

# Eagle County demand remains for workforce housing, but funds are starting to run low

Estimates show a large gap between plans and funding

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Funding is dwindling for Eagle County's workforce housing efforts. The proposed West Eagle project may require new partners to bring to fruition.

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Eagle County netted \$50 million for workforce housing when it [sold the Lake Creek Village](#) apartments in late 2021. That big head start is quickly dwindling.

At a Monday budget update to the Eagle County Board of Commissioners, Chief Financial Officer Jill Klosterman went over the spending plans for 2024 and 2025.

The good news is the money has created hundreds of new housing units. The plan is to have another 500 units built and ready by the end of 2025. But creating new housing units — especially building new ones — is an increasingly expensive proposition.

Not all of the units acquired are new construction. There are [efforts in addition](#) to participating in high-profile construction projects including [West Eagle](#), [Haymeadow](#) and two new apartment buildings at the [Edwards campus of Colorado Mountain College](#).

One, Locals First, enables the Eagle County Housing and Development Authority to pay cash for homes on the open market. Those units are deed-restricted once acquired by the county.

The Rent Local program provides incentives for landlords to switch from short-term to long-term rentals. Another program provides financing for homeowners to build or complete accessory units.

Klosterman noted the new unit goal is 250 for 2024 and 2025. That will bring the unit count to roughly 1,500 by the end of that year. But that will come at a cost of almost \$75 million, far more than currently available funds.

Getting the last of those millions into that puzzle is going to be difficult.

“We’ll have to think really hard,” about how to make up the shortfall, Klosterman said, adding the county can likely fund projects through the end of 2025. But 2026 will bring a host of questions, she added.

“The well is dry,” she said. “We’re thinking about what’s next.”

Klosterman said fees from [regulations imposed on short-term rental units](#) could provide some housing funds. But those regulations haven’t yet been passed.

#### Plans for 2024

Here’s a look at some of Eagle County’s proposed spending on housing:

- Eagle County Housing and Development Authority: \$41.4 million.
- Colorado Mountain College Building 3: \$10 million.
- Eagle County Good Deeds buy-down program: \$3.3 million.
- Housing at a new county complex in Edwards: \$3 million.

The dwindling funding stream for housing will likely be felt on the West Eagle project. Klosterman said county housing officials have to look at projected costs and perhaps look for funding partners.

One option could be leveraging the buildings at the CMC campus, the completed building and the one on the construction schedule. Klosterman noted the county and the college might be able to come to an agreement to generate cash from those building projects.

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Other funds could come from state and federal grants from sources including the Inflation Reduction Act. Some additional revenue could come from the performance of the county’s financial investments.

“This is important to think about,” Commissioner Kathy Chandler-Henry said. “Our housing issue is not going away.”