

Testimony to House Committee on General, Housing & Military Affairs

Thursday February 19, 2019

Good afternoon, I'm Cindy Reid, Director of Development for Cathedral Square. Thank you for the opportunity to speak with you today.

Cathedral Square is a 41-year old nonprofit organization, and a leader in the development of service enriched affordable housing communities for older adults and persons with special needs. We own and/or manage 25 affordable senior housing communities in Vermont and administer the nationally recognized SASH® (Support and Services at Home) initiative statewide as part of Vermont's Blueprint for Health.

We appreciate the Governor's past support for the Vermont Housing and Conservation Board (VHCB) and for his leadership on the Housing Revenue Bond. We appreciate the work you do as legislators to support affordable housing programs. This year we are concerned about the Governor's proposed \$1M cut to VHCB. This proposed cut, in combination with the \$1.5 VHCB funding set-aside to pay for debt service on the Housing Revenue Bond, will hurt our collective ability to advance housing and conservation projects. We are here to ask your support for full statutory funding for VHCB, which is \$21.8M in FY20.

VHCB was established in 1987 by the General Assembly. Since that time, it has created tremendous value for Vermonters and our working landscape. Since its inception, VHCB has invested \$345M in housing and conservation, leveraging approximately \$1.7B from public and private sources. Its dual goal focus has both supported housing density in areas where housing should be- in areas that plan for growth, and invested in conservation to protect agricultural lands and natural areas.

Cathedral Square has utilized funding from VHCB to invest in many new housing communities, renovate and preserve existing senior housing, and leverage federal, local and private funds. Today I wanted to tell you about two recent affordable housing developments in South Burlington's new city center, and how VHCB investment is at work creating a mixed income, mixed use, multigenerational vibrant city center.

Allard Square is a 39-unit residential rental community for older adults. This project was the first affordable housing development in the new city center. South Burlington has planned for a city center for over 30 years and provided critical support for this project. Allard Square was a public private partnership between Cathedral Square and Snyder Braverman Development Company. This \$10.6M independent living project benefited from Housing Revenue Bond funding. We created a mixed income community, serving older adults from all walks of life – some who were previously homeless, some who came from homes they owned that became too much to manage. All needed the benefits of SASH, and a secure, accessible place to live. The City employed a number of tools to incent development of the City Center and affordable housing including, creation of a TIF district, Neighborhood Development Area designation, Inclusionary Zoning, Form Based Code which promotes density and pedestrian-oriented mixed use development, a Housing Trust Fund, and an Affordable Housing Committee which is actively involved in promoting policies that promote affordable housing. The City is planning development of a new municipal building/ library/ senior center right next door to Allard Square.

We see a tremendous need for affordable, accessible housing for older adults (55+.) Cathedral Square has over 800 people on the wait list for all of our properties; it can take 2-3 years to get an apartment. At Allard Square we initially received over 8 applications for each of the 39 apartments, and now the property has 230 people on its wait list. Vermont is the second oldest state in the country and the 65-74 age

demographic is our fastest growing. Of the 902 households we currently serve in our portfolio, 92% are below 50% of area median income (\$32,150) and 68% are below 30% of AMI – extremely low income (\$19,300). Vermont has a serious need for more affordable senior housing. We need 80 more Allard Squares around the State!

SASH I wanted to share a few thoughts about health and housing. Cathedral Square views housing as a platform for services. The combination of safe, accessible, affordable housing, with care coordination through SASH, results in positive health outcomes and health care savings. SASH has been proven to reduce falls, reduce emergency room visits, increase rates of immunization, and increase controlled blood pressure. The savings documented by a third party evaluator, cited a savings in Medicare cost of over \$1,200 per person annually. SASH is a statewide program administered by Cathedral Square in partnership with regional housing organizations and over 70 partners. SASH is offered in and around 140 affordable senior housing communities, serving 5,000 persons. SASH is voluntary and free for residents. A SASH Coordinator and Wellness Nurse deliver effective wellness programs at each site, develop trusting relationships with residents, and create an atmosphere where residents thrive. We request your support for full funding for SASH. The DAIL budget proposes a 56% cut, or \$540,000, to SASH. This would be detrimental to our ability to continue this results-oriented program, and we ask for your help in getting SASH fully funded. We have testified in front of House Health Care Committee regarding SASH.

Garden Apartments

Another exciting project in City Center is Garden Apartments, A 60-unit rental development under construction on Market Street, near Allard Square. This is a public private partnership consisting of Champlain Housing Trust, Housing Vermont, and Snyder Braverman Development Company. The \$16.6M development is funded in part with VHCB Housing Revenue Bond, which supported the scale – 60 units – which is larger than can typically be funded at once. This general occupancy building will offer a mix of apartments ranging from one to four bedrooms. One third of the housing will be affordable for households <50% of area median income, and one quarter of the apartments will be available to households over 80% of area median income. Champlain Housing Trust also sees a tremendous need for affordable housing. The apartment vacancy rate in Chittenden County is a low 1.7%. Champlain Housing Trust processes approximately 168 applications each month and currently has 245 approved households on its general wait list. This new community will be open for occupancy in August. This project is benefiting from the same City regulations and initiatives that Allard Square benefited from. This project would not be possible without VHCB, or the HRB.

Of course, all of this housing construction not only benefits the residents, but boosts our local and regional economy. Each 10 apartments that are built create 12 construction jobs plus 3 ongoing jobs in the community. Doing the math, Allard Square and Garden Apartments together created 120 construction jobs and 30 ongoing jobs in the community.

Thank you for your time and interest in affordable housing and the connections between health and housing. We could not do the critical work of transforming lives with innovative housing and services without the investment of VHCB, the investment in SASH, and without your support.

I'm pleased to be joined today by Penny Pero, a resident of Allard Square.

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