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Senate Institutions Committee

Affordable housing testimony

Jim Lovinsky, executive director, Lamoille Housing Partnership

I would like to thank the committee for having me here today, and also for your continued support of the affordable housing network that provides homes for thousands of Vermonters across our state. Also, for supporting the Vermont Housing and Conservation Board and their mission for over 25 years.

I would also like to commend you for supporting the recent \$37 million state housing bond. Your efforts leveraged an additional \$198 million and created of 800 new homes for low and moderate-income Vermonters in 24 towns, across 11 counties. Besides creating new homes, this investment will significantly add to the grand lists of those towns, and will result in over \$172 million in construction activity across the state!

Lamoille Housing Partnership is one of the many local non-profit affordable housing developers who work with VHCB and others to build safe, decent and affordable housing. Our work is focused in Lamoille County and Hardwick. We currently provide homes for individuals and families in nearly 300 apartments and homes for 7 businesses in our portfolio. We have housing in Hardwick, Morrisville, Johnson, Jeffersonville, and Stowe. Our residents include seniors, working people, veterans, people with disabilities, and formerly homeless families and individuals.

The need for more affordable housing is real. In our area the vacancy rate is around 2%. Because of the lack of housing, rents have skyrocketed and more people become "rent burdened", paying an ever increasing percentage of their incomes on housing costs. By HUD's definition, affordable housing should cost around 30% of a family's income for housing. A recent housing needs study has that percentage as high at 50% for many area renters and homeowners alike. Rents have increased to the point where standard vouchers do not cover the higher rents.

1BR	\$900 to \$1200 plus heat and electric
2BR	\$1100 to \$1350
3BR	Start at \$2500 correct amount is \$1500

By contrast, our proposed rents for our new project will range from \$600 for a studio apartment to \$1100 for a 2BR at market rate, and include heat and electricity.

In the past 12 months we processed about 400 applications for housing for less than 100 available units. Our subsidized senior properties have standing wait lists of 70 to 100 people at any given time. We have businesses that need housing in order to attract workers and seniors wanting to downsize and retire into towns and villages.

Recently LHP and Housing Vermont completed the renovation of 18 units of housing in Hardwick at 3 separate properties, now called Jeudevine Housing LP. These apartments were created nearly 30 years ago. The S Main Street units were created following a devastating fire in 1991 that left a huge hole in the downtown. In addition to LIHTCs, VHCB and the Housing Bond investment provided over 20% of the cost of the renovations.

The impact on just on of our residents:

“Last year at this time I was panicking, I was scared I was going to lose my apartment. I was going through a divorce from a man that lied to me for several years and put our family under some crippling financial struggles, that not only destroyed my credit but jeopardized my housing since he left me responsible for all the back rent we had accumulated... I still had two babies that needed me, and since I was granted full custody, I knew that I needed to swallow my pride and ask for help, not for me but for my children, who never asked to be put in this situation.

Lamoille Housing Partnership worked with me to get all of the back rent paid in a manageable way. They set me up with services through the Vermont State Housing Authority that made it financially possible for me to be a full-time mom with a full-time job. I was able to make a career move without worry, put money in my savings account, afford all my bills and function on a day to day basis

without having to wonder how I'm going to put dinner on the table. It was beautiful feeling knowing that I could do it, I could take care of my family."

We are currently in the process of developing a new project in Morrisville with our partners at Housing Vermont that will add 24 new units of housing to the area. This is new construction in the village where we are working closely with the municipality to develop parking in the area and apply for a VCDP grant to support the project. Building in and villages adds to the long-term viability of the village, adding foot traffic and economic opportunities. It also prevents sprawl and allows us to take advantage of municipal services including water, sewer and transportation. But more importantly, in many cases it allows our residents to live more affordably by being close to services, shopping, health care, transportation and recreational opportunities that they don't have access to in the countryside without driving. These add significantly to their overall well being and quality of life.

We also partner with many local agencies and groups ranging from community action and mental health to local community gardens and SASH services for our elder residents. We also work with the community, hosting "Housing Summits" in order to bring landlords, service providers, and tenants together to improve the overall housing climate in the area through educational opportunities around Fair-Housing, Eviction Reduction, Recovery Housing, and finding innovative solutions to reducing barriers to finding housing.

We strive to build the highest quality, most energy efficient, and long-lasting buildings that we can, incorporating materials and methods that help to reduce maintenance costs and on-going affordability issues. We also use new and innovative mechanical systems to not only last long and be energy efficient, but also provide warmth and ventilation for our residents' health and well-being.

In closing, I urge you to continue to support our work on behalf of so many Vermonters who need safe, decent and affordable housing. Please continue to fully fund VHCB and if the opportunity comes your way for a new housing bond please get behind it. We do fantastic work across the state that is well worth the investment.