



vermont affordable housing coalition

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**ANNUAL REPORT FINDS VERMONT RENTS CONTINUE TO CLIMB OUT OF REACH**

*Working Families and Vermonters on Fixed Incomes Can't Afford a Modest Apartment*

**BURLINGTON, VT** – In order to afford a modest, two-bedroom apartment at the Fair Market Rent in Vermont, renters need to earn **\$20.68 per hour**, or **\$43,017 a year**. This is Vermont's 2015 Housing Wage, revealed in a report released today. The report, *Out of Reach 2015*, was jointly released by the National Low Income Housing Coalition, a Washington, DC-based research and advocacy organization, and the Vermont Affordable Housing Coalition.

The Housing Wage is the hourly wage a family must earn, working 40 hours a week, 52 weeks a year, to be able to afford the rent and utilities for a safe and modest home in the private housing market.

"Rents in Vermont continue to rise every year, making it harder and harder for low wage, service sector workers and people living on fixed incomes to get by," said Erhard Mahnke, Coordinator for the Vermont Affordable Housing Coalition. "With a Housing Wage of over \$20 an hour for the first time, ordinary Vermonters must pay an ever-increasing portion of their income for rent, leaving little left for other basic necessities and often precipitating them into the downward spiral of homelessness."

Even though Vermont's minimum wage was increased last year, a family must have **2.3 wage earners working full-time at minimum wage**, or **one full-time earner working 90 hours a week**, to afford a two-bedroom apartment at the **average statewide Fair Market Rent of \$1,075**. A full-time minimum wage worker in Vermont can only afford \$476 for rent and utilities, leaving a gap of just under \$600 between what they can afford and the cost of the average two-bedroom apartment. While it is possible for a household to work more than one job to make ends meet, a 2011 Vermont study showed that 62% of the state's households had only one, or less than one full-time worker.

"With rents going up steadily and a one percent vacancy rate statewide, it is not surprising that we are seeing increased homelessness, and for longer periods of time, especially among families with children," said Sara Kobylenski, Executive Director of the Upper Valley Haven in White River Junction and Co-Chair of the Vermont Coalition to End Homelessness. "To make headway, we need more affordable homes, coupled with rental subsidies and supportive services for our lowest income Vermonters and those with special challenges."

Greater investments in affordable housing and ending homelessness are needed at both the federal and state levels. Unfortunately, federal funding for housing, community development and rental assistance have suffered deep cuts over the last several years. Recent proposals in Congress are to eliminate funding for the National Housing Trust Fund – the first new federal housing program since the early 1990’s. Vermont’s own fiscal woes have resulted in cuts to the Vermont Housing Conservation Board for next year, while funding to alleviate homelessness has not seen the increases needed to make lasting progress, and the state’s safety net continues to fray further.

Additional Facts:

- The **national Housing Wage is \$19.35** in 2015.
- Vermont is **the 13th most expensive state** in the nation for renters (including DC).
- Vermont is the **ninth most expensive state** for non-metropolitan/rural areas.
- The **Housing Wage is up 29%** since the Great Recession began in 2008.
- The **Housing Wage in the greater metropolitan area of Burlington is \$25.54**, 24% higher than the state average.
- A **Vermont renter** with a full-time job at the mean renter wage of \$11.78 an hour **can only afford \$613** for rent and utilities, leaving them with an affordability gap of over \$460 for a two-bedroom apartment.
- **Someone with a disability** living on Supplemental Security Income (SSI) **can only afford \$236**, leaving them \$839 short for a two-bedroom, and \$600 short for a one-bedroom apartment.

Every year, *Out of Reach* reports on the Housing Wage and other housing affordability data for every state, county, metropolitan area, and combined non-metropolitan area in the country. The report presents housing costs nationwide, highlighting the gap between what renters earn and what it costs to afford rent at fair market value. For additional information, visit: [www.nlihc.org/oor/2015](http://www.nlihc.org/oor/2015).

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*The Vermont Affordable Housing Coalition is a statewide membership organization dedicated to ensuring that all Vermonters have decent, safe and affordable housing, particularly the state’s low and moderate-income residents, elders, people living with homelessness, and people with disabilities. For more information on the Vermont Affordable Housing Coalition, visit [www.vtaffordablehousing.org](http://www.vtaffordablehousing.org).*

*The National Low Income Housing Coalition is dedicated solely to achieving socially just public policy that assures people with the lowest incomes in the United States have affordable and decent homes. For more information on the National Low Income Housing Coalition, visit [www.nlihc.org](http://www.nlihc.org)*

# VERMONT



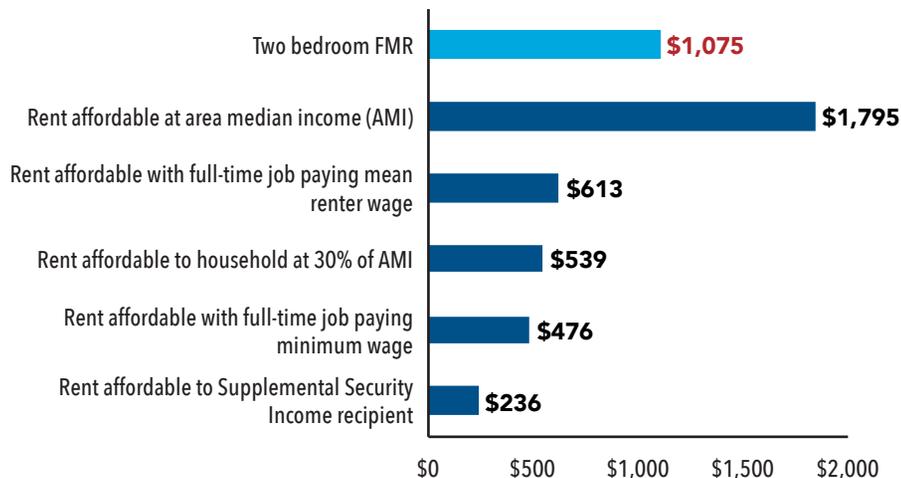
In Vermont, the Fair Market Rent (FMR) for a two-bedroom apartment is **\$1,075**. In order to afford this level of rent and utilities — without paying more than 30% of income on housing — a household must earn **\$3,585** monthly or **\$43,017** annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into an hourly Housing Wage of:

 **\$20.68 PER HOUR**

STATE FACTS	
Minimum Wage	\$9.15
Average Renter Wage	\$11.78
2-Bedroom Housing Wage	\$20.68
Number of Renter Households	74,467
Percent Renters	29%

MOST EXPENSIVE COUNTIES	HOUSING WAGE*
Burlington-South Burlington MSA*	\$25.54
Windsor County	\$19.56
Washington County	\$18.90
Windham County	\$18.69
Lamoille County	\$18.58

\*Includes Chittenden, Franklin & Grand Isle Counties



**90**  
**Work Hours Per Week At Minimum Wage Needed To Afford a 2-Bedroom Unit (at FMR)**

**2.3**  
**Number of Full-Time Jobs At Minimum Wage Needed To Afford a 2-Bedroom Unit (at FMR)**

\* Ranked from Highest to Lowest 2-Bedroom Housing Wage

**VERMONT**

	FY15 HOUSING WAGE		HOUSING COSTS		AREA MEDIAN INCOME (AMI)				RENTER HOUSEHOLDS					
	Hourly wage necessary to afford 2 BR <sup>1</sup> FMR <sup>2</sup>		2 BR FMR	Annual income needed to afford 2 BR FMR	Full-time jobs at minimum wage needed to afford 2 BR FMR <sup>3</sup>	Annual AMI <sup>4</sup>	Monthly rent affordable at AMI <sup>5</sup>	30% of AMI <sup>6</sup>	Monthly rent affordable at 30% of AMI	Renter households (2009-2013)	% of total households (2009-2013)	Estimated hourly mean renter wage (2015)	Monthly rent affordable at mean renter wage	Full-time jobs at mean renter wage needed to afford 2 BR FMR
Vermont	\$20.68		\$1,075	\$43,017	2.3	\$71,808	\$1,795	\$21,542	\$539	74,467	29%	\$11.78	\$613	1.8
Combined Nonmetro Areas	\$17.94		\$933	\$37,314	2.0	\$66,888	\$1,672	\$20,066	\$502	47,602	28%	\$11.34	\$590	1.6
<u>Metropolitan Areas</u>														
Burlington-South Burlington MSA	\$25.54		\$1,328	\$53,120	2.8	\$81,900	\$2,048	\$24,570	\$614	26,865	32%	\$12.45	\$647	2.1
<u>Counties</u>														
Addison County	\$17.79		\$925	\$37,000	1.9	\$73,300	\$1,833	\$21,990	\$550	3,667	26%	\$12.04	\$626	1.5
Bennington County	\$17.98		\$935	\$37,400	2.0	\$64,000	\$1,600	\$19,200	\$480	4,537	29%	\$11.74	\$611	1.5
Caledonia County	\$15.48		\$805	\$32,200	1.7	\$55,600	\$1,390	\$16,680	\$417	3,325	27%	\$9.29	\$483	1.7
Essex County	\$13.75		\$715	\$28,600	1.5	\$48,000	\$1,200	\$14,400	\$360	527	19%	\$8.02	\$417	1.7
Lamoille County	\$18.58		\$966	\$38,640	2.0	\$68,600	\$1,715	\$20,580	\$515	2,881	29%	\$10.81	\$562	1.7
Orange County	\$17.19		\$894	\$35,760	1.9	\$66,800	\$1,670	\$20,040	\$501	2,213	19%	\$9.67	\$503	1.8
Orleans County	\$14.65		\$762	\$30,480	1.6	\$54,000	\$1,350	\$16,200	\$405	2,497	23%	\$9.15	\$476	1.6
Rutland County	\$17.38		\$904	\$36,160	1.9	\$65,700	\$1,643	\$19,710	\$493	7,812	30%	\$11.15	\$580	1.6
Washington County	\$18.90		\$983	\$39,320	2.1	\$73,900	\$1,848	\$22,170	\$554	6,640	27%	\$11.89	\$618	1.6
Windham County	\$18.69		\$972	\$38,880	2.0	\$65,500	\$1,638	\$19,650	\$491	5,941	31%	\$12.60	\$655	1.5
Windsor County	\$19.56		\$1,017	\$40,680	2.1	\$73,200	\$1,830	\$21,960	\$549	7,562	30%	\$11.64	\$605	1.7

**The Burlington-South Burlington MSA includes:**

**Chittenden County:** Bolton, Buels Gore, Burlington, Charlotte, Colchester, Essex, Essex Junction, Hinesburg, Huntington, Jericho, Milton, Richmond, Shelburne, South Burlington, St. George, Underhill, Westford, Williston, and Winooski

**Franklin County:** Bakersfield, Berkshire, Enosburg, Fairfax, Fairfield, Fletcher, Franklin, Georgia, Highgate, Montgomery, Richford, Sheldon, St. Albans city and town, and Swanton

**Grand Isle County:** Alburg, Grand Isle, Isle La Motte, North Hero, and South Hero

1: BR = Bedroom 2; FMR = Fiscal Year 2015 Fair Market Rent (HUD, 2014).

3: This calculation uses the higher of the state or federal minimum wage. Local minimum wages are not used. See Appendix A.

4: AMI = Fiscal Year 2015 Area Median Income

5: "Affordable" rents represent the generally accepted standard of spending not more than 30% of gross income on gross housing costs.

6: The federal standard for extremely low income households. Does not include HUD-specific adjustments.

# 2015 MOST EXPENSIVE JURISDICTIONS

<b>States<sup>1</sup></b>	<b>Housing Wage for Two-Bedroom FMR</b>
Hawaii	\$31.61
District of Columbia	\$28.04
California	\$26.65
New York	\$25.67
New Jersey	\$25.17
Massachusetts	\$24.64
Maryland	\$24.64
Connecticut	\$24.29
Alaska	\$22.55
Washington	\$21.69

<b>Counties<sup>2</sup></b>	<b>Housing Wage for Two-Bedroom FMR</b>
Marin County, CA	\$39.65
San Francisco County, CA	\$39.65
San Mateo County, CA	\$39.65
Honolulu County, HI	\$34.81
Santa Clara County, CA	\$34.79
Santa Cruz County, CA	\$33.77
Nassau County, NY	\$33.04
Suffolk County, NY	\$33.04
Monroe County, FL	\$31.44
Orange County, CA	\$30.92

<b>Metropolitan Areas</b>	<b>Housing Wage for Two-Bedroom FMR</b>
San Francisco, CA HMFA <sup>3</sup>	\$39.65
Stamford-Norwalk, CT HMFA	\$37.37
Honolulu, HI MSA <sup>4</sup>	\$34.81
San Jose-Sunnyvale-Santa Clara, CA HMFA	\$34.79
Santa Cruz-Watsonville, CA MSA	\$33.77
Nassau-Suffolk, NY HMFA	\$33.04
Orange County, CA HMFA	\$30.92
Westchester County, NY	\$30.60
Oakland-Fremont, CA HMFA	\$30.48
Danbury, CT HMFA	\$30.44

<b>Combined Nonmetro Areas</b>	<b>Housing Wage for Two-Bedroom FMR</b>
Massachusetts	\$27.68
Hawaii	\$23.25
Alaska	\$20.59
New Hampshire	\$19.78
Connecticut	\$19.15
Delaware	\$18.98
Maryland	\$18.94
California	\$18.44
Vermont	\$17.94
Colorado	\$16.62

- 1: Includes District of Columbia.
- 2: Excludes metropolitan counties in New England.
- 3: HMFA = HUD Metro Fair Market Rent (FMR) Area. This term indicates that a portion of the Office of Management & Budget (OMB) defined core-based statistical area is in the area to which the income limits and FMRs apply. HUD is required by OMB to alter the name of the metropolitan geographic entities it derives from the Core Based Statistical Area (CBSA) when the geography is not the same as that established by the OMB. CBSA is a collective term meaning both metro and micro.
- 4: MSA = Metropolitan Statistical Area. Geographic entities defined by OMB for use by the federal statistical agencies in collecting, tabulating, and publishing federal statistics. A metro area contains an urban core of 50,000 or more in population.

# 2014 STATES RANKED BY TWO-BEDROOM HOUSING WAGE

States are ranked from most expensive to least expensive.

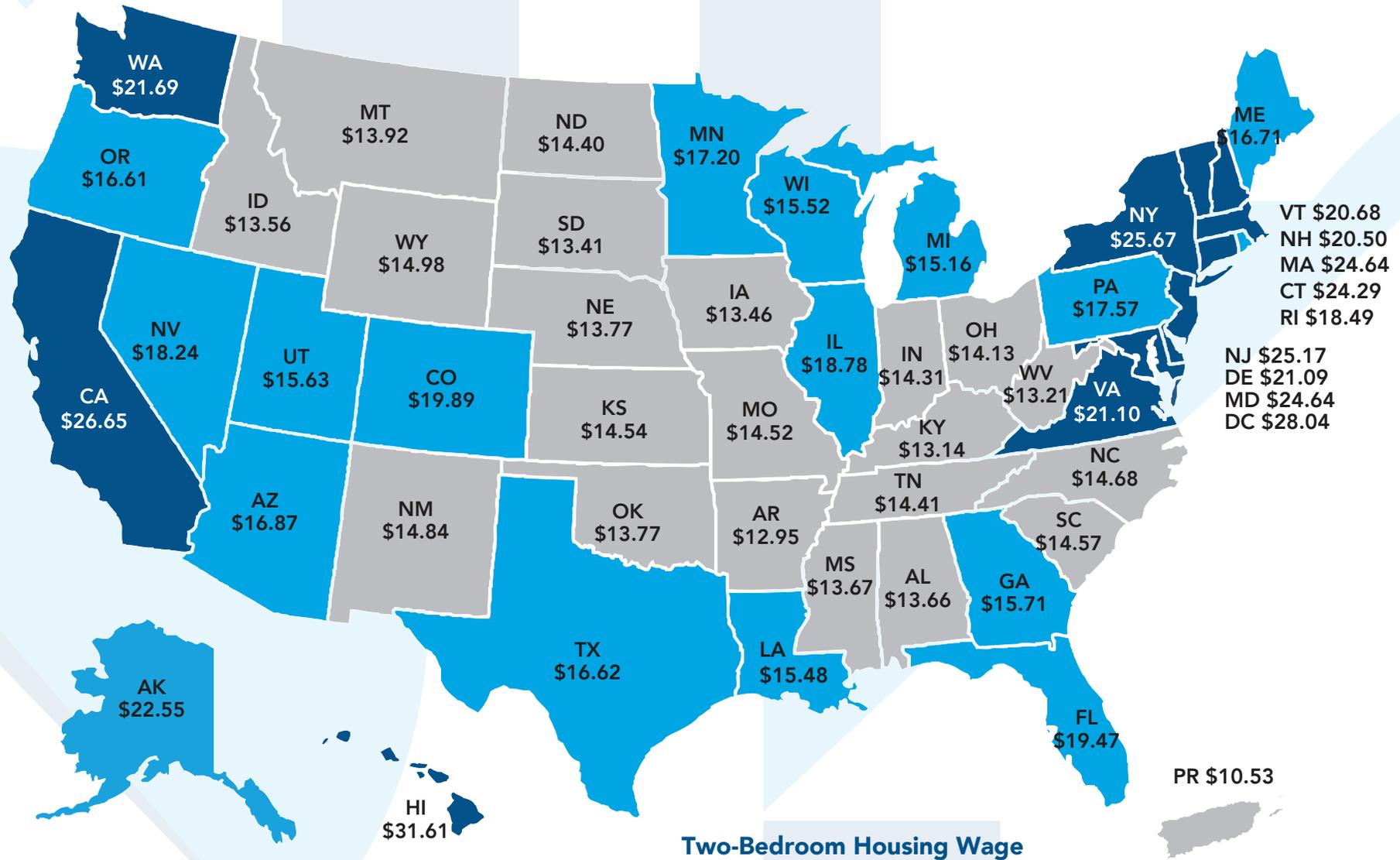
Rank	State <sup>1</sup>	Housing Wage for Two-Bedroom FMR <sup>2</sup>	Rank	State	Housing Wage for Two-Bedroom FMR
1	Hawaii	\$31.61	27	Utah	\$15.63
2	District of Columbia	\$28.04	28	Wisconsin	\$15.52
3	California	\$26.65	29	Louisiana	\$15.48
4	New York	\$25.67	30	Michigan	\$15.16
5	New Jersey	\$25.17	31	Wyoming	\$14.98
6	Massachusetts	\$24.64	32	New Mexico	\$14.84
7	Maryland	\$24.64	33	North Carolina	\$14.68
8	Connecticut	\$24.29	34	South Carolina	\$14.57
9	Alaska	\$22.55	35	Kansas	\$14.54
10	Washington	\$21.69	36	Missouri	\$14.52
11	Virginia	\$21.10	37	Tennessee	\$14.41
12	Delaware	\$21.09	38	North Dakota	\$14.40
13	Vermont	\$20.68	39	Indiana	\$14.31
14	New Hampshire	\$20.50	40	Ohio	\$14.13
15	Colorado	\$19.89	41	Montana	\$13.92
16	Florida	\$19.47	42	Nebraska	\$13.77
17	Illinois	\$18.78	43	Oklahoma	\$13.77
18	Rhode Island	\$18.49	44	Mississippi	\$13.67
19	Nevada	\$18.24	45	Alabama	\$13.66
20	Pennsylvania	\$17.57	46	Idaho	\$13.56
21	Minnesota	\$17.20	47	Iowa	\$13.46
22	Arizona	\$16.87	48	South Dakota	\$13.41
23	Maine	\$16.71	49	West Virginia	\$13.21
24	Texas	\$16.62	50	Kentucky	\$13.14
25	Oregon	\$16.61	51	Arkansas	\$12.95
26	Georgia	\$15.71	52	Puerto Rico	\$10.53

1 Includes District of Columbia and Puerto Rico.

2 FMR = Fair Market Rent.

# 2015 TWO-BEDROOM RENTAL UNIT HOUSING WAGE

Represents the hourly wage that a household must earn (working 40 hours a week, 52 weeks a year) in order to afford the Fair Market Rent for a two-bedroom rental unit, without paying more than 30% of their income.

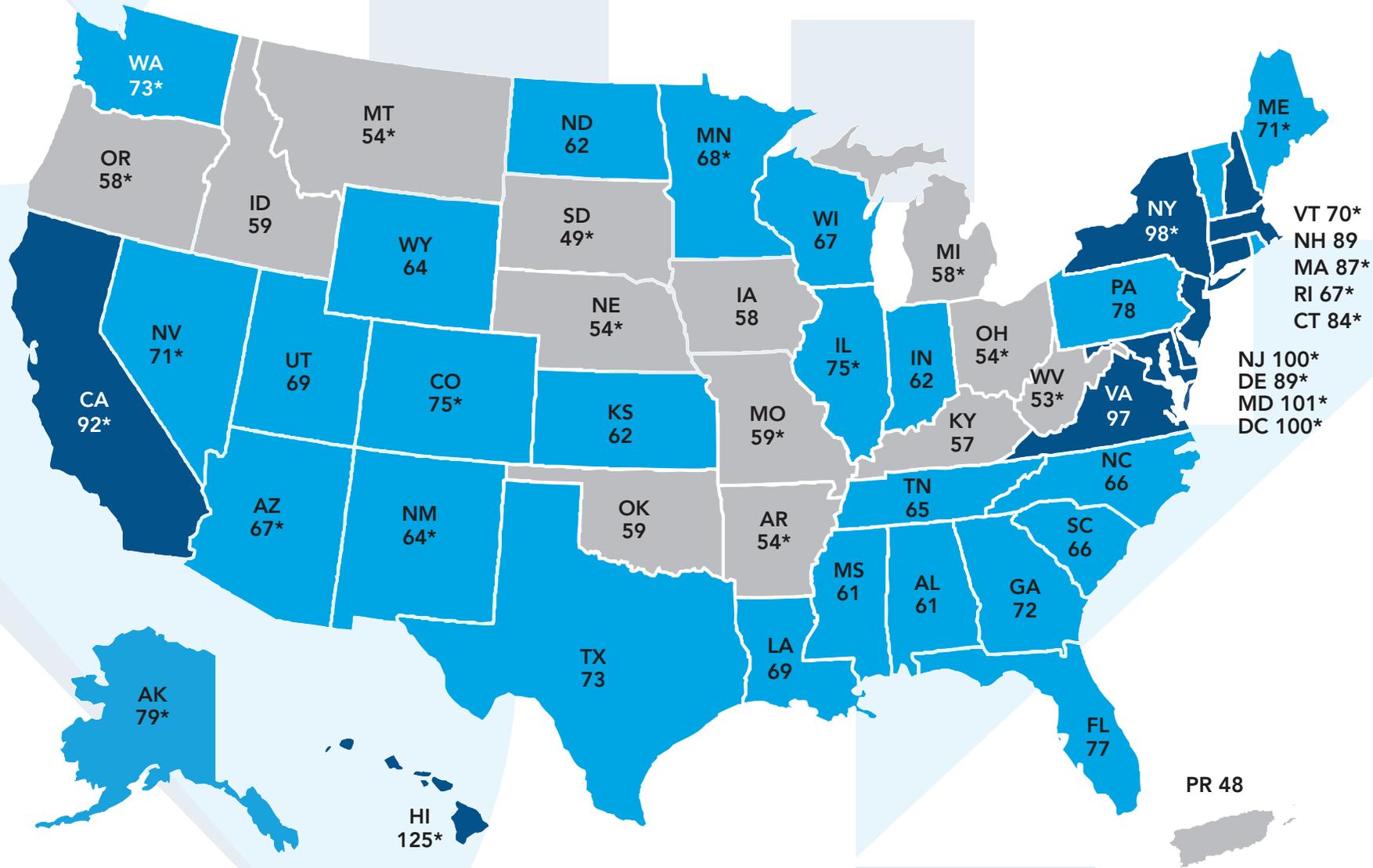


### Two-Bedroom Housing Wage

- Less than \$15.00
- Between \$15.00 and \$20.00
- \$20.00 or More

# 2015 HOURS AT MINIMUM WAGE NEEDED TO AFFORD RENT

In no state can a minimum wage worker afford a one-bedroom rental unit at Fair Market Rent, working a standard 40-hour work week, without paying more than 30% of their income.



## Hours needed at minimum wage to afford a one-bedroom unit

60 hours per week or less
  Between 61-79 hours per week
  80 hours per week or more

\*This state's minimum wage exceeds the federal minimum wage