

2016 Vail Employer Survey Summary of Results

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Prepared for:

Town of Vail

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TABLE OF CONTENTS

Introduction	1
Methodology.....	1
Selected Key Findings.....	2
Town of Vail Employment and Employers.....	5
Vail Job Generation Rates.....	6
Additional Results of the 2016 Vail Employer Survey	9
Employment and Business Characteristics	9
Industry Sector	9
Employees by Job Status and Place of Residence	11
Employer Size (number of employees)	12
Employer Space Characteristics	13
Anticipated Future Changes in Employment.....	16
Housing	17
Employer Perceptions of Affordable/Employee Housing Situation	17
Employer Actions and Opinions Regarding Workforce Housing Assistance	20
Additional Comments and Suggestions Regarding Workforce Housing in Vail	21
Transportation.....	22
 Appendix	
Survey Questionnaire and Cover Letter	
Statistical Tables	
Open-Ended Comments	

Introduction

The report summarizes the results of the 2016 Vail Employer Survey. The primary purpose of the survey was to understand current employment generation rates in Vail – i.e. the ratio of employment to commercial floor area -- which underpin Vail's housing mitigation requirements for new commercial development. In addition, the survey also sought to understand employers' opinions and actions regarding workforce housing and transportation. The results of the survey are intended to help inform and update the Town of Vail's plans and policies regarding selected housing and transportation issues, including housing mitigation requirements.

Methodology

The Vail Employer Survey was mailed to employers located in Vail on or around November 12, 2016. Businesses had the option of completing the paper survey and returning it by mail, fax or email, or completing the survey online via a password-protected website hosted by RRC Associates (each business was provided a unique password). The survey was accompanied by a cover letter signed by the Town of Vail Community Development Director describing the purpose and importance of the survey and logistics for completing it. The Town of Vail business license list was used to identify and contact businesses.

A total of 876 surveys were mailed, although the number of unique businesses contacted was somewhat less, owing to the presence of some duplicate businesses with slightly different addresses and/or multiple subsidiary operations on the list. A total of 42 surveys were returned as undeliverable, with 834 presumed delivered. A total of 132 usable responses were received, for a net response rate of approximately 15.8 percent, a typical response for employer surveys in RRC's experience. As discussed in the body of the report, the survey respondents were generally representative employers in Vail on the basis of industry sector and number of employees.

The 95 percent confidence interval for a sample of 132 (within a universe of approximately 876 businesses) is +/-7.9 percentage points (larger for subgroups of respondents and questions with smaller sample sizes).¹

Included in the appendices to this report are the survey form and cover letter, verbatim responses to the survey's open-ended questions, and statistical tables summarizing the survey results.

The 2016 study was designed to permit comparisons to a 2007 Housing Needs Assessment Study conducted by Eagle County. That study included a similar job generation analysis based on employer surveys distributed throughout Eagle County, including within the Town of Vail.

¹ To illustrate the confidence interval, if a given survey result has a value of 50%, we can be 95 percent confident that the true value (if the responses of all employers were captured) would fall between approximately 42.1% and 57.9%.

Selected Key Findings

Following are selected notable findings from the research:

- Business context: By way of background, in 2014, the Town of Vail had an estimated 10,252-10,751 jobs, spread across a variety of industry sectors. Also in 2014, the two zip codes which encompass the Vail area (zips 81657, 81658) were reported to have 552 employers (excluding most government employers), led by employers in the retail trade (26.3 percent) and accommodation and food services (17.4 percent) sectors. By a different measure, the mailing list for the survey, provided by the Town of Vail, had a total of 876 businesses identified, although a significant number are home occupations and one person entities, and several businesses are duplicates with slightly different addresses and/or multiple subsidiary operations. This list was used to mail surveys to local employers.
- Job generation rates: An important purpose of the survey was to obtain current information on peak employment by different categories of employers. Survey results show that employers in several of Vail's most prevalent industry sectors have a combined average of 6.3 peak season employees per 1,000 square feet of floor space, or an estimated 5.3 peak season employees after controlling for multiple job holding. Employment generation rates vary considerably by business type. For example, eating and drinking establishment have much higher generation rates than other sectors. After adjusting for multiple jobholding, the 2016 results are similar to current regulations for accommodation units, office uses, and retail sales. For eating and drinking establishments and real estate offices, the 2016 employment generation rates are somewhat higher than shown the current town regulations.
- Recommended actions based on the job generation rates and other findings from the Employer Survey: The findings concerning job generation rates should be considered as a part of Vail nexus discussions, as well as in other evaluations of housing policies and overall direction. Based on the 2016 Survey results the RRC team recommends that Vail consider changing several categories of current regulations. These recommendations include:
 - Raise the current standard for Eating and Drinking Establishments to a figure closer to the 10.2 employees/1,000 sf. adjusted for multiple job holding.
 - Combine Real Estate Offices and Property Management Offices with the general Office category in Vail regulations, but do not change the current office standard of 3.2.
 - Consider creating a multi- level formula for Accommodation units to better represent survey findings. While the overall average for lodging units is .7 employees per room, there is a wide range of employment that is a function of the overall service levels and pricing of hotels/lodging. The distinction in hotel types could be based on various services and amenities provided by hotel properties including internal restaurants, room service, valet services, size of front desk, etc.
 - Recognize that there are commercial uses that are generating employment that were not analyzed as a part of the 2016 Survey. These include uses such as van or valet transport services that are operating out of lodging properties but are not provided directly by the operators. Similarly, other ride services (Uber and Lyft), dining delivery services, and other new service providers selling their services through social media, are generating employment in the Town but may be operating outside traditional licensed

commercial regulations. The Town may want to consider the application of regulations to these enterprises.

- Reconsider residential linkage requirements in the Town. The 20016 Nexus study included an analysis of job generation from residential uses. Regulations were not adopted. However, data suggest that there is measurable employment generated by residential uses, particularly from residences that are rented commercially.
 - Consider incorporating requirements for Rent by Owner (RBO) units as a part of the Vail code. A determination of employment levels associated with these units would require additional evaluation of employees generated, and also discussions concerning the relationship between these employment generators and other local policies and fees.
- Selected employment and business characteristics:
 - Industry: The industry mix of responding employers generally resembled the industry mix of employers in Vail-area zip codes, with accommodation and food services, retail trade, real estate/property management, and professional/scientific/technical services ranking among the top four sectors in each data set.
 - Number of employees: Responding businesses employed an average of 22.7 employees and a median of eight employees in their peak season. Most respondents had 1 – 9 employees (56 percent).
 - Employment needs: There were some strong indicators in the survey of unmet employment needs both currently and in the future. Over one-quarter of employers noted that they currently have unfilled full-time (29 percent) and part-time (26 percent) jobs. Looking ahead, 20 percent of employers expect to increase their number of employees in the next five years, while none expect to decrease their employees, and the remainder expect no change (66 percent) or don't know (14 percent). Additionally, 28 percent of employers anticipate having at least one employee retire in the next five years. The pressures from retiring employees should be considered as Vail looks to the future.
 - Employee job status: In both summer and winter, the largest share of employees are year-round full-time (56 percent in winter and 68 percent in summer). A notably higher share of employees are seasonal in winter (32 percent), the peak employment season for most employers, than in summer (19 percent). Aggregating the responses by hours, most employees are full time in both summer (83 percent) and winter (80 percent), while the remaining 17 – 20 percent are part-time.
 - Employee residence: Based on employer estimates, about one-quarter of peak season employees live in the town limits of Vail (26 percent). The remaining 74 percent live outside of Vail, including an estimates 16 percent within three miles of Vail, 54 percent in Eagle County more than three miles from Vail, and 4 percent elsewhere in the region.
 - Gross floor area: Responding businesses had an average of 5,619 square feet of floor area and a median of 1,400 square feet. Roughly three-quarters of all responding businesses (73 percent) reported floor area of less than 2,500 square feet.

- Selected findings regarding affordable / employee housing:
 - Employer perceptions of affordable/employee housing situation: Over half of employers say it is “very difficult” for employees at all levels of their organization to find affordable housing in the Vail area, ranging from 79 percent for seasonal employees to 55 percent for upper management employees. Comparing these results to findings from a 200117 Eagle County Employer Survey, the percent of respondents calling affordable/employee housing for local residents the “most critical problem” has increased from 28 to 37 percent.
 - Seriousness of the issue of affordable/employee housing for local residents: Fully 37 percent of employers feel that affordable/employee housing for local residents is “the most critical problem in the Vail Valley,” and 45 percent rate it as “one of the more serious problems.” Smaller shares feel that it is “a problem, but there are others which also need attention” (10 percent) or it is “one of our lesser problems” (4 percent), while just 4 percent of respondents “don’t believe it is a problem.”
 - Impacts of lack of affordable housing on employees:
 - Hiring/ retention: Roughly half (51 percent) of employers said there were people they had not hired or who had left their employment in the past 12 months because they lacked affordable housing. Among this group of impacted employers, an average of 8.1 employees were not hired or left employment due to housing.
 - Performance: Nearly three-quarters of employers (72 percent) reported that the availability of affordable housing in Vail has affected the work performance of their employees, with most citing displeasure with wage rates due to high housing costs (53 percent). Other notable impacts include high turnover (36 percent) and tardiness from long commutes (33 percent).
 - Does your business offer your employees any housing assistance? Roughly one-quarter of employers (28 percent) said they provide workforce housing assistance. The most prevalent type of assistance provided is a company-owned housing program (12 percent), followed by subsidized rents (9 percent), wage differential for housing (4 percent), and down payment assistance for home purchase and cash incentives (1 percent each).
 - Would you consider partnering or investing in a housing project to obtain master leased units for your employees? Eighteen percent of employers responded “yes,” they would consider partnering or investing in such a project, a larger 44 percent said “no,” and 37 percent were uncertain. Proponents frequently indicated that such a plan was necessary, opponents tended to feel it wasn’t financially feasible for them to participate, and many who were uncertain wanted more information on the proposal.
- Transportation:
 - Employee commute mode by season: Employees’ commute modes vary between summer and winter, with notably greater usage of busses in winter. The most common mode in both seasons is driving alone (57 percent in summer and 46 percent in winter). Following is riding the bus, which is more prevalent in winter (38 percent) than summer

(24 percent). The next most common mode of transport is carpool/ vanpool (12-13 percent in each season), with modest shares walking (3 percent in each season), biking (2.2 percent summer, 0.3 percent winter), and using other modes (2.3 percent and 0.4 percent respectively).

- Employee incentives for using transportation modes other than driving alone: Forty-six percent of employers offer incentives for encouraging alternate modes, such as bus passes (20 percent), employee cash out program for parking (9 percent), on-site company vehicle for employee errands (6 percent), carpooling program (4 percent), and cash incentives (4 percent), among other incentives.

Town of Vail Employment and Employers

Following is a brief overview of total businesses and jobs in the Town of Vail, to help provide context for interpreting the survey results.

Based on U.S. Census Zip Code Business Patterns, in 2014, there were approximately 552 employers (excluding most government employers) in the two zip codes which encompass Vail and portions of the surrounding area (81657, 81658). The largest share of employers were in the retail trade sector (26.3 percent), followed by accommodations and food services (17.4 percent) and real estate and rental and leasing (15.2 percent), together comprising 58.9 percent of employers.

Table 1
Town of Vail establishments: by industry, March 2014

NAICS Sector	Industry	Establishments in zip codes 81657, 81658: March 2014	
		Number	Percent
44-45	Retail Trade	145	26.3%
72	Accommodation and Food Services	96	17.4%
53	Real Estate and Rental and Leasing	84	15.2%
54	Professional and Technical Services	51	9.2%
81	Other Services, except Public Administration	49	8.9%
23	Construction	35	6.3%
62	Health Care and Social Assistance	25	4.5%
56	Administrative and Waste Services	22	4.0%
71	Arts, Entertainment, and Recreation	10	1.8%
52	Finance and Insurance	8	1.4%
51	Information	7	1.3%
42	Wholesale Trade	6	1.1%
31-33	Manufacturing	5	0.9%
61	Educational Services	3	0.5%
55	Management of Companies and Enterprises	3	0.5%
48-49	Transportation and Warehousing	3	0.5%
21	Mining, Quarrying, and Oil and Gas Extraction	0	0.0%
92	Public Administration	Not reported	
	Total, All Industries	552 (ex. pub. admin)	100.0%

Source: U.S. Census Zip Code Business Patterns. Note: most government employers and self-employed individuals excluded.

In addition, U.S. Census Zip Code Business Patterns showed approximately 10,252 to 10,751 jobs in the two zip codes which encompass Vail in March 2014. This job count excludes self-employed individuals, employees of private households, and most government employees.

Table 2
Vail-area employment, by zip code: as of pay period including March 12, 2014

	Jobs
Zip 81657	9,752
<u>Zip 81658</u>	<u>500-999</u>
Total	10,252 - 10,751

Source: U.S. Census Zip Code Business Patterns.

Note: Self-employed individuals, employees of private households, and most government employees excluded. Exact employment in zip code 81658 is reported as a range of 500 to 999 for confidentiality purposes.

Vail Job Generation Rates

An important objective of the survey was to document the intensity of employment among different types of industries in Vail, by calculating the ratio of employment to floor space. This results in estimates of job generation rates, expressed as the number of total jobs (full-time/part-time and year-round/seasonal combined) per 1,000 square feet of space. The research program was designed to obtain data to reevaluate the Vail nexus requirements that are currently contained in code. Additionally, the results can be used to help plan for the number of employees that are likely to be generated when new commercial space is built.

A “ratio of sums” approach was used to calculate the number of jobs generated per 1,000 square feet of floor area, the same approach used in similar research for Vail in 2006. Specifically, for responding employers in each industry sector, total peak season employment² and total gross square footage of floor area were each summed. The raw employment generation ratio for each industry sector was then calculated as the ratio of total employment to total floor area, multiplied by 1000.

In a further calculation, the employment generation rates have been adjusted for multiple job holding by dividing the raw employment generation rates by an assumed average of 1.2 jobs per worker, to allow for apples-to-apples comparison to current regulations. The composite results, shown in Table 3, show that employers in Vail overall have an average of 5.3 peak season employees per 1,000 square feet of floor space, after adjusting for multiple job holding.

The employment generation rates show significant variations by industry sector and type of space occupied. For example, businesses occupying space classified as “eating and drinking establishment” have notably higher employment generation rates (10.2 employees / 1,000 sqft) than businesses occupying retail / merchandising space (2.4 employees / 1,000 sqft) after adjusting for multiple job holding. In an important set of findings, after adjusting for multiple jobholding, the 2016 results are

² Peak season employment was defined as the greater of either winter season employment or summer season employment for the respective employer. Year-round full time, year-round part-time, seasonal full-time, and seasonal part-time jobs were each included in the employment count.

similar to current regulations for accommodation units, office uses, and retail sales. For eating and drinking establishments, the 2016 employment generation rates are somewhat higher than the current town regulations. Additionally, for accommodations/lodging units, while current findings are similar to current regulations, the data suggest that there could be an adjustment made for certain types of full service hotel properties that are measured to have employee levels over 1 employee per room. In other words, a two-tiered system of regulating lodging properties might be warranted.

As part of the analysis, RRC also evaluated current survey findings from Vail in relation to previous survey findings from past studies from Vail and elsewhere. These comparisons are made using the RRC Merged Database and are also summarized in Table 3.

Results show that current employment levels in Vail are consistently higher than the overall averages obtained through previous studies. These findings are likely explained by the high land values in Vail and the corresponding high service levels that local visitors expect and demand. This finding supports the conclusion that it is appropriate for Vail to be using locally obtained employment estimates rather than drawing on national or state/regional averages.

Table 3
Summary of job generation rates (Employees / 1000 square feet of floor space) based on 2016 study

	RRC Rates 2016	RRC Rates 2016, Adjusted for Multiple Job Holding	Current Regulations	RRC Merged Database
Eating and drinking establishment	12.3	10.2	6.8	7.8
Office (Finance/Banking, Legal, Medical, Professional Services)	4.0	3.3	3.2	3.1
Accommodation unit/limited service lodge unit/housekeeping	0.7/room	0.6/room	0.7/room	0.7/room
Retail sales	2.9	2.4	2.4	3.0
Overall	6.3	5.3	NA	3.9

Note: Businesses that reported their business type as “hotel/lodging” or “real estate/property management” were excluded from the calculation of “Overall” employees per 1,000 sqft of floor space.

There were several industry sectors for which employment generation rates were calculated based on survey results but these sample sizes were too small to be reliable as categories for regulatory purposes. These sectors are summarized below. Due to small sample sizes, we recommend caution in interpreting results; however, if the Town of Vail would like to consider specific additional findings these results will be provided under separate cover.

Table 4
Job generation rates based on 2016 study: business sectors with small sample sizes

	RRC Rates 2016	RRC Rates 2016, Adjusted for Multiple Job Holding
Amusement, arts, entertainment, recreation, spas	3.8	3.2
Construction	61.3	51.0
Government (excluding public schools)	2.7	2.3
Other	3.1	2.6

Based on the 2016 Nexus survey and a review of findings it is recommended that Vail consider changing several categories of current regulations. These recommendations include:

- Raise the current standard for Eating and Drinking Establishments.
- Combine Real Estate Offices and Property Management Offices with the general Office category, but do not change the current office standard.
- Consider creating a multi- level formula for Accommodation units to better represent survey findings. While the overall average for lodging units is .7 employees per room (.6 when controlled for multiple job holding), there is a wide range of employment for hotels that is a function of the overall service levels and pricing of hotels/lodging. The data could be used to create such a tiered approach.

Additional Results of the 2016 Vail Employer Survey

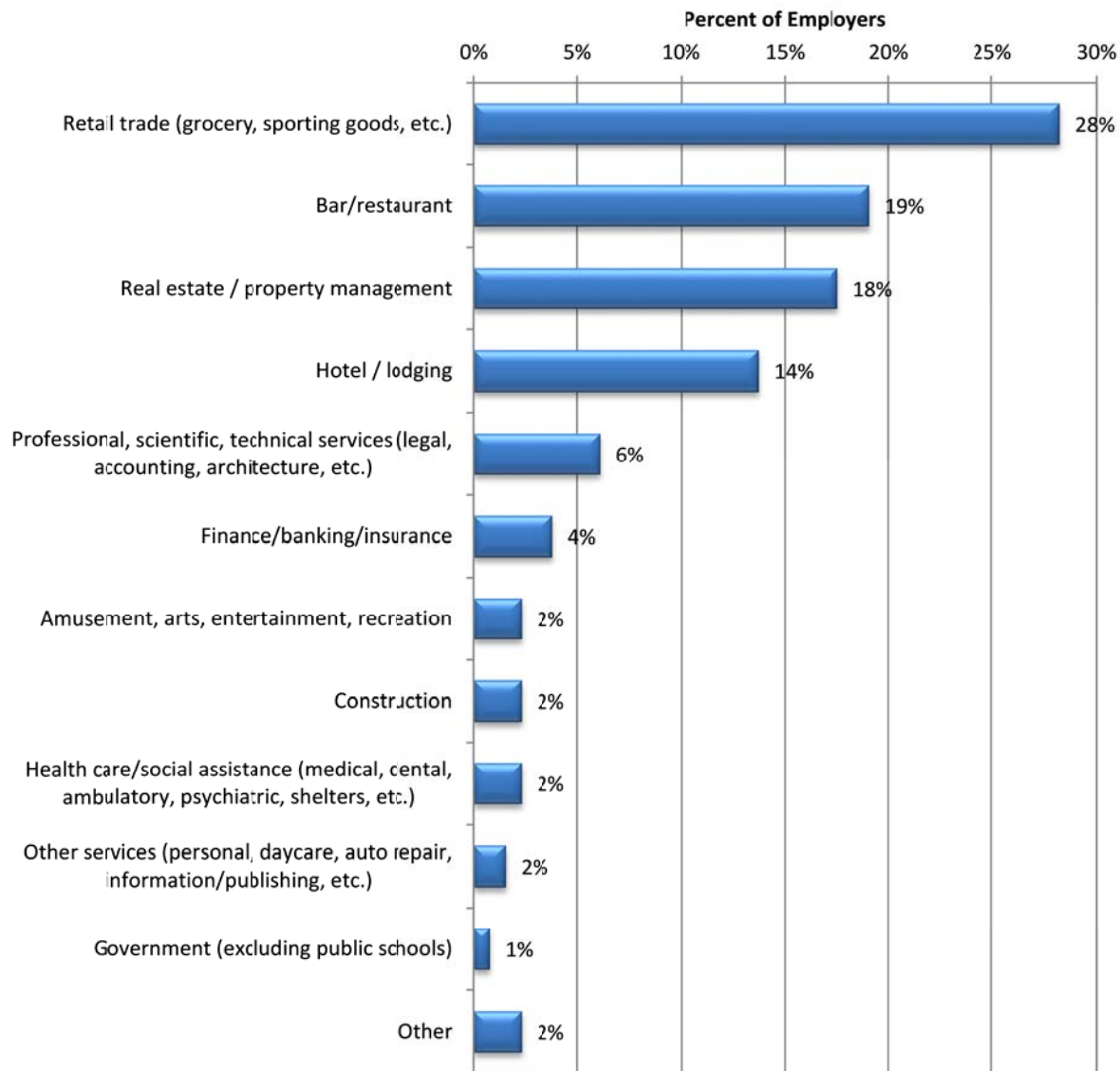
The remainder of this report discusses additional results of the 2016 Vail Employer Survey.

Employment and Business Characteristics

Industry Sector

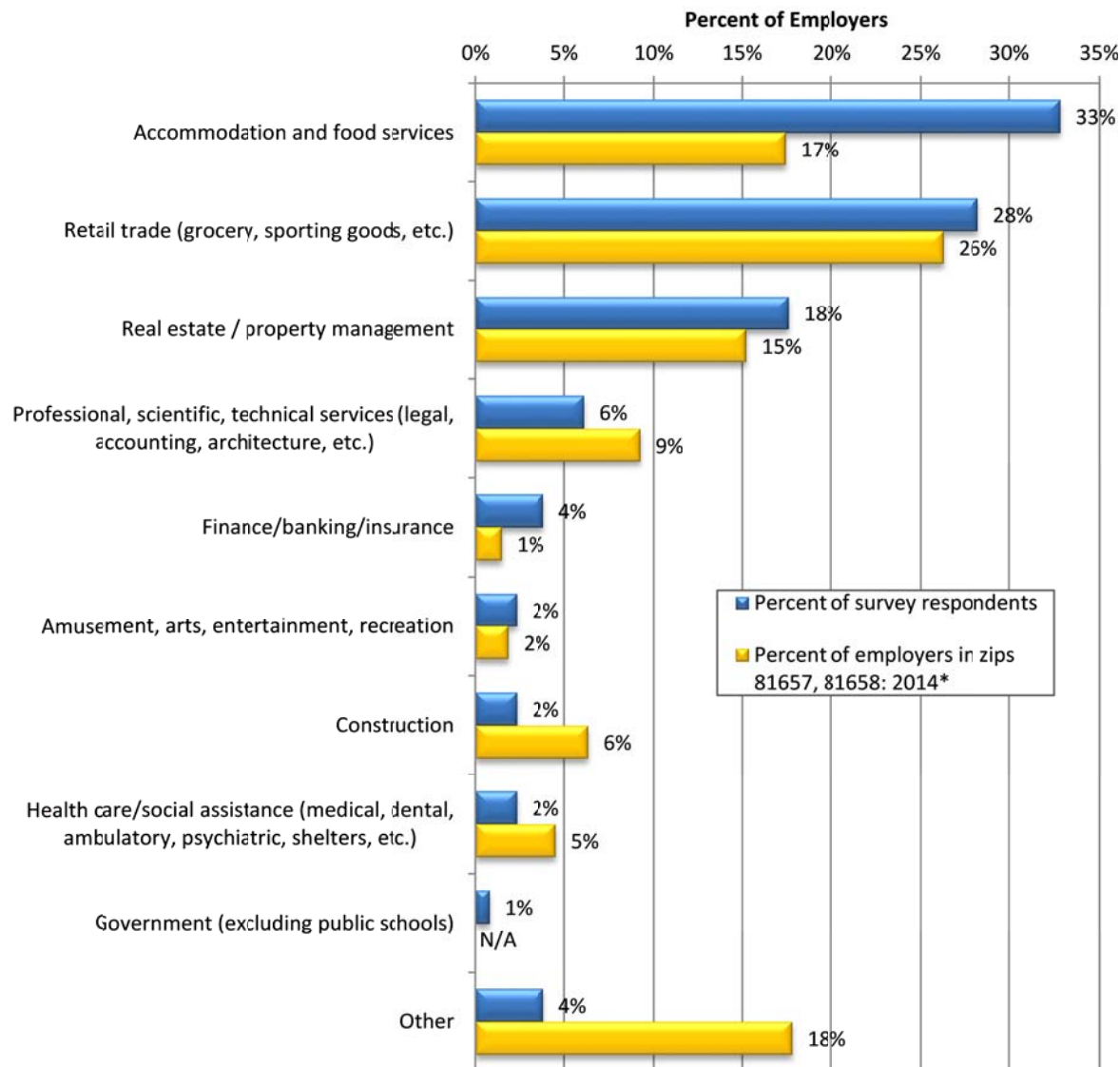
The 2016 Employer Survey resulted in 132 useable responses. Employers represented a broad variety of industry sectors, led by retail trade (28 percent), bar/ restaurant (19 percent), real estate/ property management (18 percent), and hotel/ lodging (14 percent), with a diverse array of other industries represented as well.

Figure 1
Survey respondents by industry sector



The mix of survey respondents by sector generally resembled the industry mix of all employers in zip codes 81657 and 81658 (based on U.S. Zip Code Business Patterns data). Survey respondents were somewhat overrepresented in the accommodation and food services sector, and somewhat underrepresented in the construction and “other” sectors, but were reasonably representative in other sectors.³

Figure 2
Share of responding employers by industry vs. share of total establishments by industry



*Source of employers in zips 81657, 81658: U.S. Zip Code Business patterns (most government employers excluded).

³ To the extent that there are differences between the survey response and all employers, they could be due to variations in survey response by sector, and/or other factors such as variability in how survey respondents classified themselves by industry, and possibly differences in the coverage of the TOV business license database and the U.S. Census Zip Code Patterns database.

Employees by Job Status and Place of Residence

- Full-time / part-time and seasonal job status:** At responding employers, most employees are full-time (32 or more hours/week) year-round in both summer (68 percent) and winter (56 percent). An additional 13-12 percent in each season are year-round part-time, 15-24 percent are seasonal full-time, and 4-9 percent are seasonal part-time.

Aggregating the responses by hours, most employees are full time in both summer (83 percent) and winter (79 percent), while the remaining 17 – 21 percent are part-time.

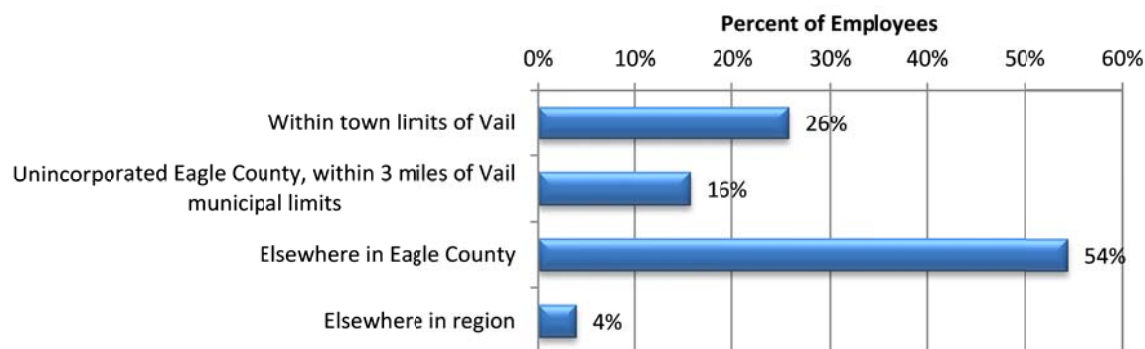
Aggregating the responses by seasonality, more employees are year-round in summer (81 percent) than winter (68 percent). Conversely, a higher share of employees are seasonal in winter (32 percent) than summer (19 percent), as many employers meet peak winter demand by hiring additional winter seasonal employees.

Figure 3
Share of employment by job status and season



- Place of residence of employees:** In aggregate, respondents estimated that 26 percent of their peak-season employees live in Vail, 16 percent live in unincorporated Eagle County within three miles of Vail municipal limits, 54 percent live elsewhere in Eagle County, and 4 percent live elsewhere in the region.

Figure 4
To the best of your knowledge, where do your employees live? (Peak season)

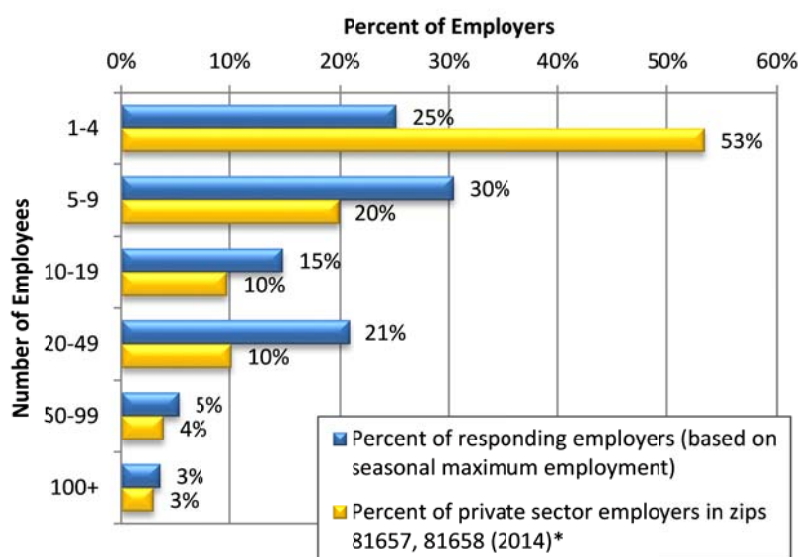


Employer Size (number of employees)

- Number of employees: Most responding businesses employ 1 – 4 (25 percent), 5 – 9 (30 percent), 10 – 19 (15 percent), or 20 – 49 workers (21 percent), together comprising 91 percent of responding employers. Smaller shares employ 50 – 99 workers (5 percent) and 100+ workers (3 percent). This preponderance of smaller employers roughly parallels patterns for private sector employers in zip codes 81657 and 81658, except that the survey somewhat overrepresented employers with 5 – 49 workers, and underrepresented employers with 1 – 4 workers (Figure 5 to follow).

Altogether, responding businesses employed an average of 22.7 workers in their peak season, and a median of eight workers. In aggregate terms, responding businesses employed a total of 2,417 workers in winter, 1,950 workers in summer, and 2,605 workers in greater of their winter or summer season.

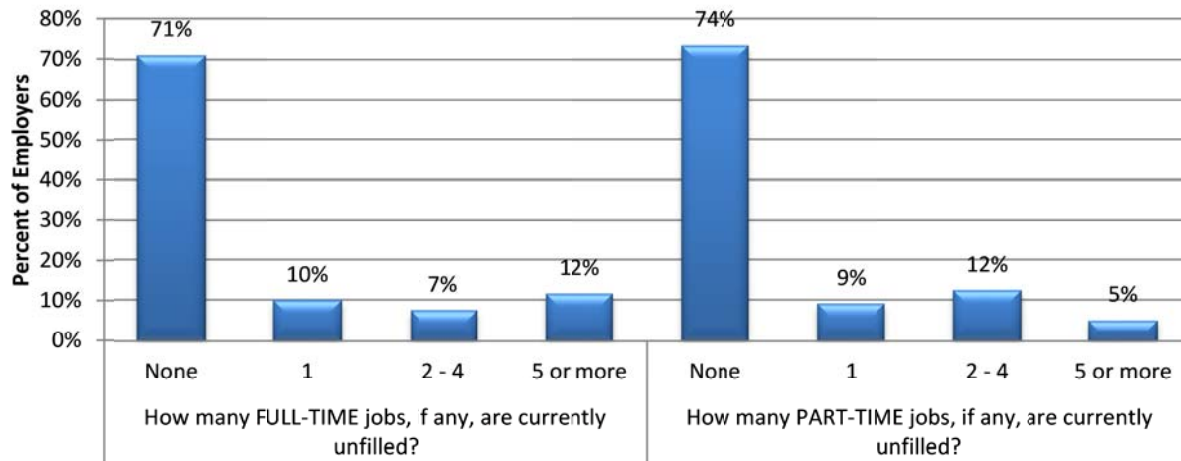
Figure 5
Share of responding employers by seasonal maximum employment (greater of winter or summer) vs. Share of private employers in zip codes 81675 and 81658 by employment in 2014*



*Source of employers in zips 81657, 81658: U.S. Census Zip Code Business Patterns (employment as of April 1, 2014); most government employers excluded.

- How many jobs are currently unfilled? As of the time they completed the survey (November / December 2016), 29 percent of employers had unfilled full-time jobs, and 26 percent had unfilled part-time jobs. Combined, these unfilled positions were equivalent to 16 percent of total peak season employment at responding employers. (Stated another way, staffing at responding employers was up to 16 percent short of their peak needs.)

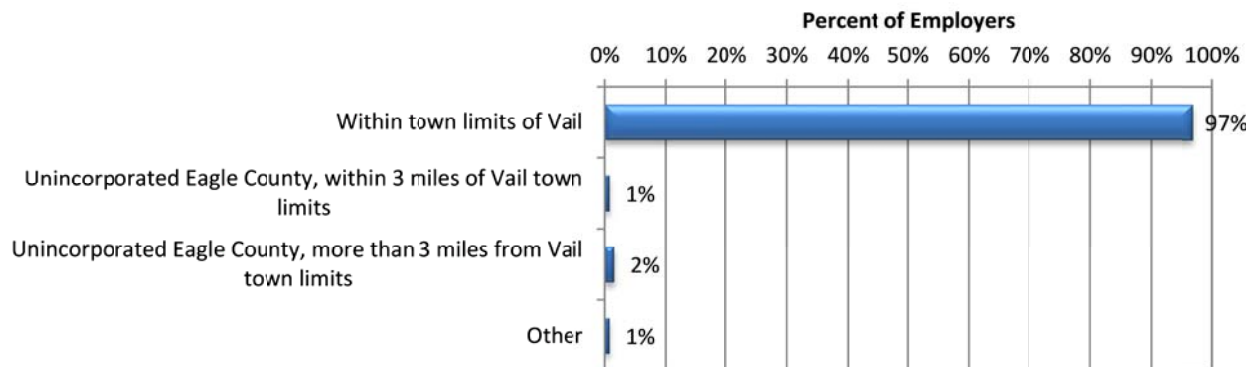
Figure 6
Number of full-time and part-time jobs currently unfilled



Employer Space Characteristics

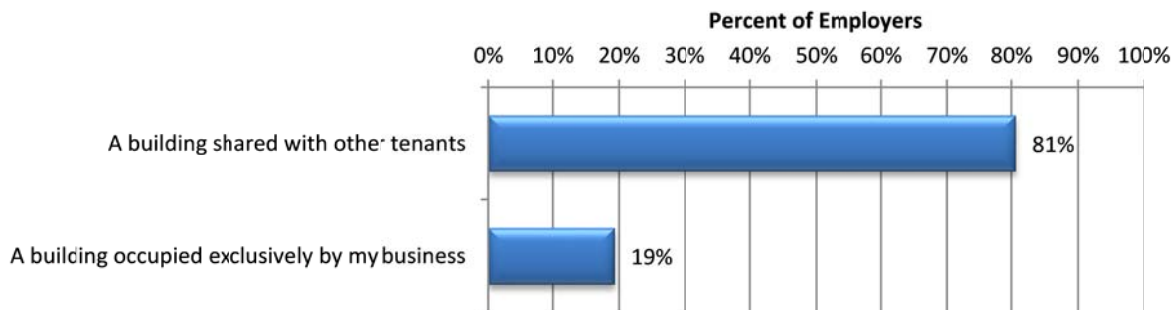
- Business location:** The survey was designed to reach employers within the Town of Vail. Virtually all responding employers (97.0 percent) are physically located within the town limits of Vail, while 0.8 percent are in unincorporated Eagle County within three miles of Vail town limits, 1.5 percent are in unincorporated Eagle County more than three miles of Vail town limits, and 0.8 percent have locations elsewhere.

Figure 7
Physical location of business



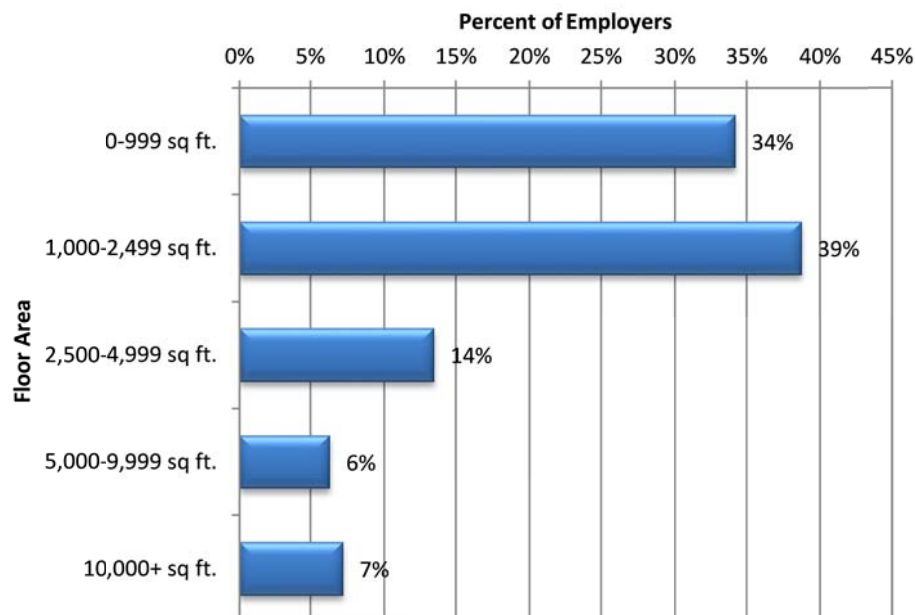
- Single-tenant vs. multi-tenant buildings: Eighty-one percent of employers share a building occupied by other tenants, while 19 percent are in building(s) exclusively occupied by them.

Figure 8
Is your business located in:



- Gross square footage of floor area (lodging businesses included): Responding businesses reported occupying a median of 1,400 square feet of floor area, and a much larger average of 5,619 square feet – with the average lifted by a small number of relatively large businesses. Roughly three-quarters of responding businesses (73 percent) reported floor area of less than 2,500 square feet, while 20 percent had 2,500 – 9,999 square feet, and 7 percent had 10,000+ square feet.⁴

Figure 9
Gross square footage of floor area occupied by your business?

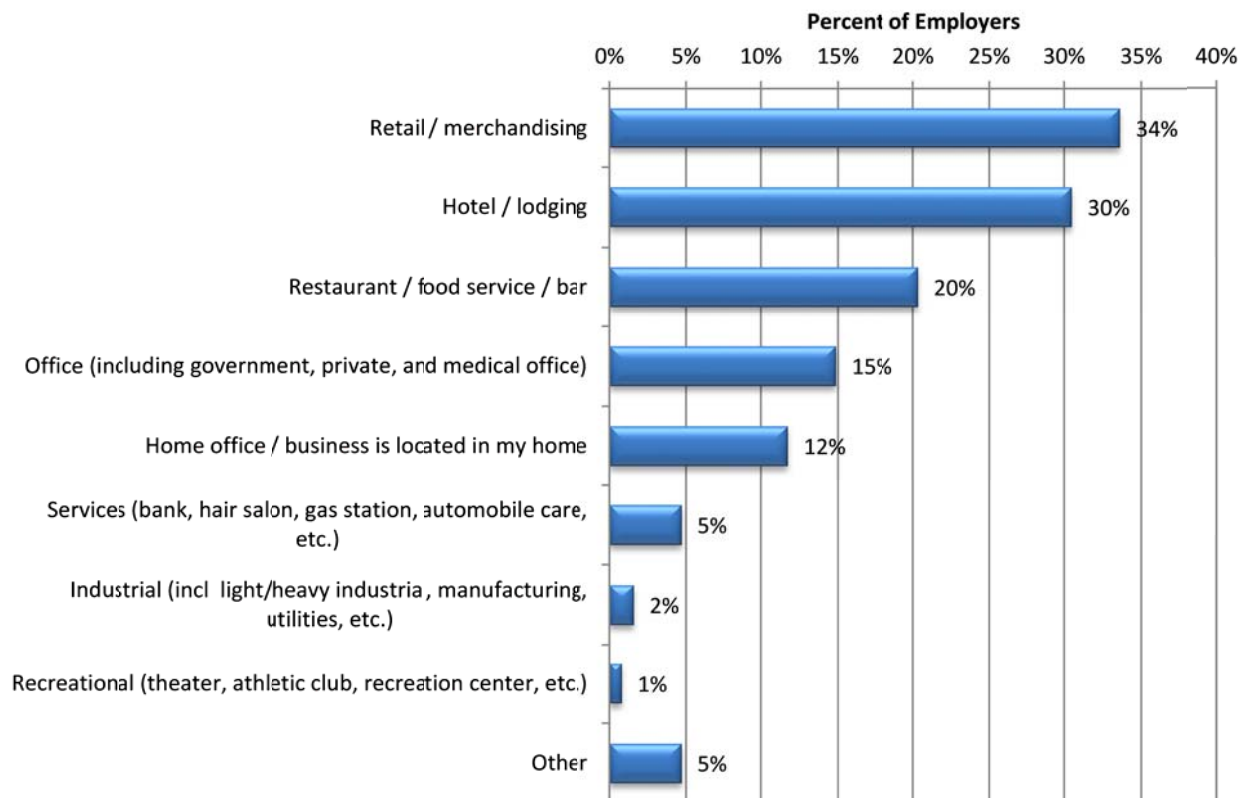


⁴ In asking respondents to report gross square feet of floor area, the survey instructed businesses to “please exclude garages primarily used for parking, exterior/outdoors spaces, and unenclosed spaces. If your business is renting space in a multi-tenant building, your gross square footage will likely be equivalent to your leased square feet of interior space.”

- **Type(s) of space occupied:** The largest share of respondents indicated that they occupied retail / merchandising (34 percent) or hotel/ lodging (30 percent) space. Smaller numbers of businesses used space best categorized as restaurant/food service/ bar (20 percent), office (15 percent), home office (12 percent), services (5 percent), and various other types of space. On average, respondents reported using an average of 1.23 different types of space, with most employers using just one type of space, and others using a mix of space types.

Figure 10

**Which of the following best describes the type(s) of space your business occupies?
(Multiple responses permitted)**



Anticipated Future Changes in Employment

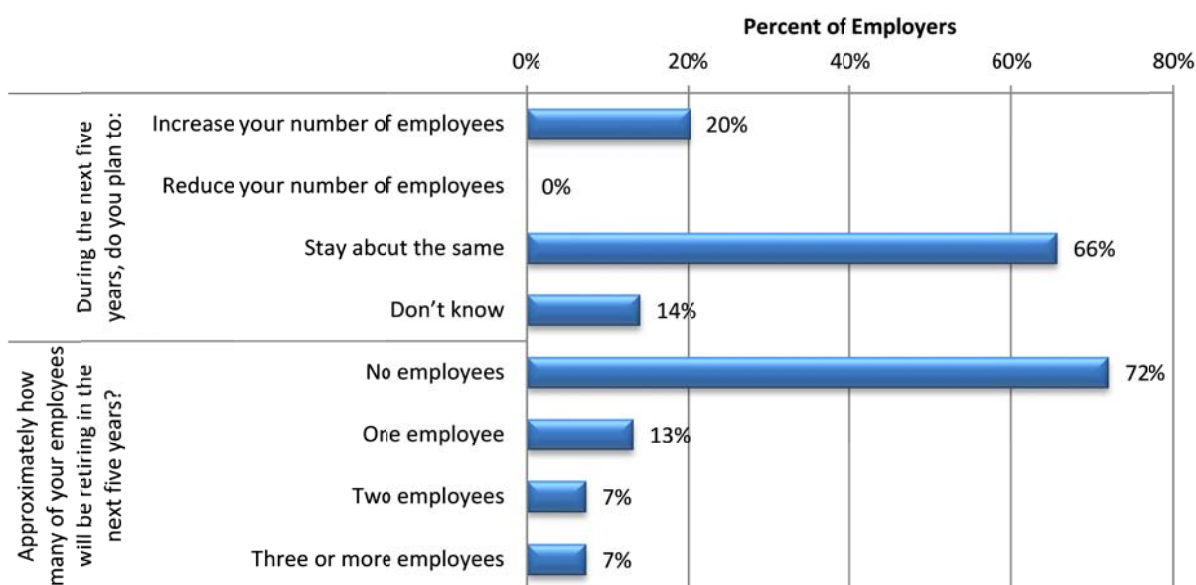
- Anticipated change in employees during the next five years: Over the next five years, two-thirds of employers expect their employment to remain about the same (66 percent). Of the remainder, notably more employers plan to increase (20 percent) than reduce (0 percent) their number of employees, while 14 percent don't know.

Taking into account all respondents' future expectations, employment is projected to increase by a total of 5.9 percent in the next five years.

- Anticipated employee retirement in the next five years: Twenty-eight percent of responding employers anticipate having one or more employees retire over the next five years. In aggregate, employers anticipate that retiring employees will be equivalent in number to about 3 percent of their total peak-season employees.

To the extent that retiring employees remain in the area and continue to occupy their existing housing units, the amount of housing available for replacement workers could become correspondingly tighter without a commensurate increase in supply.

Figure 11
Anticipated changes in employment and employee retirement in the next five years



Housing

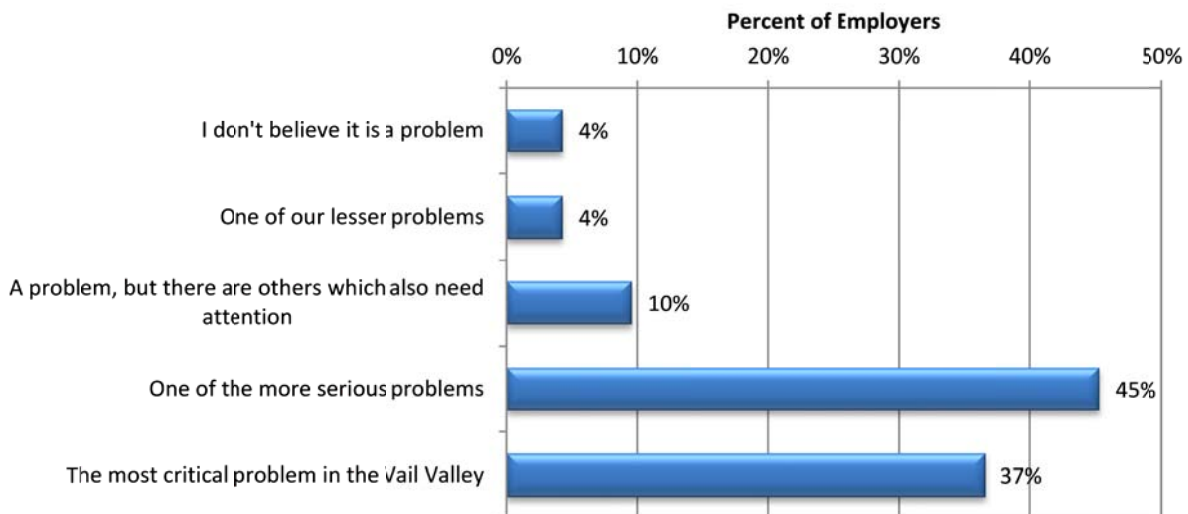
A series of survey questions focused specifically on housing issues, the results of which are summarized below.

Employer Perceptions of Affordable/Employee Housing Situation

A portion of the employer survey was dedicated to understanding employer experiences and opinions related to employee housing issues. This section summarizes employer responses to these questions.

- Degree to which affordable/employee housing is problematic for local residents:** Ninety-six percent of employers said that affordable/employee housing for local residents is a problem to some degree, most of whom consider it to be a serious issue. Thirty-seven percent say it is “the most critical problem in the Vail Valley,” and 45 percent indicate it is “one of the more serious problems.” An additional 10 percent characterize it as “a problem, but there are others which also need attention.” Four percent consider housing to be “one of our lesser problems,” and 4 percent “don’t believe it is a problem.”

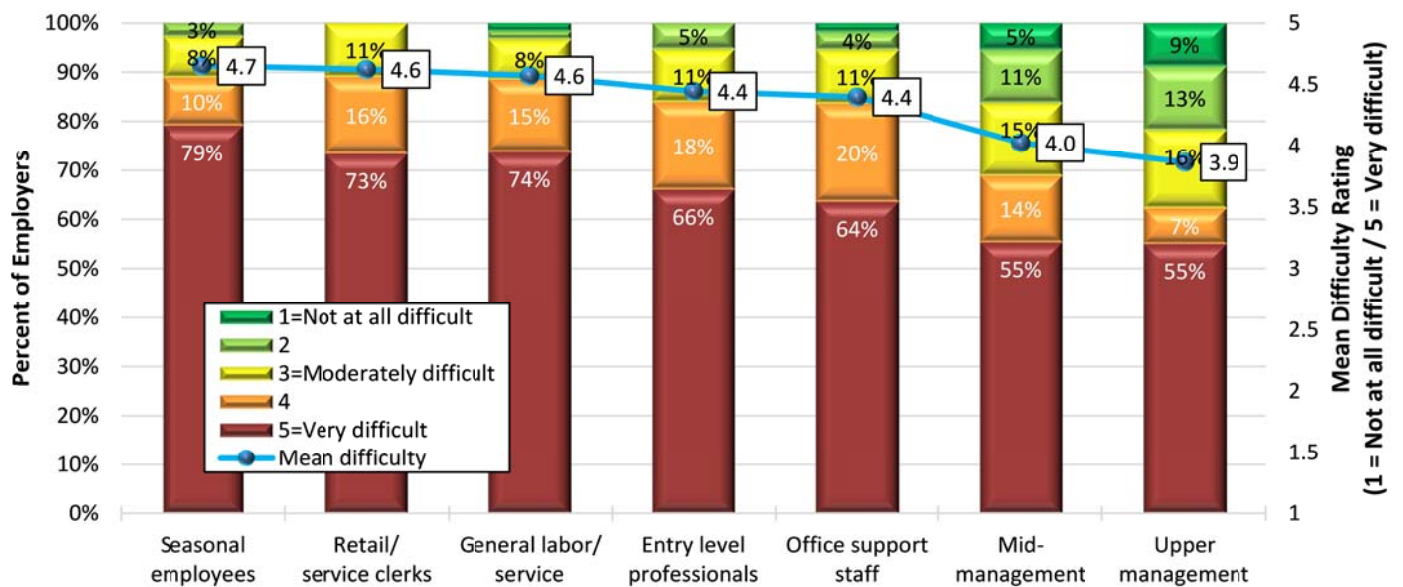
Figure 12
Do you feel affordable/employee housing for local residents is:



- How difficult is it for your employees to find affordable housing in the Vail area?** On a scale where 1 = “not at all difficult,” 3 = “moderately difficult,” and 5 = “very difficult,” most employers indicated that it was “5 - very difficult” for their employees at all levels to find affordable housing in the Vail area, including seasonal employees (79 percent), general/labor service employees (74 percent), retail/service clerks (73 percent), entry-level professionals (66 percent), office support staff (64 percent), mid-management (55 percent), and upper management (55 percent).

Figure 13

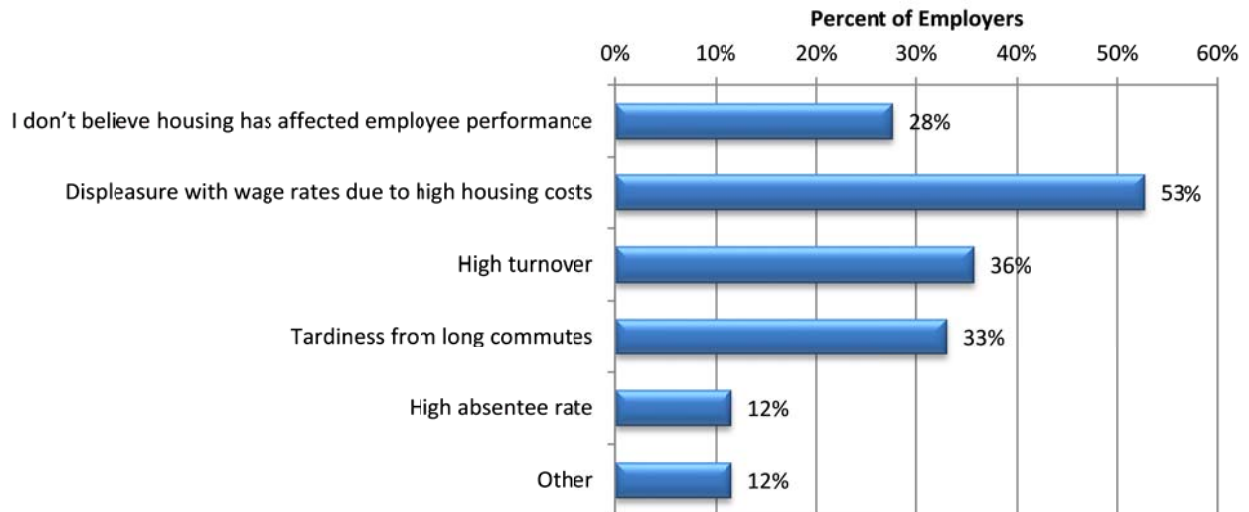
How difficult is it for your employees to find affordable housing in the Vail area?



- How, if at all, has the availability of affordable housing in Vail affected the work performance of your employees? Twenty-eight percent of employers believed that housing has not affected employee performance. Conversely, nearly three-quarters (72 percent) of employers feel that performance has been affected, most commonly citing displeasure with wage rates due to high housing costs (53 percent), followed by high turnover (36 percent), tardiness from long commutes (33 percent), high absentee rates (12 percent), and other issues (12 percent, primarily difficulty finding/recruiting employees).

Figure 14

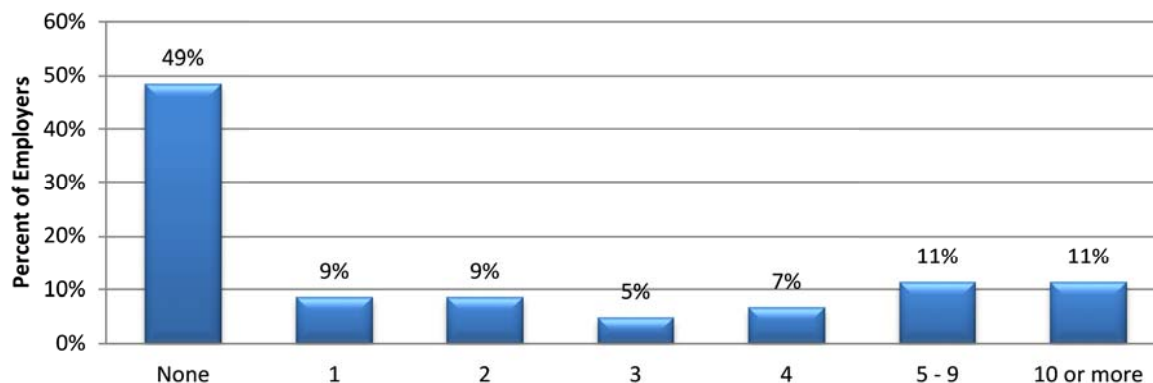
How, if at all, has the availability of affordable housing in Vail affected the work performance of your employees? (Multiple responses permitted)



- How many people, in your estimation, were not hired or left your employment in the past 12 months because they lacked affordable housing? About half (51 percent) of employers said there were people they had not hired or who had left their employment in the past 12 months because they lacked affordable housing. Among this group of impacted employers, an average of 8.1 employees were not hired or left employment due to housing, which is equivalent to 20 percent of peak season employees at these impacted businesses, and 17 percent of peak season employees at all businesses.

Figure 15

How many people, in your estimation, were not hired or left your employment in the past 12 months because they lacked affordable housing?

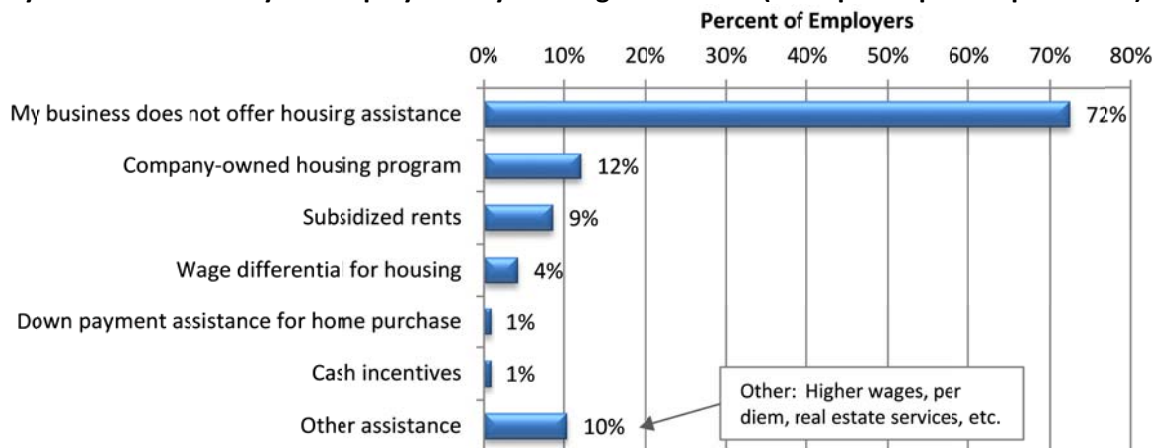


Employer Actions and Opinions Regarding Workforce Housing Assistance

- Does your business offer your employees any housing assistance? Twenty-eight percent of employers said they offer workforce housing assistance. The most prevalent type of assistance provided is company-owned housing (12 percent), followed by subsidized rents (9 percent), wage differential for housing (4 percent), down payment assistance (1 percent), and cash incentives (1 percent).

Figure 16

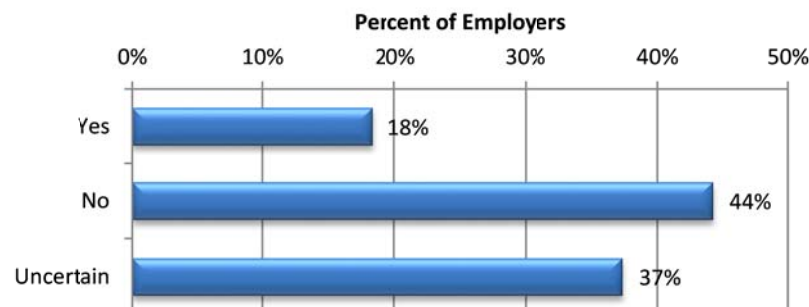
Does your business offer your employees any housing assistance? (Multiple responses permitted)



- Would you consider partnering or investing in a housing project to obtain master leased units for your employees? Eighteen percent of employers said they would be willing to consider partnering or investing in a housing project to obtain master leased units for their employees. Over twice as many indicated they would not (44 percent), while 37 percent said they were uncertain.

Figure 17

Would you consider partnering or investing in a housing project to obtain master leased units for your employees?



Employers had the opportunity to provide comment on their responses. Selected comments are provided below in order to illustrate the sentiments behind the various positions taken by employers:

Yes:

- *"Already involved in solving our own issues, would welcome conversation about any viable alternatives."*
- *"It's the only real problem with Vail. Some of my employees live in Eagle, which in the snow is 1+ hour drive."*
- *"There were times last winter that I almost just closed my business rather than deal with having no staff."*
- *"We have purchased two homes this year to keep them off VRBO."*

No:

- *"Housing is NOT the business of government. I make more money on owning my own housing."*
- *"My business can't afford that for part-time seasonable workers, which is who needs housing."*
- *"Not financially feasible."*
- *"Why does the government think it should find me a place to live?"*

Uncertain:

- *"Business in Vail is too seasonal for small business owners to buy or subsidize housing."*
- *"Need more data, of course."*
- *"We would probably not be able to afford this."*
- *"Would need to see benefits of that vs. privately buying property."*

Additional Comments and Suggestions Regarding Workforce Housing in Vail

At the end of the survey, responding employers were asked to provide any other comments or suggestions concerning workforce housing in Vail. Many employers used it as an opportunity to provide suggestions of how or where to develop affordable housing options, and a sample of these comments are excerpted below. All comments are provided in the Appendix to this report and should be read in their entirety in order to grasp the full range of respondents' opinions.

- *"Build more, even if you build 5 more apartment complexes, you would need more."*
- *"Don't concentrate on 'workforce' housing but on 'local affordable' housing."*
- *"Focus on seasonal short term facilities. The front line employee is the most important asset we have. Take care of this and you take care of a lot of other problems - parking and poor customer service being the main two."*
- *"For workers to get into town, once parking starts charging, buses should go to full schedule."*
- *"I think employee housing should be built on top of the transportation centers."*
- *"I think Vail employees need housing west of Vail - Avon, Edwards, not in Vail."*
- *"Limit or monitor VRBO housing, increase minimum wage."*
- *"Need more housing with underground parking! Don't be like Avon!"*
- *"Tiny homes on trailers might work."*

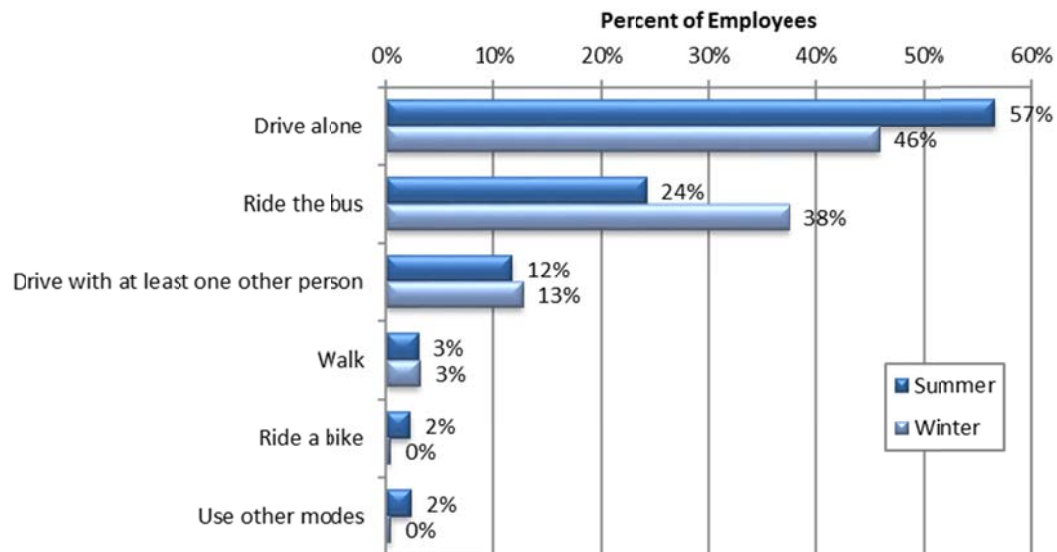
Transportation

Two questions on the employer survey focused specifically on transportation issues, the results of which are summarized below.

- Employee commute mode by season: Employees' commute modes vary between summer and winter, with notably greater usage of busses in winter. The most common mode in both seasons is driving alone (57 percent in summer and 46 percent in winter). Following is riding the bus, which is more prevalent in winter (38 percent) than summer (24 percent). The next most common mode of transport is carpool/ vanpool (12-13 percent in each season), with modest shares walking (3 percent in each season), biking (2.2 percent summer, 0.3 percent winter), and using other modes (2.3 percent and 0.4 percent respectively).

Figure 18

Please estimate how your employees typically travel to your business in summer and winter



- Does your business offer your employees incentives for using transportation modes other than driving alone? Nearly half (46 percent) of employers offer incentives which encourage use of alternate modes, such as bus passes (19.8 percent), employee cash out program for parking (9.4 percent), an on-site company vehicle for employee errands (5.7 percent), a carpooling program (3.8 percent), cash incentives (3.8 percent), a van pooling program (2.8 percent), preferential parking for carpools or vanpools (1.9 percent), and parking restricted to carpools and vanpools (1.9 percent), and other incentives (16 percent, although most respondents indicated this consisted of onsite parking or parking passes).

Figure 19
Does your business offer your employees any of the following incentives
for using transportation modes other than driving alone?
(Multiple responses permitted)

