

A Strategic Approach to Affordable Housing in Resort Communities

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Discussion about the recent growth in resort community populations has centered on the loss of open space, increased traffic, more crime, and other social problems. More and more, however, talk is shifting to a new topic—affordable housing—as these communities face rapidly rising housing costs that are a growing threat to their long-term economic viability.

Ten to 20 years ago, a large pool of labor was always available to resort communities in the form of young baby boomers glad to take a year or two

off and suffer through substandard living conditions simply to be part of the “resort lifestyle.” Housing affordability was not a significant issue. Today, however, both the communities and their labor forces are maturing, presenting a dilemma for the individuals who, as members of the local community and

the labor pool, require quality quarters for their young families. More of the aging U.S. population is moving to these communities either full-time or part-time, thanks to the improved business flexibility afforded by telecommunication or more active retirement accompanied by better health. Prices of limited land or existing housing stock are being driven up by new residents whose wealth exceeds that of existing local residents. The result is an ever-widening gap in purchase power between new residents who move in, bringing their high expectations of community and lifestyle services with them, and longtime local residents, as well as employees of local businesses, who cannot afford to live where they work.

While housing affordability is not a problem unique to resort communities, one byproduct of the

problem is that as local residents and workers move farther and farther away from resort centers, the communities’ economic potential is weakened. Unlike traditional metropolitan communities and exclusive suburbs, the resort economy thrives only when businesses deliver what their market demands: innovative amenities provided in a spirit of good service. If resort area employees cannot find decent housing they can afford, the resort community can no longer sustain its economy. A shortage of affordable housing leads to disgruntled and surly employees who are forced to choose between long commutes and substandard local housing; high levels of employee absenteeism and turnover; increased operating costs for businesses as they must offer higher wages to get the labor they need; and the potential liability faced by owners who have too few staff to operate with safety measures intact.

This problem is especially evident in the intermountain west, where it is not possible to develop affordable housing in the next village over the hill, as it is in many eastern communities. A combination of difficult topography, limited infrastructure, and large federal landholdings makes it difficult for new development to occur within 15 to 20 miles of employment centers. As a result, employees in western mountain communities must travel up to 60 to 80 miles each way to work, often in bad weather and on treacherous roads. This pattern of commuting to more affordable housing brings additional impacts to these idyllic communities and their region. Air quality in sensitive airsheds deteriorates rapidly as the number of vehicle trips in and out of the community increases. Social problems such as increasing crime rates and family and alcohol abuse are brought on by long work days, often at low-paying jobs, made

Increasingly, developers and business operators of resort communities view affordable housing as essential to their success.