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HousingMatters

The bi-monthly newsletter of the Vermont Housing Finance Agency

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Executive Briefing

From Sarah Carpenter, Executive Director, VHFA

Let's get people interested in building affordable housing

I have often made the point that affordable housing development is a key component of economic growth in Vermont. On one hand, housing development is a

age of affordable housing can act as a brake on our economy; for example, Vermont's employers are growing increasingly concerned about the impact of our state's housing shortage on their ability to attract and retain workers.

A shortage of affordable housing can act as a brake on our economy

great economic stimulus; in fact, housing has been one of the mainstays of Vermont's economy for the past several years. On the other, a short-

Now, as you can read in the lead story in this edition of Housing Matters, the housing industry itself has concerns about its future workforce.



Sarah Carpenter

Vermont's construction industry workforce is growing older, and younger workers are not entering the trades in sufficient numbers to fill the jobs these older workers will leave when they retire. Perhaps ironically, the age group the construction indus-

try needs the most — people aged 18 to 27 — is roughly the same group of people who are leaving Vermont in large numbers, in part because of our high housing costs.

This is going to pose an additional challenge to us as we work to close the gap between the number of available housing units and the number we actually need to meet the demand. The latest housing needs assessment for the state estimates the number of available affordable apartments currently falls about 21,000 units short of the need, and we will need about 12,300 new owner-occupied homes by 2010 to

meet the demand. That would be a rate of production approximately two times the current pace. It will be difficult to build that many new homes when we're scrambling to find enough carpenters, plumbers, electricians, drywallers and backhoe drivers to do the job.

While we can "import" workers from other states or from other countries, it would be better for the long-term health of our economy to have young Vermonters entering the building trades. We would obviously benefit in several ways if we can show young people that entering the building trades is a good career move.

Vermont's builders have worked with schools to do just that, and the [Associated General Contractors of Vermont](#) has been partnering with the [Department of Corrections](#) in an innovative program to bring people into the building trades and into prosperous and productive lives.

We should support these efforts, and we should do more to support vocational programs in our schools and our technical schools around the state that will help produce the skilled workers we'll need to make sure everyone in Vermont has a safe, decent and affordable place to live. ■

Trouble a'Building

Vermont needs more people to build housing people need

by *John Fairbanks*

It has been clear for some time that Vermont isn't building affordable housing fast enough to keep up with demand, but stepping up the pace of development is going to be tough if builders can't find the workers they need to do the job.

That's becoming a concern as Vermont's construction workforce grows older and fewer young people are coming along to take the places of their elders.

Workers with Naylor & Breen Builders Inc. of Brandon work on an Arlington project



"It's a problem," said Thom Serrani, Executive Vice President of the [Associated General Contractors of Vermont](#). "The average age of a construction worker in Vermont is 54. People aged 18 to 27 don't think of entering the trades as a career."

Serrani added that Vermont's builders find themselves competing with other parts of the country for workers. A massive project like Boston's Big Dig, or a long-term reconstruction effort after a hurricane like Katrina will attract thousands of construction workers from all over the country with the promise of full-time, year-round work for several years.

Contractors used to hire workers literally "off the farm," Serrani said, because

The labor shortage in construction means higher wages, although that translates into higher housing costs

farmers and their children were already used to that kind of work and to using heavy equipment. With the number of Vermont farms

dwindling, that part of the labor pool is much smaller. Nowadays, Serrani said, it's not uncommon for Central American and Mexican immigrants to be working on Vermont construction sites.

The good news for prospective workers, Serrani said, is that the labor shortage in construction means higher wages, although that translates into higher housing costs. A lead carpenter, for example, can land a job at \$22 or \$24 an hour, according to Joe Sinagra, Executive Officer of the [Homebuilders and Remodelers Association of Northern Vermont](#).

Sinagra echoed Serrani's concerns, although he said the

labor market in construction is making some adjustments.

"The employee pool has definitely gotten smaller," Sinagra said. "But you're seeing more people setting up their own little one- and two-person contracting firms and working as subs for the larger outfits, when they might have hired on as regular employees in the past. That's in part due to new workers comp laws and in part to people who've developed skills and want to go into business for themselves."

He added, though, that a construction worker going out on his or her own can do well subcontracting,

but the resources and expertise needed to oversee a development make it difficult for a smaller com-

pany to grow into a big one. Competition, Sinagra added, has not only pushed up wages, but has also made it harder for companies to keep their people.

"Because the market's the way it is, there's no uniformity when it comes to wages," Sinagra said.

"People will jump from one builder to another for an additional 50 cents an hour. Sometimes they'll jump

The industry is taking several steps to attract younger workers into the building trades

between three or four different companies. That means that money you've spent training a worker is essentially wasted."

HBRA estimates its 650 members employ 20,000 people. Sinagra said the shortage of young people in the market is slightly offset

by the fact that the available pool of workers is highly-skilled.

"There are issues you run into, family, health care, things like that, with older workers," he said. "A young guy may not have a family, doesn't have the same skills. So he can work cheaper, but the experienced employee can work faster."

Both Serrani and Sinagra said the industry is taking several steps to attract younger workers into the building trades. For example, Serrani said, the AGC has partnered with the [Vermont Department of Corrections](#) to train and hire people in state custody.

"There's a group of people in the Corrections system aged 18 to 27, exactly the age range we're looking for," he said. "Over the last five years, we've worked with the Department to get these people interested in the construction industry. If you can take someone out of custody and make them a productive citizen, give them a good-paying job and a future, well, that's what we call a win-win."

In a more traditional vein, the industry has worked through Vermont's schools to educate young people to the benefits and opportunities of a career in the building trades and

offering scholarships for prospective workers. Sinagra pointed to the work of the Vermont Construction Career Council and resources like tech centers in Essex and St. Albans as examples of the kinds of efforts being made to keep Vermont's construction workforce healthy.

Serrani said there are lots of opportunities.

"We provide training and a chance to work your way up," Serrani said. "And, unlike manufacturing, you're not likely to see your job move out of state. If we can find workers, we'll hire them. If you want to work, we've got work for you to do." ■

Homesharing Offers Affordable Housing

For seniors looking to keep their independence, homesharing can be a creative alternative

by Kirby Dunn

Most seniors, when asked, say they want to remain at home. Home, and our communities, are what we know and where we are comfortable. Having someone in the home to offer a protective presence, if only just for peace of mind, is invaluable.

Today, houses are getting bigger and there are fewer people living in them — a potential affordable housing resource! And, as a society, we are getting older fast. By 2020 Vermont will experience nearly an 80% growth statewide in the number of residents aged 65 and older.

During this same time period the overall population of Vermont is projected to grow by only 9%.

Homesharing is one option for seniors to keep their independence. It can also be a way for others with more house than they can handle to get some help, and to help others. In homesharing, “home providers” needing 10-15 hours a week of service, companionship or a

protective presence in the home are “matched” with people looking for a place to live. A local homesharing program provides screening and matching services, and continuing support. In-home interviews, reference checks, and criminal background checks are all part of the screening process.

Really getting to know people’s interests, hobbies and lifestyles can help us find



Most homesharing matches focus on service and helping someone continue to live independently



compatible matches.

For people looking for a place to live homesharing is a great alternative if you live a quiet lifestyle and can spend time with your homesharer. In nearly half of our matches over the last three years, no rent was charged. When there was rent, it averaged only \$172 month. Instead of a monetary payment, most homesharing matches focus

Pictured: HomeShare Vermont's MaryLou Thorpe, Caregiving Coordinator; Kirby Dunn, Executive Director; Dot Howe, Office Manager; and Jean Cass, Homesharing Coordinator

For people looking for a place to live homesharing is a great alternative if you live a quiet lifestyle and can spend time with your homesharer

on service and helping someone continue to live independently. Long-lasting friendships have been developed through homesharing.

Homesharing is a simple and cost-effective strategy. It is really a kind of bartering — an exchange of one service

MORE INFORMATION

Visit www.HomeShareVermont.org or send an e-mail to home@sover.net. For people wanting information about other homesharing programs around the country you can go the National Shared Housing Resource Center Web site at www.nationalsharedhousing.org.

for another, a way to meet two needs at once. Homesharing services are currently only available in Chittenden, Grand Isle and Washington counties. What about the rest of Vermont?

HomeShare Vermont will be hosting a national Shared Housing Conference in Burlington June 12 and 13, 2006. One set of workshops

will be dedicated to helping local groups establish new homesharing programs or expand existing ones. If you would like to find out more about homesharing or would like to see if offered in your part of the state, consider attending this conference. ■

Kirby Dunn is the Director of [HomeShare Vermont](http://www.HomeShareVermont.org)

Inside VHFA

A round-up of newsworthy happenings at the Agency

NCSHA honors VHFA with two awards at annual conference

The [National Council of State Housing Agencies](#) (NCSHA) honored VHFA with two awards during its 2005 Annual Awards for Program Excellence luncheon.

From left: Public Affairs Manager John Fairbanks, Executive Director Sarah Carpenter, NCSHA President Richard Godfrey Jr., and Communications Coordinator Craig Bailey



Executive Director Sarah Carpenter accepted the awards Monday, Sept. 26, at NCSHA's 35th Annual Conference held at the Sheraton Boston Hotel. More than 1,100 housing professionals and affiliate members from across the country attended the event.

VHFA's Vermont Housing Data Web site (www.housingdata.org) was a winner in the "Management Innovation, Technological Innovation" category. The "Art House" children's poster exhibit, created by Agency staff for the Vermont Housing Awareness Campaign (www.housingawareness.org), took the award in the "Communica-

tions, Innovative Media" category.

"VHFA is proud to be recognized by its peers across the country as an innovator in promoting affordable housing through the Vermont Housing Data Web site and the 'Art House' poster project," said Sarah. "These awards stand as testaments to the creativity, energy and dedication of the VHFA staff."

Communications Coordinator Craig Bailey and Policy and Planning Coordinator Maura Collins developed the Vermont Housing Data site along with William Sawyer and Cathleen Gent from the University of Vermont's [Center for Rural Studies](#) in

**"VHFA is proud to be recognized by its peers across the country as an innovator"
— Sarah Carpenter**

Burlington, with support and guidance from the state's housing community.

The site was developed entirely in-house and is the largest single source for Vermont-related market rate and affordable housing information. It features a searchable database of more than 120 pieces of data for every

town, village, county and the state. The site contains approximately a quarter-million statistics including historical figures that stretch back decades.

Vermont Housing Data is also home to the [Directory of Affordable Rental Housing](#) (DoARH), a searchable database of all subsidized housing in the state, including bed-

The site contains approximately a quarter-million statistics

room size, tenant population, unit restrictions, funding source and vacancies.

Public Affairs Manager John Fairbanks coordinated

the "Art House" exhibit under the auspices of the Housing Awareness Campaign, working with [the state's NeighborWorks® HomeOwnership Centers](#), [Chittenden Bank](#), the [Committee on Temporary Shelter](#), Very Special Arts, and other partners. Craig provided production support.

The project began last summer, when the

Campaign held several events around the state asking children to paint representations of what home means to them. From

The exhibit has shown in more than a dozen locations including the Russell Senate Building

dozens of entries, 25 works have been selected to tour the state as a testament to the significant role "home" plays in the lives of Vermont's children.

The exhibit has shown in more than a dozen locations, including the Russell Senate Building in Washington, D.C.

Black-Plumeau returns to Agency

Leslie Black-Plumeau has returned to VHFA as Research Analyst, a position she held at the Agency from 1998 to 2001.

Leslie provides research support for administration of VHFA programs and development of new housing initiatives. She also designs reports to facilitate the exchange of housing data and research information among VHFA staff members, management, Board of Commissioners, and other housing organizations.

In the two years prior to returning to the Agency, she owned and operated Black-



Leslie Black-Plumeau

Plumeau Consulting, a public policy research and analysis firm in South Burlington. During that time, she worked on a statewide housing

needs assessment for the [Vermont Department of Housing and Community Affairs](#) and other housing agencies, and conducted analyses related to the state's welfare program.

Plantilla joins national working group

Multifamily Development Underwriter Liza Vedder Plantilla has joined the Affordable Housing Working Group of the [U.S. Green Building Council](#)'s LEED for Homes committee.

LEED for Homes is a voluntary rating system that promotes the transformation of the mainstream home building industry towards



Liza Vedder Plantilla

more sustainable practices. The Initiative for Affordable Housing, funded by a grant from The Home Depot Foundation, is a component

The working group serves as the committee's primary resource for the implementation of the Initiative for Affordable Housing

of LEED for Homes that addresses differences between affordable housing and market-rate housing. The working group serves as the committee's primary resource for the implementa-

tion of the Initiative for Affordable Housing.

The U.S. Green Building Council is a Washington, D.C.-based group of building professionals working to promote buildings that are environmentally responsible, profitable and healthy places to live and work.

This spring, she joined the Board of Directors of the [Vermont Green Building Network](#). The Burlington non-profit organization strives to increase Vermont's participation in green building and promotes environmental, financial, community and health benefits of green design, construction, and building operation practices.

New VHFA.org debuts
VHFA unveiled its new Web site on Sept. 20. New features include:

- Searchable databases of participating VHFA lenders, real estate professionals, homeless shelters and other providers, and Housing Credit allocations and reservations
- Answers to consumers' most common questions about VHFA mortgage loans and finding affordable rental properties in Vermont

Homeownership activity

Fiscal year 2004

In FY2004, VHFA made more than \$87.4 million in home mortgage loans. This activity supported the purchase of 709 homes in Vermont. This is a 26 percent increase in volume over the previous fiscal year.

VHFA dispensed \$136,000 this fiscal year to fund portions of the first mortgage on 1,000 Vermonters' second mortgages. This activity is supported by the Vermont Homeownership Fund, which is a 501(c)(3) non-profit organization established in 1996. The goal of the campaign is to raise \$1 million over three years for the purpose of such activities.

This fiscal year \$440,000 from 8976 (issued in Real Estate Trust Accounts) funds were provided to assist Homeownership Center lenders with their development and/or closing costs.

VHFA borrower loans as a percentage of the area median income (AMI)	
Household income	Percentage of borrowers
More than 120%	7%
80% to 120%	47%
50% to 80%	54%
At or below 50%	22%

VHFA's average borrower profile:

Income	\$41,079
Mortgage amount	\$90,000
Home price	\$120,000

VHFA FY2004 homeownership program activity

Program	Purchases	Loan volume
HQIG (Mortgage for Homeowners)	692	\$62,694,830
VHFA Home Improvement Participation Loan (HAPL) (Homeowner-occupied homes being repaired)	27	\$33,481
Equity	16	\$1,000,000
Second Mortgage/Refinance	13	\$1,301,750

Need rental housing?

Why don't you use our management services

Instead...

- We provide **FINANCING** and **TAX CREDITS** to builders and develop additional rental housing to them.
- We **DO NOT** directly administer the acquisition or construction of rental properties for housing.
- CONTACT US ABOUT RENTALS, SYSTEMS, ETC. ...
- Search Our Database of Affordable Housing and Rental Units

- Consumer assistance information about avoiding foreclosure, identifying predatory lending and more
- Details on a number of creative VHFA initiatives such as bringing broadband to multifamily housing, the [Directory of Affordable Rental Housing](#) (DoARH), ending homelessness in Vermont and more

VHFA.org has been online since 1996. The latest redesign went live Sept. 20. It's VHFA's third major retooling of the site.

“The redesign reflects a rethinking of the audiences VHFA.org serves,” according to Executive Director Sarah

Carpenter. “We hope the new site delivers information to consumers and housing professionals more efficiently and dynamically than before.”

The new VHFA.org was designed by Communications Coordinator Craig Bailey to match the “look and feel” of other sites he’s developed for the Agency — such as the VHFA Business Partner Extranet (www.vhfa.net) and myVHFA.com, a site co-developed with Graystone Mortgage Corp. to serve mortgage customers of VHFA whose loans are serviced by Graystone.

Servicing and monitoring

VHFA's servicing and monitoring relationship with its multifamily borrowers is proactive. We are interested in the ongoing financial and physical well-being of each of the properties in the Agency's portfolio and are also available to offer advice and share on topics such as energy efficiency, equipment services, fire assessments and insurance needs, capital needs, tax credit compliance issues, and the future of rental subsidy programs that may be disbursed on your property.

We use the following links to keep us informed about the status of each property:

- **Operating Budget Projection (Form 888)**
 - **Submit Form**
29 KB, PDF
 - **1998-2008**
342 KB, PDF
 - **2008 annual operating budget**
832, 1/28/2008
28 KB, PDF
- **Quarterly Project Summary (Form 686)**
34 KB, PDF
- **Yearly Audited Financial Statements**
304 KB, PDF

Note: Audits are due 60 days after the end of the project fiscal year.

- Annual property inspection

Marthaswell Apartments
Astford

On the bus

On Oct. 13, the staff of VHFA boarded a chartered bus to tour a number of VHFA-financed properties in Franklin and Chittenden counties.

The all-day trip took staff to 14 single- and multifamily properties in South Burlington, St. Albans, Franklin, Swanton and Milton.

The [NeighborWorks® Home-Ownership Center](#) in St. Albans was another stop along the way.

Meg Pond (left), Director of Community Development for Lake Champlain Housing Development Corp., greets VHFA Director of Homeownership Programs Pat Crady at a VHFA staff tour of the St. Albans NeighborWorks® HomeOwnership Center



"Many of our staff members don't get to see, firsthand, the work we do," explains Executive Director Sarah Carpenter. "I think the bus trip made VHFA's accomplishments more 'real' to a lot of us."



The Yale mascot (left) peers out from St. Albans' Waugh Opera House, designed by a Yale grad in the 1890s. Twenty affordable apartments will occupy the top three floors when renovations are complete. The structure is on the National Register for Historic Buildings.



Colin Block of **Burlington Community Land Trust** gives a tour of Elmwood Homes, five new single-family homes near downtown St. Albans. The homes will remain permanently affordable. Current prices are \$192,000 to \$198,000. VHFA made a pre-development loan through our Homeownership Construction Loan Program.

Gov. Jim Douglas attended a portion of VHFA's annual Board of Commissioners strategic planning session Oct. 21. He discussed his recently announced housing initiatives to promote the creation of housing that's affordable for Vermonters. Below, from left: Board Chairperson Lisa Mitiguy Randall; Gov. Douglas, a former Board member; and Executive Director Sarah Carpenter



Energy efficient design competition

Efficiency Vermont has announced its 2006 Energy Efficient Design Competition.

The competition rec-

ognizes innovative and integrated design approaches towards energy efficiency in Vermont's commercial, institutional and multifamily buildings.

The registration deadline is Dec. 22, 2005.

For more information, contact Arun Veda, (888) 921-5900 x1134, aveda@veic.org; or Susan Coleman, (888) 921-5990 x1109, scoleman@veic.org. Or [visit them on the Web](#).

***VHFA quilt to be raffled for
United Way***

Several VHFA staffers created a unique queen-size quilt to be raffled off to benefit the [United Way](#)

**From left: VHFA quilters
Leslie Black-Plumeau, Pat
Lafond, Kimberly Roy, Ann-
Marie Plank, Pat Loller and
Nina McDonnell. Not pictured:
Liza Vedder Plantilla.**



of Chittenden County.

The quilt pattern is a Courtyard Design using batik tiles made from 18 unique fabrics. It was hand-tied.

Raffle tickets are available now through Dec. 22. The winner will be drawn Dec. 22.

Tickets are \$3 each, two for \$5, and five for \$10 and can be bought online. For information, contact Becky Greenough at (802) 652-3413, or email her.

Anne Duncan Cooley of the Upper Valley Housing Coalition and Ignatius MacLellan of Fannie Mae attend the Oct. 20 workshop in White River Junction

Awareness Campaign holds workshops

The Vermont Housing Awareness Campaign held its first two "Sharing Success: Strategies for Local



Housing Action” workshops Oct. 20 in White River Junction and Oct. 27 in Rutland.

More than 70 people attended the two events, which

included panel and workshop presentations, a roundtable discussion and announcement of mini-grants to support local housing initiatives.

Workshops are free and include a light dinner.

The next event is scheduled for Nov. 3 in St. Albans. You can register online at www.housingawareness.org.

