



# Vermont Housing & Conservation Board

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## **Senate Finance Committee**

### **S.100 and Housing Revenue Bond**

March 14, 2017



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

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

#### **§ 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 - \$18.3 million**  
**Leverage - \$125 million**

- 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

# Housing Bond

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- S.100 includes language providing for 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.
- VHCB's annual state appropriation comes mainly from Property Transfer Tax receipts as directed by statute.

# Housing Bond

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- S.100 would dedicate \$2.5 million of property transfer tax to the payment of the bond through 2038.
- Sections 2-4 are based on language developed and agreed to by the Administration, Treasurer, VHCB and VHFA with the advice of bond counsel and financial advisors.
- Governor's budget proposal includes a \$1 million increase for VHCB which is linked to the commitment of \$2.5 million for debt service for 20 years.

# 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).
- Balance could be at these income levels or between 50% and 80% of median based on project proposals, local needs, markets, and other resources available for leverage.

# 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.

# Housing Bond Uses

- Construction and rehabilitation of multi-family and single family housing with an emphasis on new homes.
- Statewide in areas targeted for growth and reinvestment.
- Bond to be issued in FY2018. Funds committed over 2-3 years.
- Assuming current funding of state and federal housing programs, VHCB estimates creating and improving 550 to 650 units of housing.
- Leverage is anticipated at 2:1 with goal of reaching 3:1/ \$70 to \$100 million for new and rehabilitated housing.
- Federal scenario very uncertain.



# Public-Private Partnership

## 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.

# Public-Private Partnership

## New Town Center in South Burlington





*America House Annex  
St. Albans*

The town asked the non-profit housing developer to take on redevelopment of the buildings. Housing on the upper stories, commercial on the ground floor.



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



## Homeownership

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

Has helped approximately 1,400 households become owners in 1,000 homes across the state including these in Windham, Chittenden, Rutland and Bennington counties.

# Homeownership in Milton

- 30 Homes – 15 at market and 15 with affordability restrictions.
- Public-private partnership
- Homeland buyers at 36-97% median
- Occupations include IT, education, manufacturing, state government, non-profits, drivers, retail and VT Air Guard





## **New Neighborhoods**

Roaring Branch in Bennington is home to a mix of seniors, students and those with a disability, but the majority of residents are working households, with jobs in the insurance, manufacturing, health care, and retail sectors.



## **New Neighborhoods**

Accessible Homes at Salisbury Square developed by the Randolph Area Community Development Corporation





## **Community-Driven Housing**

Franklin Homestead Assisted Living provides 23 independent living apartments for seniors. Franklin Carriage House has an additional 16 homes with support services including meals, cleaning, laundry services and assistance with small tasks and emergencies. Personal Care Services are provided by Franklin County Home Health and/or private care givers.



## 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.



## Rental Housing for Workers

77% of households in VHCB/LIHTC rental homes are employed\*

Damaged by Tropical Storm Irene, this former state office building was restored and expanded to create 27 affordable apartments, home to residents working in health care, retail, restaurants, and for the State of Vermont.

\*does not include seniors or those with a disability; source: Vermont Housing Finance Agency



## Rental Housing

Multi-family rental housing will be created like Downstreet Apartments. 27 affordable homes and community meeting space in downtown Barre. New residents include three households that were homeless.

# Rental Housing and Energy Efficiency

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.





## Housing as Innovation

### High Energy Performance Modular Homes built in Wilder

54 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 VHCBS support.

# 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%.

12 months before permanent housing:

1,224 visits - \$736,826

12 months after permanent housing:

802 visits - \$278,075

## 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 the Vulnerable

Canal Street Housing. 28 rooms and 47 beds for veterans. Transitional and permanent housing with support services



# S.100 - An Act Relating to Promoting Affordable and Sustainable Housing

VHCB strongly supports the proposed revenue bond which will help address a critical housing shortage, help house the most vulnerable and create more homes for workers.

We also support:

- Lifting the limit on the number of units allowed in priority housing projects in larger communities.
- Changing the definition of affordable homeownership to 120% of median and keeping rental housing at 80% of median.
- Increasing state downtown tax credits.
- Adding captive insurance companies to those eligible to use state affordable housing credits.

**Gus Seelig**

Executive Director

**Jen Hollar**

Director of Policy and Special Projects

Vermont Housing & Conservation Board  
58 East State Street, Montpelier, Vermont

[www.vhcb.org](http://www.vhcb.org)

802-828-3250