

# HOUSINGVERMONT

Building possibilities.



## House Appropriations Committee

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# Economic Impact of VHCB Housing Investments

## Total Project Costs, Jobs Created On-site and Off-Site, and Projected Ripple Effect

### Housing Vermont Projects Completed in 2011-2015

Project	Location	Number of Units	VHCB State Funds Only	Hard Construction Costs (Excludes A & E)	Additional Economic Impact	Total Economic Impact	Jobs
Morrisville Community Housing	Morrisville	16	158,500	1,592,986	3,138,182	4,731,168	56
Johnson Community Housing	Johnson	28	112,000	4,185,608	8,245,648	12,431,256	147
Hickory Street Apartments, Phase 1	Rutland	33	220,000	5,053,019	9,954,447	15,007,466	177
Ellis Block	Springfield	9	10,000	2,096,598	4,130,298	6,226,896	74
Cedar's Edge Apartments	Essex Junction	30	62,815	3,913,700	7,709,989	11,623,689	137
Canal Street Housing	Winooski	28	325,000	3,866,950	7,617,892	11,484,842	136
<b>2011 Subtotal</b>		<b>144</b>	<b>888,315</b>	<b>20,708,861</b>	<b>40,796,456</b>	<b>61,505,317</b>	<b>727</b>
City Neighborhoods	Burlington & Winooski	40	1,086,972	3,909,719	7,702,146	11,611,865	137
Wharf Lane	Burlington	37	725,000	3,610,550	7,112,784	10,723,334	127
Roaring Branch Apartments	Bennington	26	508,536	4,261,418	8,394,993	12,656,411	150
Canal & Main Apartments	Brattleboro	24	485,000	3,799,677	7,485,364	11,285,041	133
Windsor Village	Windsor	77	5,000	4,770,446	9,397,779	14,168,225	167
Avenue Apartments	Burlington	33	600,000	5,391,512	10,621,278	16,012,789	189
Vergennes Senior Housing	Vergennes	25	216,000	4,426,177	8,719,569	13,145,746	155
Lakebridge Apartments	Newport	21	706,267	3,675,248	7,240,239	10,915,487	129
<b>2012 Subtotal</b>		<b>283</b>	<b>4,332,775</b>	<b>33,844,747</b>	<b>66,674,151</b>	<b>100,518,897</b>	<b>1,188</b>
Algiers Family Housing	Guilford	17	425,000	3,322,353	6,545,035	9,867,388	117
Hickory Street Apartments, Phase 2	Rutland	23	100,000	5,013,121	9,875,848	14,888,969	176
Lamoille View Housing	Morrisville	25	490,000	1,453,641	2,863,673	4,317,314	51
West River Valley Assisted Living, Phase 2	Townshend	12	100,000	1,908,065	3,758,888	5,666,953	67
<b>2013 Subtotal</b>		<b>77</b>	<b>1,115,000</b>	<b>11,697,180</b>	<b>23,043,445</b>	<b>34,740,624</b>	<b>411</b>
Harrington Village	Shelburne	42	500,000	7,645,760	15,062,147	22,707,907.2	268
Bobbin Mill	Burlington	51	1,275,000	5,311,879	10,464,402	15,776,280.63	186
Arthur's Main Street Housing	Morrisville	18	150,000	3,179,919	6,264,440	9,444,359.43	112
Maple Street	Hardwick	16	310,000	1,368,651	2,696,242	4,064,893.47	48
Rail City	St. Albans	31	395,000	1,139,415	2,244,648	3,384,063	40
<b>2014 Subtotal</b>		<b>204</b>	<b>3,350,000</b>	<b>29,203,389</b>	<b>57,530,676</b>	<b>86,734,065</b>	<b>1,025</b>
South Main Street Apartments	Waterbury	27	625,000	4,810,247	9,476,187	14,286,433.59	169
Black River Apartments	Ludlow	22	434,000	2,804,042	5,523,963	8,328,005	98
Safford Commons	Woodstock	28	625,000	6,170,492	12,155,869	18,326,361	217
Peter Coe Village Apartments	Middlebury	22	450,000	3,761,076	7,409,320	11,170,396	132
Kelley's Field	Hinesburg	24	204,000	1,543,510	3,040,715	4,584,225	54
<b>2015 Subtotal</b>		<b>123</b>	<b>2,338,000</b>	<b>19,089,367</b>	<b>37,606,053</b>	<b>56,695,420</b>	<b>670</b>
<b>TOTAL</b>		<b>831</b>	<b>\$12,024,090</b>	<b>\$114,543,543</b>	<b>\$225,650,781</b>	<b>\$340,194,324</b>	<b>4,020</b>

According to the U.S. Bureau of Labor Statistics, every \$1 million invested in housing rehabilitation creates 14.1 on-site jobs, 2.1 off-site jobs and 25.4 in ripple effect jobs

# Vermont Housing & Conservation Board

## RIGHT ON THE NUMBERS

The Vermont Housing and Conservation Board (VHCB) was established by the General Assembly in 1987. VHCB makes loans and grants to nonprofit organizations, municipalities and state agencies that work on conservation projects and affordable housing developments in Vermont communities. VHCB is one of a few programs of its kind in the country whose mission encompasses the dual goals of conservation and affordable housing, making investments that are critical to Vermont's economic vitality and quality of life.

VHCB has built a national reputation as an innovative, highly effective public agency that helps community groups implement *local* plans to create affordable housing and protect farmland, forestland, natural areas, recreational lands and historic properties. Responding to local needs, VHCB leverages federal and private funds for community development and land conservation solutions ranging from creating supportive housing for veterans to redeveloping underused historic buildings as workforce housing; from conserving recreation areas on Lake Champlain to keeping farms in production and owner-operated. VHCB's bottom-up approach ensures that solutions are tailored to meet local needs and circumstances.

### VHCB'S ACCOMPLISHMENTS THROUGH DECEMBER 2015

- **Invested \$294 million** in loans and grants in **over 200 different communities** throughout Vermont.
- **Created 12,000 affordable homes and apartments** to house more than 30,000 Vermonters.
- **Conserved 670 farms** covering over 158,000 acres of land.
- **Conserved 264,000 acres** of significant recreational land, natural areas and 61 historic properties for community use.
- **Leveraged an additional \$1.2 billion** in federal and private funds.
- **Strengthened Vermont's** agriculture, construction, recreation and tourism **economy**.

### THE NEED CONTINUES

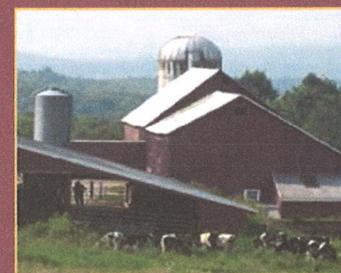
- **34,884 lower income renter households lack housing they can afford with 16,485 paying more than half of their income** for housing expenses. Fully **47.5%** of all Vermont renters pay more than 30% of their income for housing costs. The median price of a primary residence in 2015 was \$200,000, requiring an annual household income of \$58,851 and \$16,299 in cash at closing, while the Vermont median income was \$54,267.
- Homelessness is a growing problem. **On one day in January 2015**, Vermont's shelters and service providers counted **1,523 people who were homeless**.
- Only **10.7 percent of Vermont's best agricultural soils are protected**. Without VHCB protection, much of the rest could be lost forever.
- The **cost of open land and woodlands has jumped by 250%** since 2000.
- Vermont's forestlands are part of the Northern Forest and represent the country's largest remaining stretch of temperate broad-leafed and mixed forests. **Protection of this forestland is critical for sequestering carbon**, which helps mitigate climate change, while still providing for wildlife, recreation, wood products and other uses.
- **Eighty percent of Vermont's forestland is privately owned**, and the number of Vermont landowners owning fewer than 10 acres of land continues to grow, according to the Vermont Department of Fish and Wildlife.
- According to the USDA, each year **thousands of acres of productive cropland are taken out of production** and converted to other uses. By comparison, in 2013 all 828 conserved farmland parcels with easements held by the Vermont Land Trust were in active agricultural use, except for one farm that is part of the USDA Natural Resource Conservation Service wetland reserve program. NRCS funding provides at least one-half the cost of Vermont's farmland conservation projects.



VHCB is a national leader in implementing the federal HOME program. From FY 1992 through FY 2015, this brought over \$ 77.6 million to Vermont for affordable housing. HUD ranked Vermont's program as first in the nation.

Over \$ 845 million spent on construction jobs in VHCB-assisted housing projects have created approximately 29,500 jobs in Vermont, according to federal estimates.

VHCB has funded more than 120 local developments serving Vermonters with special needs, providing community-based housing and saving the state millions of dollars that would otherwise be spent on more expensive institutional care.



—photo credit: Caleb Kenna

Every dollar spent on Vermont agriculture and forestry products generates an additional \$1.80 and \$1.70 respectively in gross state products.

The most recent study of farms that donated or sold conservation easements found that all remained in productive use.

In-state expenditures by hunters, fisherman and wildlife watchers totaled \$357 million according to the US Fish and Wildlife Service's most recent report.

Conservation provides resiliency for Vermont communities because it keeps land in productive use through transfers to the next generation and to new owners with solid business plans.

# VERMONT HOUSING & CONSERVATION BOARD

## BEYOND THE NUMBERS

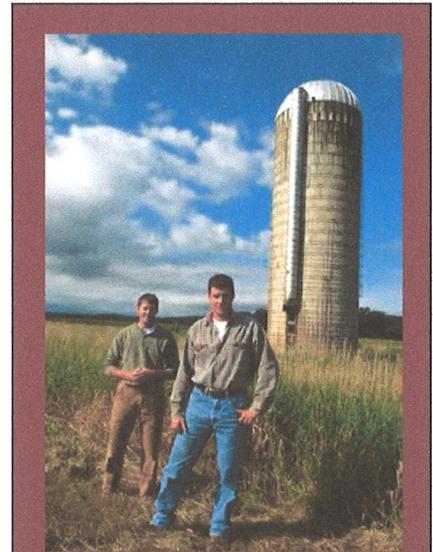
### STIMULATING ECONOMIC DEVELOPMENT

VHCB-funded affordable housing creates jobs during and after construction. According to the National Association of Home Builders, 12.2 short-term and 3.2 permanent local jobs are created for every 10 housing units constructed. Affordable housing also helps to attract and retain employers by providing sorely needed workforce housing.

VHCB's housing and historic preservation policies give priority to projects in downtowns and village centers. Rehabilitating downtown buildings helps to maintain a mix of commercial and residential uses. VHCB has invested in the redevelopment of a cinema in downtown Springfield, restoration of theaters for the performing arts in Brattleboro, Rutland and Burlington, and new facilities for a community library in Groton.

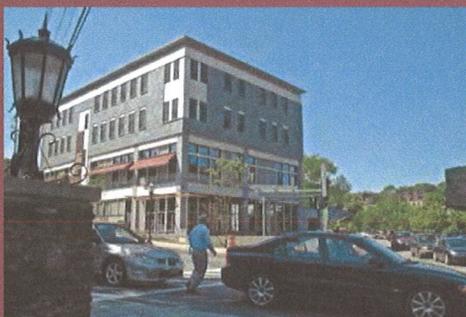
Conservation of our working lands and natural areas is an economic development engine that helps protect local farms, creates recreational access, assists with flood protection, water quality and supports tourism and rural vitality. Farm and farm-related sectors are responsible for 17% of Vermont's gross state product. The USDA reports that Vermont agriculture generates 11% of jobs in the state. The Vermont Dairy Industry brings \$2.2 billion in economic activity to Vermont annually, according to a study funded by the Vermont Dairy Promotion Council.

The Vermont Farm & Forest Viability Program works to enhance the economic viability of Vermont's working lands businesses by providing business planning and targeted technical assistance to farm, food and forestry enterprises. In 2013, 83 farms and 9 value-added food businesses were provided services. The program is currently enrolling its first group of forestry and forest products enterprises. The program enables business owners to make significant improvements in managing their business, generating profits, accessing financing, increasing production and implementing business expansions and ownership transitions.



~photo credit: Caleb Kenna

Brothers Jeff and Jason Boissoneault conserved 400 acres of Essex farmland that is vital to their dairy farm business. Jeff and Jason manage over 1,000 cows at their milking facility in St. Albans. As other land is being lost to development, they have to go further to find cropland to support their herd. The parcel contains 287 acres of excellent tillage and 20 acres of woods that is considered a wetland of statewide significance. With this conservation project Jason and Jeff also created riparian buffers for the Browns River, which runs through their Essex property. "We did it to stop the banks from washing out and to provide shade for trout," says Jeff.



The Environmental Protection Agency presented Housing Vermont, the Windham & Windsor Housing Trust, and the Brattleboro Food Co-op with the 2012 National Award for Smart Growth Achievement for an innovative multi-use building in downtown Brattleboro. The building provides 33,600 square feet of retail and office space for the Co-op on the first two floors and 24 affordable apartments on the top two floors. A sophisticated mechanical system recaptures waste heat produced by the store's refrigeration equipment to heat the apartments.

Many farmers use the proceeds from the sale of development rights on their property to expand their operation, reduce debt, build new barns, or transfer the farm to the next generation. Farm businesses on conserved land produce over 500 value-added products, support many Community Supported Agriculture (CSA) enterprises and farm stands, and help to create food security for our state. Conserved farms also contribute to retail and wholesale markets, selling food both in and out of state. Protecting our forestland prevents fragmentation and secures the future for our forest and recreational industries. Additionally, conservation supports Vermont's annual \$1.5 billion tourism industry by protecting our special Vermont brand which depends upon our world-class landscape and access to natural area recreation. These investments bring additional returns by spurring economic growth, both in the agricultural sector and by encouraging outdoor recreation activities and promoting travel and tourism, maintaining Vermont's high rank as one of the world's great tourist destinations.

## PROMOTING ENERGY EFFICIENCY AND MINIMIZING CLIMATE CHANGE



In West Rutland, the Housing Trust of Rutland County created 21 affordable apartments in three buildings, including the former St. Stanislaus Kostka School and the adjacent convent. The development is a prototype for energy efficiency in historic buildings and returning vacant buildings to productive use. A single wood-fired pellet boiler provides heat for both buildings while solar panels preheat the domestic hot water.

VHCB has been a national leader in creating energy efficient housing both in new developments and in the existing portfolio of permanently affordable housing. VHCB spearheaded the creation of a “roadmap” which describes techniques and materials we can use now to build energy efficient apartments. Notably, VHCB secured additional federal and philanthropic funding to implement the roadmap, including the installation of solar hot water and wood-pellet boilers. These upgrades will produce energy savings averaging 39% and as high as 56%.

Housing and conservation mean energy efficiency, shorter commutes, carbon sequestration in our forests, and foods coming from our local farms. Also, many Vermont farmers are at the forefront of devising new methods for creating on-farm energy through methane digesters, wind turbines, and bio-fuels. By protecting working farms and forests we are creating options for future energy independence.

## RESPONDING TO EMERGENCY NEEDS

Vermonters demonstrated remarkable resilience and a renewed sense of community spirit in the aftermath of Tropical Storm Irene. VHCB and the network of affordable housing and conservation nonprofits that it supports helped communities meet their diverse needs.

Irene confirmed the value of conserving floodplains, which provides a cost-effective method of reducing flooding and erosion. Conserving farms and natural areas along our rivers and tributaries with river buffer enhancements helps absorb the impact of severe weather events.

VHCB provided \$2 million to help homeowners who wanted buyouts of their destroyed homes and towns that sought to convert those parcels to open space or park land. These investments along river corridors address the challenges of climate change and promote flood resiliency. VHCB’s Manufactured Housing Innovation Project responds to the loss of housing during Irene and increases the supply of quality affordable, resilient and energy efficient homes.

## PROTECTING WATER QUALITY

VHCB’s investments in land protection are helping to protect and enhance water quality and reduce flood and erosion risks.

- In FY 2016, all 23 of VHCB’s farmland conservation projects that contained surface waters included additional water quality protections in the conservation easement. VHCB anticipates that all the farms with surface waters in the current project pipeline will have additional water protection language in the easements.
- Conserved forested lands protect water quality by filtering sediment and nutrients from runoff before entering streams, producing the cleanest water and the greatest reductions in downstream flood flows.
- VHCB has received USDA matching funds on a 1:1 basis for all farm conservation projects. All projects include management plans to address soil conservation and water quality protection.
- VHCB Conservation and Farm Viability funding is integral to the \$16 million grant from the Regional Conservation Partnership Program to improve Lake Champlain Basin water quality. The State pledged \$6.5 million in VHCB conservation funding over five years to match these funds.



~photo credit: Jerry and Marcy Monkman

The Trust for Public Land worked with the Millstone Trails Association, Vermont Land Trust, and the Town of Barre to create a new community forest out of 355 acres of former quarry land. The Barre Town Forest is part of a 70-mile trail network built by volunteers with the non-profit Millstone Trails Association. The trail network provides recreational opportunities for mountain bikers, cross country skiers, hikers, hunters, and snowmobilers. An economic analysis estimates that the Town Forest and trail system will result in an annual economic benefit of \$640,000 from visitor spending and will support 20 local jobs.

### *Publication of the Vermont Housing and Conservation Coalition*

The more than 50 private, nonprofit organizations which are members of the Coalition represent a wide spectrum of interests from small, community-based land trusts which secure and steward public and recreation areas to statewide developers of affordable housing.



South Main Apartments – 27 apartments created through the redevelopment of Waterbury’s Ladd Hall



Peter Coe Apartments – 22 apartments located in downtown Middlebury in a mix of new construction and historic preservation



Harrington Village – 42 newly constructed apartments in Shelburne



Safford Commons – Located in Woodstock, this newly constructed neighborhood created 28 multi-family affordable apartments