



Vermont Housing &  
Conservation Board

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**House Government Operations Committee**

**Housing Bond**

February 17, 2017



## **Title 10: Conservation and Development**

### **Chapter 15: VERMONT HOUSING AND CONSERVATION TRUST FUND**

#### **§ 302. Policy, findings, and purpose**

- (a) The dual goals of creating affordable housing for Vermonters, and conserving and protecting Vermont's agricultural land, forestland, historic properties, important natural areas, and recreational lands are of primary importance to the economic vitality and quality of life of the State.



## **VHCB Results: FY 2016 and FY 2017** *What we accomplished*

State Investment:  
**\$18.3M; \$125M Leveraged**

840 Affordable Homes and Apartments  
49 Farms; 6,303 Acres  
18 Natural Areas; 7,200 Acres

### **VHCB Program Impacts**

- Improve Water Quality
- Support our Rural Economy
- Create More Homes for Workers
- Enhance opportunity for homeless and other vulnerable Vermonters
- Make Communities Flood Resilient
- Meet Vermont Energy and Climate Goals

## VHCB PROGRAMS

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- Multi-Family Housing Development and Preservation
- Farmland Conservation
- Forestland, Recreational land and Natural Area Conservation
- Vermont Farm & Forest Viability Program
- Home Ownership
- Farmland Access
- Home Access
- Vermont Lead Paint Hazard Abatement/Healthy Homes
- AmeriCorps
- Community Planning & Technical Assistance
- Historic Preservation
- Modular Housing Innovation Program
- Housing Opportunities for Persons living with HIV/AIDS



## **Title 10: Conservation and Development**

### **Chapter 15: VERMONT HOUSING AND CONSERVATION TRUSTFUND**

- By statute, 50% of revenue from the property transfer tax (PTT) after a 2% reduction for the Tax Department.
- PTT is the source because as property transfers increase, the pressure on affordable housing and important land and farm resources also increases.

# Need for Housing

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- Vermont Futures Project of the Vermont Chamber of Commerce has set a growth target of 5,000 new and improved housing units annually.
- Roadmap to End Homelessness calls for 180 new units for permanent supportive housing and 1,251 new homes affordable at 30% of median or below.
- 2015 statewide housing needs assessment by Bowen National Research found the largest gaps in housing affordable to households below 30% of median and between 85% and 120%, although need was across the income spectrum.

# Housing Bond Proposal

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- Governor Scott is proposing a revenue bond that would produce approximately **\$35 million** as the main element of a *Housing for All Initiative*.
- VHCB will administer and award the funds for housing projects around the state. Bond to be issued by the Vermont Housing Finance Agency with debt service provided by VHCB.
- VHCB's annual state appropriation comes mainly from Property Transfer Tax receipts as directed by statute.
- The Governor recommends \$12,304,840 for VHCB from the PTT and an additional \$4,000,000 from the Capital Bill. This represents a \$1 million increase from FY17.

# Housing Bond Proposal

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- The administration proposes the dedication of \$2.5 million of property transfer tax to the payment of the bond through 2038, which will require a statutory change.
- Revenue bonds are payable from and secured only by a specific source of revenue and are not a general obligation of the state.
- The proposal does not affect Capital Bill bonding under the Debt Affordability Cap.



# Housing Bond Proposal

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## Targeting:

- At least 25% of the housing will be targeted to very low income Vermonters (households below 50% of median income).
- At least 25% of the housing will be targeted to middle income Vermonters (households between 80 and 120% of median income).

# Median Incomes

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- Statewide median income for a household of four is \$70,200.
- 120% of median for a household of four is \$84,240
- 80% of median for a household of four is \$56,160
- 50% of median for a household of four is \$35,100
- Varies by county.

# Homes for Workers

## Cambrian Rise Master Plan for Burlington College Land



Architect's illustration of proposed housing – a mixed income development with 700 new homes composed of family rental, senior housing and homeownership condominiums.

## Housing for the Vulnerable

Bond will allow the creation of more supportive housing like the Phoenix House in Barre Town – sober living for former inmates living with addiction



# Housing for Medically Vulnerable, Homeless Individuals

## 62% Savings in Medical Costs over 12 months



Beacon Apartments in South Burlington, developed by the Champlain Housing Trust in partnership with UVM Medical Center, provides 20 homes with support services for homeless individuals with chronic health issues. The United Way reports that for a similar group of 32 individuals, over a 12-month period, hospital visits dropped by 34% and costs dropped by more than 62%:

in the 12 months prior to permanent housing:	1,224 visits; \$736,826
in the 12 months after permanent housing:	802 visits; \$278,075

# Rental Housing

New rental housing will be created around the state like Elm Place which will soon add 30 new homes to Milton in Vermont's first certified *Passive House* rental development.





## Rental Housing

Downstreet Housing & Community Development and Housing Vermont are planning to develop housing in the upper stories of the French Block in downtown Montpelier, which has been vacant for more than 70 years.



LaTerre House in Wilmington was donated by the town to the Windham & Windsor Housing Trust. It was in dire need of rehabilitation and now features seven well managed apartments on East Main Street.





## Homeownership

VHCB will ramp up its homeownership programs to serve Vermont's moderate income households under this proposal.

Has helped more than 1,000 households purchase new homes across the state including these in Windham, Chittenden, Rutland and Bennington counties.



## **High Energy Performance Modular Homes**

34 have been placed across Vermont and in two mobile home parks, one in Waltham and one in Hardwick, are replacing older mobile homes with Vermods with VHCBC support.



## **New Neighborhoods**

Building renovations and new developments will be possible like Hickory Street, a redevelopment of public housing units in Rutland.



Harrington Village, located in the village of Shelburne, is a new intergenerational community with 82 homes including multi-family rental housing, senior housing and homes built by Habitat for Humanity. Developed by the Champlain Housing Trust and Cathedral Square Corporation.



## New Neighborhoods

The Champlain Housing Trust manages 16 apartments in duplexes on the edge of Richmond Village.

# Public-Private Partnership

## New Town Center in South Burlington



U.S. Post Office  
0.8 miles road/sidewalk distance

Barnes & Noble bookstore/cafe  
0.3 miles road/sidewalk distance

Northfield Savings Bank  
0.6 miles road/sidewalk distance

People's United Bank  
0.3 miles road/sidewalk distance

University Mall Shopping  
0.2 miles road/sidewalk distance

Dorset Street Family Dental  
0.2 miles road/sidewalk distance

Price Chopper Supermarket  
0.6 miles road/sidewalk distance

Champlain Dental  
0.2 miles road/sidewalk distance

GoodHealth Primary Care Doctor Office  
0.7 miles road/sidewalk distance

Hannaford Supermarket  
0.6 miles road/sidewalk distance

Hannaford Supermarket

Google



## Community Challenges and Opportunities

Cornerstone building in St. Johnsbury has vacant commercial space on the street level and many apartments in very poor condition above making redevelopment a top priority for the community.

With a \$20,000 grant from VHCB, the City of Newport has begun planning for the redevelopment of the vacant block in the heart of its downtown.



## Community Challenges and Opportunities

Efforts to redevelop the historic Woolson Block in Springfield depend upon funding becoming available.





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