

Housing:

The Need, State Designations & Suggestions for H.702

Commissioner Noelle Mackay
Department of Housing & Community Development
House Committee on General, Housing and Military Affairs
March 8, 2016



Act 59 Report (December 2013)

What is the most important growth or revitalization issue facing your community in the next 20 years? (Open ended question.)

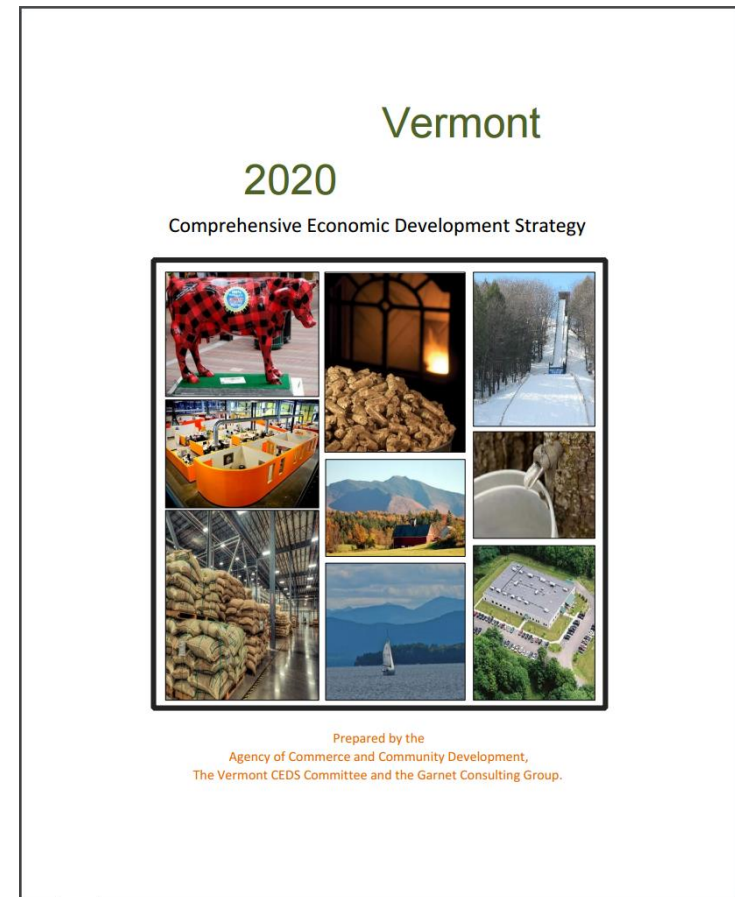
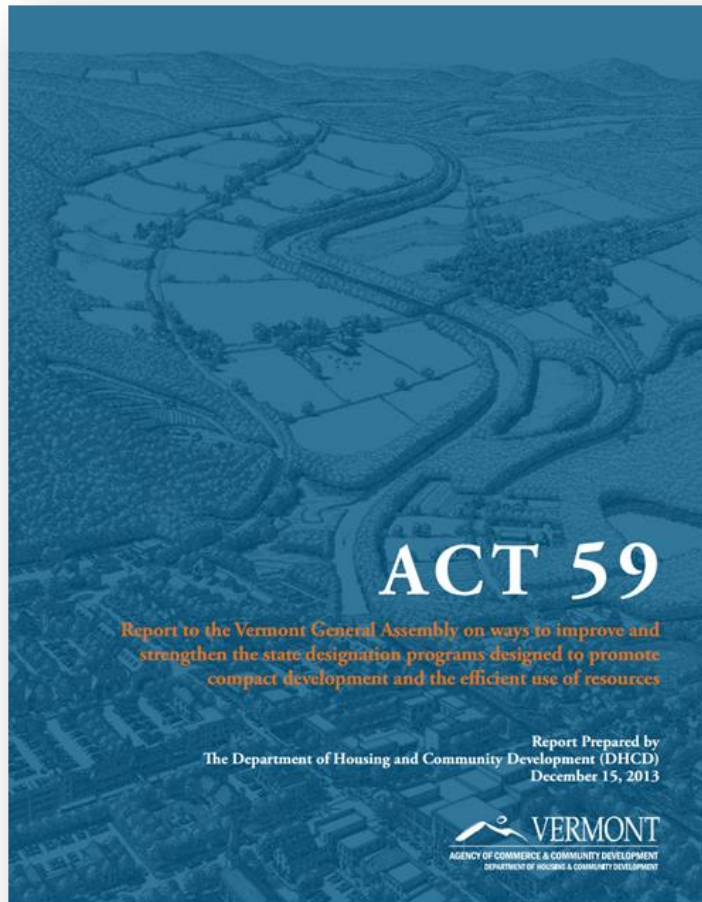


Act 59 Report & CEDS

Some Major Issues Identified:

1. Employers sometimes cannot attract workers due to the quality of housing stock, **limited housing supply** and high cost of both rental and ownership
2. Existing housing in and around many designated Downtowns and Village Centers is often **in need of repair** and would benefit from weatherization, energy efficiency upgrades and general modernization.
3. **Cost to develop housing in existing centers areas is expensive** (more than developing housing in rural areas.) Local development review can be slow, unpredictable, and inconsistent which can add cost to development. Outdated local requirements for excessive parking, overly-wide streets, impact fees, and low densities add to the cost of development.
4. Infrastructure is lacking and not maintained. Many federal and state **funding sources for infrastructure are no longer available.**
5. Most of **Vermont's local leaders part time volunteers & lack capacity** to implement long range infrastructure plans and improve bylaws to support more housing. Municipal Planning Grants currently funded at 50% of early-mid 2000s.

Report Recommendations

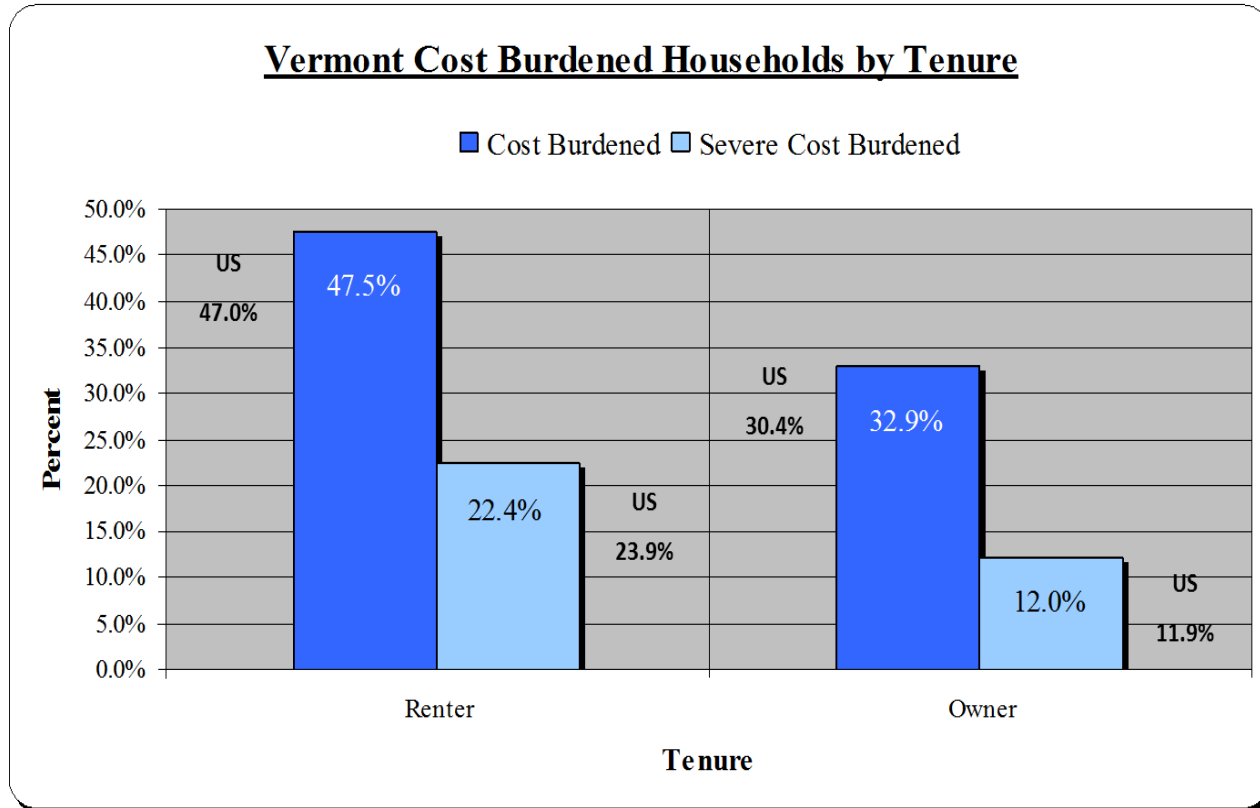


Housing Needs Assessment

- Conducted as part of the 2015-2019 Consolidated Plan by Bowen National Research of Columbus, Ohio
- Assessed demographics, economic indicators and existing housing stock to determine:
 - **Housing Gap**: the type and quantity of units that are anticipated to be needed due to household growth & currently unsheltered. (Indicative of the more immediate housing shortages of the state.)
 - **Housing Need**: Housing Gap, PLUS the need for households currently in 'unaffordable' housing

Housing Needs Assessment

Housing Cost Burden

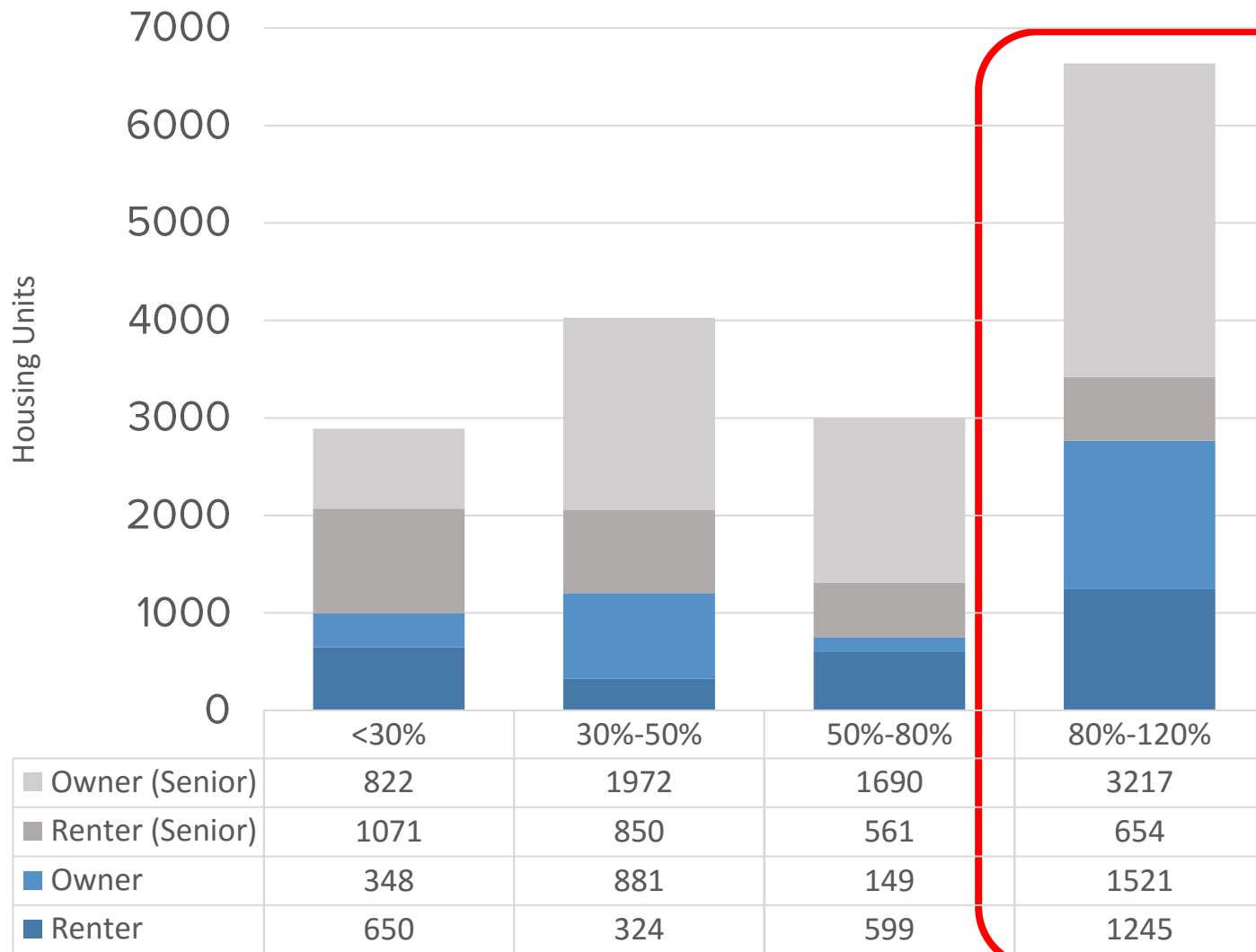


Cost Burdened – Households paying over 30% of income towards housing costs

Severe Cost Burdened – Households paying over 50% of income towards housing costs

Housing Needs Assessment

Projected Housing Gap by Income (2020)



The Five Designations

Core Designations



Village Centers (Est. 2003)



Downtowns (Est. 1998)



New Town Centers (Est. 2003)

Add-On Designations (must have a core designation to qualify):



Neighborhood Development Areas (Est. 2013)



Growth Centers (Est. 2006)

Number of Designated Areas: 159



Village Centers: 121



Downtowns: 24



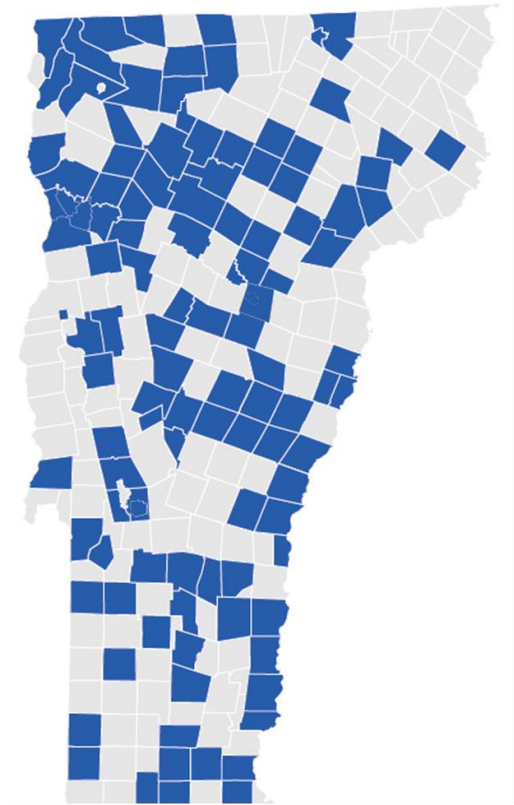
New Town Centers: 2



Neighborhood Development Areas: 6



Growth Centers: 6



Municipalities with State Designated Centers

Downtowns & Village Centers

Tax Credit Projects in Fiscal Year 2015

- 27 of 33 projects included housing
- 163 units created
- 134 subsidized units

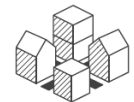


2010-2015



134

projects



51

communities



\$10.6M

awarded



\$190M

private investment

Neighborhood Development Areas

Currently Designated



Interested Communities

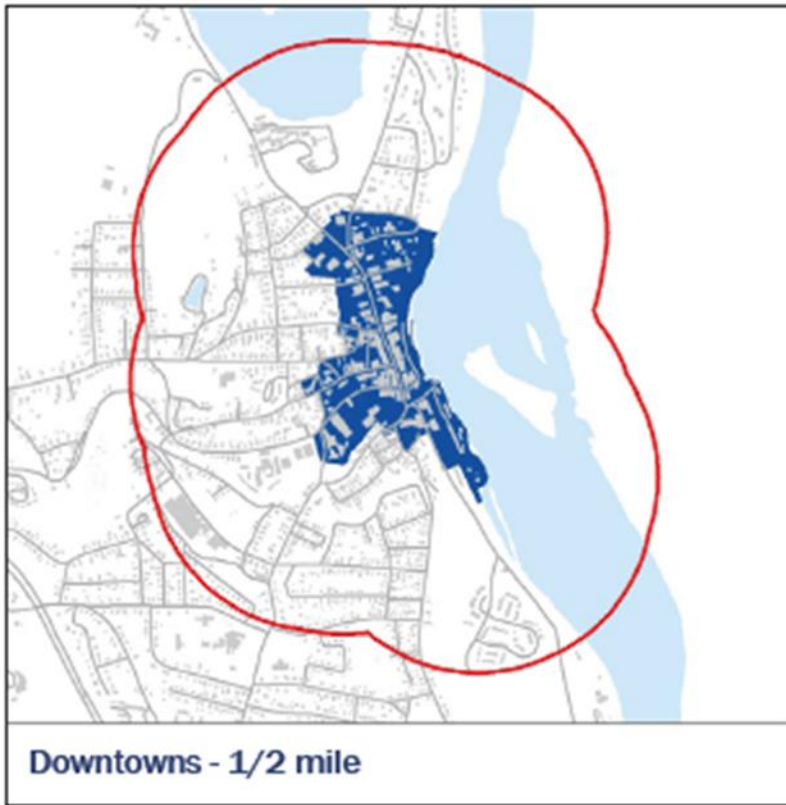
- Manchester
- Richmond
- St. Johnsbury
- Westford
- Warren

Anticipated Expansions

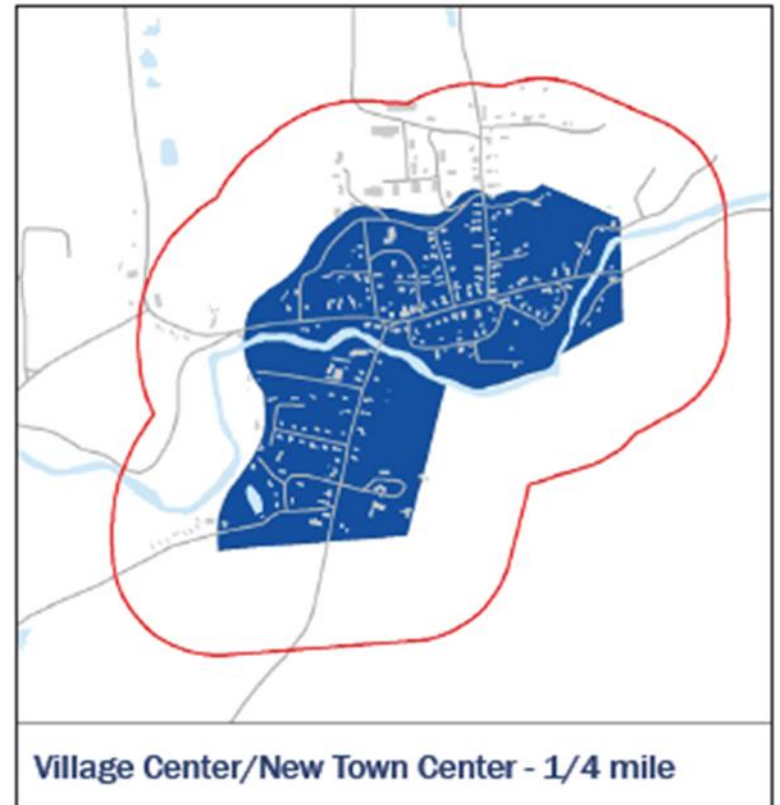
- Winooski
- South Burlington
- Burlington

Neighborhood Development Areas

Neighborhood Development Areas



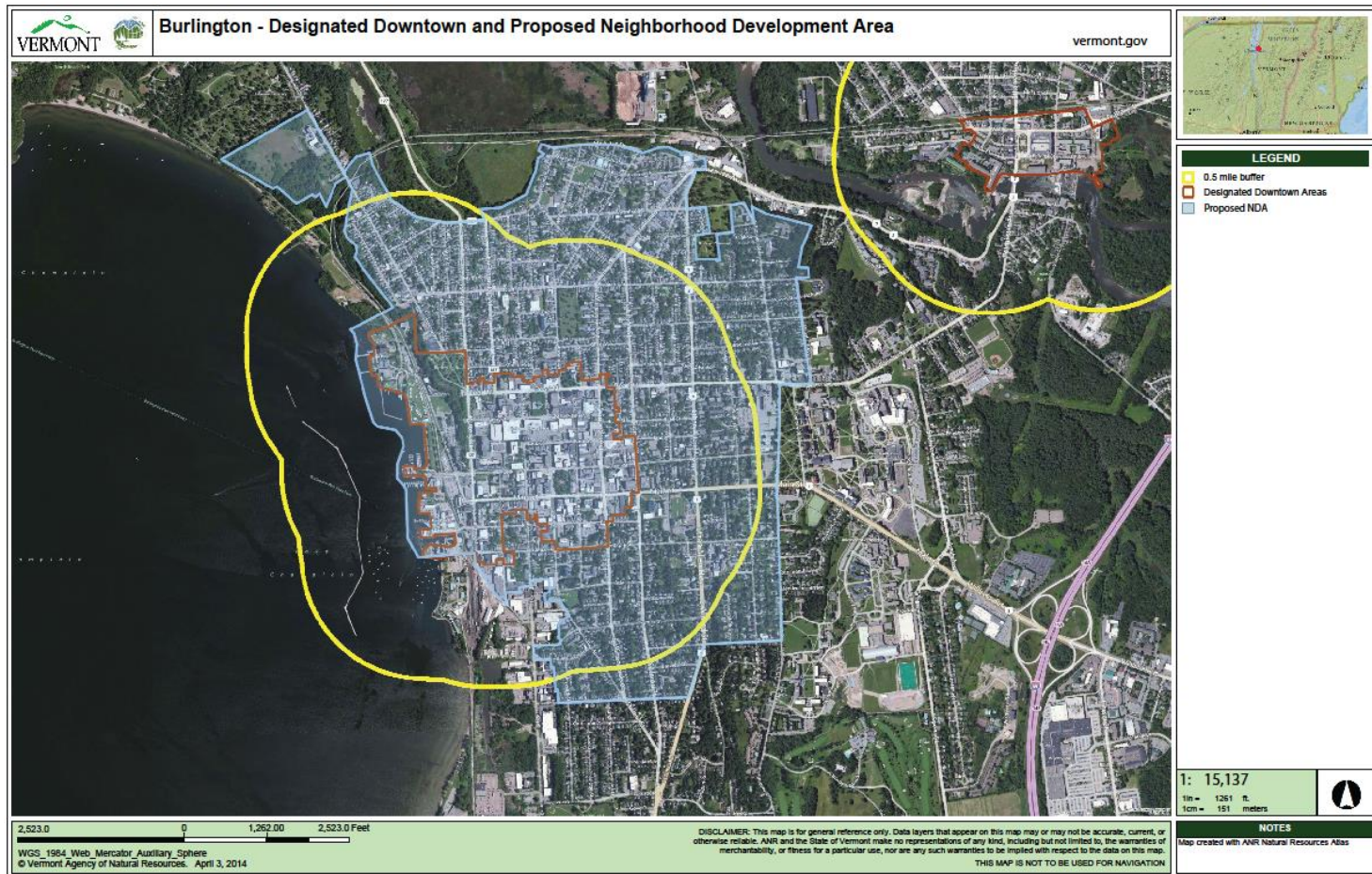
15 min walk



5-10 min walk

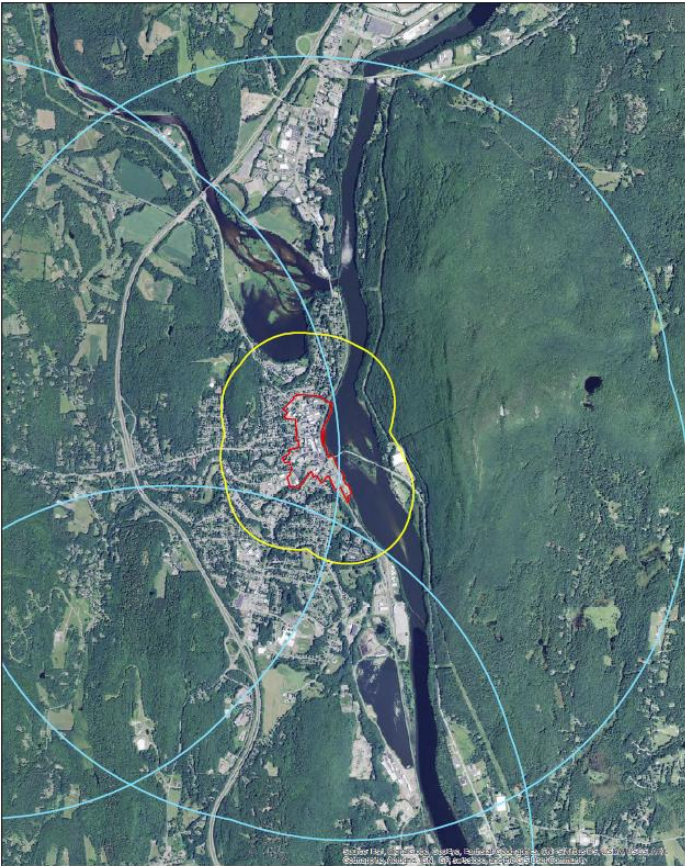
Neighborhood Development Areas

Going beyond the 1/2 mile & 1/4 mile radius



Neighborhood Development Areas

Brattleboro

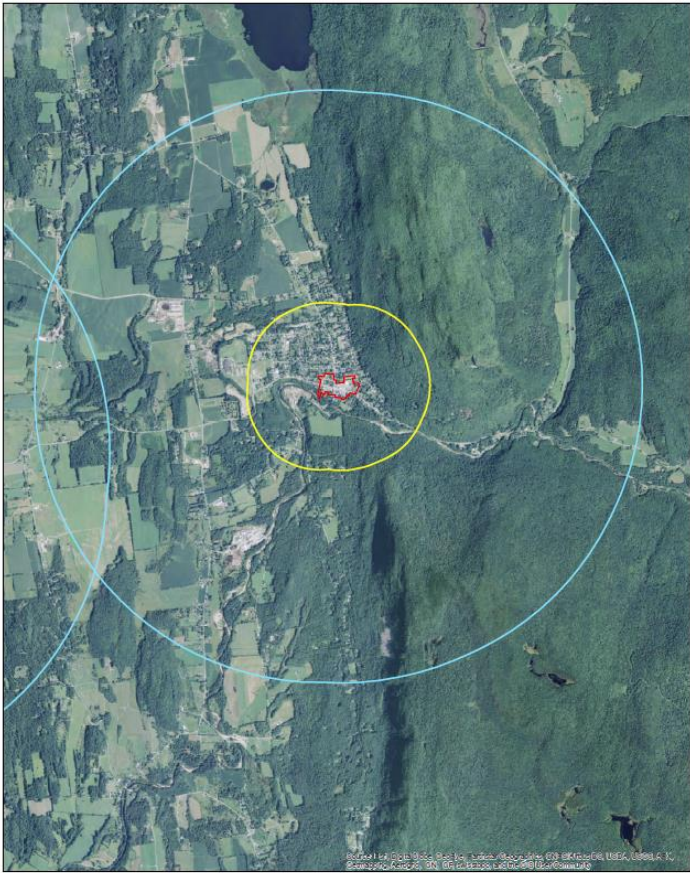


Legend

- 0.5 Mile Buffer
- 2 Mile Buffer
- Downtown

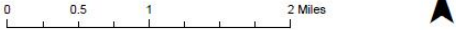


BRISTOL



Legend

- 0.5 Mile Buffer
- 2 Mile Buffer
- Downtown



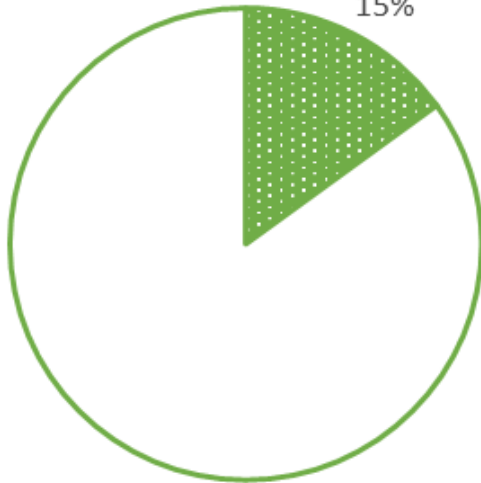
Priority Housing Projects

Act 250 “Mixed Income Housing Jurisdictional Threshold”

Ownership Units

■ < 85% VHFA purchase price limits

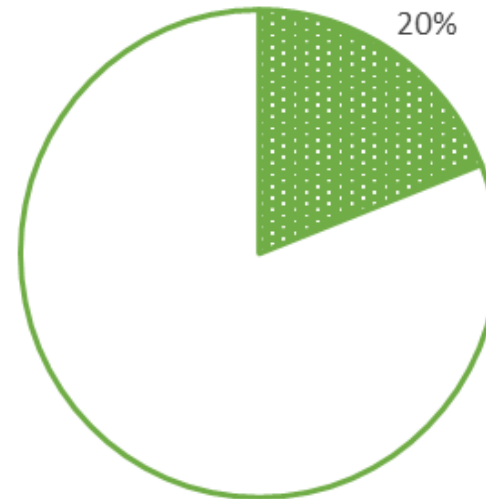
15%



Rental Units

■ Household < 80% County Median Income

20%



*or 20% of units at <90%
85% range from \$219,000-\$255,000

Neighborhood Development Areas

Shelburne: Harrington Village

36 Senior units
42 Mixed income units
4 Habitat homes



Burlington: Bright Street Coop

40 Mixed Use Units



Burlington: BHA Community Home

Group home with caretaker apartment



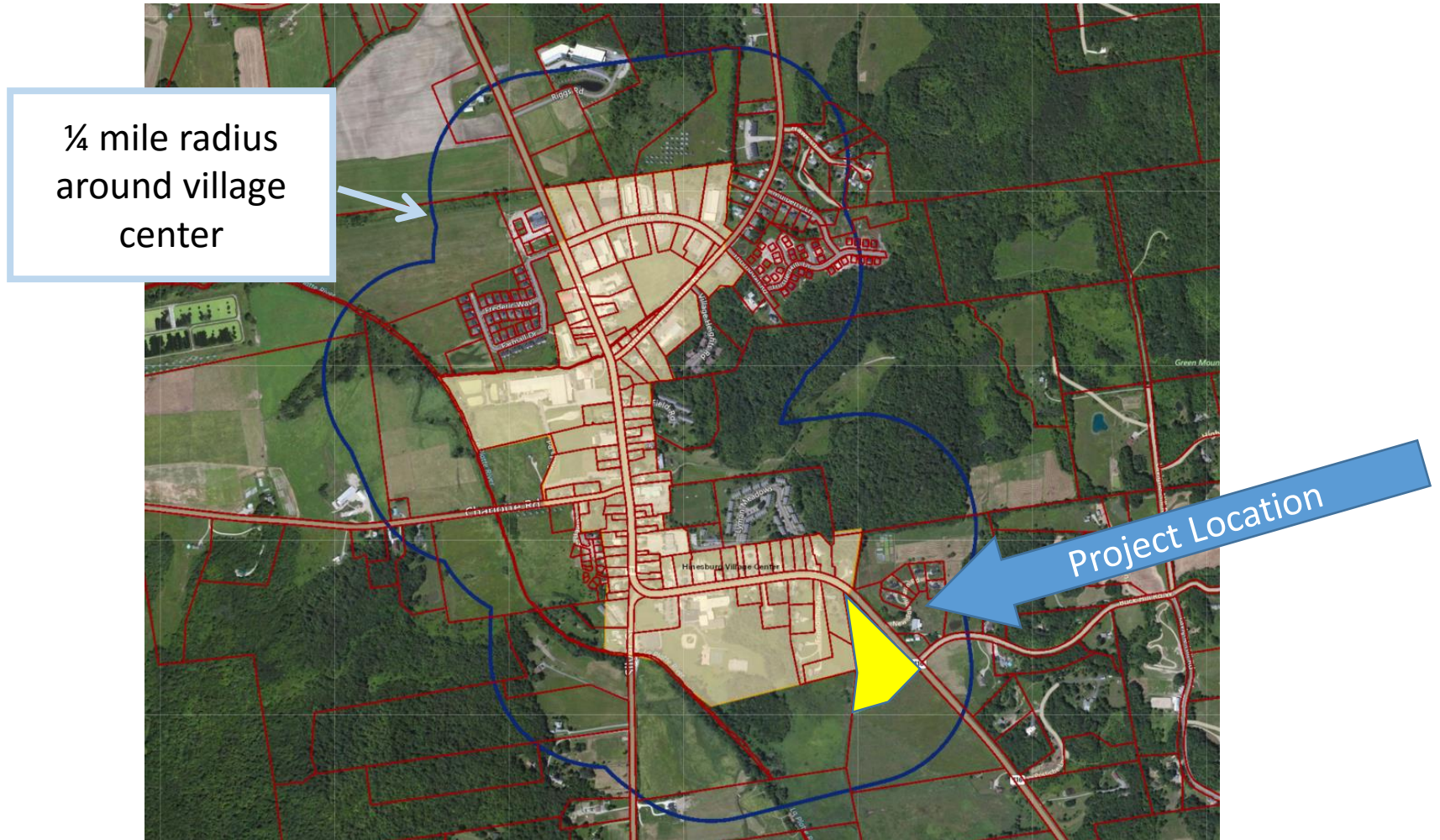
Winooski: Mill House Redevelopment

25 Market Rate Apartments
10 Townhouses



Neighborhood Development Areas

Hinesburg – Meadow Mist Development



Neighborhood Development Areas

Hinesburg – Meadow Mist Development

Project Details

- 24 Units
- 4.4 Units an acre
- Mixed Income
- 5.88 Acres

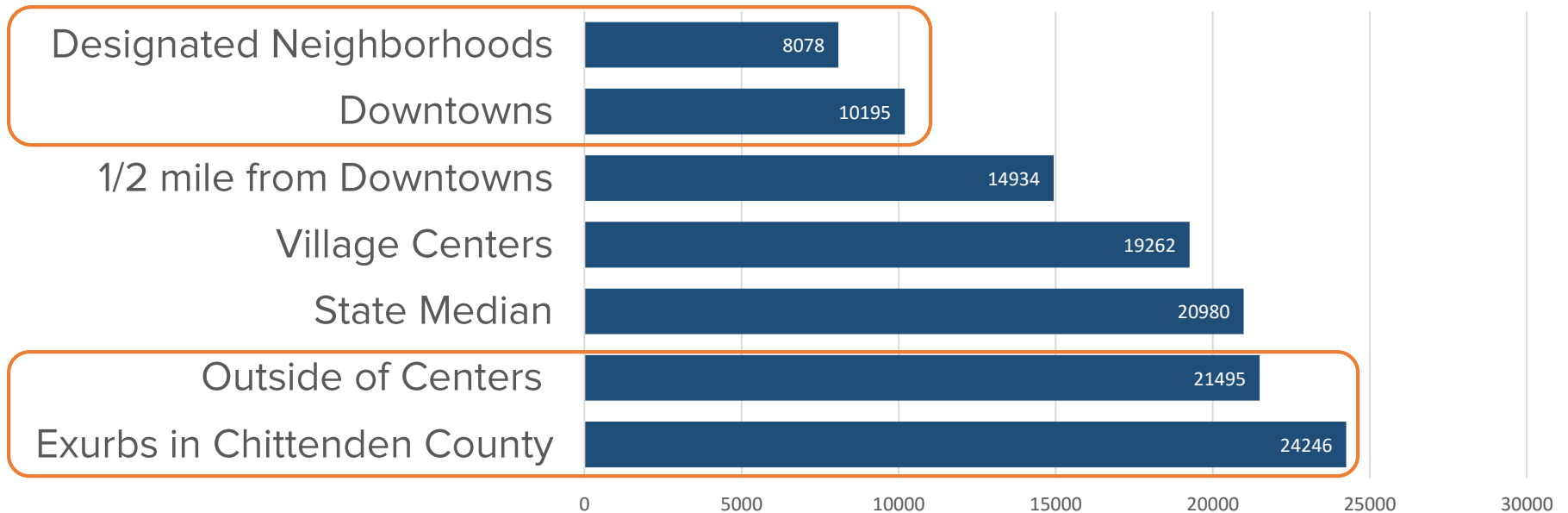
Project Savings

Act 250 Savings	\$30,000 +4 months time + risk of appeal
Wastewater Fee savings	\$3,000
Land Gains Tax	None
Prime Ag Mitigation	None

Household Transportation

American Household Transportation Survey

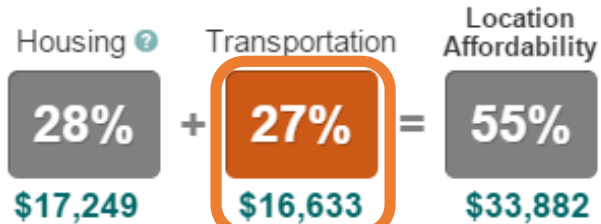
Median Household Annual
Vehicle Miles Travelled by Area



Household Transportation

Transportation Costs Family of Four (HUD/DOT Location Affordability Portal)

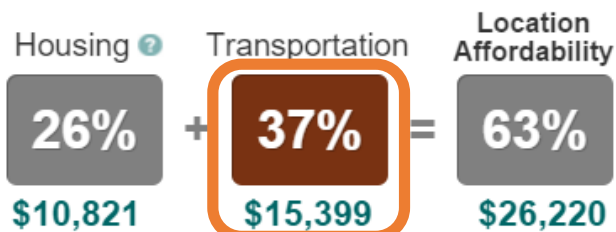
Charlotte



Own **2.7** vehicles

Drive **32,648** miles annually

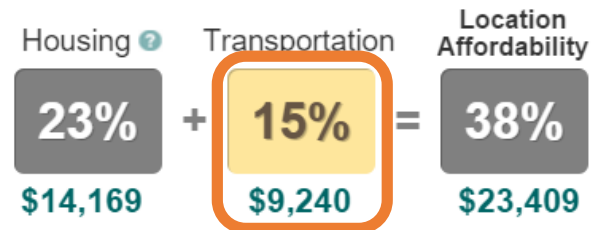
Greensboro



Own **2.5** vehicles

Drive **32,764** miles annually

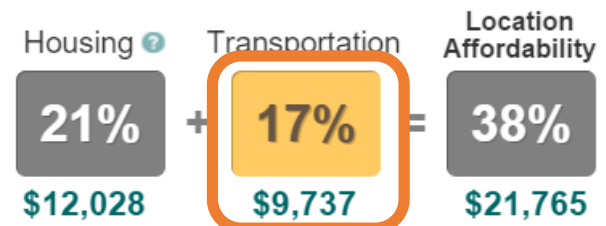
Burlington (O.N.E.)
Designated Neighborhood



Own **1.5** vehicles

Drive **17,923** miles annually

Barre City (Downtown)



Own **1.6** vehicles

Drive **19,776** miles annually

H.702: Comments/Suggestions

- Pilot projects should build upon existing programs
- Direct benefits to existing designations (Downtowns, NDAs and Growth Centers) or target projects that meet criteria (min. # units, serve 80-120 AMI, compact center, minimum density, etc.)
- If linked to designations, DHCD and Downtown Development Board should oversee/grant
- Research alternative funding options to help move key issues: incentives for municipalities to plan for and permit higher density housing, alternatives to finance infrastructure, incentives to upgrade housing stock.

QUESTIONS?

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