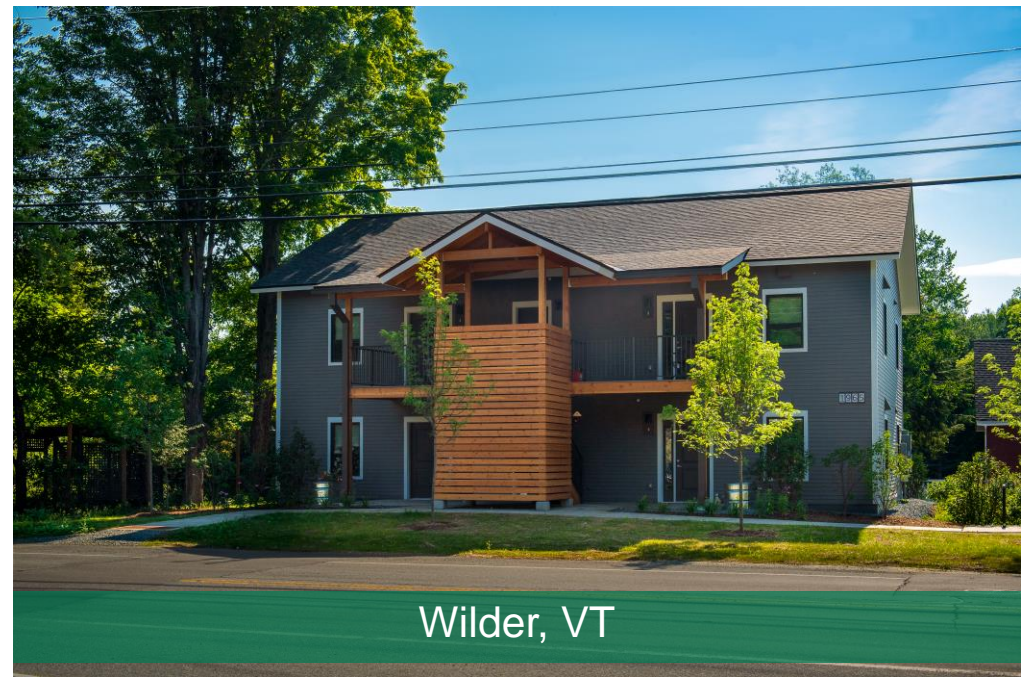




Presentation to
Committee on General & Housing
January 2025

About Twin Pines Housing

- TPH is a nonprofit organization **founded in 1990** serving the Upper Valley in NH and VT
- TPH owns, manages and develops affordable housing **with a staff of 30**
- **665** rental units in the Upper Valley
- **67** homeownership units
- **9** mobile homes
- Range of housing for seniors to family to homeless and veterans



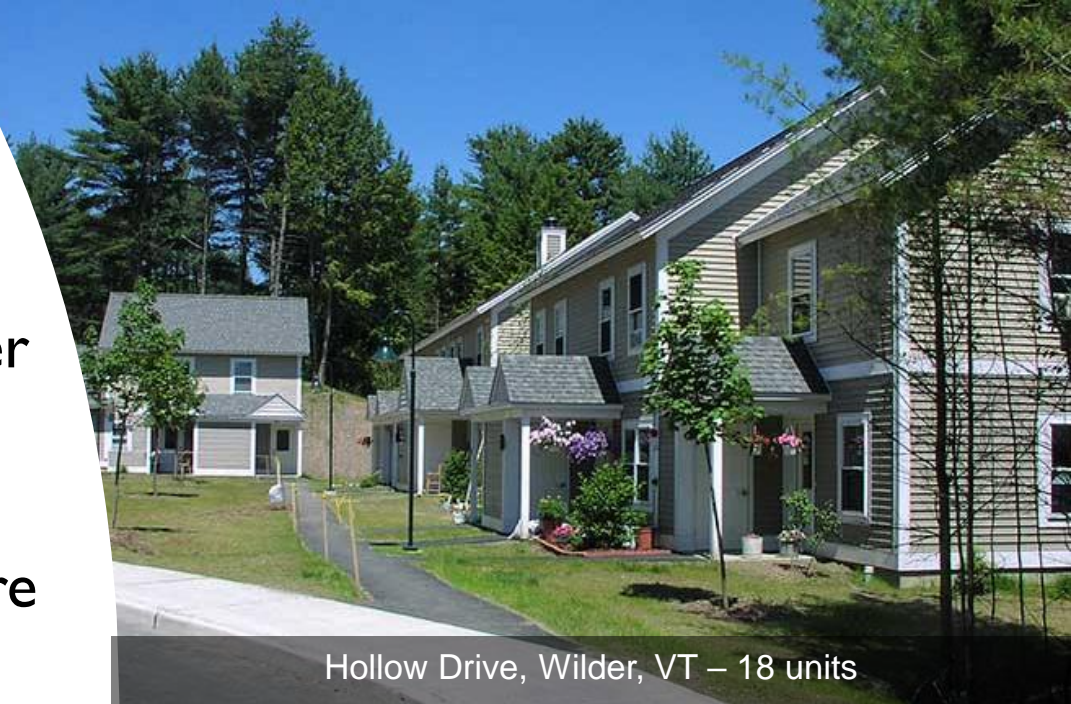
Wilder, VT



White River Jct. VT

There is a huge need for more housing in the Upper Valley

- Deficit of 10,000 housing units in Upper Valley region by 2030
- Exceptionally low rental vacancy rates
- High housing prices, especially near core economic centers
- Median gross rent have doubled since 2000, while wages have remained flat until recently
- Particular challenge in popular tourist communities with high percent of second/seasonal homes



What is Affordable Housing?

Housing is considered affordable when costs are less than 30% of a family's income

Eligibility based on income and household size.

HUD determines an **Area Median Income (AMI)** for each housing market. Half of households earn more than AMI and half earn less.

Subsidized Housing: Residents pay 30% of their income toward rent and the balance is subsidized by the federal government. Typically, qualifying families are Extremely or Very Low-Income.

Workforce Housing: Housing that is affordable to families earning up to 120% of AMI.

Affordable Housing: Rents are capped and are based on resident income as a % of AMI, typically <60%.

New Properties in 2024

747 Hartford Avenue

White River Junction

- 18 one-bedroom for the chronically homeless with services from the Haven.
- Opened in October 2024 and is now fully leased.
- Residents come from coordinated-entry list with preference for the Upper Valley Haven shelter residents.



River Walk Apartments

White River Junction

- 42-unit turn-key development purchased from DEW Braveman LLC
- Mix of unit sizes – studio, 1BR, 2BR, 3BR
- Opened in June 2024 and is fully leased
- 8 units have rental assistance with 4 units set aside for clients of the VA
- Upper Valley Haven provides services to residents of the 4 other units.



Mountainvale Apartments

White River Junction

- Conversion of the former Fairfield Inn to create 40 units.
- 31 one-bedroom and 9 studio units
- Opened in Summer 2024 and is fully leased
- 12 units have rental assistance with 4 units set aside for clients of the VA
- Upper Valley Haven provides services to 8 of the households



Selected Properties in the Pipeline

Mellishwood Woodstock, VT

- Currently a 26-unit senior housing development.
- Twin Pines acquired the property in Nov. 2022
- Two existing buildings will be removed and a new building will be constructed
- Adds 13 units to site for a total of 39 units
- Construction to start later in 2025



Safford Commons Homeownership

Woodstock, VT

- Four homeownership units within the Safford Commons Development
- Construction to begin in the spring of 2025
- Restricted to homebuyers up to 120% of the area median income
- Will be part of shared-equity program



2024 HUD Income Limits Windsor County Vermont

% of AMI	4-person	3-person	2-person	1-person
100%	\$100,500	\$90,500	\$80,500	\$70,500
80%	\$80,400	\$72,400	\$64,400	\$56,400
60%	\$60,300	\$54,300	\$48,300	\$42,300
50%	\$50,250	\$45,250	\$40,250	\$35,250
30%	\$30,150	\$27,150	\$24,150	\$21,150

How is Rental Development Work Financed?

- Federal and state government grants and donations, such as Community Development Block Grants and VT State Bond funds.
- Low Income Housing Tax Credits (LIHTC) are primary funding source.
 - 90% of affordable housing developed in the US since 1987 use LIHTC as a funding source.
 - Federal government allocates LIHTC to states. States allocate tax credits to projects.
 - Credits are sold to investors. Proceeds used to develop housing.
 - Investors use tax credits to reduce their federal tax liability, dollar-for-dollar, over 10 years.
 - The property owner agrees to rent units to households with incomes less than 60% of AMI.

How Do Tax Credits Typically Work?

- A single-purpose, sole-asset LP or LLC owns the project. Tax credits flow to LP or LLC.
- Two entities participate in the LP or LLC:
 - Passive limited partners invest cash (equity) in return for 99.99% ownership of the LP or LLC.
 - LP general partner or LLC manager owns 0.01% and is an affiliate of Twin Pines Housing Trust responsible for operating the project.
- Passive limited partner provides 50-70% of the project funding.
- Project balance is funded by other sources, including debt.

What is needed to create housing?

- Land! Communities sometimes make it available, sometimes purchased on the private market
- Zoning – Does the zoning permit the density needed to make a project financially feasible?
- Water and Sewer – Very challenging to do housing without public water supply in particular (Examples of New London and Woodstock)
- Financing – LIHTC's are very competitive! How does a project score to get financing?

Questions?