

Ownership opportunities are needed for renter households earning more than 100%

AMI—homes priced above \$294,000. Twenty-one percent of renters earn more than 100% AMI while only 15% of home sales were within this income bracket from 2017 to 2021.

Figure II-32. Renter Purchase Gap by Household Income, 2019

Income Range	Max Affordable Home Price	Potential Demand among 1st Time Buyers (Current Renters) Number	Potential Demand among 1st Time Buyers (Current Renters) Percent	For-Sale Supply (Homes Sold 2017-2021) Number	For-Sale Supply (Homes Sold 2017-2021) Percent	Renter Purchase Gap	Cumulative Gap
Less than \$25,000	\$124,793	834	53%	322	33%	-20%	-20%
\$25,000 to \$34,999	\$174,712	169	11%	244	25%	14%	-6%
\$35,000 to \$49,999	\$249,590	151	10%	198	20%	11%	4%
\$50,000 to \$74,999	\$374,388	233	15%	143	15%	0%	4%
\$75,000 to \$99,999	\$499,185	72	5%	49	5%	0%	4%
\$100,000 to \$149,999	\$748,781	70	4%	23	2%	-2%	2%
\$150,000 or more		35	2%	3	0%	-2%	0%

Note: Assumes a 30-year mortgage at a rate of 3.35% with a 10% down payment, 20% of monthly payment is used for property taxes, utilities, insurance. Source: MLS, 2019 5-year ACS, and Root Policy Research.

Figure II-33. Renter Purchase Gap by AMI, 2019

Income Range	Max Affordable Home Price	Potential Demand Among 1 st Time Buyers (Current Renters) Number	Potential Demand Among 1 st Time Buyers (Current Renters) Percent	For-Sale-Supply (Homes Sold 2017-2021) Number	For-Sale-Supply (Homes Sold 2017-2021) Percent	Renter Purchase Gap	Cumulative Gap
0-30% of AMI	\$88,107	630	40%	169	17%	-23%	-23%
31-50% of AMI	\$146,762	278	18%	274	28%	10%	-13%
51-80% of AMI	\$234,869	216	14%	287	29%	15%	2%
81-100% of AMI	\$293,524	112	7%	104	11%	3%	6%
101-120% of AMI	\$352,229	110	7%	54	5%	-2%	4%
121% of AMI or more		218	14%	94	10%	-4%	0%

Note: HUD 2-person adjusted AMI for Las Animas County is used for these calculations. Assumes a 30-year mortgage at a rate of 3.35% with a 10% down payment, 20% of monthly payment is used for property taxes, utilities, insurance. Source: MLS, 2019 5-year ACS, and Root Policy Research.

FUTURE HOUSING NEEDS

Factors impacting housing supply and demand. This section summarizes factors that are likely to have the greatest impact on future housing needs in the City of Trinidad. These include:

- Housing production and the condition of existing housing stock
- Rise of short-term rentals
- Reopening of New Elk Mine
- Commuting patterns
- Employment and population forecasts

Housing production and the condition of existing housing stock. New housing developments entering the Trinidad market should consider the housing needs identified in this analysis. There are several proposed developments in the pipeline with and without entitlements from the City of Trinidad. If all projects that have been approved by the city are built, 57 rental units will be added to the market. If all proposed projects are constructed, 240 new rental units could be added in the city.

On the other hand, many of the houses in Trinidad are older and in need of major repairs which artificially lowers the price of homes for sale on the market. Half (19%) of homes sold from 2017 to 2021 were built prior to 1950—these homes appear affordable but are likely in need of major repairs and remodels prior to move in. From 2018 to 2022, there were 24 home improvement loans in Las Animas County with an average of \$79,583 in improvements. On average, improvements were 31% of the home's value.

Short term rentals. The rise of short-term rentals over the past 10 years in the City of Trinidad, and throughout the State of Colorado, impacts the housing market for year-round residents and local workforce by removing units from the housing market. According to recent research, short-term rental units that were previously occupied by year-round residents in a long-term rental agreement are decreasing the supply of available housing, decreasing the vacancy rate, and increasing rents.⁴

Additionally, property owners, landlords, and outside investors are incentivized to convert units to short-term rentals because there is an economic incentive to do so in tourist markets. Property owners can rent a unit for less than a hotel room and make a substantial premium over a comparable long-term rental unit.⁵

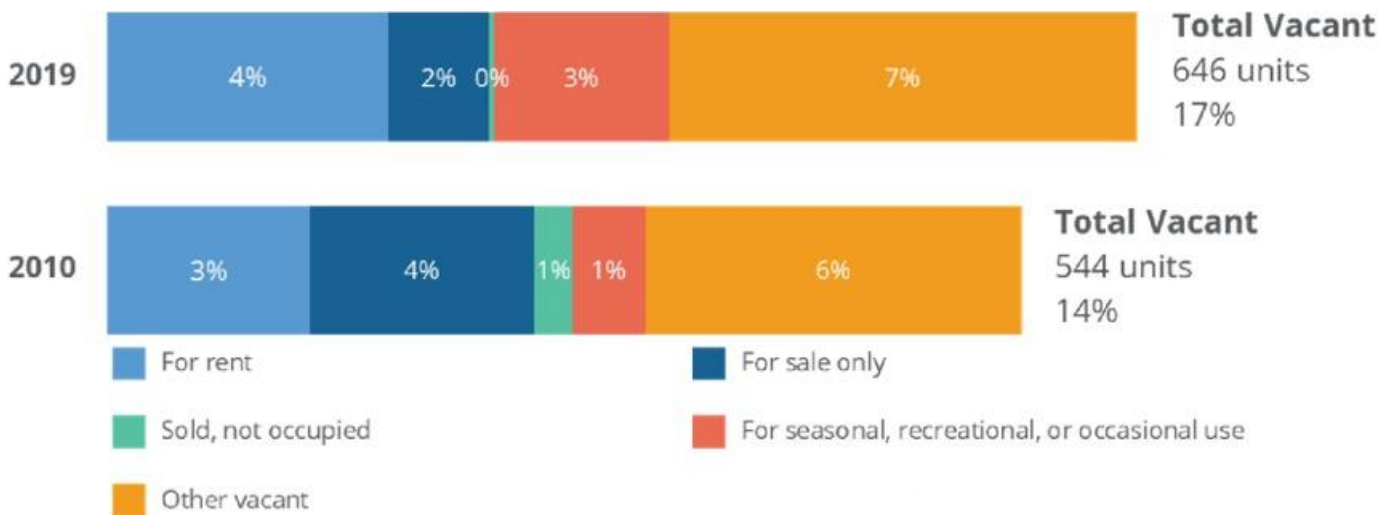
Figure II-34 shows the share of housing units vacant by reason in 2010 and 2019. The total share of vacant units increased from 2010 to 2019. Fourteen percent (544 units) of housing units were vacant in 2010 compared to 17% (656 units) in 2019.

Units that are vacant because they are for sale and for seasonal, recreational, or occasional use are driving the increase. Units that are vacant for seasonal, recreational, or occasional use—including Airbnb's and second homes—increased from 43 units in 2010 to 109 units in 2019.

⁴ Allen, J. A. (2017). Disrupting affordable housing: Regulating Airbnb and other short-term rental hosting in New York City. *Journal of Affordable Housing & Community Development Law*, 26 (1), 151-192. <https://www.jstor.org/stable/26408211>

⁵ Lee, D. (2016). How Airbnb short-term rentals exacerbate Los Angeles's affordable housing crisis: Analysis and policy recommendations. *Harvard Law & Policy Review*, 10, 230-253

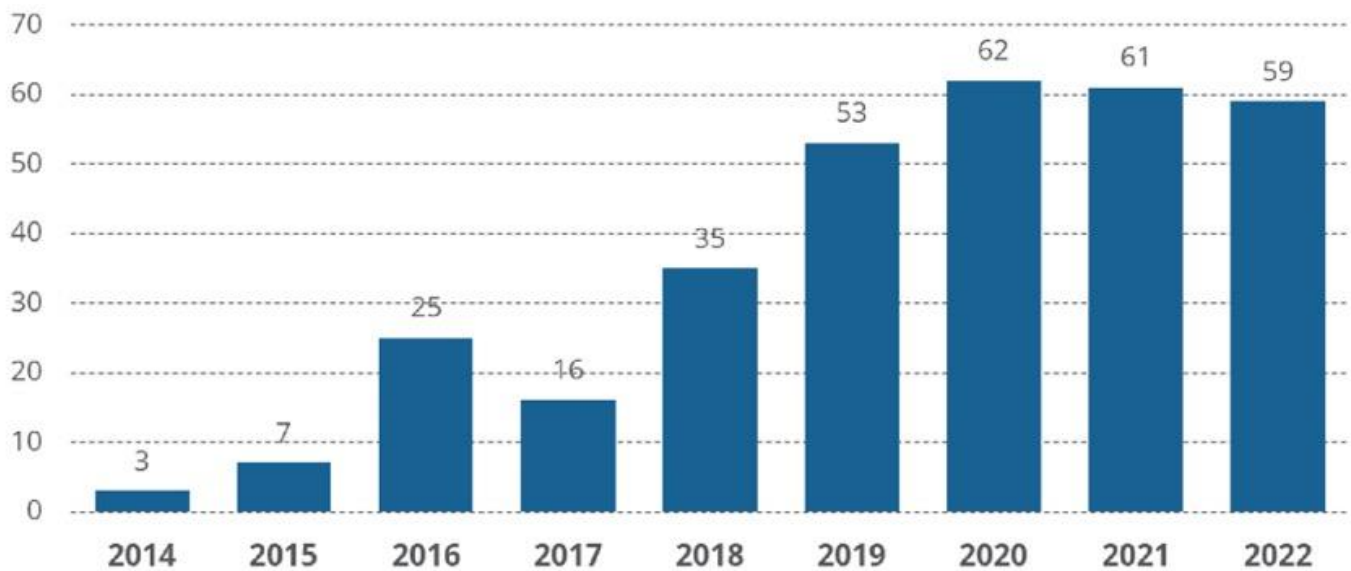
Figure II-34. Share of Total Housing Units Vacant by Reason, Trinidad, 2010 and 2019



Source: 2010 and 2019 5-year ACS, Root Policy Research.

Figure II-35 shows the number of short-term rentals listed in the City of Trinidad from 2014 to 2022. The prevalence of short-term rentals in the city has increased substantially during this time for a total number of 59 listed short-term rentals in 2022.

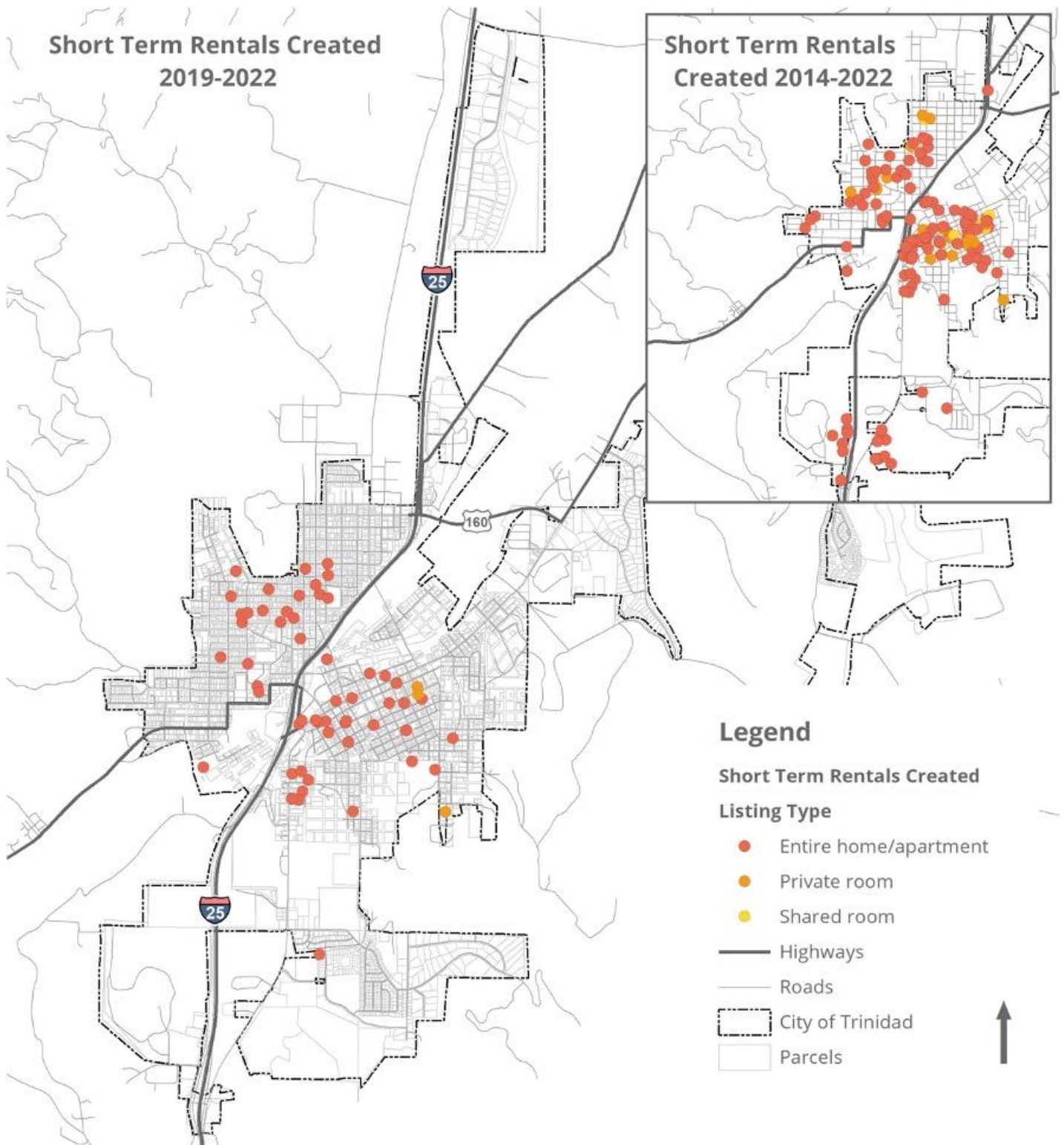
Figure II-35. Short Term Rentals Listed, Trinidad, 2014 to 2022



Source: AirDNA and Root Policy Research.

Figure II-36 shows a map of short-term rentals created in the City of Trinidad from 2014 to 2022 by year built and listing type. Generally, short term rentals are in the northwest area around Trinidad State College west of I-25 and in the downtown area.

Figure II-36. Short Term Rentals by Year Created and Listing Type

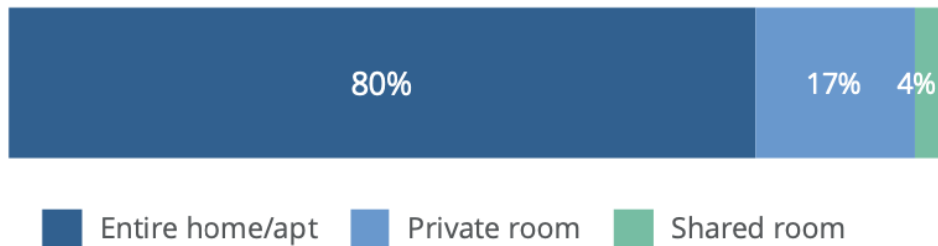


Source: AirDNA and Root Policy Research.

Figure II-37 shows the number of short-term rentals by year created and type of listing (i.e., entire home or apartment, private room, or shared room). Eighty percent of short-term rentals created in the city occupy the entire home or apartment.

Figure II-37. Short Term Rentals by Year Created and Listing Type, Trinidad, 2014 to 2022

Year	Entire Home/Apartment	Private Room	Share Room	Total
2014	1	2		3
2015	1	3	1	5
2016	14	7	1	22
2017	3	1		4
2018	15	8	3	26
2019	23	2		25
2020	30			30
2021	21	1		22
2022	5			5



Source: AirDNA and Root Policy Research.

Figure II-38 shows the number of short-term rental units that occupy the entire unit by number of days they were listed as available in the last 12 months and number of bedrooms. Most rentals that were listed in the past 12 months were listed for more than 60 days. Units that are rented short term for more than 60 days of the year and occupy the entire unit are no longer viable housing units available to the local workforce. Based on this analysis there are about 50 units that have converted into short term rentals over the past 10 years and are actively used for short term rentals in 2022.

Figure II-38. Entire Unit Short Term Rentals by Number of Days Available and Number of Bedrooms, Trinidad, Last 12 Months

Bedrooms	Less Than 60 Days	60 to 120 Days	More Than 120 Days	Total
0			1	1
1	3	4	17	24
2	2	3	17	22
3	1	2	5	8
4			1	1
Total	6	9	41	56

Source: AirDNA and Root Policy Research.

Mine expansion. The New Elk Mine reopened in 2021—the mine was originally opened in 1951 and ceased coal production in 1994. Trinidad was formed as a mining town, but the economy has diversified in the years since the mines closure. The newly diversified economy is likely more insulated from the boom-bust cycle associated with mining⁶. However, the ramping up of operations at the mine inevitably impact housing needs and future housing demand.

By the end of 2021, it was estimated the mine would be employing 100 workers with the intention to add around 200 in 2022. According to the Quarterly Census of Employment and Wages, the average weekly wage for miners in Las Animas County in 2021 was \$1,390 or about \$72,000 annually. The average mine worker would be able to afford a maximum monthly rent of \$1,807 or a \$360,000 mortgage in the City of Trinidad.

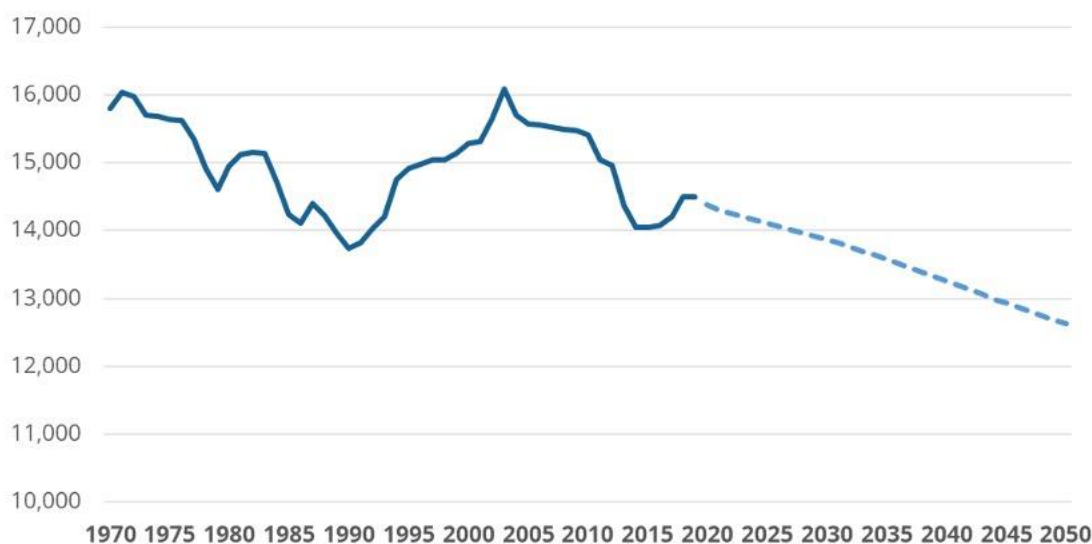
Alligance, the new owner of the mine, aims to ramp up production to produce 2.5 million tons of coal over the next 25 years. ⁷In addition to the mine workers themselves, the mine is expected to increase gross domestic product (GDP) of the city by 49% at full operation, doubling the city’s current GDP.

Commuting patterns. In 2019, an estimated 1,703 workers commuted to work in Trinidad, but live elsewhere in the region.

Population and employment forecasts. According to the Department of Local Affairs (DOLA) population and employment forecasts for Las Animas County, the region is expected to experience a slow decline in population and employment by 2050. However, due to the volatility of population and employment trends in the county over the past 30 years it is difficult to forecast changes in the market, particularly for Trinidad with the reopening of the New Elk Mine.

Figure II-39 shows the population forecast for Las Animas County from 1970 to 2050. From 2019 to 2050, DOLA is estimating a decrease in population of 1,860 people or 13%. The county peaked in population in 2003 at 16,089 and decreased to 14,047 in 2015. However, the population trend in the county reversed in 2015 and the county experienced 3% growth from 2015 to 2019 (446 people).

Figure II-39. Population Forecast, Las Animas County, 1970 to 2050



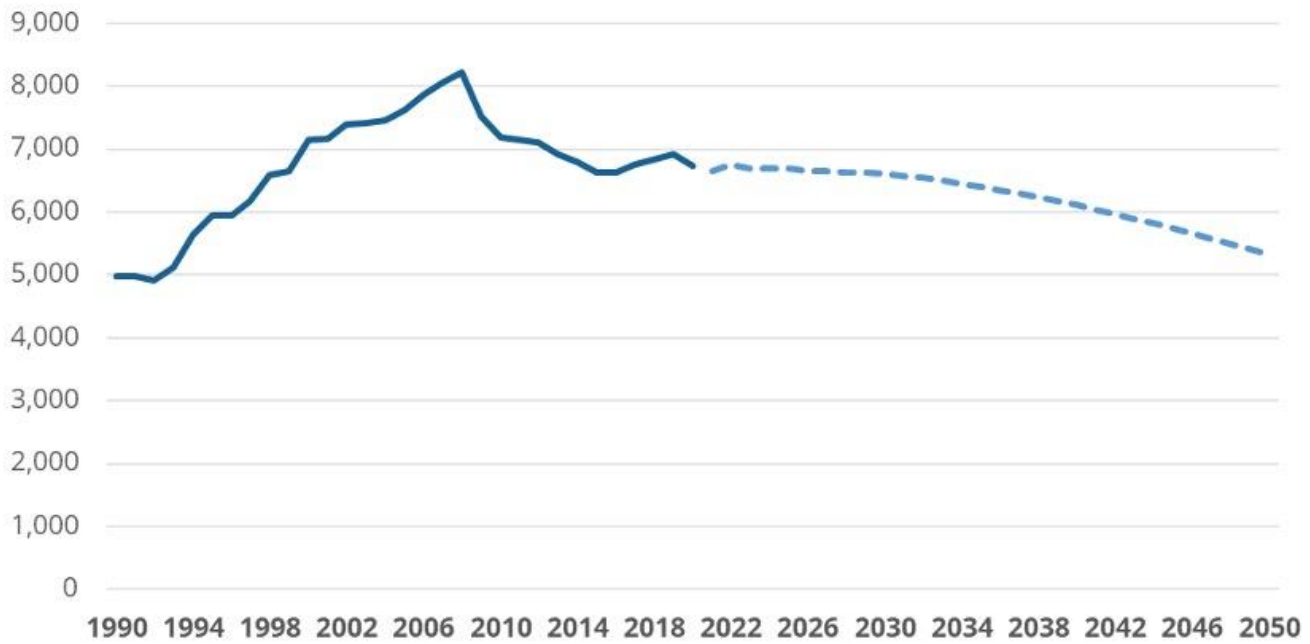
Source: DOLA.

⁶ <https://coloradosun.com/2021/06/24/new-elk-coal-mine-trinidad-economic-development/>

⁷ <https://coloradosun.com/2021/06/24/new-elk-coal-mine-trinidad-economic-development/>

Figure II-40 shows the employment forecast for Las Animas County from 1990 to 2050. DOLA estimated employment in the county will decrease from 6,742 in 2020 to 5,321 in 2050 (21% decrease). Like the population trends, employment peaked pre-recession in 2008 at 8,215 and decreased to 6,630 in 2015. From 2015 to 2019 there was an increase in employment followed by a decrease in 2020—likely due to the onset of the COVID-19 pandemic.

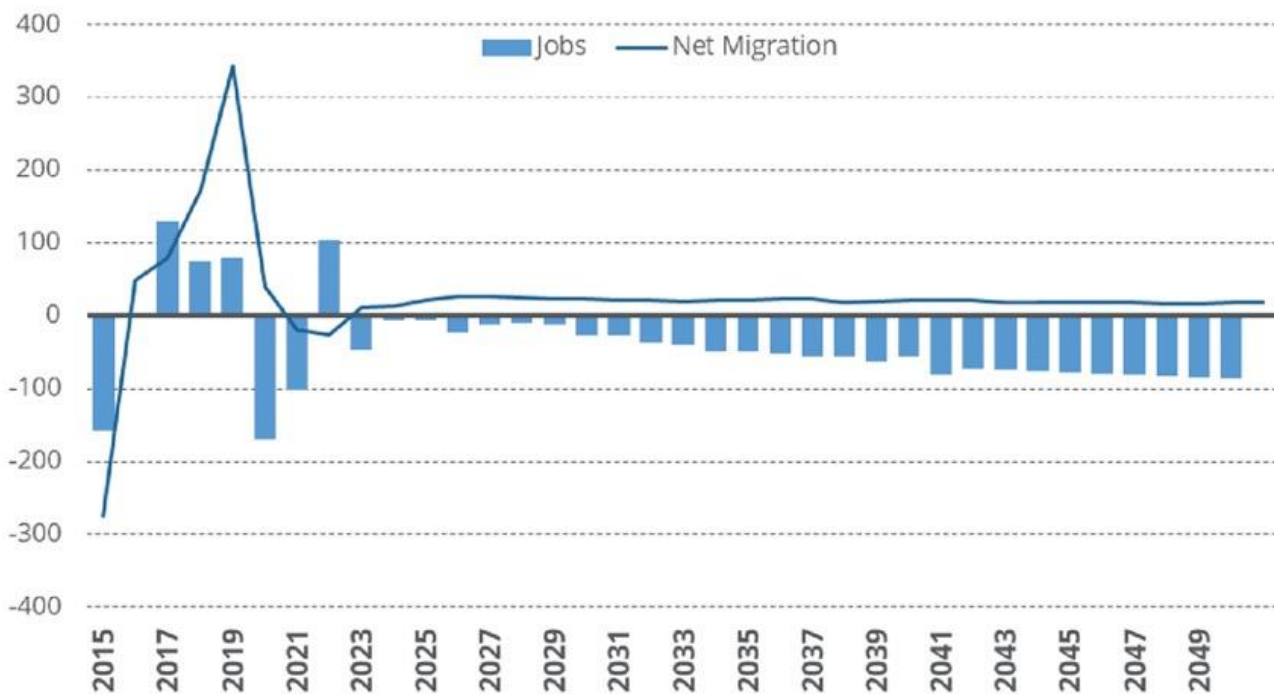
Figure II-40. Employment Forecast, Las Animas County, 1990 to 2050



Source: DOLA.

Figure II-41 shows the estimated annual change in employment and net migration in Las Animas County from 2015 to 2050.

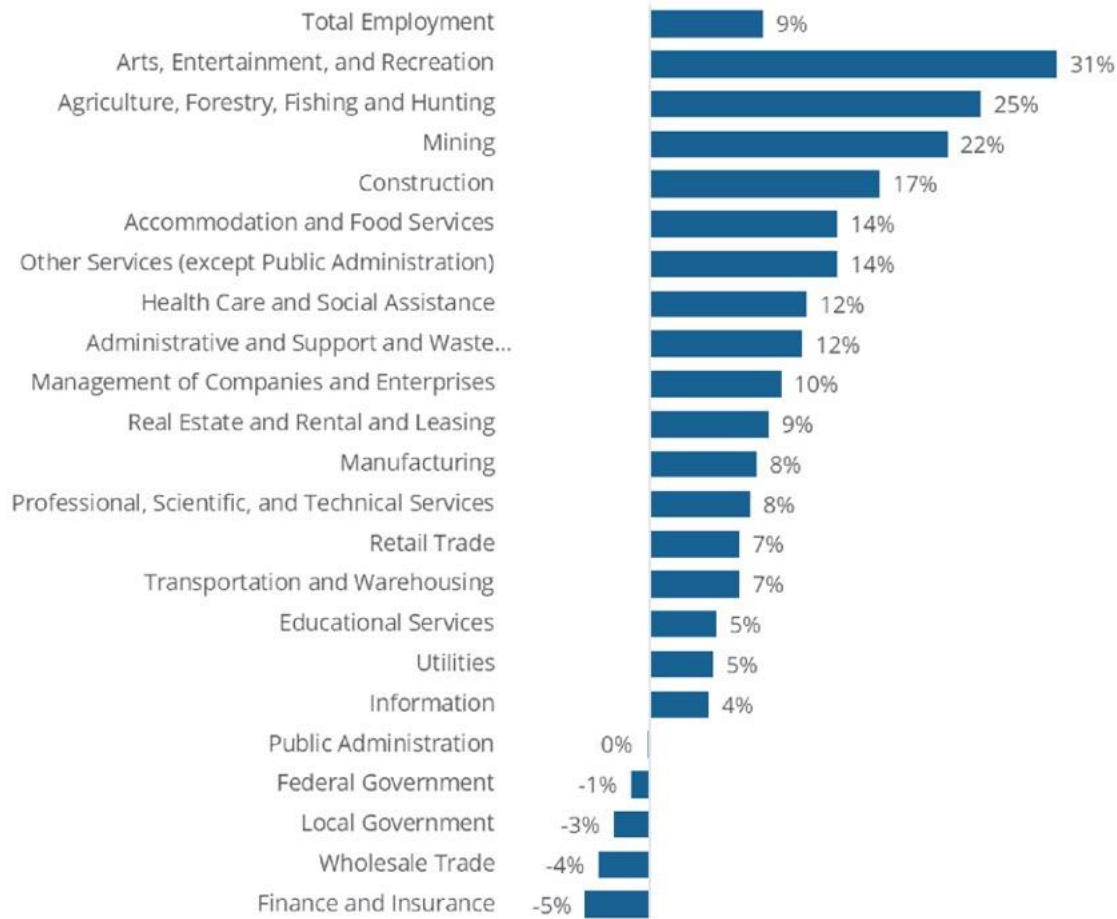
Figure II-38. Estimated Annual Job Change and Net Migration, Las Animas County, 2015 to 2050



Source: DOLA.

Figure II-42 shows the employment projections by industry for the Southern and Eastern Balance of State for Colorado. According to the Colorado Department of Labor and Employment, arts and recreation (31%), agriculture and forestry (25%), and mining (22%) will experience the highest percentage of growth from 2020 to 2030.

Figure II-42. Employment Growth Projections by Industry, Southern and Eastern Balance of State, 2020 to 2030



Source: Colorado Department of Labor and Employment.

Estimated future housing demand. There are numerous factors that impact housing demand—specifically for subpopulations. For the purposes of this study, future housing demand is estimated by household AMI and tenure. While population and employment projections for the county overall show a decrease in population and employment, there are other factors to consider for the City of Trinidad specifically. These include:

- Current housing needs and gaps
- Rise of short-term rentals
- Reopening of New Elk Mine

These factors are combined to estimate future housing demand over the next 10 years by AMI and tenure. Annual goals provide a benchmark to manage to when considering rezoning, providing incentives, and pursuing affordable housing opportunities.

Figure II-43 shows the estimated future housing demand by contributing factor for the City of Trinidad. There is an estimated need for an additional 98 rental units and 152 for sale units over the next 10 years. In addition to new units, there is a need for additional rental subsidies for 146 renters earning less than 30% AMI and 293 renters earning over 100% AMI.

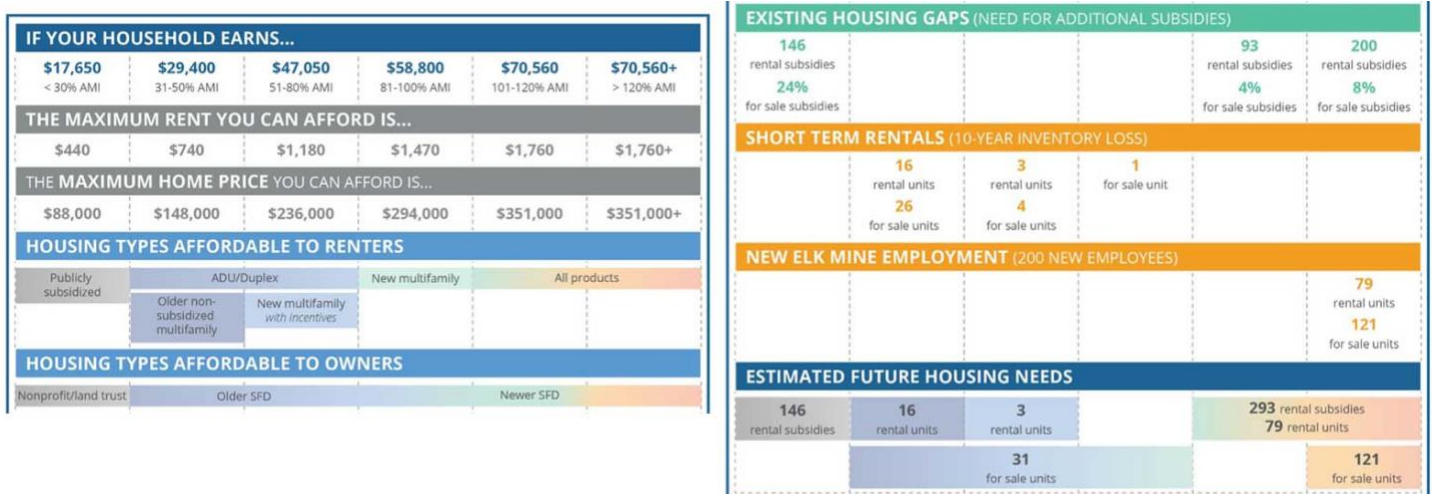
Current needs. The current rental and for sale purchase gaps represent a need for additional housing subsidies and a redistribution of existing units by price point through subsidies and reinvestment. In other words, these shortages do not necessitate additional units, rather reinvestments and preservation of existing units and the introduction of additional subsidies to ensure affordability. To address these gaps over the next 10 years, Trinidad would need to preserve and subsidize 146 rental units affordable to households earning less than 30% AMI (units priced below \$441 per month).

For the ownership market, the city should focus efforts on community improvements and restoration to attract higher-end development that is affordable to households earning above 100% AMI. The Trinidad market has the capacity to absorb 293 luxury rental units—however, this could be achieved through rehabilitation of existing units as well in resource-rich areas. Additionally, luxury rentals that are evident in the rental gaps and in conversations with area employers, should be prioritized in areas rich with amenities, arts, and culture like downtown Trinidad.

Short term rentals. There are 50 short term rental units in the City of Trinidad that occupy the entire unit and were listed as available for rent for more than 60 days in the past 12 months. These units were taken off the local housing market over the past 10 or so years as they converted to short term rentals. For this analysis, the units were sorted by number of bedrooms and the current homeownership rates for the city were applied to the unit distribution. The estimated owner and renter units by bedroom were matched with the average rent or average purchase price by number of bedrooms to estimate AMI targets to replace these units. Overall, these trends indicate a need to replace 19 rental units and 31 for sale units occupied by short term rentals over the next 10 years to mitigate future loss of year-round housing units to the short-term rental market.

Mine employment. The New Elk Mine will be onboarding an estimated 200 new employees in 2022. The City of Trinidad has a worker to household ratio of about one person. Therefore, there is an estimated demand for 200 additional housing units. At the current homeownership rate, workers will need 76 rental units and 121 for sale units. With an average weekly wage of \$1,390, the average mine worker could afford a maximum rent of \$1,807 and a maximum purchase price of \$360,815.

Figure II-43. Estimated Future Housing Needs

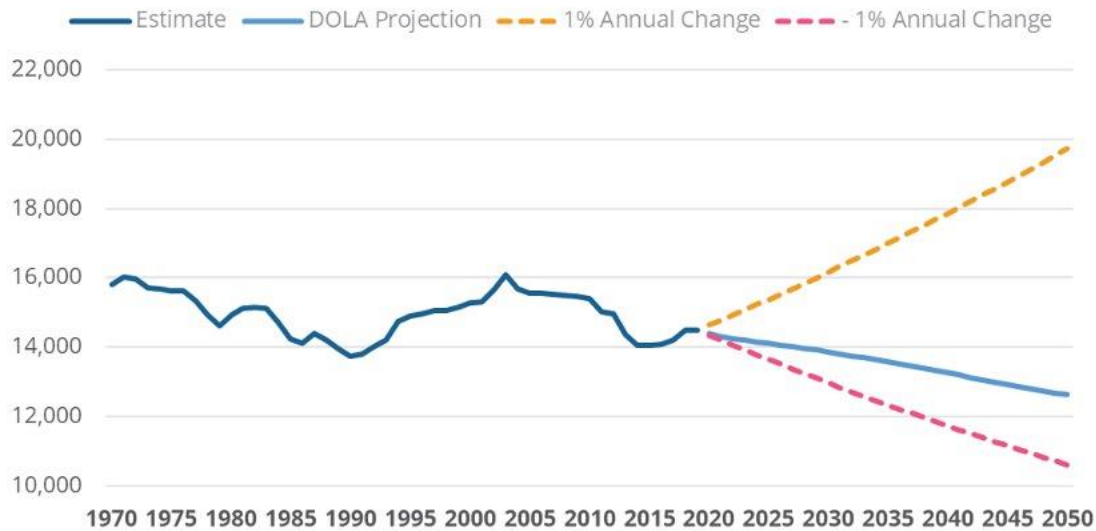


Source: Root Policy Research.

Future housing demand scenarios. According to the Department of Local Affairs (DOLA) population and employment forecasts for Las Animas County, the region is expected to experience a slow decline in population and employment by 2050. However, due to the volatility of population and employment trends in the county over the past 30 years it is difficult to forecast changes in the market, particularly for Trinidad with the reopening of the New Elk Mine.

Therefore, for the purposes of developing an actionable housing strategy for the City of Trinidad—regardless of population growth volatility—two population forecast scenarios are illustrated below in Figure II-44. The first scenario assumes a 1% annual change in population and the second scenario assumes a negative 1% annual change in the population.

Figure II-44. Population Forecast Scenarios, Las Animas County, 1970 to 2050



Source: DOLA and Root Policy Research.

Figure II-45 translates the two population forecast scenarios into potential housing demand. These estimates hold three key demographic characteristics constant over the forecast period including the income distribution, homeownership rate, and household size.

- If the population of the City of Trinidad increases by 1% annually:
 - Population will grow by 5,237 from 2019 to 2050.
 - Equal to 1,746 new population over the next 10 years.
 - Demand for 355 new rental units over the next 10 years; and
 - Demand for 545 new ownership units over the next 10 years.
- If the population of the City of Trinidad decreases by 1% annually:
 - Population will decrease by 3,880 from 2019 to 2050.
 - Equal to a 1,283 loss of population over the next 10 years; and
 - Future housing investments should be focused on community improvements and reinvestment in existing housing stock.

Figure II-45. Population Forecast Scenarios, Las Animas County, 1970 to 2050

Tenure and AMI	DOLA Projections 2019-2050	DOLA Projections 10-Year Target	1% Annual Change 2019-2050	1% Annual Change 10-Year Target	-1% Annual Change 2019-2050	-1% Annual Change 10-Year Target
Total forecasted population change	-1,860	-620	5,237	1,746	-3,880	-1,293
Average household size (2019)	1.94	1.94	1.94	1.94	1.94	1.94
New Renter Households						
0-30% of AMI	-152	-51	429	143	-318	-106
31-50% of AMI	-67	-22	190	63	-140	-47
51-80% of AMI	-52	-17	147	49	-109	-36
81-100% of AMI	-27	-9	76	25	-56	-19
101-120% of AMI	-27	-9	75	25	-55	-18
121% of AMI or more	-53	-18	149	50	-110	-37
Total	-378	-126	1,065	355	-789	-263
New Owner Households						
0-30% of AMI	-86	-29	242	81	-179	-60
31-50% of AMI	-82	-27	231	77	-171	-57
51-80% of AMI	-109	-36	306	102	-226	-75
81-100% of AMI	-62	-21	174	58	-129	-43
101-120% of AMI	-62	-21	175	58	-130	-43
121% of AMI or more	-180	-60	507	169	-375	-125
Total	-580	-193	1,634	545	-1,211	-404

Source: DOLA and Root Policy Research.

SECTION III. COMMUNITY ENGAGEMENT FINDINGS

This section reports the findings from the community engagement conducted to support the Housing Needs Assessment. The first part of this section explores residents’ housing problems, choices and preferences, experience during the COVID-19 crisis, and preference for different housing types. That is followed by a summary of results gathered through stakeholder interviews. The Root team is grateful to the residents who shared their experiences and perspectives by participating in the resident survey and stakeholder interviews.

COMMUNITY ENGAGEMENT ELEMENTS

The community engagement process included:

- A resident survey available in English and Spanish (158 total responses); and
- Eight stakeholder interviews.

Explanation of terms. The terms used throughout this section include:

- “Precariously housed” includes residents who are currently homeless or living in transitional or temporary/emergency housing and residents who are “staying with friends/family” —people who live with friends or family but are not themselves on the lease or property title. These residents may (or may not) make financial contributions to pay housing costs or contribute to the household in exchange for housing (e.g., childcare, healthcare services).

Geographic note. Throughout this section, survey data are reported for residents who live and work in the City of Trinidad, residents who live in the city but work elsewhere, residents who live in the city and are not employed, and residents that live elsewhere but work in the city.

Sampling note. The survey respondents do not represent a random sample of the City of Trinidad. A true random sample is a sample in which everyone in the population has an equal chance of being selected for the survey. The self-selected nature of the survey prevents the collection of a true random sample. Important insights and themes can still be gained from the survey results however, with an understanding of the differences of the sample from the larger population. Figure III-1 shows the characteristics of survey respondents.

Figure III-I. Survey Respondent Profile

Resident Survey Sample Sizes	Live and Work in the City	Live in City Employed Elsewhere	Live in City Not Employed	Work in the City	Other	Total
Total Responses	89	16	28	11	14	158
Household Composition						
Households with children under 18	17	7	1	6	1	32
Single person households	15	2	5	0	0	22
Race/Ethnicity						
Hispanic	14	1	1	1	0	17
Other Non-Hispanic Minority	10	2	1	2	0	15
Non-Hispanic White	40	8	15	3	7	73
American Indian/Native American	6	7	2	2	0	17
Tenure						
Homeowner	53	13	15	8	9	98
Renter	21	2	2	0	4	29
Precariously housed	2	1	3	2	0	8
Age						
Under 35	13	2	3	2	0	20
Ages 35 -54	21	4	0	2	2	29
Age 55+	20	3	13	2	6	44
Household Income						
< \$25,000	5	0	6	1	0	12
\$25,000 up to \$50,000	24	2	6	0	0	32
\$50,000 up to \$75,000	11	4	4	0	1	20
\$75,000 up to \$100,000	10	5	1	2	1	19
\$100,000 up to \$150,000	11	2	2	2	0	17
\$150,000 or more	6	2	0	2	4	14

Note: Precariously housed includes residents who are currently homeless, staying with friends or family, but not on the lease (“couch-surfing”) or living in transitional or temporary housing. Numbers do not aggregate either due to multiple response or that respondents did not choose to provide a response to all demographic and socioeconomic questions. Source: Root Policy Research from the 2022 City of Trinidad Housing Survey.

Sample size note. When considering the experience of members of certain groups in the City of Trinidad, the sample sizes are too small to express results quantitatively. In these cases, we describe the survey findings as representative of those who responded to the survey, but that the magnitude of the estimate may vary significantly in the overall population (i.e., large margin of error). Survey data from small samples are suggestive of an experience or preference, rather than conclusive. Sample size numbers are provided along with each figure. These numbers represent the number of responses to the particular question referred in the figure, not the total number of surveys received.

CURRENT HOUSING CHOICE

This section describes the most important factors residents shared for choosing their current home and a breakdown of average housing and transportation costs. Survey results are generally shown in aggregate as well as by where residents live and work, tenure (e.g., renter, homeowner, precariously housed), and by household income.

Most important factors in choosing current home. Figures III-2 through III-4 present the top five factors survey respondents considered when choosing their current home. Figure III-2 shows the top five factors for residents based on where they live and work. Overall, liking the home or apartment, liking the neighborhood, affordable cost, and allowing pets were the top factors. Unique to the City of Trinidad, the prospect of residents’ current home as a good investment for rent or future resale was ranked high for residents living and working in the city.

Figure III-2. What factor was most important to you when you chose your current home? Top Five Responses, by where residents live and work

Top 5	Live and Work in City	Live in City, Employed Elsewhere	Live in City, Not Employed	Work in City	Other
1	Good investment for rent or future resale	Like the type of	Like the type of	Allow pets/dogs	Cost/I could afford it
2	Like the type of	home/apartment	home/apartment	Cost/I can afford it	Allow pets/dogs
3	home/apartment	Like the neighborhood	Allow pets/dogs	Good investment for rent or future resale	Like the neighborhood
4	Like the neighborhood	where the home is located	No HOA/No	Close to quality/desirable K-	where the home is located
5	where the home is located	Landlord takes	Homeowner’s	12 schools/school district	Good investment for rent or future resale

Note: n=114. Source: Root Policy Research from the 2022 City of Trinidad Housing Survey.

Figure III-3 shows the top five factors by tenure. For owners, liking the neighborhood and home were the most important followed by the home being a good investment for rent or future resale. Renters were more concerned with liking the apartment, an affordable price, and proximity to work or job opportunities. Finally, residents who were precariously housed were concerned with affordability, the ability to bring their pets, and proximity to family and friends.

Figure III-3. What factor was most important to you when you chose your current home? Top Five Responses, by Tenure

Top 5	Owner	Renter	Precariously Housed
1	Like the neighborhood where the home is located	Like the type of home/apartment	Cost/I could afford it
2	Like the type of home/apartment	Cost/I can afford it	Allow pets/dogs
3	Good investment for rent or future resale	Close to work/job opportunities	Close to family/friends
4	Quiet area	Good investment for rent or future resale	Low crime rate/safe
5	Allow pets/dogs	Close to parks, open space, trails, or outdoor recreation	I/we can make most trips without a car

Note: n=114. Source: Root Policy Research from the 2022 City of Trinidad Housing Survey.

Figure III-4 shows the top considerations by household income. Households earning under \$75,000 value affordability, liking the home and neighborhood, proximity to quality schools, and the absence homeowners’ associations (HOA). Households earning more than \$75,000 value the size of the home, investment for rent or future resale, affordability, pet allowance, and the neighborhood.

Figure III-4. What factor was most important to you when you chose your current home? Top Five Responses, by Household Income

Top 5	< \$25,000	\$25,000 up to \$50,000	\$50,000 up to \$75,000	\$75,000 up	< \$25,000	\$25,000 up to \$50,000	\$50,000 up to \$75,000
1	Cost/I can afford it	No HOA/ No	Cost/I can afford it	Number of bedrooms/ size of	Liked the neighborhood	Allow pets/dogs	Cost/I can afford it
2	Like the type of home/ apartment	Homeowner’s	Close to work/job opportunities	apartment or home	Good investment for rent or future resale	Cost/I can afford it	Like the neighborhood where the
3	Like the neighborhood where the	Association/ no covenants	Quiet area	Good investment for rent or future resale	Like the type of home/ apartment	I/we require accessibility/ handicapped	home is located
4	home is located	Close to quality/	Close to parks, open	Like the type of home/ apartment	Low crime rate/safe	improvements inside the home	Near downtown
5	Close to restaurants/	desirable K-12 schools/ school district	space, trails, or outdoor recreation	Like the neighborhood where the	Close to parks, open	Close to quality/	Trinidad/near historic areas

Note: n=114. Source: Root Policy Research from the 2022 City of Trinidad Housing Survey.

Housing costs. Figures III-5 and III-6 compare average housing costs. As shown, average rent, mortgage, and utilities vary by where residents live and work, but internet costs are similar. Residents who live and work in the city have the highest housing costs, except for utilities. Unemployed residents living in the city and residents working in the city but living elsewhere generally have lower rents and HOA costs. The average mortgage is lowest for residents living in the city but not employed—this is likely due to retirees living in Trinidad.

Figure III-5. Average Housing Costs, by where residents live and work

Where Residents Live & Work	Average Rent	Average Mortgage	Average HOA	Average Utilities	Average Internet
All Residents	\$885	\$885	\$885	\$885	\$885
Live and Work in the City	\$1,099	\$1,187	\$260	\$129	\$286
Live in City, Employed Elsewhere	\$705	\$718	\$368	\$103	\$221
Live in City, Not Employed	\$442	\$580	\$240	\$203	\$271
Work in the City	\$400	\$906	N/A	\$55	\$218

Note: n=93. Source: Root Policy Research from the 2022 City of Trinidad Housing Survey.

Residents were asked if they receive any assistance or have changed their behavior to help pay for their housing costs. Survey respondents report that:

- 14% receive help from family or friends to assist with housing payments.
- 20% have a roommate to help make the mortgage or rental payment.
- 17% rent out their home as a short-term rental; and
- 10% applied for or used a Section 8 or Housing Choice Voucher in the past year

Figure III-6 shows the average transportation costs for residents based on where they live and work. Overall, the average survey respondent pays \$489 per month for their car, \$166 per month for insurance, and \$174 per month on fuel. Car payments are highest for residents who live in the city but are not employed followed by residents living and working in the city. Fuel costs are highest for residents who live in the city but commute to work elsewhere.

Figure III-6. Average Transportation Costs, by where residents live and work

Where Residents Live & Work	Average Monthly Car Payment	Average Monthly Insurance	Average Monthly Fuel
All Residents	\$489	\$166	\$174
Live and Work in the City	\$512	\$177	\$186
Live in City, Employed Elsewhere	\$440	\$166	\$186
Live in City, Not Employed	\$600	\$94	\$190
Work in City	\$340	\$168	\$158

Note: n=93. Source: Root Policy Research from the 2022 City of Trinidad Housing Survey.

FUTURE HOUSING PREFERENCE

Survey respondents shared their future housing preferences, including the desire for homeownership or changing their housing situation as their family grows or they age.

In-commuters. Eleven survey respondents indicated that they worked in Trinidad but lived elsewhere. The majority (8 respondents) indicated they would consider living in Trinidad in the future. Most did not live in Trinidad because they could not find a house they could afford, the house was too small, or the house needed too many repairs.

Desire to move. Overall, 67% of survey respondents plan to stay in their current home for as long as possible. In Trinidad 8% of respondents want to stay in their current home but are worried they will not be able to. The main reasons residents are concerned they will not be able to stay in their current housing are financial reasons, worries that rent will increase too much, and age-related issues.

About half of respondents that plan to move would like to do so at some point in the next five years. The most common reasons for wanting to move are:

- I want to move to a different town.
- To find a more affordable home to rent; and
- Write-in responses included:
 - “Find better schools and healthcare.”
 - “Crime”
 - “To be near my son and grandchildren”
 - “I fully anticipate being priced out of Trinidad in the next few years.”
 - “Find better schools and healthcare.”

Single-family homes (both larger and smaller), homes with a larger yard, and more affordable homes, are among the types of housing that residents who plan to move desire. By and large, about 65% of these respondents believe that the community they currently live in offers the type of housing they seek.

Desire to own. Across the board, most who rent want to own. Around three in four (81%) want to buy or plan to buy a home in the next five years, 48% want to buy in the next five years but are not sure if they will be able to. The greatest share of renters who want to buy have not yet done so because there is a lack of housing to buy that they can afford, they don't want to buy in Trinidad, or housing is not affordable where they want to live.

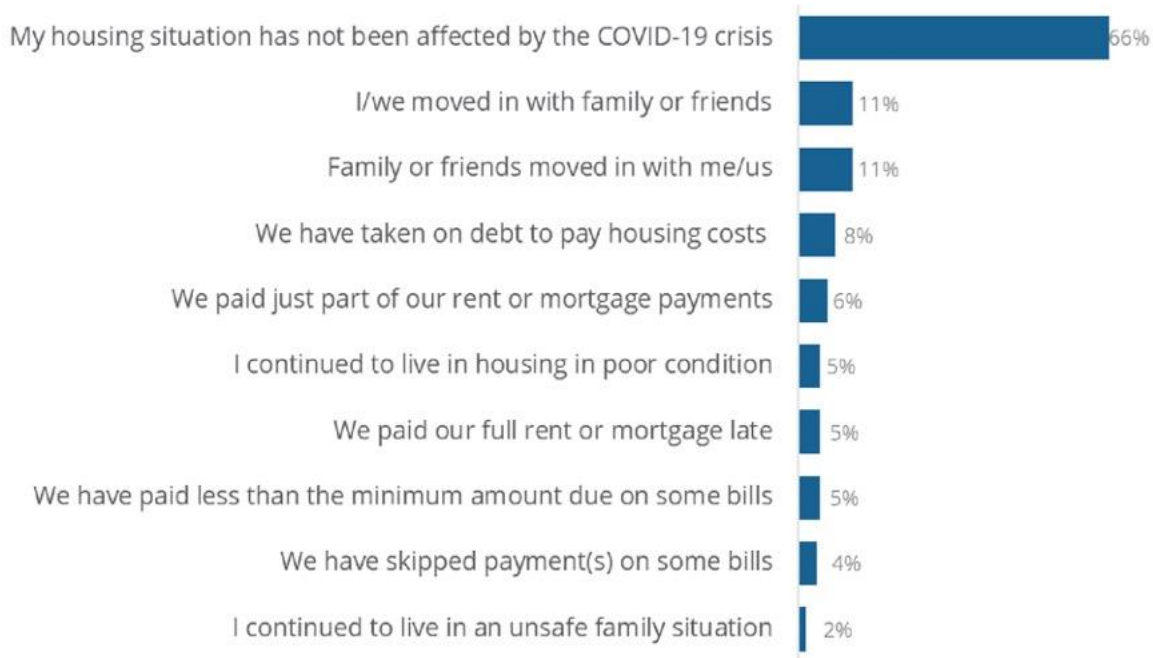
COVID-19 IMPACTS

This section explores how the COVID-19 pandemic has impacted residents' housing and employment situations, as well as the presence of landlord accommodations in responses to the pandemic and residents' ability to access government assistance.

Housing situation impacts. Overall, two in three Trinidad residents (66%) indicated their housing situation has not been impacted by the COVID-19 pandemic, as shown in figure III-7. Among those who were impacted, the top three ways their situation was impacted included:

- “I/we moved in with family or friends;”
- “Family or friends moved in with me/us;” and
- “We have taken on debt to pay housing costs (e.g., credit cards, pay day loans, loans from family/friends).”

Figure III-7. COVID-19 Impact on Housing Situation

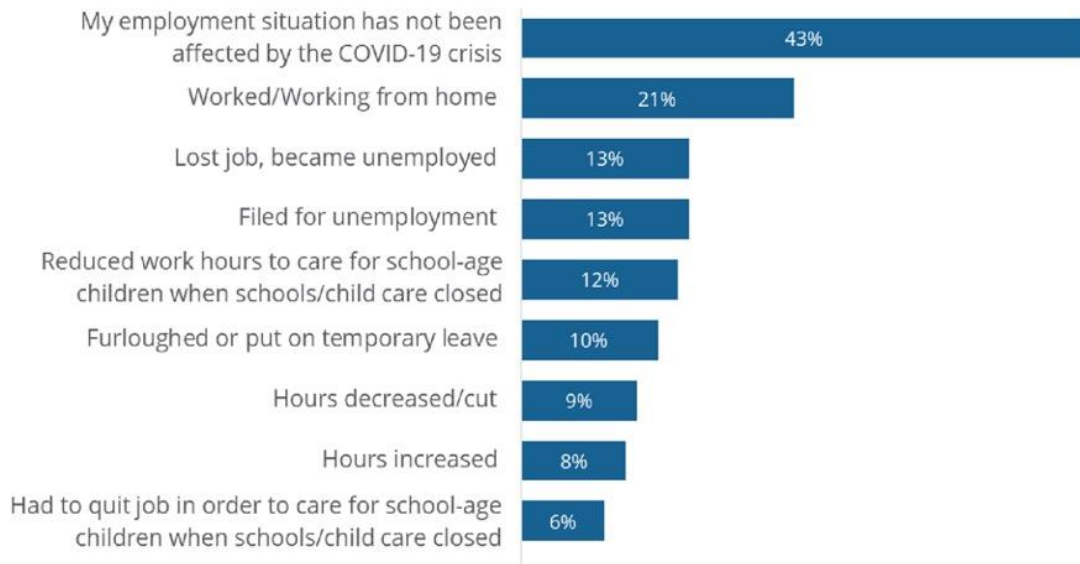


Note: n=131. Source: Root Policy Research from the 2022 City of Trinidad Housing Survey.

Landlord accommodations. Most renters did not report receiving any form of landlord accommodation in response to the COVID-19 crisis. Among those who did receive an accommodation, the most common was waiver of late fees, followed by a lease extension or renewal at the current rate.

Employment impacts. Residents were asked how their household employment situation has been impacted by the COVID-19 pandemic. A large share of residents said they were not impacted by COVID-19 at work (43%), and another 21% started working from home, as shown in figure III-8. Some residents lost their job (13%), filed for unemployment (13%), were forced to reduce hours to care for school-aged children (12%), or were furloughed or put on temporary leave (10%).

Figure III-8. COVID-19 Impact on Housing Situation



Note: n=125. Source: Root Policy Research from the 2022 City of Trinidad Housing Survey.

Access to emergency funds. Residents were asked if they had received emergency funds from the government, a public housing authority, or other sources (in addition to the federal stimulus payment) to help pay for housing or other household expenses. Sixty five percent of respondents indicated that they did not apply because they did not need emergency funds, 21% indicated they did not apply because they did not know how to, and 2% indicated they have applied but have not received the funds yet.

Desire for Housing Types

Participants in the resident survey rated the importance of offering different housing types in the City of Trinidad housing market and the appropriateness of different levels of density in their neighborhoods.

Importance of certain home types. Figures III-9 through III-11 present the average importance to residents that different housing types are included in the City of Trinidad’s housing supply. Survey respondents rated the importance of 15 different housing types, ranging from starter homes for first-time homebuyers, apartments that appeal to students, professionals, or seniors, to executive housing.

Respondents in the city expressed the importance of housing stock to accommodate a wide range of household types and incomes. The housing types that received the highest average importance rating are:

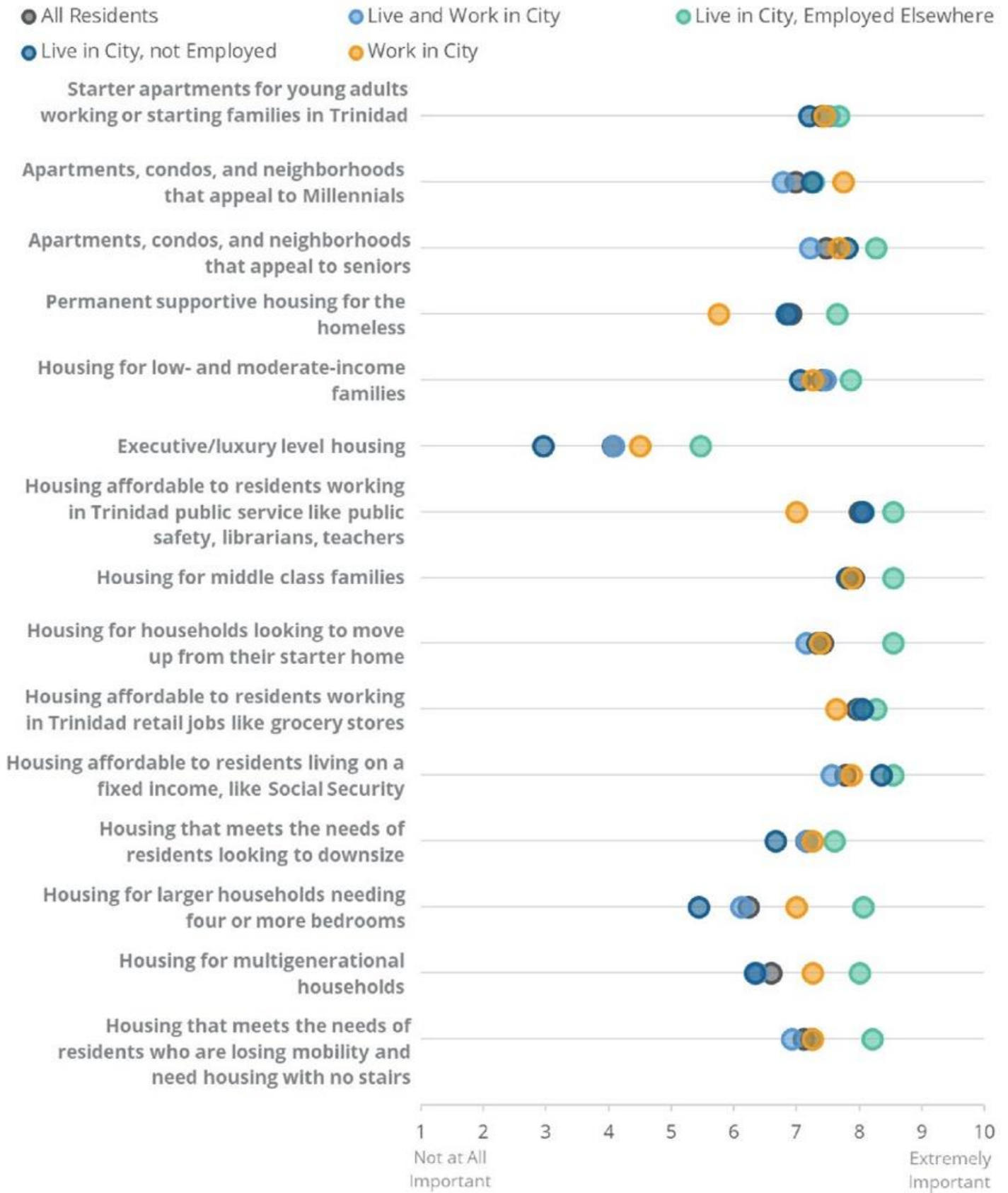
- Housing affordable to residents working in Trinidad public service like public safety, librarians, teachers (average importance of 8.0);
- Housing affordable to residents working in Trinidad retail jobs like grocery stores (8.0);
- Housing for middle class families (7.9);
- Housing affordable to residents living on a fixed income, like Social Security (7.8); and
- Starter homes for first-time homebuyers (7.7).

As shown in the figures, the degree of importance varies by place of residences, housing tenure, and income. In general, respondents considered executive housing to be less important than other housing types.

- On average, households that live in Trinidad but work elsewhere were more likely to rate the importance of housing higher than other respondents. Similarly, residents that live in Trinidad, but do not work were likely to rate the importance of housing lower. All groups rated executive or luxury housing the lowest.

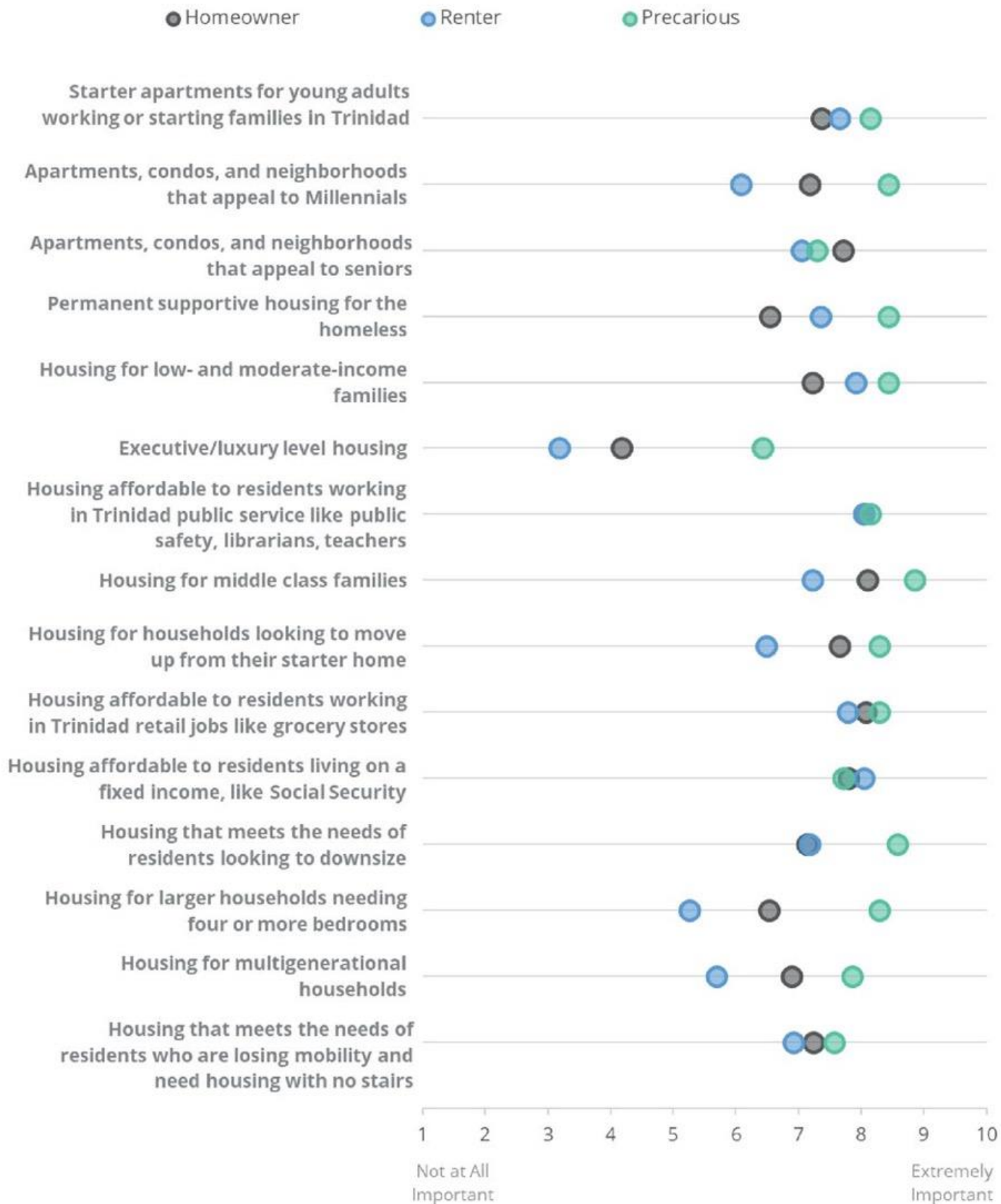
- In terms of tenure, precariously housed respondents rated all types of housing high. Renters were most likely to desire starter homes and subsidized affordable rental housing. Homeowners were most concerned with stability of middle-class workers and housing for seniors.
- In a similar way, households with income below \$25,000 are less likely to give higher importance ratings to most housing types except housing that appeals to seniors, grocery workers, and to households living on a fixed income, this is due to the prevalence of housing subsidies among low-income households.

Figure III-9. How important to you is it that the City of Trinidad's housing supply includes the following types of homes? (Ten means extremely important and 1 is not at all important), by where residents live and work



Note: n=125. Source: Root Policy Research from the 2022 City of Trinidad Housing Survey.

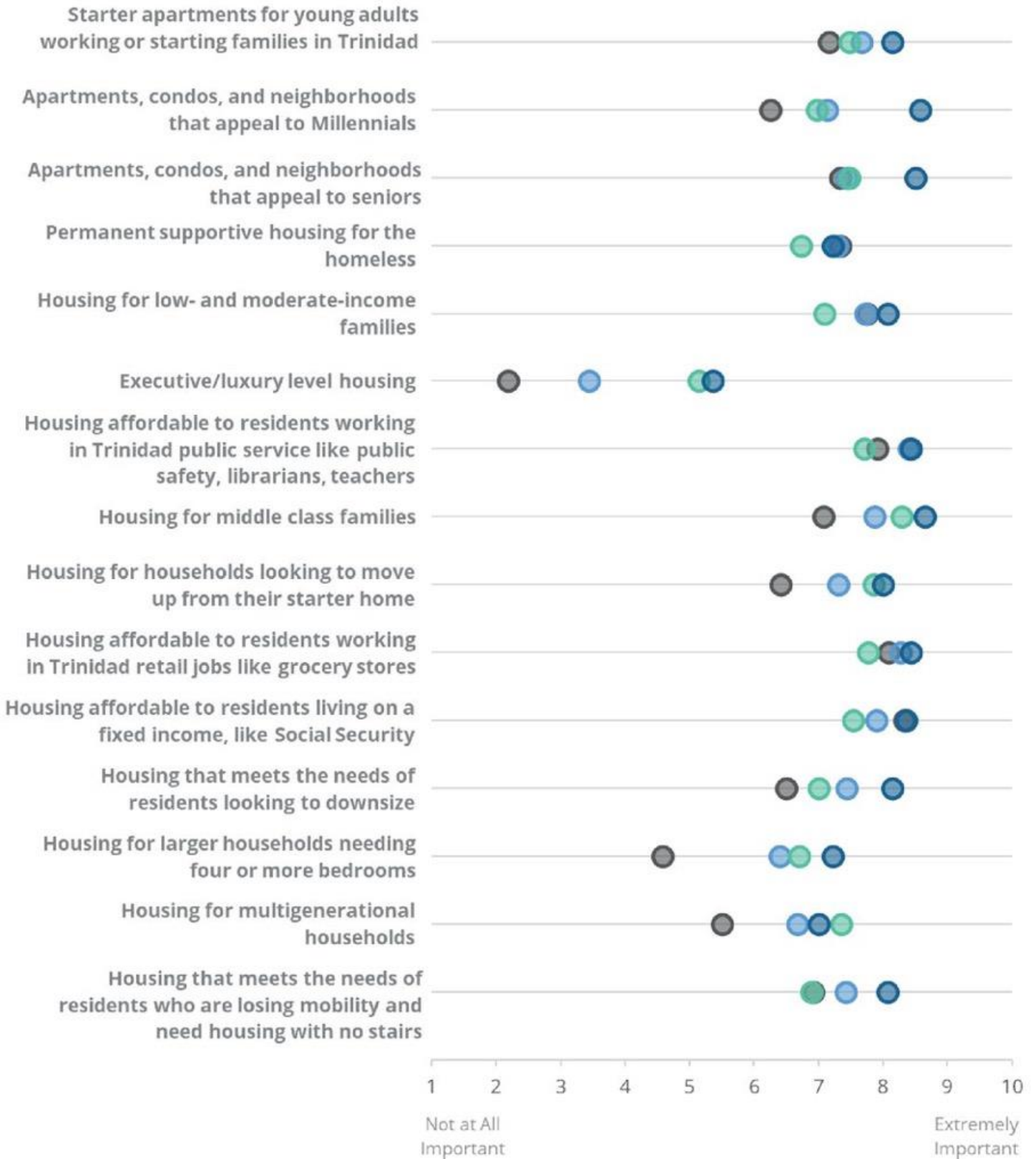
Figure III-10. How important to you is it that the City of Trinidad’s housing supply includes the following types of homes? (Ten means extremely important and 1 is not at all important), By Tenure



Note: n=125. Source: Root Policy Research from the 2022 City of Trinidad Housing Survey.

Figure III-11. How important to you is it that the City of Trinidad’s housing supply includes the following types of homes? (Ten means extremely important and 1 is not at all important), by Income

● Less than \$25,000 ● \$25,000 up to \$75,000 ● \$75,000 up to \$150,000 ● \$150,000 or more



Note: n=125. Source: Root Policy Research from the 2022 City of Trinidad Housing Survey.

Appropriate location for certain home types. Residents were asked to consider whether different housing types were appropriate in their neighborhood, other neighborhoods, only new neighborhoods, or not

appropriate in the City of Trinidad. Figure III-12 presents these results. Overall, residents were open to a variety of lot sizes and some soft density in their neighborhoods, though they favored single family development.

Residents were more open to density and product diversity in “only new neighborhoods”. Both large lot density uses like “large single-family homes with more than 5,000 feet” and high density uses like “apartment buildings with 5 stores close to major roads with 10 or more units” were the least favored in Trinidad. Respondents were generally not in favor of tiny homes but approved of detached accessory dwelling units in their neighborhoods.

Housing types/uses “appropriate in my neighborhood”. The following housing types were most considered “appropriate in my neighborhood”:

- Small homes with less than 1,500 square feet (63%);
- Medium-sized single-family homes between 1,500 and 3,000 square feet (50%); and
- Detached accessory dwelling unit (ADU), a separate unit on the same lot as the primary residence (48%).

Housing types/uses “appropriate in other neighborhoods”. The following housing types were most considered “appropriate in other neighborhoods”:

- Housing in “mixed use” areas (for example: housing over ground-floor retail) (43%).
- Small apartment buildings up to 2 stories with 9 or fewer units (32%); and
- Townhomes with a similar scale and feel as surrounding homes (31%).

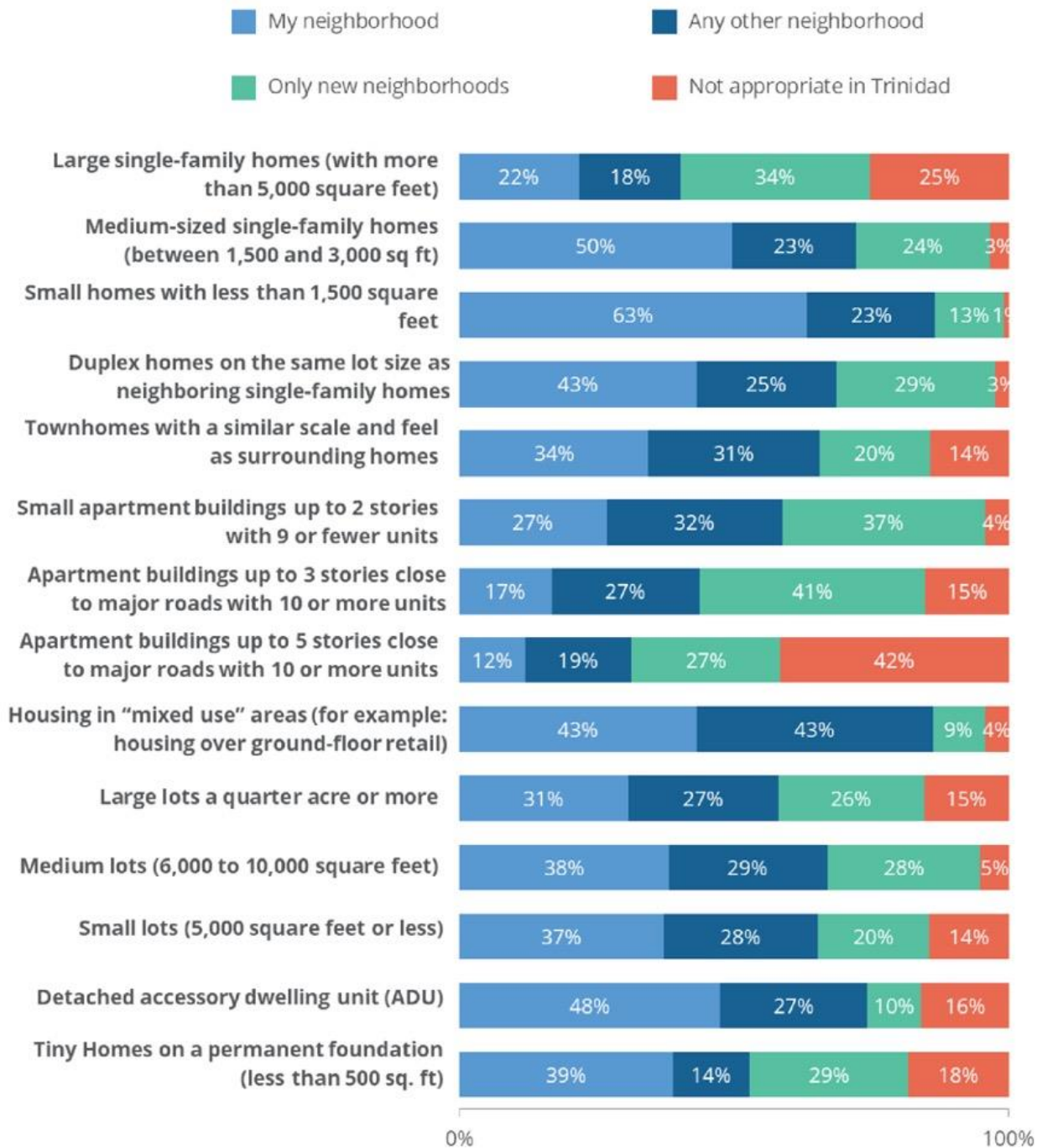
Housing types/uses “appropriate only in new neighborhoods”. The following housing types were most considered “appropriate only in new neighborhoods”:

- Apartment buildings up to 3 stories close to major roads with 10 or more units (41%);
- Small apartment buildings up to 2 stories with 9 or fewer units (37%); and
- Large single-family homes with more than 5,000 square feet (34%).

Housing types/uses “not appropriate in Trinidad”. The following housing types were most considered “not appropriate in Trinidad”:

- Apartment buildings up to 5 stories close to major roads with 10 or more units (42%).
- Large single-family homes with more than 5,000 square feet (25%); and
- Tiny Homes on a permanent foundation (less than 500 sq. ft) (18%).

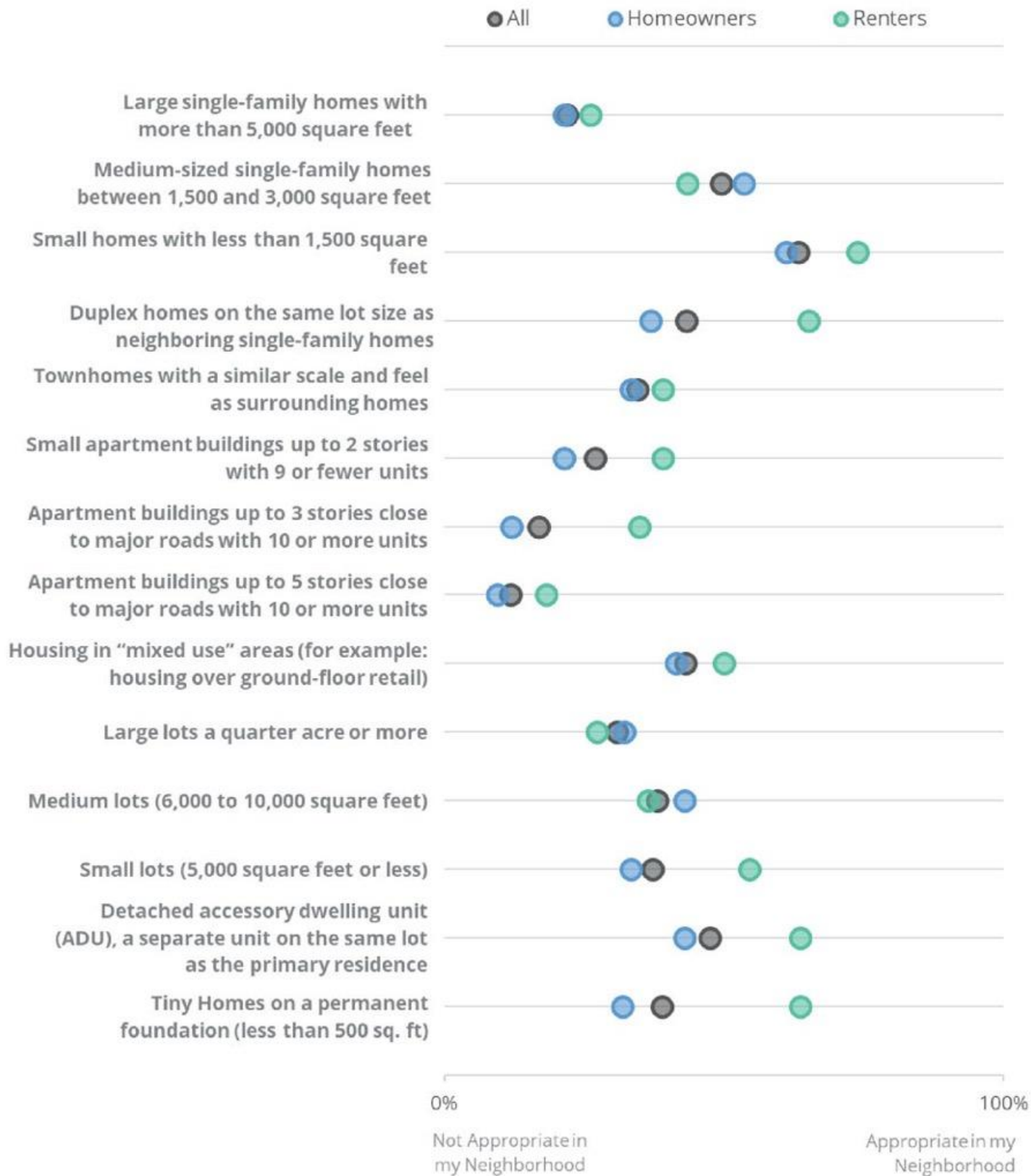
Figure III-12. For each housing type, state whether the type of housing is appropriate in your neighborhood, other neighborhoods, only new neighborhoods or not appropriate in Trinidad.



Note: n=119. Source: Root Policy Research from the 2022 City of Trinidad Housing Survey.

Figure III-13 shows the appropriateness of different housing types “in my neighborhood” according to homeowners and renters in Trinidad. Homeowners were less likely to say different housing types were appropriate in their neighborhoods, except for medium sized single-family homes (1,500 to 3,000 square feet), large lots a quarter acre or more, and medium lots (6,000 to 10,000 square feet). Conversely, renters are more likely to rate a variety of housing types as appropriate in my neighborhood compared to homeowners. Renters favored small homes with less than 1,500 square feet, duplex homes on the same lot size as neighboring single-family homes and detached accessory dwelling units (ADU).

Figure III-13. For each housing type, state whether the type of housing is appropriate in your neighborhood, by tenure



Note: n=119. Source: Root Policy Research from the 2022 City of Trinidad Housing Survey.

TRINIDAD STAKEHOLDER PERSPECTIVES

Community engagement efforts for the City of Trinidad Housing Needs Assessment included interviews with community stakeholders. A list of stakeholder participants was put together by City Staff, and stakeholders were contacted by email and invited to participate in one-on-one interviews to discuss housing needs and market trends in the city.

A total of eight interviews were conducted in March 2022. Participants included housing developers, human services administrators, the college, employers, and real estate professionals. This section summarizes the main findings that emerged from stakeholder interviews.

Desired housing types. Stakeholders identified a need for a range of housing options to suit the needs of a diverse community. The most prevalent needs were workforce housing for the increasing tourism industry, family housing for mine workers, and homeownership opportunities.

- **Single family homes.** Stakeholder emphasized a need for new single family detached (two to three bedroom) housing for young families. There is a perceived shortage of starter homes in the community and a growing workforce to service the mine. Some families were forced to buy in New Mexico and commute to work at the mine because there was not sufficient housing available in Trinidad.
- **Smaller for sale products.** There is a need for condos, patio homes, or townhouses specifically geared toward seniors and first-time homebuyers. Most of the housing stock in Trinidad is aging. Stakeholders emphasized the extremely limited opportunities for seniors who want to downsize. At the same time, home care costs are out of reach for many which makes it challenging to age in place.
- **Rental units for service workers.** Several employers shared they need more efficiency and one-bedroom units for single employees as well as a handful of three bedrooms to accommodate young families. Vacancy rates are very low in Trinidad because of the shortage of supply and there is a desire for more modern housing options and newer apartments. One stakeholder said, “more attractive multifamily would be welcomed.”
- **Housing across the spectrum.** A variety of housing types are needed. Trinidad has a diversity of needs and residents. For employers, it is important to have a good balance of opportunity for both homeownership and rentals to attract and maintain staff levels. However, some stakeholders fear that the community is attracting new people, but not helping the existing residents.

Price and affordability. Stakeholders were asked about the affordability of current housing and where gaps exist. In general, single family detached housing less than

\$350,000 is in high demand as well as more affordable rental options less than \$1,200.

Stakeholders shared the biggest barriers to homeownership are poor credit, lack of availability of affordable for sale housing, and lack of a local USDA agent. There is a desire for affordable homeownership options to help families build equity and maintain stability for children. Developers are finding it challenging to construct new housing for less than \$250,000.

Stakeholders shared that rising housing costs are largely due to new residents moving from out of state. There is a sentiment that developers are not building for the population that needs housing and prices are too expensive for residents. Investors have flipped a lot of the older housing inventory in the city and turned them into rental units.

Finally, the recent LIHTC project is difficult to get into because the median income is low in Las Animas County. You must make under \$12.75 per hour to qualify. There is a huge gap between that and market rate.

Challenges for seniors. Trinidad is an aging community with a high population of senior citizens. One stakeholder shared that a lot of retirees are moving to Trinidad because their money goes a lot farther. One

stakeholder said, “senior citizens run our museums and libraries.” They expressed that the city needs them to support other industries but there is nowhere for folks to retire. Trinidad only has one senior living facility in town.

Several stakeholders expressed concern about the limited options available for seniors who require in home care or assisted living. They said sourcing in home care for seniors is extremely limited, particularly for low-income seniors. Additionally, much of the aging population needs to be in a nursing home or assisted living, but with the state moratorium on building these facilities, it is difficult to get anyone into one.

Challenges for families. Stakeholders said that families are having a difficult time finding affordable housing with enough space. There is a need for family sustaining jobs so the schools can be maintained, but here are not a lot of opportunities to earn a living wage that supports a family in the city. Rent has increased substantially faster than wages. Stakeholders shared that some folks have purchased an old trailer or mobile home to live off the grid because it is all they can afford.

Barriers to development. Developers identified barriers to developing housing in Trinidad. The most prevalent barriers were the shortage of contractors in the area, costs associated with development approvals, and land costs and legal disputes.

- **Shortage of contractors.** New construction costs and material costs are increasing. Constraints are likely to worsen, and the local construction infrastructure is stretched thin—with shortages in framers, electricians, carpenters, roofers, and even engineers. In addition, commodity prices are volatile and unpredictable, making the planning process and costs difficult to manage.
- **Cost of government approvals.** Stakeholders noted that instead of giving incentives for housing, the city has started charging new fees and have made it more difficult to build. City requirements for drainage and sewage can drive up the costs of projects because developers must hire consultants to meet the requirements. On the other hand, another stakeholder said the city is reasonable to work with in the development process.
- **Land costs and legal disputes.** Stakeholders shared that land prices are “very high” in Trinidad, and land remediation is needed in some cases. There is a desire for the city to take on some of the clean-up costs to allow for more housing development. Several stakeholders also shared that a lot of properties in the city are tied up in legal battles because there were a lot of “handshake deals” that have resulted in informal arrangements. This creates legal barriers to developing suitable land. Stakeholders noted Trinidad is quickly becoming land and residential locked when looking at business expansion and retention.

Economic development and tourism. Stakeholders expressed the importance of housing in the city’s continued economic development and growing tourism, while some others remain skeptical of sustained growth.

- **Boom or bust economy.** Stakeholders emphasized that the boom or bust economy in the county makes predicting population and employment extremely difficult. When natural gas dropped off in 2011 because fracking certification took too long, those companies moved to Texas and the workforce decreased substantially. As a result, secondary and tertiary businesses closed as well. Another stakeholder said, “people forget the impact of the Great Recession. We lost 1,200 jobs. Those houses are still here.”
However, the mine was forced to rent out hotels because employees had nowhere to live according to stakeholders. Now they are buying houses out of state in New Mexico to house employees. Stakeholders noted, the same employees would have a big economic impact if they lived locally.

- **Growing tourism and recreation.** According to stakeholders, Fisher’s Peak State Park recently received a parks designation that will drive tourism to the area. Additionally, the development up along the Purgatoire River is expected to garner tourist interest in the community. Major renovations of entertainment venues downtown are also underway. A new hotel is opening with 100 new employees in August or September of 2022. There is concern about where hotel workers will live. The hotel will be 100 rooms with 200 to 250 people per day.

Tourism will help support the local restaurants, galleries, and medical center. Housing remains a major economic development barrier. However, stakeholders noted that New Mexico legalizing marijuana may cut down on the demand in Trinidad. Finally, some interviewees expressed concern that tourism will create low-wage jobs and exacerbate existing housing shortages for affordable product.

Age of housing. Stakeholders expressed concern over the quality of existing housing and the lengthy waitlists for home modifications. One stakeholder said, “to get an affordable home, the house will need a lot of updates. Then again, some of the older homes in town that need substantial updates are just as expensive.” Another stakeholder shared that historically there was a lack of oversight in the enforcement of building rules, particularly in the county. Some homes were constructed without permitting and inspections and now some of the homes are not safe.

There is a big need for accessible housing for residents with a disability. The existing homes have been in Trinidad for over 100 years, and there has not been a lot of new housing built in the city since the late 70s. As a result, many senior citizens are living in units that do not meet their needs. It is difficult for folks with disabilities to get to and from services.

South Central Council of Governments Area Agency on Aging have a home modification program. There is an overwhelming need for modifications, but the waitlist is five to six years long because there is no one to build. They cannot find enough contractors to do the work. For people who can afford to pay for modifications out of pocket, it can still take three to four years to get them done.

Land use changes. Many stakeholders disapprove of recent initiatives to change land use in the city while some others believe HOAs, and historic district designations will protect older neighborhoods from change. One stakeholder shared that HOAs will protect neighborhoods, but Trinidad needs more housing and, “a restaurant is better off if 1,000 people live within a mile than if 200 people live within a mile.”

Trinidad is most known for Victorian architecture. The city has been called the “Victorian Jewel of the Southwest” and has the largest collection of Victorian buildings per capita west of the Mississippi. An interviewee indicated that ADUs should be allowed everywhere and that historical district guidelines would protect unsuitable areas.

On the other hand, long time Trinidad residents are resistant to change and are not ready for changes proposed by new people who have moved into the city over the last five years. These stakeholders would prefer more incremental change as opposed to a sweeping change. Many fear that proposed changes to the land use code will have a negative impact on neighborhood character and property values.

There is concern that the city’s infrastructure is inadequate to serve more density. One stakeholder shared that electricity already goes out about once a week. There was concern about an expanding population in the city and county without strategically planning for police, fire, education, and healthcare. Local services need to be in place for the city to grow.

Stakeholders also shared perspectives on specific land uses. The said:

- *“Accessory dwelling units should not be a right. People should have to seek a variance like they do right now.”*
- *“Tiny homes are not the solution.”*
- *“If land use changes go through, it is important that new development conforms to the same scale and form as existing development.”*
- *“I’m not a fan of manufactured housing... I would rather see density in the city.”*
- *“There are no hotels. Airbnb is essential for tourism.”*

Solutions. A vast array of recommendations and solutions to housing needs and challenges were shared by stakeholders. Potential solutions and recommendations included:

- One stakeholder shared that in the U.S. 25% to 60% of the cost of the housing is because of government regulations. They suggested waiving development and permit fees imposed by the city. Another stakeholder said the amount of fees waived depends on the affordability of the housing. For example, homes for sale under \$250,000 would receive a 100% fee waiver, whereas homes priced above \$250,000 could receive a 50% fee waiver.
- Stakeholders shared that there is no one solution but savings and incentives can add up to be substantial.
- Some stakeholders felt the city needs to focus on the building blocks for a healthy economy and community rather than tourism. One stakeholder said, “there is too much focus on bringing in tourism and they are losing sight of other things they need for a healthy economy including industry and jobs. The city needs schools, hospitals, and shopping to attract people to live here.”
- Stakeholders think the city is having growing pains, but not a housing crisis. One stakeholder said, “somewhere between 100 to 200 new apartments would change the face of economic diversity in the city.”
- Stakeholders identified expanding the college’s construction program as a major opportunity to supplement the current contractor shortage. Trinidad State College has started a construction program working with the city to renovate houses and then sell them at an affordable price. They currently have about 40 students in the program. Students work on the job site in the afternoons and have classes in the morning. When homes are sold back, they are deed restricted so that the purchaser has to work in the community, and they cannot be used for short term rentals. They can do one to two houses per year, but it is difficult to scale the program because there are not enough students. It is an eight-credit program accomplished in one month. Students receive a stipend of \$12 per hour while working, get a tool belt, tools, and work boots.
- Stakeholders shared that it is easier to pull contractor’s interest from Pueblo if you have a big project like a hotel or new development. They expressed that it is more difficult to attract workers for small one-off projects. One stakeholder proposed that the city could help “bundle” smaller jobs to attract contractors to the area to complete many small jobs in one trip.
- Stakeholders indicated that broadband improvements are needed in the city. Some stakeholders advocate that the city take advantage of legislation that could allow the city to provide their own broadband service.
- Several stakeholders shared the sentiment that the city should stay out of the real estate and development business altogether. One stakeholder said, “they should be more concerned with economic development and attracting better paying jobs so that residents can afford the cost of housing.”

This section summarizes the top housing needs in Trinidad and provides recommendations to address those needs.

WHY WORK TO ADDRESS HOUSING NEEDS?

A balanced housing stock accommodates a full “life cycle community”—where there are housing options for each stage of life from career starters through centenarians—which in turn supports the local economy and contributes to Trinidad’s community culture. Actions that help mitigate price increases, preserve both market-rate and publicly assisted housing affordability, and generate diverse and affordable housing options will also help preserve the culture and identity of the community itself.

As part of the survey conducted for this study, Trinidad residents rated the importance to them that Trinidad’s housing supply included housing that would appeal to or be suitable for a variety of households. The ratings reflect the importance to residents that the Trinidad housing stock accommodate the preferences and incomes of a diversity of residents and households.

Trinidad residents believe it is very important that there is a place for middle class families, public safety workers, librarians, teachers, and grocery store workers, in Trinidad. In general, the ratings are remarkably consistent across different segments of the Trinidad community.

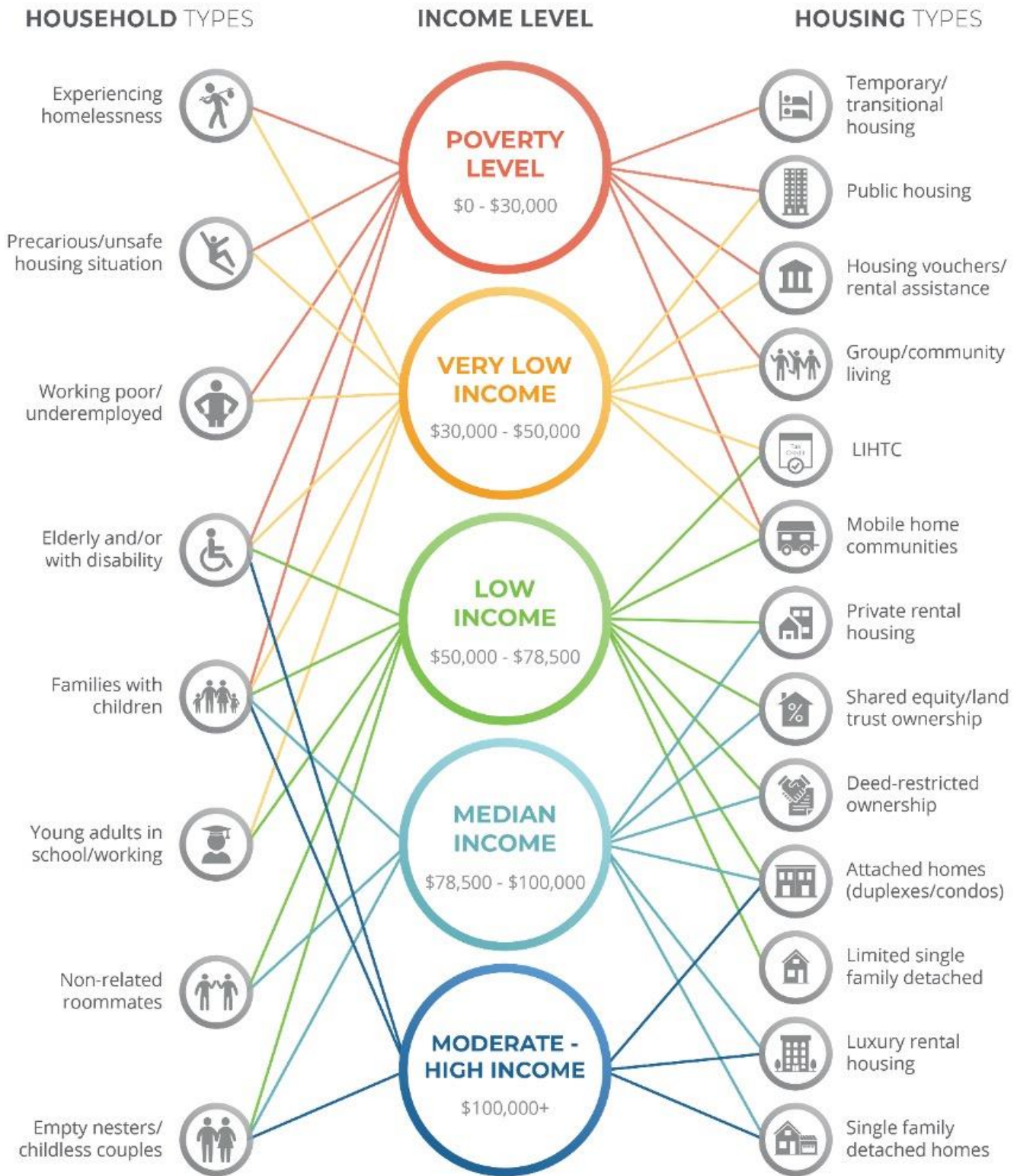
CONTINUUM OF HOUSING NEEDS

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

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

Figure IV-1. Housing Continuum

THE HOUSING CONTINUUM



Source: Root Policy Research.

TRINIDAD'S TOP HOUSING NEEDS

The data analysis and engagement efforts conducted in this study highlight housing needs for affordable rentals, starter homes (and workforce housing options), housing diversity, and rehab/condition improvements. Specifically:

- **Additional affordable rentals, particularly for service industry residents earning less than \$25,000.** The current gaps in rental housing are largest for households earning less than 30% AMI and households earning more than 100% AMI. With a shortage of 146 rental units for households earning less than 30% AMI in 2019, the city could support an additional LIHTC development to meet these needs.
Stakeholders interviewed as part of the Housing Needs Assessment emphasized the needs for rental units for service workers to support the growing tourism industry. They indicated an increase of 100 to 200 new rental units—primarily studio and one bedroom with a handful of three bedrooms—would greatly benefit economic development efforts.
Altogether, 45% of all Trinidad renters are cost burdened spending 30% or more of their income on housing costs. Of these, almost half are severely cost burdened, paying more than 50% of their income on housing costs. Owners face lower rates of cost burden, with 28% of all owners facing cost burden. According to the resident survey, the housing types that received the highest average rating of importance for the City of Trinidad included housing affordable to residents working in Trinidad public service like public safety, librarians, teachers; housing affordable to residents working in Trinidad retail jobs like grocery stores; and housing for middle class families.
- **Starter homes and workforce housing priced near or below \$250,000.** Most homes sold between 2017 and 2021 in the City of Trinidad were affordable to households earning between \$25,000 and \$75,000—units priced roughly between \$124,000 and \$374,000. However, during stakeholder interviews, developers shared they are finding it challenging to construct new housing for less than \$250,000.
Stakeholders emphasized a need for new single family detached (two to three bedroom) housing for young families. The biggest barriers to homeownership are poor credit, lack of availability of affordable for sale housing, and lack of a local USDA agent.
According to the resident survey, most who rent want to own. Around three in four (81%) want to buy or plan to buy a home in the next five years, 48% want to buy in the next five years but are not sure if they will be able to. Single-family homes (both larger and smaller), homes with a larger yard, and more affordable homes, are among the types of housing that residents who plan to move desire.
- **Increased ownership product diversity.** Stakeholders emphasized the extremely limited opportunities for seniors who want to downsize and first-time homebuyers entering the market. There is a need for condos, patio homes, or townhouses specifically geared toward seniors and first-time homebuyers. A variety of housing types are needed. Trinidad has a diversity of needs and residents. According to the resident survey, small homes with less than 1,500 feet and accessory dwelling units are acceptable in existing neighborhoods. In other neighborhoods or new neighborhoods, residents indicated two story apartment buildings, mixed use residential, and townhomes with similar scale and character as surrounding neighborhoods would be permissible. However, stakeholders were starkly divided on land use changes.
- **Home modifications and improvements are needed.** Home improvement assistance and rehabilitation of aging properties in the city was also identified as a major need by stakeholders. Half (19%) of homes sold from 2017 to 2021 were built prior to 1950—these homes appear affordable but are likely in need of major repairs and remodels prior to move in. From 2018 to 2022, there were 24 home improvement loans in Las Animas County with an average of \$79,583 in improvements. On average, improvements were 31% of the home's value.
The average home that received a home improvement loan was valued at \$256,687 plus the cost of home improvements at \$79,583 raises the home value to at least \$336,270. The need for home

improvements could easily push units that appear affordable out of reach for many prospective buyers.

South Central Council of Governments Area Agency on Aging have a home modification program. There is an overwhelming need for modifications, but the waitlist is five to six years long because there is no one to build. They cannot find enough contractors to do the work. For people who can afford to pay for modifications out of pocket, it can still take three to four years to get them done.

- **Downtown Trinidad offers opportunities for tourism, placemaking, economic development, and a variety of housing types.** Stakeholders expressed a growing interest in tourism and downtown revitalization efforts. The ongoing renovations of entertainment venues, a new hotel, and the growing arts scene in the city offer opportunities to leverage the renewed energy in downtown to produce new housing units and rehab existing buildings. Stakeholders indicated a lack of attractive mixed use and multifamily housing in the city that would help attract young workforce to the area. One stakeholder pointed out the large inventory of rental units in the downtown area that remain vacant because they need rehabilitation.

Investments in Downtown Trinidad can help improve the housing stock that already exists in the area and drive economic development initiatives that could attract residential investment throughout the city.

ADDRESSING NEEDS

The City of Trinidad's Comprehensive Plan (updated in 2017) prioritizes neighborhoods and housing as a cornerstone of a thriving community and economic development. The plan states, "our city is committing to diversifying housing choices to attract new household types to meet the needs of our citizens and support the movement toward a more progressive, conscious, sustainable community."

The Comprehensive Plan includes the following goals and strategies for neighborhoods and housing:

- Goal NH-1 Diversify housing choices to attract new household types and meet the needs of all citizens.
Our Strategies:
 - Promote and facilitate non-traditional housing types and options.
 - Neighborhoods should include stable housing types, densities, and prices to accommodate a variety of lifestyles and income levels
- Goal NH-2 Increase investment and stability in neighborhoods to improve neighborhood vitality, safety, and appearance.
Our Strategies:
 - Support the preservation and improvement of the city's existing homes and neighborhoods.
 - Maintain and enhance the quality and character of Trinidad's historic neighborhoods.

Recommendations. Root Policy Research offers the following recommendations as priority considerations for the City of Trinidad. Recommendations are based on Root's experience working with peer communities and best practices in policy solutions to housing needs.

- 1) **Adopt an affordable housing goal** that articulates the city's priorities for housing development). Formally adopting local affordable housing goals signals to the development community, the City's desire for affordable development; provides a benchmark for the City in navigating negotiations with developers and/or establishing incentives. Goal structure varies by community; for example, goals can be:
 - a) Output oriented (e.g., 10% of all housing units will be affordable to households earning less than 80% AMI by 2040);
 - b) Input oriented (e.g., the City will allocate 20% of housing trust fund resources to services for people experiencing homelessness); or

- c) Value oriented (e.g., increase the supply of attainable ownership housing available to those making less than 100% AMI).

Goals should be related to identified needs, reflect City priorities, and provide clear direction with measurable outcomes.

2) Measure the outcomes of the \$1.5 million investment in the city's Housing Now incentive program and leverage ongoing downtown revitalization efforts to further the city's workforce housing goals.

Applications opened on July 18th, 2022, to apply for the city's new Housing Now incentive program. City Council approved a one-time allocation for initiative of \$1.5 million. There are three different incentives programs property owners or developers may apply for including the Downtown and Vacant Housing Program; the New Workforce Housing Now Program; and the Affordable Housing Utility and Tap Fee Deferral Program. The city should evaluate program success and outcomes and then consider long-term sustainable funding sources for continued implementation (see Recommendation 6 for funding options).

3) Inventory publicly owned land that may be suitable for housing development (and/or acquire vacant or underutilized properties) and donate or discount for affordable and mixed-income housing. Such properties are typically held in a "land bank" by the City and eventually redeveloped by nonprofit or private developers through a Request for Proposal (RFP) process. Land banks vary in forms from single parcels to multiple, scattered site properties, to large tracts of land. The land can be donated, discounted, or offered on a land lease to the selected developer who agrees to a specified affordability level or community benefit. A good starting point in this process for any community is creating an inventory of existing public land that could be used for housing sites in the future.

The city could also assist existing landowners with land remediation efforts and legal challenges to allow for housing development, in exchange for affordability commitments.

4) Collaborate with the South Central Council of Governments to contribute resources and local knowledge to the Housing Rehabilitation and Emergency Repairs Program. Help existing homeowners improve their properties, increase the safety of the housing stock, and promote accessibility by contributing resources to the existing Housing Rehabilitation and Emergency Repairs program. According to stakeholders, the waitlists for home repairs in Trinidad are five to six years. Additionally, due to the age of the existing housing and lack of oversight in the past, the cost of improving existing housing may be prohibitive for the average homeowner.

The city should continue their partnership with Trinidad State College to acquire dilapidated properties and improve them for an affordable price. Currently, the program can facilitate the rehabilitation of one to two properties per year. The City of Trinidad aides the program by identifying and purchasing the vacant homes for rehabilitation and instituting a deed restriction on resale of the property. Trinidad State College indicated that it is difficult to scale the program because there are not enough students or applicants interested in the training. The City of Trinidad could help garner support and interest for the program in the larger region and state.

5) Bundle improvement projects to attract contractors to the area. The city should help organize disparate efforts to get home repairs to encourage contractors to travel to Trinidad. Stakeholders indicated that bundling jobs would make travel more attractive to contractors and would help alleviate the extensive waitlists for repairs.

6) Increase funding for affordable housing through a dedicated local funding source and access to state funding sources. The City Council has approved a one-time \$1.5 million budget to the City's Economic Development Fund for the implementation of the Housing Now incentive program. Continued revenue sources for local housing funding are varied and include General Obligation Bonds, commercial and/or residential linkage fees, sales tax, property taxes, jurisdictional general fund set-aside or cash-in-lieu from inclusionary zoning buyouts, and other types of taxes, generally those that are directly tied to demand for housing.

In addition to evaluating options for local funding allocations, the City of Trinidad should investigate, and leverage state programs administered through Colorado Division of Housing (CDOH) for affordable

development (e.g., 1271 Incentives Grant Program and Housing Tax Credits). CDOH's budget is forecasted to double in the coming years based on recent legislative changes. Trinidad should be prepared to apply for funding and/or support local non-profit applications and should plan for financial or in-kind contributions. (While there is no required minimum local financial match from applicants, CDOH expects some local contribution in the form of funding and/or in-kind contributions).

- 7) **Zoning/land use:** The City of Trinidad is currently in the process of evaluating their zoning and land use code for consistency with housing objectives. The city should strive to increase flexibility and implement best practices that allow product diversity and a mix of uses and encourage affordable development. Development incentives could also be included in the code to formalize affordability requirements in exchange for development benefits.
- a) Common zoning regulations negatively impacting affordable development include minimum house and/or lot sizes, limited land zoned for moderate soft density (missing middle) options and/or multifamily, prohibitions on accessory dwelling units, restrictions on land zoned and available for multifamily and manufactured housing.
 - b) The community survey and stakeholder input provide guideposts for implementing land use changes while respecting the character of existing neighborhoods.
 - c) The city should continue efforts to revitalize Downtown Trinidad to cultivate a strong sense of place, attract new development, and rehabilitate existing vacant housing units. The downtown area contributes to the economic vitality of the community and has potential to accommodate additional housing types to service the full spectrum of housing needs in the city.