

**CHAMPLAIN
HOUSING TRUST**



Providing Permanently
Affordable Housing in
Northwestern Vermont

Ten Year Affordable Housing & Services Modeling



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OVERVIEW / PURPOSE OF THE MODEL

** This model is a framework for housing development and service delivery created by **assembling 18 different variables**.

** It is not a housing needs assessment, it's a housing development and services delivery model that received input from more than a dozen leaders.

** This model **utilizes the existing capacity in the nonprofit affordable housing development sector** and invests new dollars in services to support vulnerable Vermonters.

** The focus is on new spending to continue the progress made over the past few years.

** The projection creates **over 7,500 homes and apartments of various types over 10 years and 300 shelter or other beds** for people who are unhoused.

** The estimated cost is about **\$200 million per year**.

** **It's critical to focus on more than just one or two things**, we need a wholistic approach.

** Act 250 reform and creating new shelters, while important, won't come close to solving the larger housing problems in our communities.

** **Biggest risk is not acting**.

SUMMARY OF HOUSING & BEDS CREATED

IMMEDIATE NEW HOUSING OR BEDS FOR UNHOUSED -- TO BE CREATED IN THE NEXT 2-3 YEARS

Agency/Type of Housing or Beds	Number created in 2-3 years	Total over 10 years	notes
VHCB - Permanent Supportive Housing (apartments with dedicated service staff on site)	200	200	VHCB has worked with several community partners to deliver supportive housing over the years. Could be conversions of motels or other property done quicker w/100% dedicated to people exiting homelessness.
VHCB - Non-congregate shelter beds	200	200	Expansion of shelters statewide
Agency of Human Services - medical respite or specialized need beds	100	100	A better option that sits somewhere between a motel room and inpatient or nursing bed. To be completed in the next two years.
IMMEDIATE (2-3 YRS) NEW HOUSING OR BEDS		500	

AVERAGE NEW PERMANENT HOUSING CREATED ANNUALLY FOR NEXT 10 YEARS

Agency/Type of Housing	Average created per year	Total over next 10 years	notes
VHCB - Various programs, including rental housing, farmworker housing, manufactured homes	391	3,907	Utilize the capacity of the affordable housing network to deliver range of new housing (see future tabs)
VHFA & VHCB - Homeownership	155	1,553	Based on 2022-23 pilot program capacity/need and prediction of pipeline
Dept Housing & Community Development - Vermont Housing Improvement Program (VHIP)	120	1,200	Continued value and lower cost per unit than some options, but may decline in out years due to lack of vacant stock available to rehab
VHFA - Manufactured Homes	70	700	Funded with existing state tax credit, plus some with VHCB
TOTAL NEW OVER TEN YEARS		7,360	<i>(+ 200 Permanent Supportive Housing = 7,560)</i>

CREATING ADDITIONAL AFFORDABLE HOUSING AND SHELTER BEDS

NEW HOUSING CREATED (NEW SPENDING + EXISTING PROGRAMS)	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35
Manufactured Housing	70	70	70	70	70	70	70	70	70	70	70	70
Farmworker Housing	110	110	110	110	100	100	100	100	80	80	80	80
Homeownership	138	68	165	165	165	165	165	165	165	165	165	165
VHIP (Vermont Housing Improvement Program)	250	200	200	100	100	100	100	100	100	100	100	100
Rental	355	377	217	238	300	339	323	307	292	279	266	253
Permanent Supportive Housing	-	75	75	50	-	-	-	-	-	-	-	-
TOTAL UNITS CREATED	923	900	837	733	735	774	758	742	707	694	681	668
CUMULATIVE		900	1,736	2,469	3,204	3,978	4,736	5,478	6,185	6,879	7,560	8,227

NEW SHELTER OR SPECIALIZED BEDS CREATED (NEW SPENDING)	FY24	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35
Non-congregate Shelter Beds	50	125	75	-	-	-	-	-	-	-	-	-
Medical Respite or Specialized Need Beds	-	50	50	-	-	-	-	-	-	-	-	-
TOTAL NEW SHELTER OR SPECIALIZED BEDS CREATED	50	175	125	-	-	-	-	-	-	-	-	-
CUMULATIVE		175	300	300	300	300	300	300	300	300	300	300

APTS AND BEDS AVAILABLE TO HELP PEOPLE WHO ARE UNHOUSED												
PROJECTION HOUSED/SHELTERED	TARGET %	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34	FY35
NEW CONSTRUCTION apartments for previously unhoused	25%	94	54	59	75	85	81	77	73	70	66	63
NEW VHIP apartments for previously unhoused	50%	100	100	50	50	50	50	50	50	50	50	50
NEW Permanent Supportive Housing	100%	75	75	50	-	-	-	-	-	-	-	-
NEW Medical Respite or Specialized/higher need beds	100%	50	50	-	-	-	-	-	-	-	-	-
NEW Shelter Beds	100%	125	75	-	-	-	-	-	-	-	-	-
TOTAL NEW APTS OR BEDS DEDICATED UNHOUSED	-->	444	354	159	125	135	131	127	123	120	116	113
EXISTING Portfolio (NOT new, benefit of permanently aff hsg)	35%	420	420	420	420	420	420	420	420	420	420	420
TOTAL ADD'L BEDS OR APTS AVAILABLE FOR UNHOUSED	-->	864	774	579	545	555	551	547	543	540	536	533
CUMULATIVE	-->	864	1,638	2,218	2,763	3,318	3,868	4,415	4,958	5,498	6,034	6,567

NEW CAPITAL, SERVICE AND OPERATIONS SPENDING PER FY

NEW CAPITAL SPENDING (in millions)	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34
VHCB - Housing / Shelter Production										
<i>Shelter Beds</i>	23.8	14.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<i>Permanent Supportive Housing</i>	26.3	26.3	17.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<i>Homeownership</i>	9.8	10.1	10.4	10.8	11.2	11.6	12.0	12.5	13.0	13.5
<i>Rental production</i>	47.2	56.4	79.0	96.4	96.0	95.6	95.2	95.3	94.8	94.3
<i>Farmworker Housing</i>	3.0	3.0	3.0	2.8	2.8	2.8	2.8	2.2	2.2	2.2
Total VHCB Housing Production	110.0	110.0	110.0	110.0	110.0	110.0	110.0	110.0	110.0	110.0
AHS - Specialized Needs Beds	17.5	17.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
DHCD - VHIP (Rental Rehab / ADUs)	10.0	10.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Manf'd Home Communities - Various	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0	15.0
VFHA - Homeownership Development	24.7	25.9	27.2	28.6	30.0	31.5	33.1	34.7	36.5	38.3
NEW CAPITAL SPENDING (in millions)	177.2	178.4	157.2	158.6	160.0	161.5	163.1	164.7	166.5	168.3

NEW SERVICE / OPERATIONS SPENDING (in millions)	FY25	FY26	FY27	FY28	FY29	FY30	FY31	FY32	FY33	FY34
Resident Services Fund	6.0	6.4	6.6	6.9	7.2	7.5	7.8	8.2	8.5	8.8
Eviction Prevention	4.0	4.1	4.2	4.4	4.5	4.6	4.8	4.9	5.1	5.2
Permanent Supportive Housing - Services	0.8	1.7	2.5	3.2	3.3	3.3	3.4	3.6	3.7	3.8
Permanent Supportive Housing - Vouchers	0.9	1.8	2.8	3.5	3.6	3.7	3.8	3.9	4.0	4.1
Specialized needs beds	1.3	2.5	2.6	2.7	2.7	2.8	2.9	3.0	3.1	3.2
Shelter Operations	7.7	11.2	11.5	11.9	12.2	12.6	13.0	13.3	13.7	14.2
NEW SERVICE / OPERATIONS SPENDING (in millions)	20.6	27.7	30.3	32.4	33.4	34.6	35.7	36.9	38.0	39.2

TOTAL NEW SERVICE + CAPITAL SPENDING	197.8	206.1	187.5	190.9	193.4	196.1	198.8	201.6	204.5	207.5
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CALCULATION / ASSUMPTION NUMBERS

CAPITAL NEEDED -- INPUTS FOR CALCULATIONS

Inflation on new construction	5%	There has been a lot of volatility but will we see pandemic impact fade?
Cost per Rental Apartment	\$475,000	Cost has been a range between \$350K to \$550K over the past few years. Will Act 250 reform reduce costs? Leverages significant federal tax credits and other funding
Cost per Apartment, Vermont Housing Improvement Program (VHIP)	\$50,000	Current max limit is \$50,000/apartment; Administration proposes increase to \$70,000/apt
Cost per Home, owner occupied	\$475,000	Cost has ranged between \$350to \$550K. Habitat for Humanity homes are typically less. Act 250 reform? Other leverage possible: NMTC, philanthropy, land donations, local trust funds, etc
Cost per shelter bed	\$190,000	Average from VHCB. No add'l funds leveraged
Cost per unit of Permanent Supportive Housing	\$350,000	Some properties might be acquisition/rehab and some may be new construction
Cost per medical respite or specialized need bed	\$350,000	Some properties might be acquisition/rehab and some may be new construction

NEW SERVICES/OPERATIONS

Inflation on services and operations	3%	Standard COLA
Cost of Resident Services, per apartment, per year	\$2,000	Cost for services delivered through rentals developed in general affordable housing portfolio -- ie, not specialized or permanent supportive housing
Percentage of NEW apartments needing services	50%	As new apartments are added to housing porfolio and more people with needs are housed, perhaps half of residents may need to access services
Services for Permanent Supportive Housing, per year	\$10,700	Based on existing models and experience
Housing subsidy for Permanent Supportive Housing, per year	\$12,000	State subsidy of \$1,000 per month; ideally a bridge to a federal voucher
Shelter cost per night	\$120	Cost ranges from \$100 to \$140 per night; used midpoint
Medical respite/specialized need beds cost per bed, per year	\$25,000	This encompasses a wide range of possible responses and costs may vary greatly per type of program. Some may be Medicaid eligible? AHS can fine tune

PERMANENT HOUSING FOR PEOPLE EXPERIENCING HOMELESSNESS

Percentage of new apartments dedicated for unhoused	25%	Current percentage to secure tax credits and also
Percentage of VHIP for unhoused	50%	Current program allows for two options: 1) grant funded, 5 years with someone exiting homelessness; 2) 10 year forgivable loan at Fair Market Rent. How many reserved for people exiting homelessness?
Existing affordable housing turnover used for unhoused	35%	Existing permanently affordable housing is a resource for communities. At tenant turnover, between 30 and 40% of apartments take someone in from Coordinated Entry
Existing rental turnover per year	1,200	The number of apartments in affordable housing network that turnover each year

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