



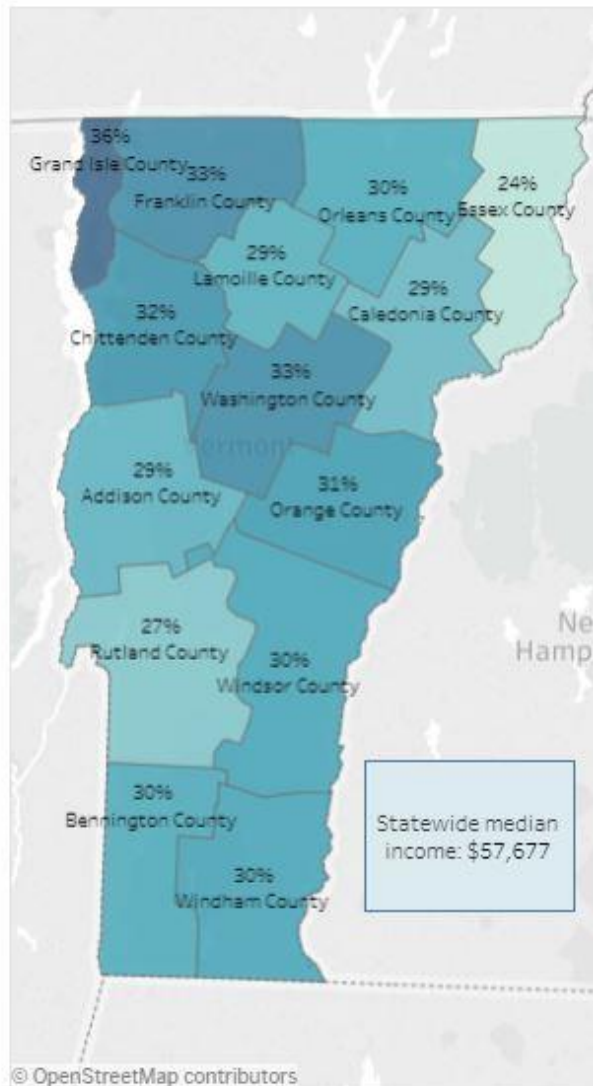
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# **Town Plan Update Community Forum #5 Housing and Economic Development**

**July 23, 2018**

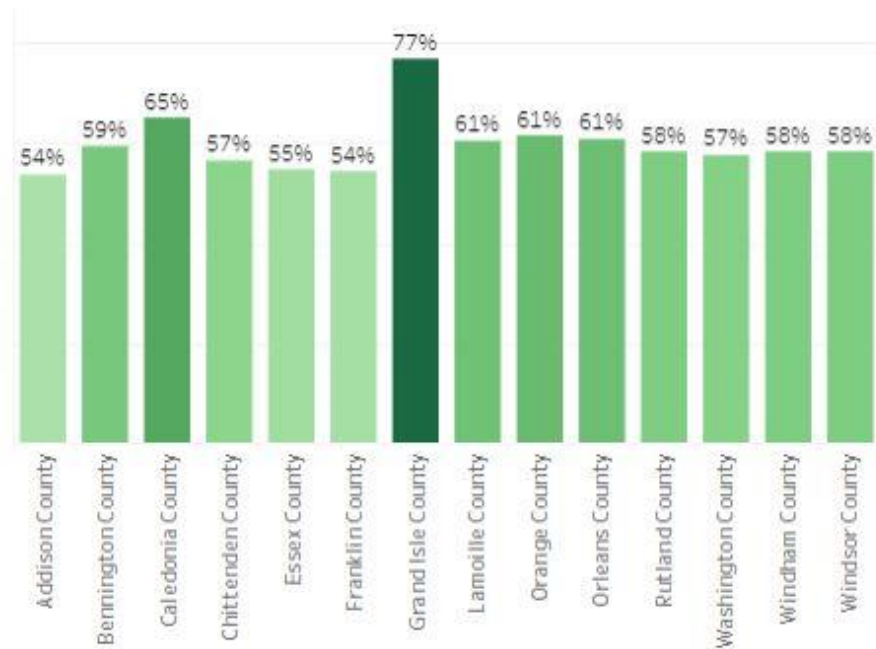
# Incomes and cost burden by Vermont county

Renter households with incomes <60% of county median



All data is derived from Census Bureau American Community Survey 5-year estimates from 2012-2016. Note that these values are rolling estimates and should not be presumed to represent individual calendar years.

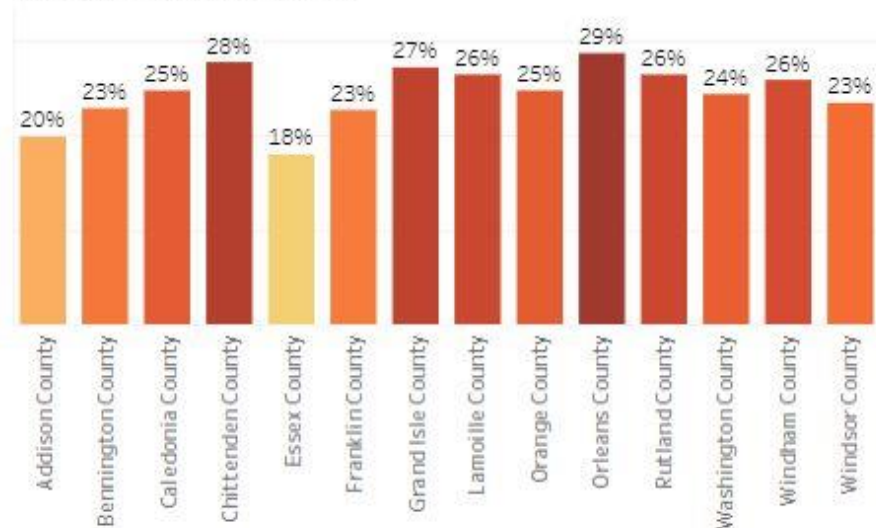
Cost-Burdened Renters



- County
- (All)
  - Addison County
  - Bennington County
  - Caledonia County
  - Chittenden County
  - Essex County
  - Franklin County
  - Grand Isle County
  - Lamoille County
  - Orange County
  - Orleans County
  - Rutland County
  - Washington County
  - Windham County
  - Windsor County

The US Department of Housing and Urban Development defines cost-burdened households as those who pay more than 30% of their income for housing, while severely-cost burdened households pay more than 50%. As cost burden increases, so does the difficulty in affording basic necessities such as food and transportation.

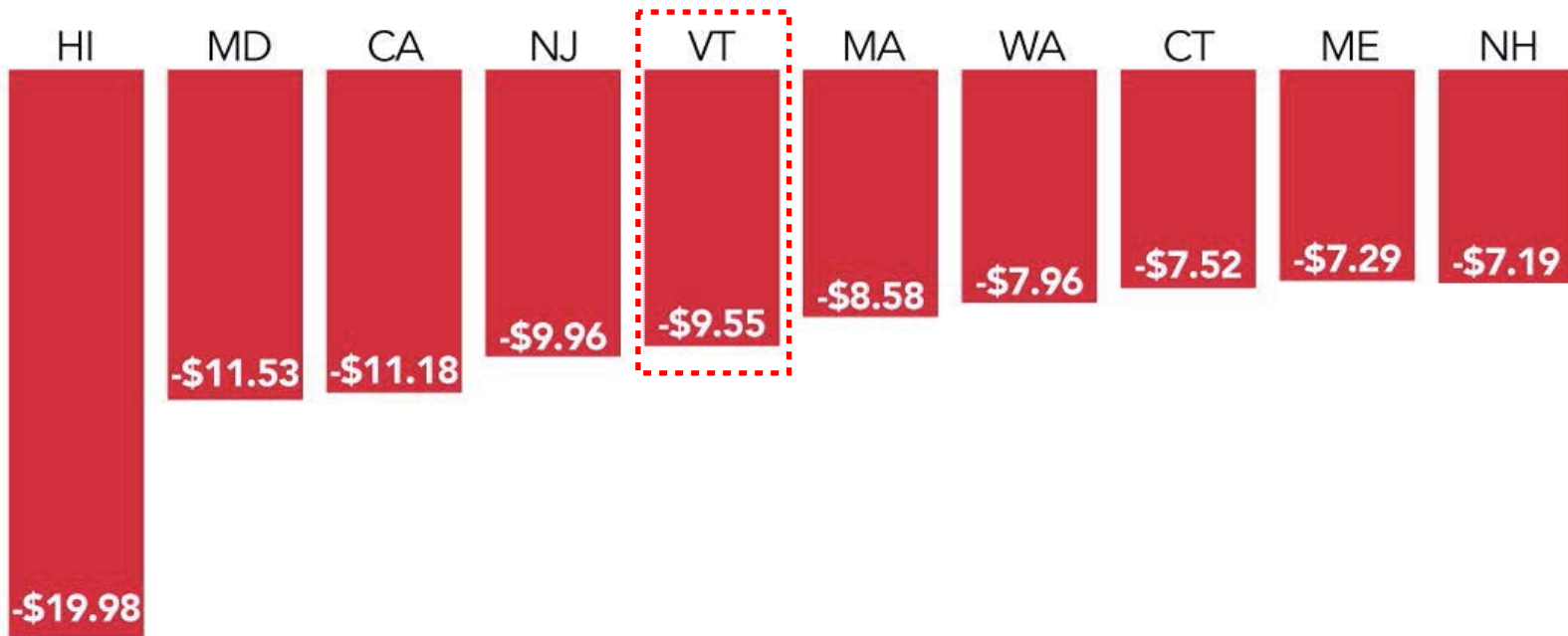
Severely Cost-Burdened Renters



Looking at areas with low incomes and high levels of cost-burden can help policy makers better allocate resources for funding affordable housing.

# OUT<sup>of</sup> REACH

STATES WITH THE LARGEST SHORTFALL BETWEEN AVERAGE RENTER WAGE AND TWO-BEDROOM HOUSING WAGE, 2018



Source: Housing wages are derived from HUD fair market rents. Average renter wages are derived from BLS QCEW, 2016, adjusted to 2018 dollars.

# MOST EXPENSIVE JURISDICTIONS

Metropolitan Areas	Housing Wage for Two-Bedroom FMR <sup>1</sup>	Metropolitan Counties <sup>2</sup>	Housing Wage for Two-Bedroom FMR
San Francisco, CA HMFA <sup>3</sup>	\$60.02	Marin County, CA	\$60.02
San Jose-Sunnyvale-Santa Clara, CA HMFA	\$48.50	San Francisco County, CA	\$60.02
Oakland-Fremont, CA HMFA	\$44.79	San Mateo County, CA	\$60.02
Honolulu, HI MSA <sup>4</sup>	\$39.06	Santa Clara County, CA	\$48.50
Stamford-Norwalk, CT HMFA	\$38.19	Alameda County, CA	\$44.79
Santa Cruz-Watsonville, CA MSA	\$37.79	Contra Costa County, CA	\$44.79
Santa Maria-Santa Barbara, CA MSA	\$36.87	Honolulu County, HI	\$39.06
Nassau-Suffolk, NY HMFA	\$36.12	Santa Cruz County, CA	\$37.79
Seattle-Bellevue, WA HMFA	\$36.12	Santa Barbara County, CA	\$36.87
Santa Ana-Anaheim-Irvine, CA HMFA	\$36.08	Nassau County, NY	\$36.12
State Nonmetropolitan Areas (Combined)	Housing Wage for Two-Bedroom FMR	Nonmetropolitan Counties (or County-Equivalents)	Housing Wage for Two-Bedroom FMR
Hawaii	\$26.41	Pitkin County, CO	\$33.40
Alaska	\$23.55	Aleutians West Census Area, AK	\$31.31
Massachusetts	\$22.90	Nantucket County, MA	\$30.23
Connecticut	\$21.00	Dukes County, MA	\$29.44
New Hampshire	\$20.37	Nome Census Area, AK	\$29.25
Vermont	\$19.18	Monroe County, FL	\$29.12
Colorado	\$18.77	Kauai County, HI	\$29.06
Maryland	\$18.53	Bethel Census Area, AK	\$28.48
California	\$18.36	Denali Borough, AK	\$28.04
Nevada	\$17.35	Eagle County, CO	\$28.00

1 FMR = Fair Market Rent.

2 Excludes metropolitan counties in New England.

3 HMFA = HUD Metro FMR Area. This term indicates that a portion of an Office of Management & Budget (OMB)-defined core-based statistical area (CBSA) is in the area to which the FMRs apply. HUD is required by OMB to alter the names of the metropolitan geographic entities it derives from CBSAs when the geographies are not the same as that established by the OMB.

4 MSA = Metropolitan Statistical Area. Geographic entities defined by OMB for use by the federal statistical agencies in collecting, tabulating, and publishing federal statistics. An MSA contains an urban core of 50,000 or more in population.

# 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>
1	Hawaii	\$36.13
3	California	\$32.68
4	New York	\$30.03
5	Maryland	\$29.04
6	Massachusetts	\$28.64
7	New Jersey	\$28.17
8	Washington	\$26.87
9	Connecticut	\$24.90
10	Alaska	\$24.80
11	Colorado	\$23.93
12	Virginia	\$23.69
13	Vermont	\$22.40
14	New Hampshire	\$22.32
15	Delaware	\$21.85
16	Florida	\$21.50
17	Oregon	\$21.26
18	Illinois	\$20.34
19	Rhode Island	\$19.96
20	Pennsylvania	\$19.53
21	Texas	\$19.32
22	Minnesota	\$18.82
23	Maine	\$18.73
24	Nevada	\$18.59
25	Arizona	\$18.46
26	Utah	\$17.77
27	Georgia	\$17.53
28	Michigan	\$16.85

Rank	State <sup>1</sup>	Housing Wage for Two-Bedroom FMR <sup>2</sup>
29	Louisiana	\$16.63
30	Wisconsin	\$16.52
31	Wyoming	\$16.46
32	North Dakota	\$16.44
33	South Carolina	\$16.38
34	North Carolina	\$16.35
35	Montana	\$16.13
36	New Mexico	\$15.89
37	Tennessee	\$15.74
38	Kansas	\$15.67
39	Nebraska	\$15.66
40	Indiana	\$15.56
41	Missouri	\$15.46
42	Idaho	\$15.44
43	Oklahoma	\$15.41
44	Ohio	\$15.25
45	Iowa	\$15.01
46	Alabama	\$14.65
47	Mississippi	\$14.51
48	Kentucky	\$14.40
49	South Dakota	\$14.33
50	West Virginia	\$14.10
51	Arkansas	\$13.84
<b>OTHER</b>		
2	District of Columbia	\$34.48
52	Puerto Rico	\$9.24

1 Includes District of Columbia and Puerto Rico.

2 FMR = Fair Market Rent.

# VERMONT

STATE RANKING #13\*

In **Vermont**, the Fair Market Rent (FMR) for a two-bedroom apartment is **\$1,165**. In order to afford this level of rent and utilities — without paying more than 30% of income on housing — a household must earn **\$3,882** monthly or **\$46,585** annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into an hourly Housing Wage of:

**\$22.40**  
PER HOUR  
STATE HOUSING  
WAGE

## FACTS ABOUT VERMONT:

STATE FACTS	
Minimum Wage	<b>\$10.50</b>
Average Renter Wage	<b>\$12.85</b>
2-Bedroom Housing Wage	<b>\$22.40</b>
Number of Renter Households	<b>75,203</b>
Percent Renters	<b>29%</b>

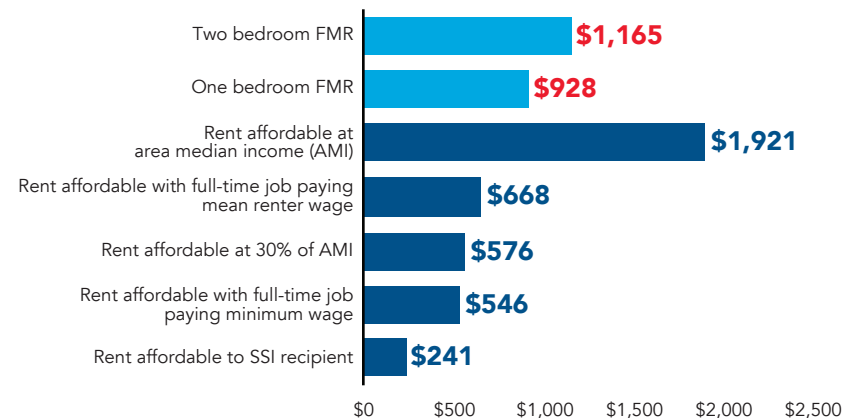
**85**  
Work Hours Per Week At  
**Minimum Wage** To Afford a **2-Bedroom**  
**Rental Home** (at FMR)

**68**  
Work Hours Per Week At  
**Minimum Wage** To Afford a **1-Bedroom**  
**Rental Home** (at FMR)

**2.1**  
Number of Full-Time Jobs At  
**Minimum Wage** To Afford a  
**2-Bedroom Rental Home** (at FMR)

**1.7**  
Number of Full-Time Jobs At  
**Minimum Wage** To Afford a  
**1-Bedroom Rental Home** (at FMR)

MOST EXPENSIVE AREAS	HOUSING WAGE
Burlington-South Burlington MSA	<b>\$27.73</b>
Windsor County	<b>\$20.65</b>
Washington County	<b>\$20.46</b>
Windham County	<b>\$20.21</b>
Addison County	<b>\$19.63</b>

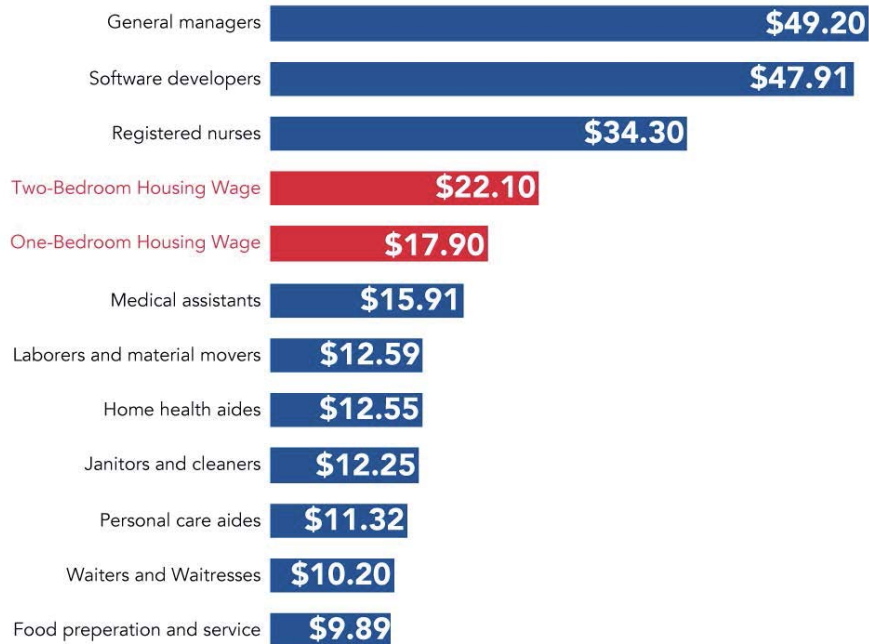


MSA = Metropolitan Statistical Area; HMFA = HUD Metro FMR Area.

\* Ranked from Highest to Lowest 2-Bedroom Housing Wage. Includes District of Columbia and Puerto Rico.

# OUT of REACH

HOUSING WAGE AND MEDIAN WAGES FOR OCCUPATIONS WITH HIGHEST PROJECTED GROWTH

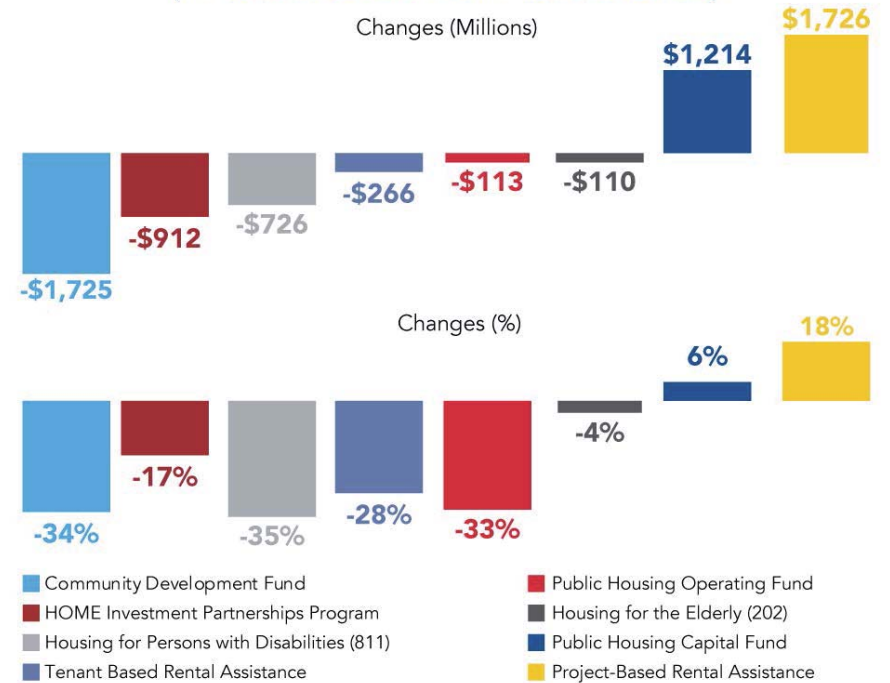


Source: Housing wages are derived from HUD fair market rents. Employment projections from BLS Employment Projections Program. Occupational wages from May 2017 National Occupation Employment and Wage Estimates, Occupational Employment Statistics, BLS. Adjusted to 2018 dollars.  
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# OUT of REACH

CHANGES IN FUNDING LEVELS FOR KEY HUD PROGRAMS (FY10 ENACTED TO FY18 ENACTED)



Note: Adjusted for inflation.

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## Housing Data – Hartford and Windsor County

### Rental vacancy rate (Census, 2016)

- Hartford: 1.9% (*low data reliability due to small sample size*)
- Windsor County: 5.1%

### Median household income (Census, 2016)

- Hartford (all): \$59,365
- Hartford (renters): \$41,875
- Windsor County (all): \$54,763
- Windsor County (renters): \$32,861

### Fair market rent (HUD, 2017)

- Windsor County, 1 bedroom: \$861
- Windsor County, 2 bedroom: \$1,057

### Percentage of cost-burdened renters (Census, 2016)

- Hartford: 44%
- Windsor County: 51%

### Percentage of severely cost-burdened renters (Census, 2016)

- Hartford: 21%
- Windsor County: 23%

### Housing Production (July 1, 2016 to June 30, 2017)

- Single family      21
- Multi-family      82
- Total                    103

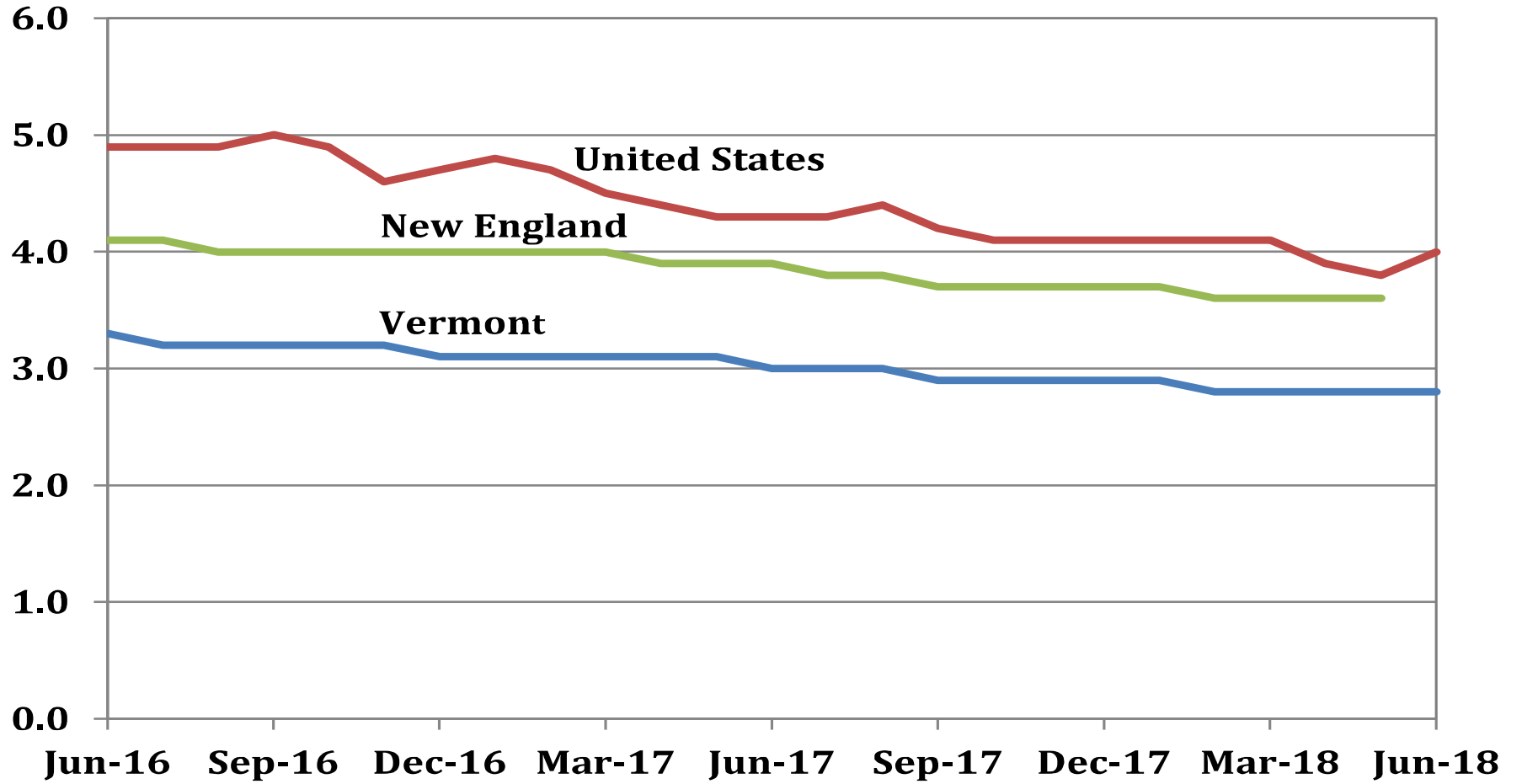


## Vermont Minimum Wage Earners and Housing Affordability

- Vermont's minimum wage is \$10.50/hour
- Average age of minimum wage earner is 35 years
- Half are older than 30 years
- A third are at least 40 years old
- Average renter earns 12.85/hour
- 7 of 10 of the jobs projected over the next decade have wages lower than the one-bedroom housing wage of \$17.84/hour (2018 VAHC report)
- 30 % of Vermont residents will be age 65 or older by 2030
- Average Vermont renter wage = \$12.85/hr
- Median renter wage = \$22.05/hr (\$45,790 annually) – half the population of renters do not earn enough for a modest 2-bedroom apartment

# Chart 1. Unemployment Rate, seasonally adjusted

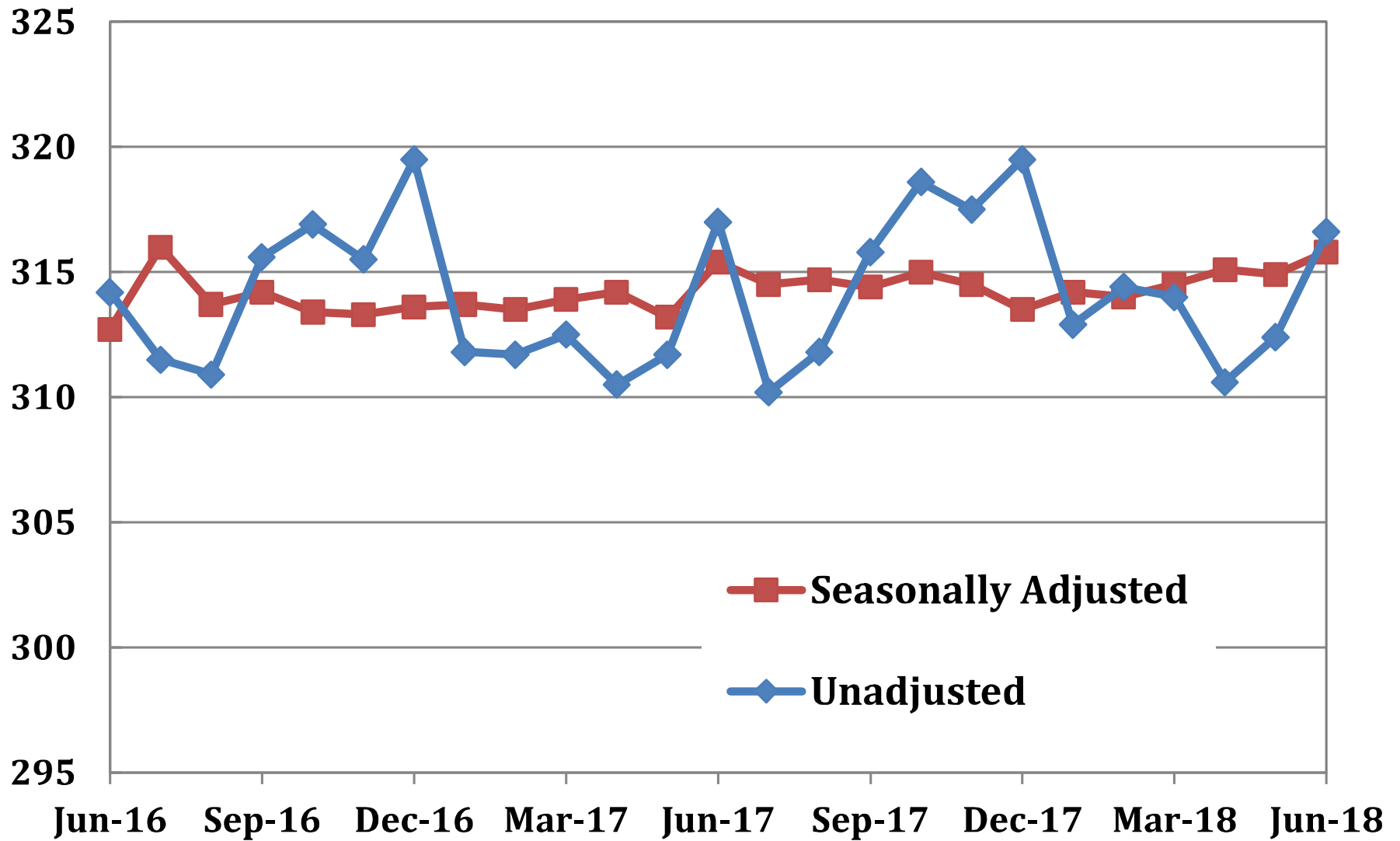
Percent



Source: VT Department of Labor, June 2018

# Chart 2. Vermont Nonfarm Payroll Employment

Thousands



Source: VT Department of Labor, June 2018

# Fastest Growing Occupations in Vermont

Top 25\* occupations projected to grow the fastest between 2014 - 2024.

Select an occupation by clicking the title.

Rank	Occupational Title	Employment		Annual Percent Change (compounded)
		2014	2024	
1	<a href="#">Separating, Filtering, Clarifying, Precipitating, and Still Machine Setters, Operators, and Tenders</a>	121	200	5.2%
2	<a href="#">Operations Research Analysts</a>	61	81	2.9%
3	<a href="#">Computer Numerically Controlled Machine Tool Programmers, Metal and Plastic</a>	95	123	2.6%
4	<a href="#">Industrial Machinery Mechanics</a>	642	824	2.5%
5	<a href="#">Food Batchmakers</a>	596	755	2.4%
6	<a href="#">Physical Therapist Assistants</a>	131	165	2.3%
7	<a href="#">Software Developers, Systems Software</a>	560	705	2.3%
8	<a href="#">Slaughterers and Meat Packers</a>	43	54	2.3%
9	<a href="#">Food Cooking Machine Operators and Tenders</a>	36	45	2.3%
10	<a href="#">Dental Laboratory Technicians</a>	44	55	2.3%
11	<a href="#">Web Developers</a>	691	862	2.2%
12	<a href="#">Food Processing Workers, All Other</a>	126	156	2.2%
13	<a href="#">Helpers--Brickmasons, Blockmasons, Stonemasons, and Tile and Marble Setters</a>	72	89	2.1%
14	<a href="#">Computer Systems Analysts</a>	394	485	2.1%
15	<a href="#">Clinical, Counseling, and School Psychologists</a>	923	1,136	2.1%
16	<a href="#">Taxi Drivers and Chauffeurs</a>	874	1,072	2.1%
17	<a href="#">Farmworkers, Farm, Ranch, and Aquacultural Animals</a>	1,192	1,456	2.0%
18	<a href="#">Home Health Aides</a>	479	585	2.0%
19	<a href="#">Physical Therapists</a>	729	887	2.0%
20	<a href="#">Market Research Analysts and Marketing Specialists</a>	1,604	1,951	2.0%
21	<a href="#">Nurse Practitioners</a>	484	586	1.9%
22	<a href="#">Farmworkers and Laborers, Crop, Nursery, and Greenhouse</a>	625	756	1.9%
23	<a href="#">Cartographers and Photogrammetrists</a>	34	41	1.9%
24	<a href="#">Cardiovascular Technologists and Technicians</a>	49	59	1.9%
25	<a href="#">Psychologists, All Other</a>	69	83	1.9%

## Regional Creative Economy

- Creative industries make up about 8.9% of total Region's employment.
- Employment grew 10.2% in the Region's creative industries 2010-2015 versus 8.2% for the U.S. and 7.6% for Vermont.
- The Region's Creative Economy is made up predominantly of artisanal enterprises-freelancers, sole proprietors, and enterprises make up majority of regions Creative Economy, averaging 3.5 employees
- Biggest need was shared workspace and resources
- In a survey, 50% said 75% to 100% of revenue generated via sales made directly to the customer; 23% reported majority of revenue comes from sales within Vermont.

## Building Strong Village Centers and a New Economy

As planners and developers, we need to understand what will drive a vibrant community as people connect less and less with bricks and mortar buildings for work and commerce.

- As we become more adept at doing business, shopping and play via the internet, what is next for developing strong and viable communities?
- Should the focus be on creating places where people want to live since being close to where you work no longer needs to be the driving force?
- What are the implications for land use planning and development?
- Should the focus be on creating vibrant and sustainable cities, downtowns and villages based on where people want to live and the life style and amenities that go along with this?

Explore the trends and what these mean in order to plan for tomorrow and the next 5, 10, 15, 20 years.