



Housing needs in East Central Vermont



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Summary

Some residents of the East Central Vermont region face extraordinary challenges finding housing that is both affordable and located near their jobs and needed services. Prevailing median home prices of \$173,000 during the first six months of 2013 are out of reach for thousands of area households making less than the area median income. The scarce rental options in many East Central Vermont communities make the search for affordable housing even tougher. Both homeownership and rental housing prices are in part driven higher by Windsor County's high proportion of vacation homes which limits the stock available for year-round residents and brings wealthier households into the region to compete for units. In a recent survey of residents, the East Central Vermont Consortium found that most respondents (74%) believe "ensuring housing is available and affordable" is the best tool for the region to use to attract young people and families.

A household that spends more than 30% of their income for monthly housing expenses is considered "cost burdened", according to HUD standards. An estimated 11,000 households living in Orange and Windsor counties paid this much in 2011 for their housing-related expenses (a combination of their mortgage or rent, utilities, taxes, and insurance). Of these households, an estimated 4,500 spent 50 percent or more of their income for housing, placing a considerable drain on the funds these residents have available for other basic life necessities. Households with heavy housing cost burdens are likely to be at the lowest end of the income spectrum.

Although these challenges are not unique to this region, they are no less confounding for the residents who face them and for the communities these cost-burdened residents call home. Working toward the following goals as a regional team can help municipal players maximize their impact on local housing markets:

- Expand the perpetually affordable housing stock available to the region's lowest income residents of all ages. Demand is high for subsidized rental housing in which tenants pay rent amounts that are adjusted to their income. Since current public funding realities make the likelihood of new rental assistance nearly impossible, the region is limited to tools such as:
 - Preserving existing affordable housing,
 - Renovating existing housing with public funding to create more high quality rental units affordable to extremely low-income residents,
 - Adaptively reusing non-housing properties to create more housing units, and
 - Increasing the number of affordable homeownership units through shared equity of existing homes in towns where the median home prices and incomes are out of balance.
- Target new housing development in municipalities with existing water and sewer infrastructure and through downtown development that follows historic settlement patterns.
- Embrace existing statewide and federal priorities, such as affordable, safe housing that encourages aging in place, accessibility, housing equity fairness, integration and smart growth.

Capitalizing on a variety of available tools and approaches can assist local and regional players in reaching these goals. As a work group of housing experts from East Central Vermont has already demonstrated in its initial recommendations, expanding and revising municipal plans and zoning regulations, pursuing affordable housing funding sources, and providing education and outreach to residents are the types of tools that will prove most useful.

The towns of East Central Vermont vary significantly from one another in characteristics such as the existence of zoning, degree of existing infrastructure, proximity to employment centers, and the level of community support. Ultimately, each community's unique features will determine which tools most effectively help residents live their lives affordably and sustainably.

This report was prepared for Two Rivers-Ottawaquechee Regional Commission on behalf of the East Central Vermont Sustainability Consortium and funded by the U.S. Housing and Urban Development Sustainable Community Regional Planning Grant Program.

Contents

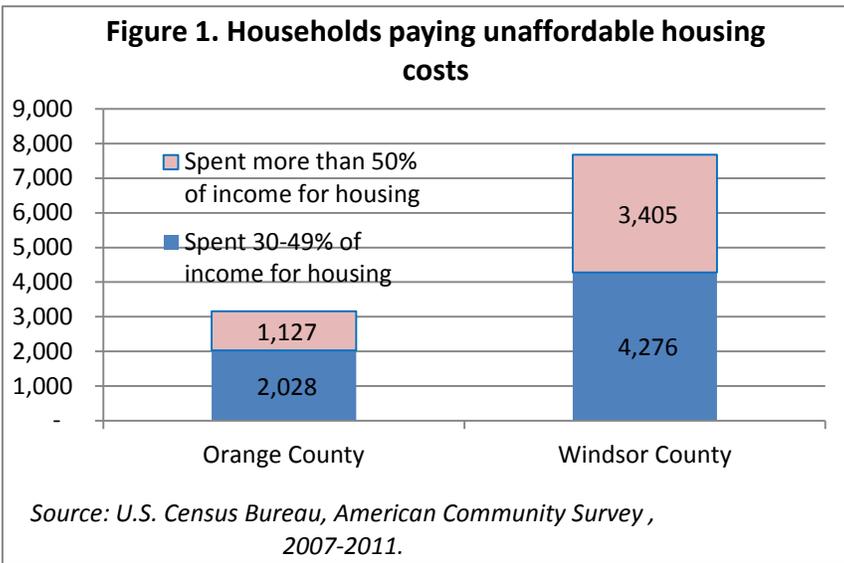
Summary	1
Household income	4
Affordability of buying and owning a home	4
Affordability of renting a home	5
Housing affordability among different types of households	6
Effect of home energy efficiency and transportation costs on housing affordability	9
County demographic projections.....	11
Regional housing market conditions.....	11
Housing vacancies	12
Homeownership Housing.....	12
Shared Equity Homes.....	15
Rental Housing	16
Vacation Homes	16
Housing Development.....	17
Conclusions, recommendations and policy tools to address gaps	18
Appendix 1: Community profiles	26
Estimated prevalence of residents who are cost burdened by housing expenses.....	27
Median home sales price and estimated median rent	28
Estimated prevalence of owner households cost burdened by their mortgage and other housing costs.....	29
Estimated prevalence of renter households cost burdened by their housing costs	30
Affordability of median priced home for median income household	31
Affordability of median priced home for median income family	32
Affordability of median priced home for median income family of four	33
Affordability of median priced home for median income senior-headed household (65+)	34
Affordability of median priced home for household with 50% median income	35
Affordability of median priced home for household with 80% median income	36
Affordability of median priced home for household with 150% median income	37
Affordability of median priced home for single-person household earning average county wage	38
Affordability of median priced home for single-person household earning minimum wage	39
Vermont designations pertaining to real estate development	40

Figures

Figure 1. Households paying unaffordable housing costs	4
Figure 2. Portion of households who own their homes.....	4
Figure 3. Mortgaged home owners paying unaffordable housing costs	5
Figure 4. Renters paying unaffordable housing costs.....	5
Figure 5. Rental housing stock in towns with more than 1,000 households.....	6
Figure 6. Income varies dramatically by household type	7
Figure 7. ...which affects the amount available for monthly housing expenses	7
Figure 8. ...and purchase prices affordable	8
Figure 9. ...placing local homes for sale out of reach for some residents	8
Figure 10. Rental housing for lower income households: Demand outweighs supply more extensively for non-senior households.....	9
Figure 11. Prevalence of home heating fuel types	10
Figure 12. Monthly costs of commuting	10
Figure 13. Growth in number of households.....	11
Figure 14. Housing vacancy rate estimates, 2011	12
Figure 15. Number of Primary Home Sales.....	13
Figure 16. Median Price of Primary Home Sales.....	14
Figure 17. Single-family homes in the MLS.....	14
Figure 18. Shared equity homes	15
Figure 19. Average rents in advertised vacancies.....	16
Figure 20. Number of vacation home sales	16
Figure 21. Median price of vacation homes sold.....	17
Figure 22. Recent multifamily rental housing construction.....	18

Household income

For most households, the costs of housing consume more of their income than any other type of expense. If a household's housing expenses rise and become out of balance with its income, its members have fewer dollars for other critical needs.



A median income household in Orange County made an estimated \$52,000 in 2011 and in Windsor, \$53,000—almost identical to the statewide median. By town, median household income in the region ranges from a low of \$35,000 in Hancock and Royalton to \$88,000 in Norwich.

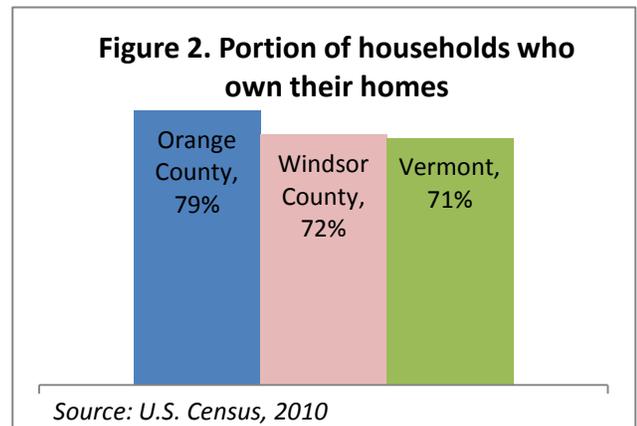
Unfortunately, the income of thousands of households in these counties was not sufficient to cover the cost of housing in a manner that leaves enough left over for other basic necessities. An estimated 3,155 (27%) of Orange's households and 7,681 (31%) of Windsor's spent more than 30% of their income housing. At the town level, Hartford and Springfield, the region's largest towns housed the greatest number of cost burdened

households. However, the percentage of resident households bearing high housing cost burdens was highest in Royalton.

Affordability of buying and owning a home

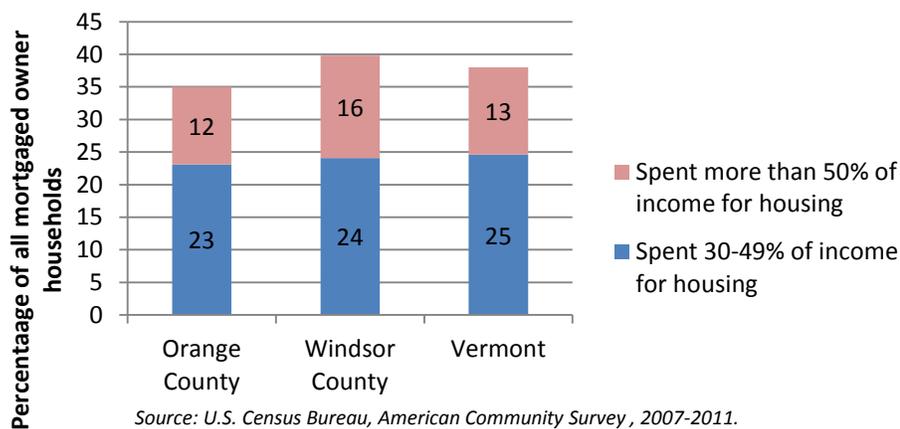
As with the rest of the state, the vast majority of East Central Vermont residents own their homes. In fact, Windsor and Orange County households are even more likely than the average Vermonter to be homeowners (rather than renters). Several forces affect the homeownership rate of particular towns and counties, including the availability of adequate rental housing options and the affordability of home purchase prices.

Recent declines in primary home sale prices and interest rates have put the median priced home in both Windsor and Orange counties within reach of median income households at the county level. The median income household in each county could likely afford the median primary home price of \$173,000 in Windsor County and \$156,000 in Orange County in 2012 assuming a five percent down payment, average taxes, insurance, and interest rates. However, some individual towns had home prices out of reach of the median income resident, with the most extreme being Hancock, Strafford, Pittsfield, and Norwich.



As in other parts of the state, 35-40 percent of mortgaged Orange and Windsor county home owners spent more than 30 percent of their income for their mortgage and other housing expenses. The most dire consequences are felt by the homeowners paying more than half of their income for housing. Sixteen percent of the mortgaged homeowners in Windsor County as compared to 13 percent statewide and 12 percent in neighboring Orange County faced housing costs

Figure 3. Mortgaged home owners paying unaffordable housing costs



this high. This translates to an estimated 1,540 East Central Vermont households paying mortgages and associated expenses that consume at least half of their income.

At the town level, Cavendish and Royalton had the highest incidence of cost burden among mortgaged owner residents

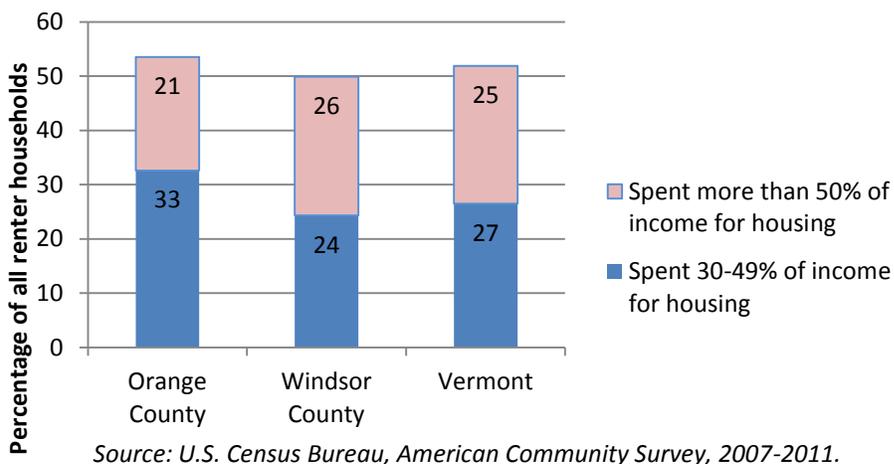
Unfortunately, the likelihood of foreclosure increases dramatically when a household's mortgage and other housing expenses consume a high portion of their income. Between 2010 and the first half of 2013, Orange and Windsor counties had 948 foreclosures, primarily among single family home owners.¹

Affordability of renting a home

Although less than a third of the region's households rent their homes, this portion of the housing stock is particularly important in light of the recent national upturn in the prevalence of households who would prefer to rent rather than own. Ensuring sufficient rental housing choices also helps provide more affordable options when house purchase prices are high. The incidence of housing cost burden is typically higher among renters than among owners due to the lower average income of renting households.

Similar to the remainder of the state, about half of the renters in the East Central Vermont region are spending more than 30 percent of their income for rent and utilities. Of these 4,000 cost burdened renter households, an estimated 2,000 households are spending at least half of their income for housing. Given the severe strain this places on a household's budget, these households are at a much higher risk of eviction, homelessness, and frequent moving—all of which harm residents and the community.

Figure 4. Renters paying unaffordable housing costs

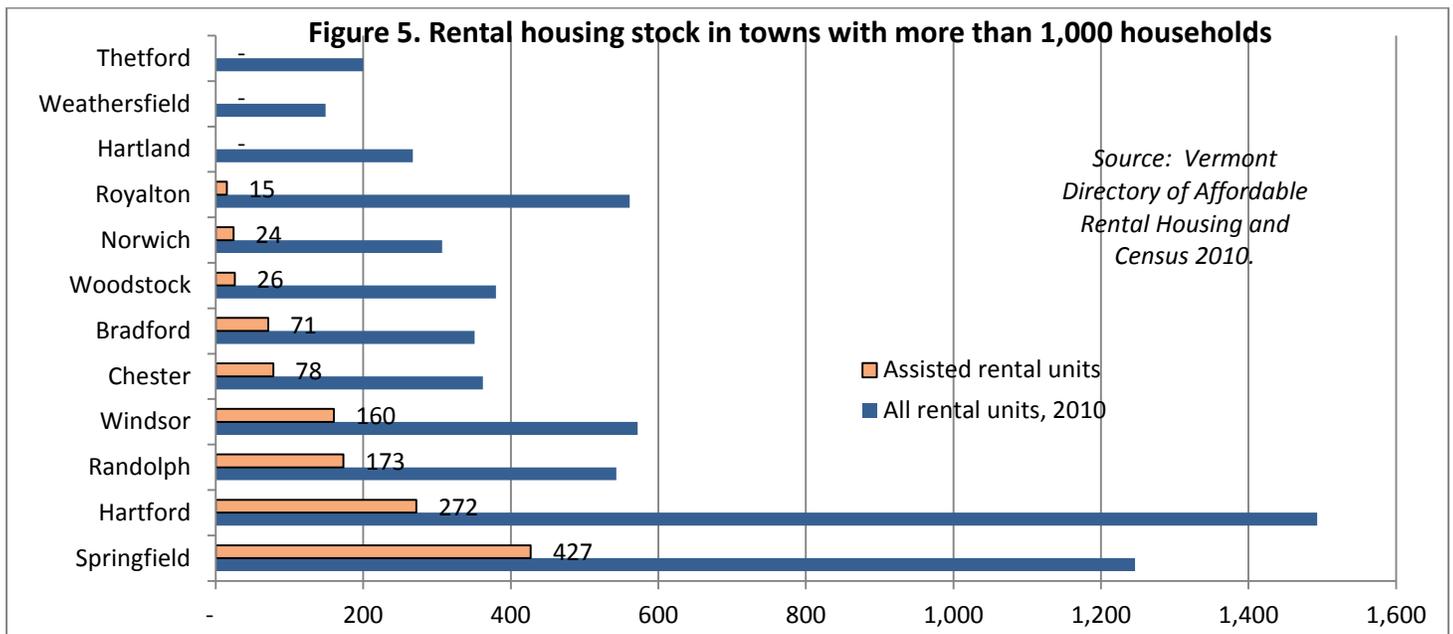


¹ [Vermont Department of Financial Regulation](#), Banking Division.

At the town level, renters were most likely to be cost burdened by their housing expenses in Bradford and Sharon.

With about half of all renters in the region paying unaffordable rental housing costs, perpetually affordable apartments funded through the efforts of federal, state, and local governments play a critical role. However, with declining funding available through these programs, only 16 percent of the 9,000 rental units in the East Central Vermont region are in housing projects that received project-based federal or state funding. Project-based housing assistance, such as the federal low-income housing tax credit program, subsidizes the creation of newly built or rehabilitated units. The infusion of capital during the housing’s development reduces the amount of rent that must be charged. These units are also subject to income and housing quality requirements to ensure that they target lower and moderate income households in efficient, aesthetically pleasing buildings in effective locations.

Nearly all of the region’s assisted rental housing is located in its four largest towns-- Springfield, Hartford, Randolph and Windsor. It is likely that these are the areas of the region with existing infrastructure to support residential development and where settlement patterns have occurred historically.



Housing affordability among different types of households

Each household’s ability to afford their housing costs depends on a variety of factors. Income, the availability of affordable appropriately sized and located housing, and the amount of non-housing monetary demands on the household’s budget all affect the capacity of a household to cover its costs. While some types of households are likely to earn enough to cover the costs of owning or renting in the East Central Vermont region, others are not. Households led by a single wage earner paid minimum wage or the average county-wide wage, for example, are not likely to be able to afford to buy a median priced home or pay the region’s median rent, based on standard affordability assumptions. Senior-headed households (aged 65+) are also likely to have difficulty buying and owning homes in the region.

Figure 6. Income varies dramatically by household type

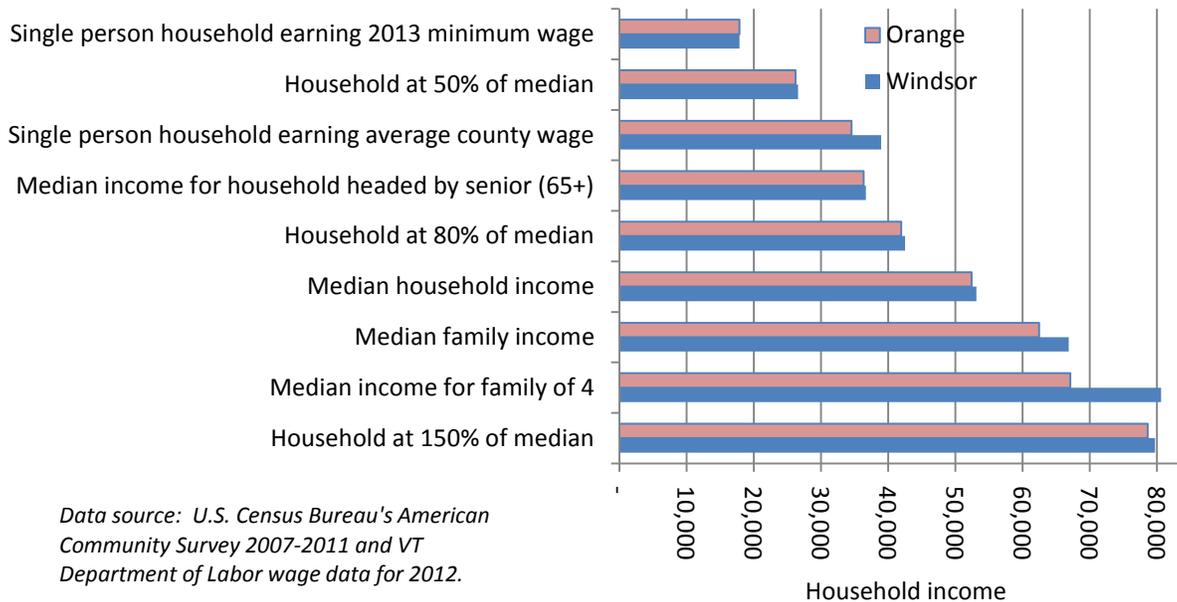


Figure 7 ..which affects the amount available for monthly housing expenses

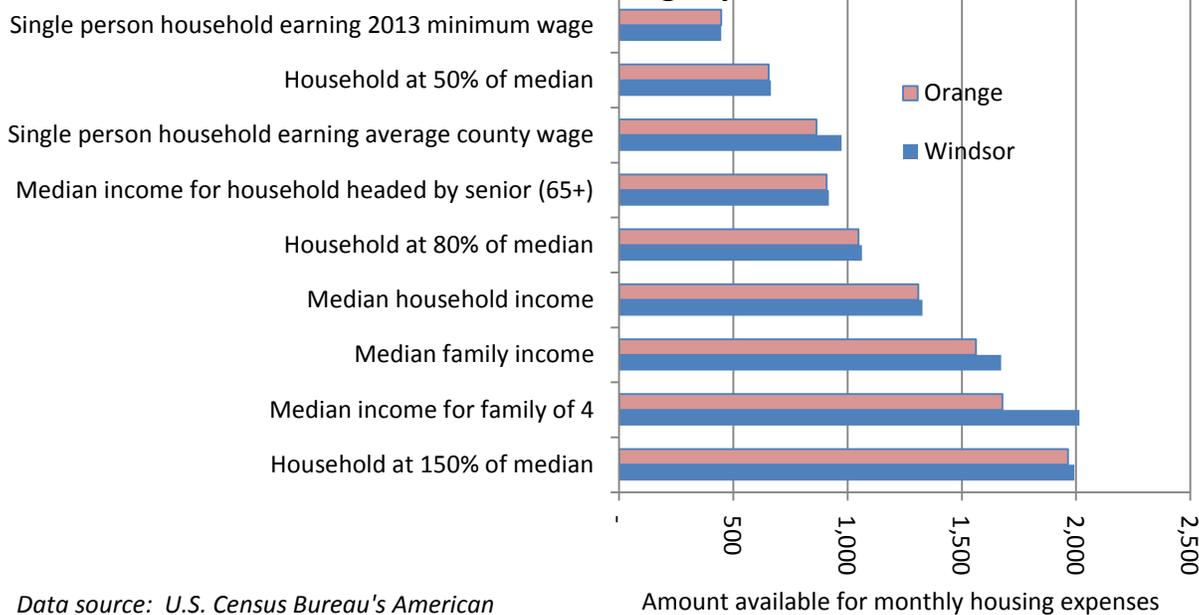


Figure 8. ...and the purchase price each household can likely afford to pay

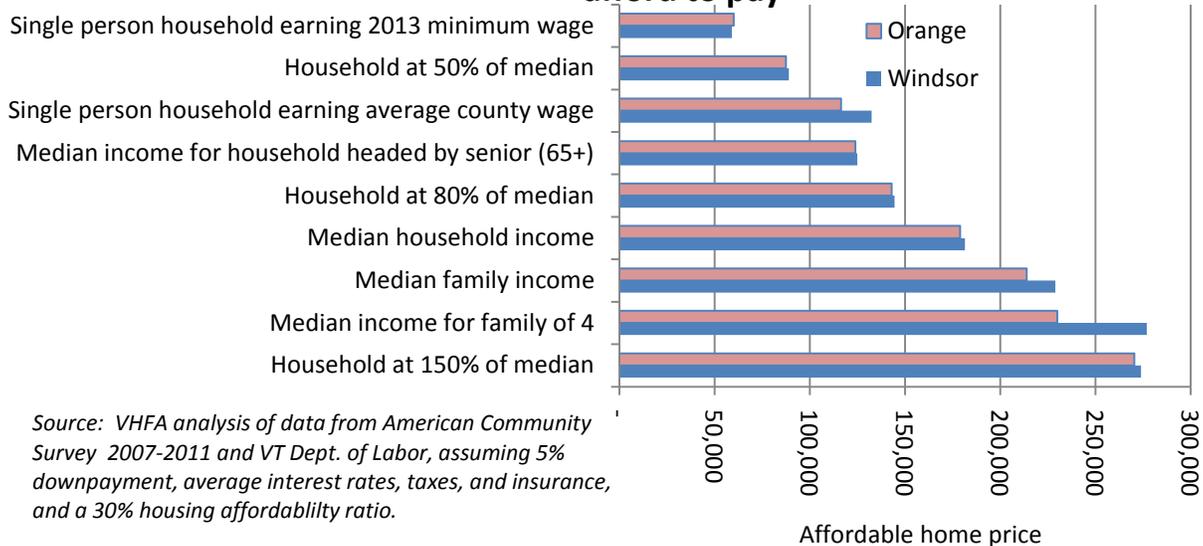
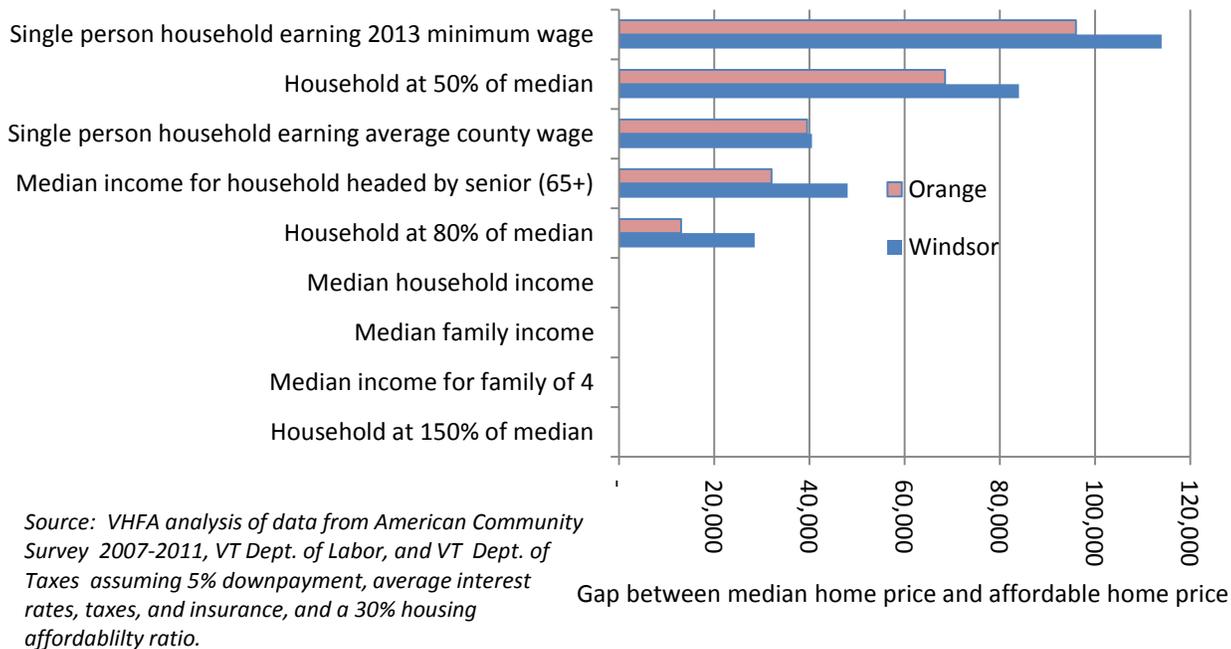


Figure 9 ...placing local homes for sale out of reach for some residents



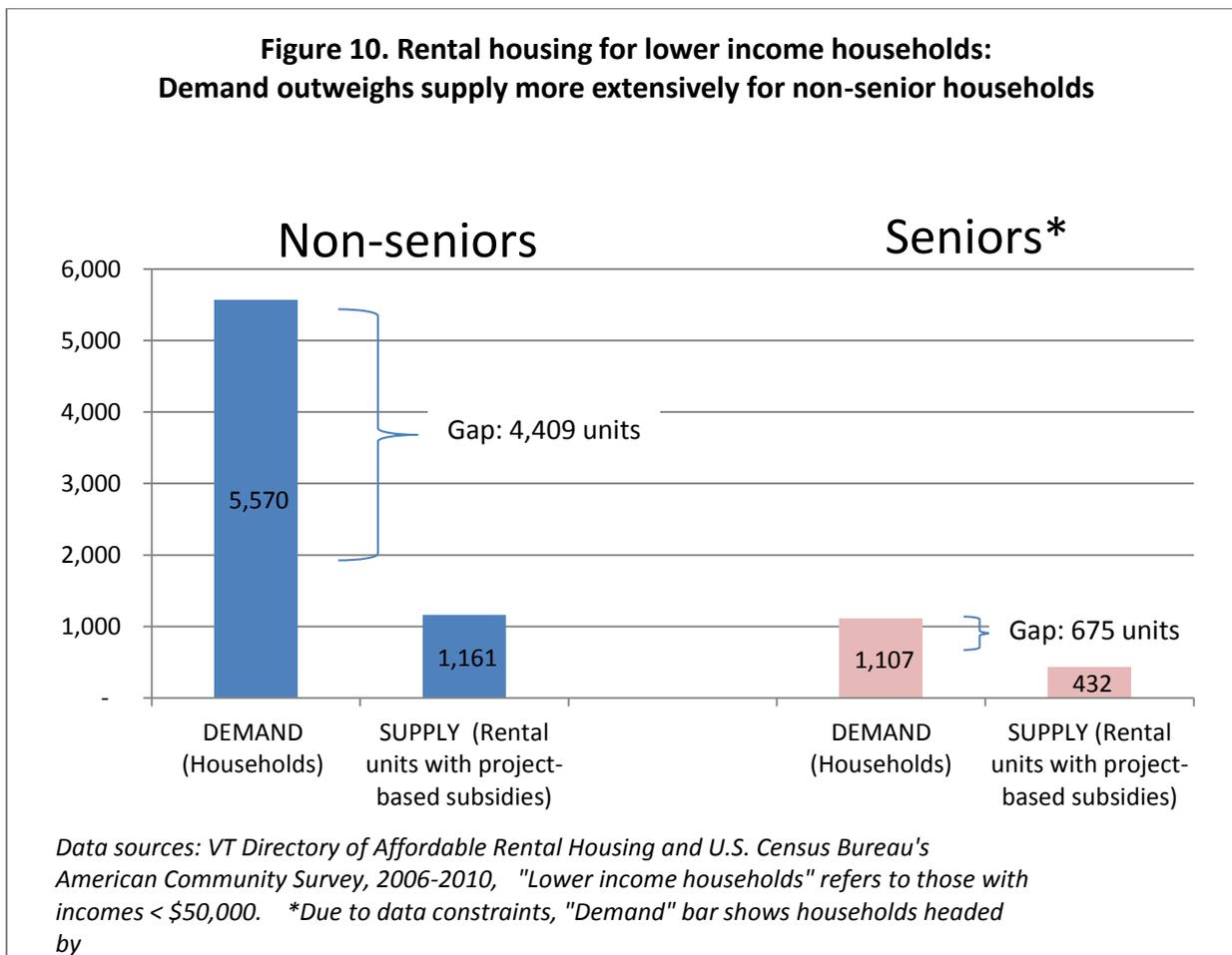
With owned home prices well above what some types of households in the region can afford, ensuring an adequate supply of rental opportunities is paramount. The median monthly rent of approximately \$800 in both Orange and Windsor counties is more affordable than prevailing median purchase prices.² Unfortunately, as in virtually every part

² US Census Bureau, American Community Survey 2007-2011, median gross rent in 2011 dollars.

of the state, households trying to live on minimum wage are still unable to afford the median rent level. Their annual income of approximately \$18,000 leaves them with a median rent affordability gap of \$331 in Orange and the \$395 for Windsor.

Over a third of the region’s stock of subsidized rental housing is restricted to tenants who are seniors aged 65 and up. These 432 units house an estimated 39% of the region’s low income senior renter households.

Unfortunately, low income households in the region headed by non-senior renters are even less likely to live in subsidized housing. The 1,161 units in the region’s subsidized rental housing stock that are available to non-seniors can only house an estimated 21% of these households.

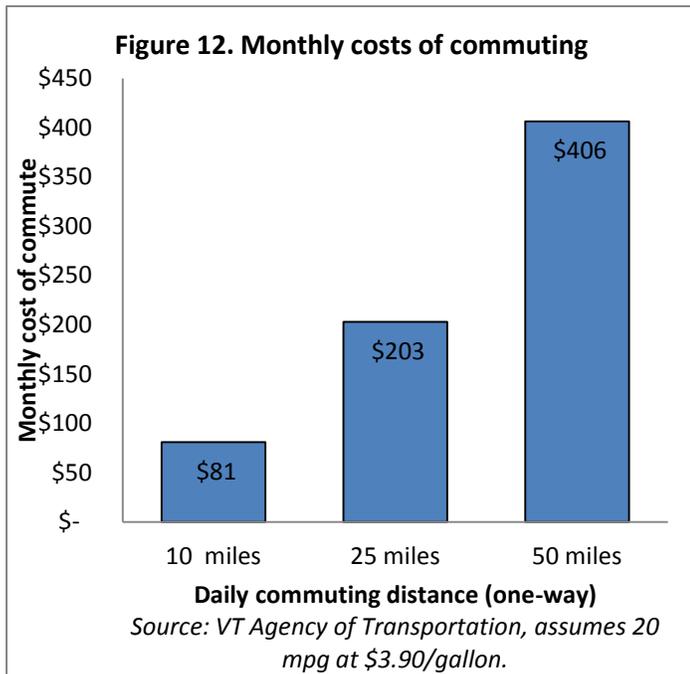
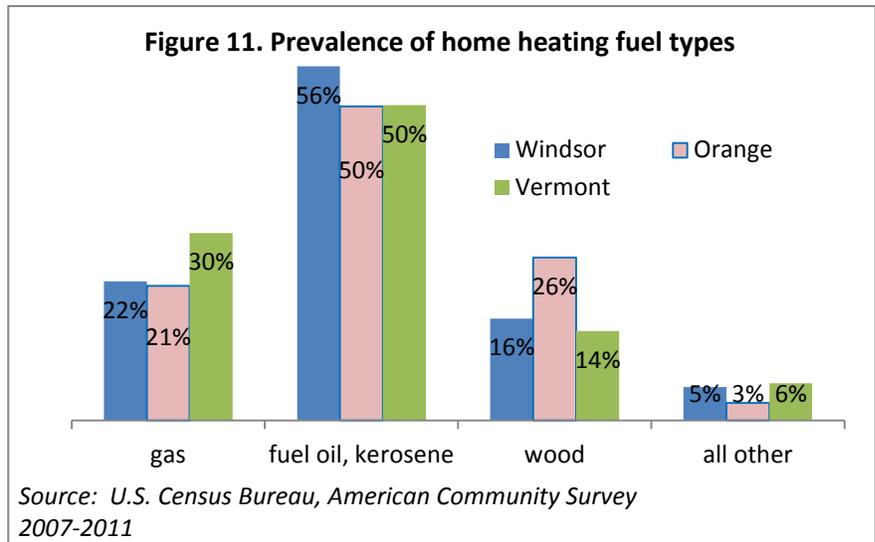


Effect of home energy efficiency and transportation costs on housing affordability

Home energy efficiency as well as the distance from home to job or other regular destinations have powerful effects on the total costs associated with a particular home. A household that includes the estimated costs of utilities and transportation when comparing the purchase prices and rents of potential homes will best keep all of the costs associated with living there within an affordable range.

In Windsor County, the use of fuel oil and kerosene is more prevalent than the statewide average. While the cost of natural gas is regulated by the state, the private market determines the price of fuel oil and kerosene allowing for greater potential price fluctuations. Unfortunately, this can lead to unanticipated cost burden increases for households using this type of home fuel.

According to a survey this summer of East Central Vermont residents, about half of the respondents said that their home was energy efficient. For the other half, however, the key reasons cited for not improving energy efficiency were (1) not being able to afford the improvements or (2) being renters who didn't have the option to make improvements.



The prevalence of East Central Vermont residents with short commutes of less than 10 miles has decreased dramatically, from 57% in 2000 to 45% in 2010.³ Not surprisingly, this change has gone hand in hand with an increase in residents with long commutes. The percentage of commuters traveling more than 50 miles to work has grown from 13% in 2000 to 21% in 2010.⁴

Living near employment or other daily destinations has a tremendous impact on the affordability of a household's monthly costs. For a household that lives 10 miles from work, driving to work is likely to cost \$122 less than a household who lives 25 miles away from work. Spending this much less on driving would allow a renting household to spend this much more on rent or mortgage payments. These savings would likely enable the average household in the region looking to buy a home 10 miles from work to afford a purchase price \$4,500 higher than if the home was 25 miles away from work.⁵ Furthermore, a household with a shorter commute is likely to have more stable future expenses because it is less vulnerable to increases in future vehicle gasoline prices.

The overwhelming majority of East Central Vermont survey respondents this summer said that they lived where they wanted to live (85%) and 212 of them said that they chose their current location because of the "peace and quiet of the countryside." 72% said that their home was located so they could buy food easily and near schools. Slightly fewer people (67%) said that it was easy to access medical services and social events.

³ Two Rivers-Ottawaquechee Regional Commission, "Road Travel Patterns in TRORC Region", 2013.

⁴ Two Rivers-Ottawaquechee Regional Commission, August 29, 2013 [Press Release](#).

⁵ Assuming a 30-year mortgage with average interest rates, taxes, and insurance.

Just over half of the people who work said that their home is conveniently located near workplaces. Yet despite all of this praise for the location of their home, 68% said that they wish they drove less, suggesting that there is a need for greater connection between the location of their home and needed amenities. This could be resolved through better access to transportation options, or more people living in more dense neighborhoods closer to services.

County demographic projections

After double digit rates of growth during in the 1990s, growth in the number of households living in the East Central Vermont region has slowed considerably. As of the 2010 Census, a total of 36,640 households considered Orange and Windsor counties their home location.⁶

Although *population* fell in Windsor County between 2000 and 2010, the number of *households* continued to rise by roughly 2.4% over the decade due to decreasing household sizes. As more of Vermont’s baby boomers enter their senior years, household size will likely continue declining due to the growing prevalence of single and two person households.

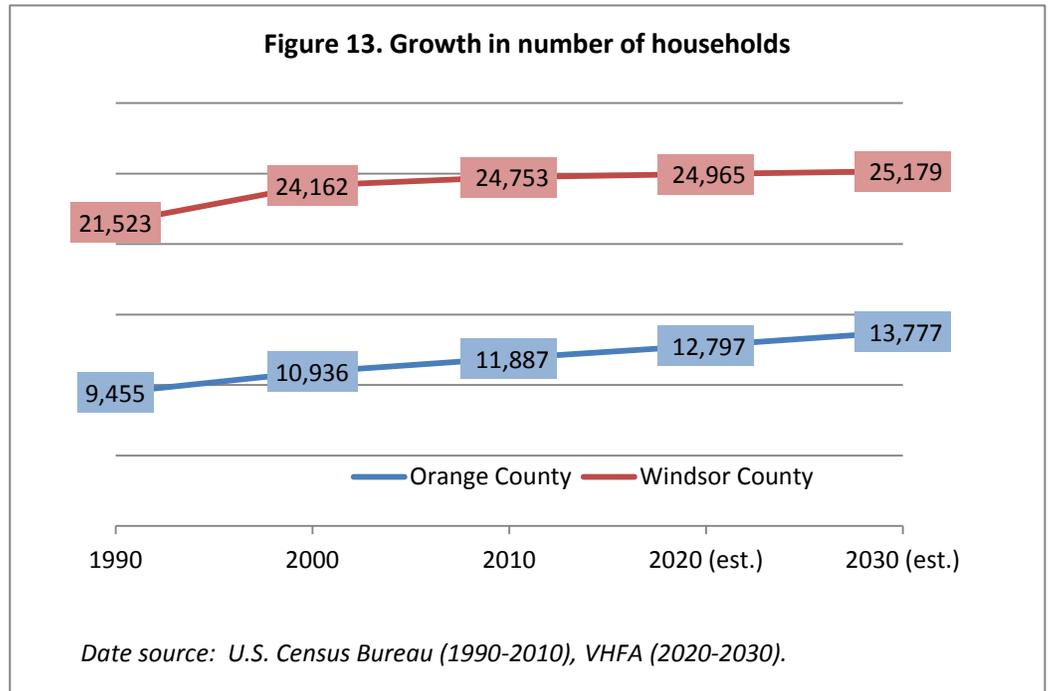
We expect the number of households in Windsor County to increase by roughly 1% between 2010 and 2020. If this rate remains constant during 2020-2030 decade, the total number of households residing in Windsor County will be an estimated 25,179 by 2030.

We expect the number of households in Orange County to increase by roughly 8% between 2010 and 2020, somewhat slower than the 9% growth rate between 2000 and 2010. If this rate remains constant during 2020-2030 decade, the total number of households residing in Orange County will be an estimated 13,777 by 2030.

If these projections hold true, Orange County will become the home of an additional 90 households each year on average and Windsor County, an additional 20 households.

Regional housing market conditions

The East Central Vermont region contains a variety of housing sub-markets. Windsor County’s ski areas and inclusion in the Lebanon, New Hampshire labor market area make it particularly complex. The presence of many vacation homes and seasonal employees coupled with diverse wage levels among year-round residents are all important factors in identifying this county’s housing needs. Both counties demonstrate a need for more affordably-priced housing options



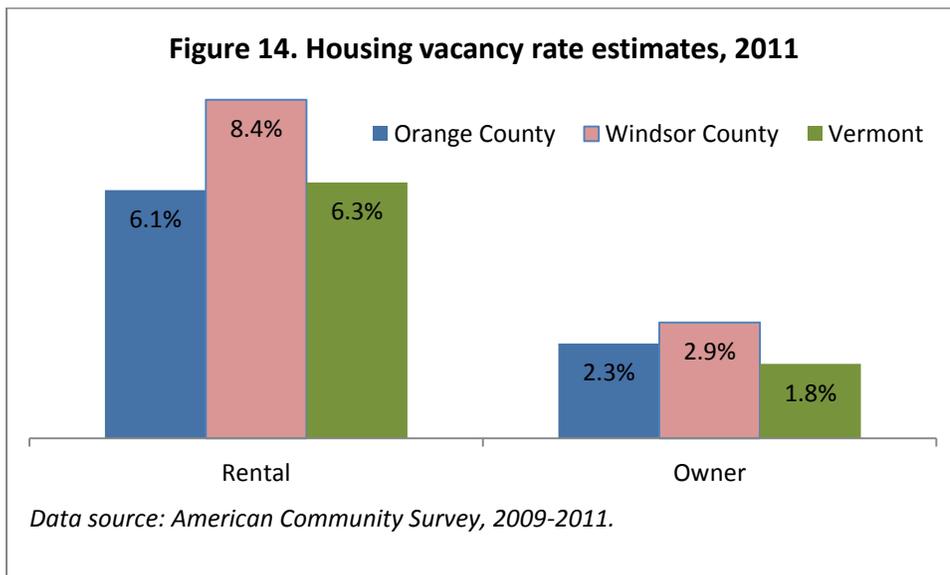
⁶ Census respondents who consider the East Central Vermont region their home “most of the time” are counted as residents.

for the region’s lowest income residents. At higher rents and sales prices, however, the market for the region’s rental and owner housing, especially in Windsor County, is less consistent.

Housing vacancies

Estimating the prevalence of true vacancies in Vermont communities is made difficult by the state’s rural nature, the high proportion of vacation homes and lack of a system to collect and analyze the data. Homes for sale or rent that were initially designed for seasonal use can elevate vacancy rates of resort areas, making it difficult to determine the level of vacancies among primary homes. Since such a large portion of Windsor County’s housing residents are seasonal, its vacancy rate for both rental and owner homes is likely to be higher than in other areas. Furthermore, the county-wide average in diverse Windsor County is also likely to obscure differences that exist from town to town.

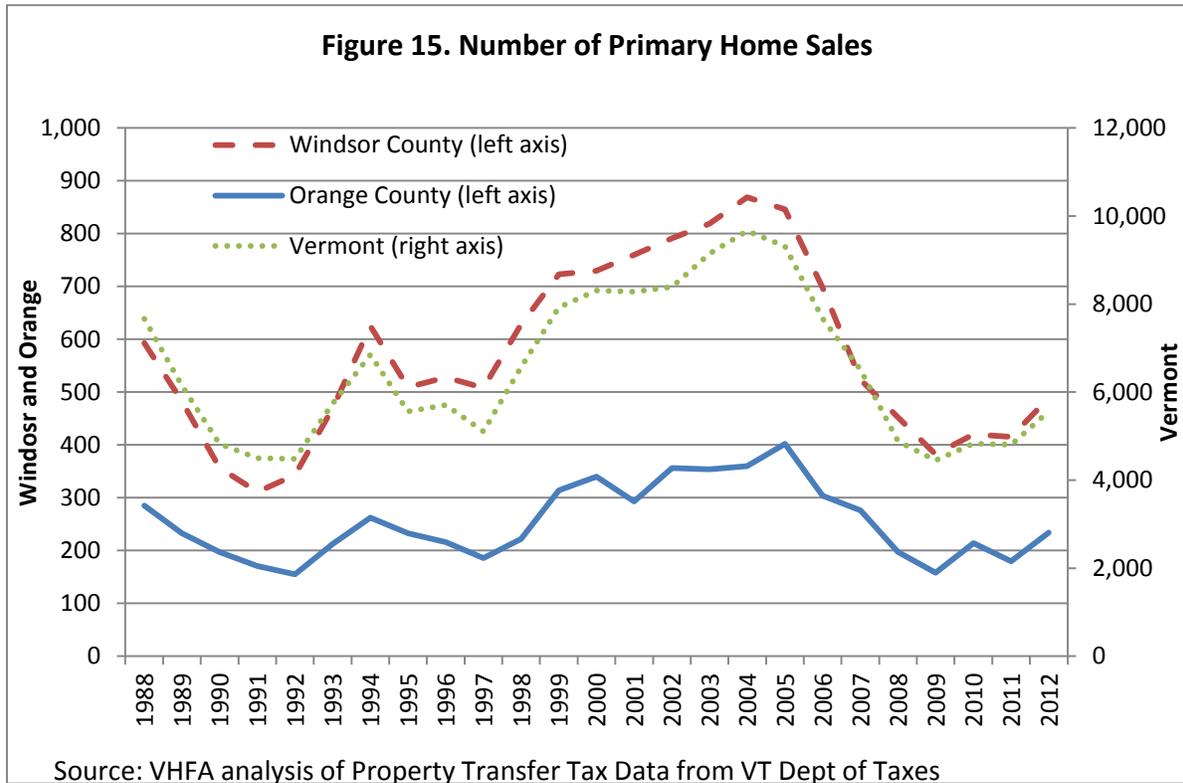
Homeownership units typically have a lower vacancy rate because there is far less turnover than rentals that often rely on annual leases. Vermont historically is among the states with the lowest vacancy rates in the nation.



East Central Vermont property owners and managers interviewed for this study described a steady take-up of conventional and affordable rental units when they became available, with relatively short vacancy periods. Not surprisingly, demand is highest for subsidized units where the rent paid by tenants adjusts to their individual incomes.

Homeownership Housing

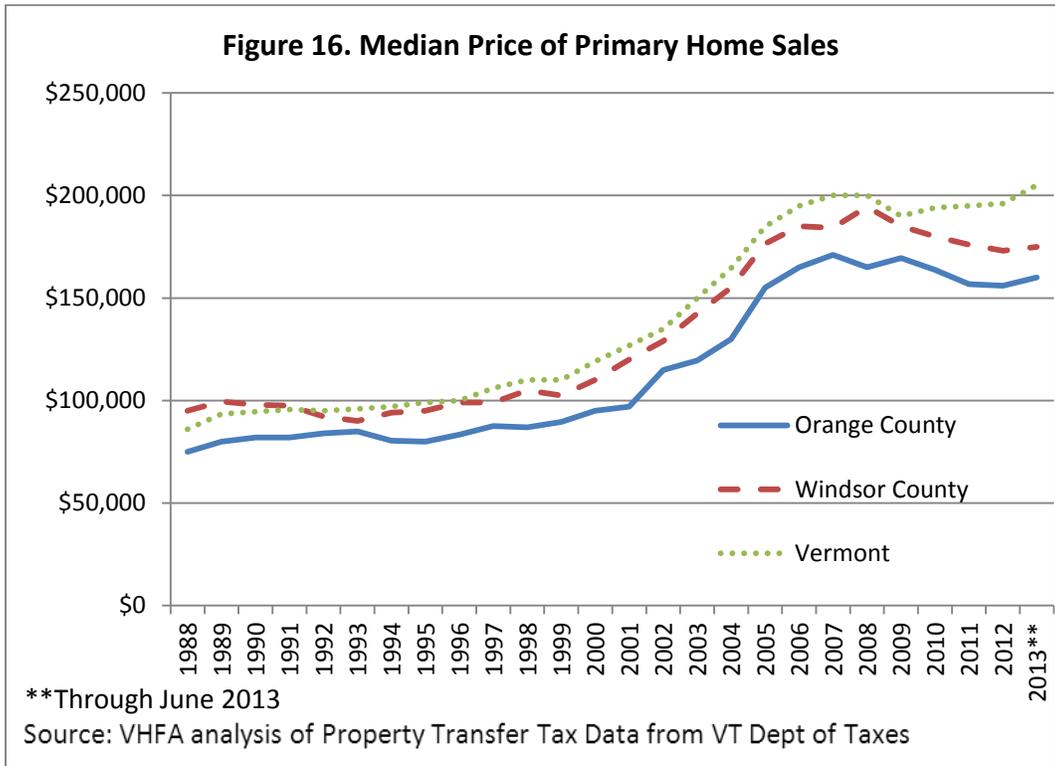
During the 2007-2009 recession, the number of home sales dropped precipitously nationally and in Vermont. The number of sales in both Windsor and Orange counties has followed statewide trends closely over the past 25 years.



Since 2009, home sale volumes have been increasing in both counties and statewide as interest rates remain low and the economy recovers. Additionally, federal tax credits for home buyers available between 2008 and 2010 likely “stole” many would-be buyers from 2011 and 2012 and encouraged them to move sooner than they may have planned because of the benefit of the federal tax credit. Therefore, it is only in 2012 and 2013 that we are likely seeing a return to normal levels of transactions.

Like sales volumes, prices of primary residences sold in Orange and Windsor counties traditionally follow statewide trends, but at lower levels. Historically, Windsor County’s median home prices are usually about \$7,000 less than the state and Orange County’s is about \$25,000 less.

Interestingly, the region’s median home prices began diverging from the state median as we emerged from the recent recession. Statewide, home prices have risen by 8% since 2009 while Windsor County’s has fallen by 5% and Orange County’s has fallen by 6%. During the first six months of 2013, median prices in both counties appear to be on an upward trend relative to 2012 (Orange and Windsor’s prices increased by 3% and 1% respectively). Neither county is keeping pace with the statewide median price increase of 5%, however.



There are currently 1,198 homes on the Realtor’s Multiple Listing Service (MLS) for Windsor County and 357 for Orange County. It takes a long time to sell a home in this region, and according to a Southern Windsor County Realtor, “it’s a buyer’s market.” Looking at how long a home is listed in the Multiple Listing Service of Realtors is one way to determine how “hot” or fast a market is. Both Orange and Windsor counties averaged well over eight months for listing duration. With few homes listed for less than \$100,000, competition for these more affordable homes is tight. However, the remainder of the single-family home market in the region appears less certain.

Figure 17. Single-family homes in the MLS

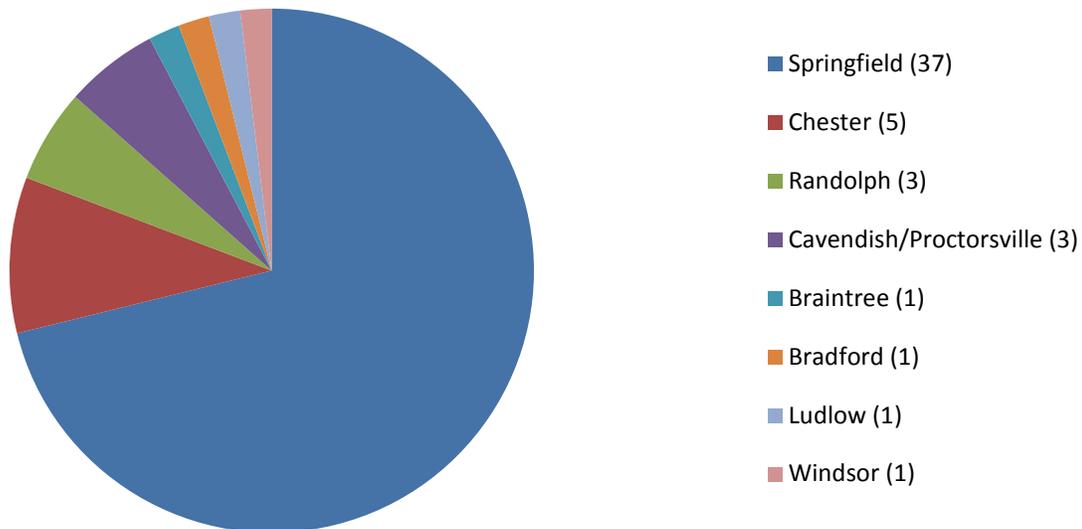
Price	Windsor County		Orange County	
	Active Listings	Sold July 2012 to July 2013	Active Listings	Sold July 2012 to July 2013
0-\$100,000	60	69	47	48
\$100,001-\$200,000	269	200	136	117
\$200,001-\$300,000	306	129	91	40
\$300,001-\$600,000	316	142	67	27
\$600,001-\$1,000,000	129	45	9	3
\$1,000,001-\$2,000,000	70	5	5	0
\$2,000,001+	48	7	2	0
<i>Total</i>	<i>1198</i>	<i>597</i>	<i>357</i>	<i>235</i>

Shared Equity Homes

A relatively small portfolio of affordable homeownership units in the region are part of the shared equity programs operated through the Central Vermont Community Land Trust (CVCLT) in Orange County and the Windsor-Windham Housing Trust in Windham County. Both entities operate the Homeland Grant Program which provides up to \$40,000 towards the purchase of eligible homes for income-eligible buyers. Participants sign a covenant in which they agree to limit the amount they can sell the property for in the future, and transfer the grant to subsequent buyers of the property so that other low to moderate income households can also benefit from this investment. This ensures that the home sells at a below-market price each time it goes on the market, thereby keeping it affordable. A recent evaluation of a similar program in Northwestern Vermont showed that the average household purchasing a shared equity home earned 69% of the area median income.⁷

The East Central Vermont region's housing stock includes 52 shared equity homes. CVCLT has 5 shared equity homes in Orange County and Windsor-Windham Housing Trust has 47 in Windham County. Springfield has more than all other towns in the region combined.

Figure 18. Shared equity homes



Source: Central VT Community Land Trust and Windham & Windsor Housing Trust. Number of homes is shown in at right of town name.

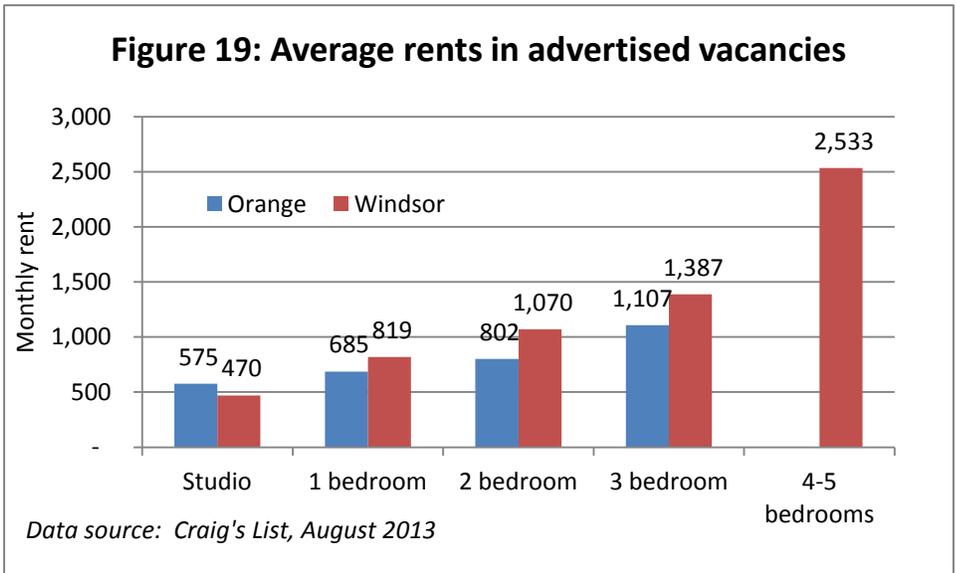
The Windsor-Windham Housing Trust director believes that marketing shared equity homes is challenging in areas like Windsor in which the median home sales price is already affordable to median income households.

⁷ [Lands in Trust, Homes that Last](#). Champlain Housing Trust. 2010.

Rental Housing

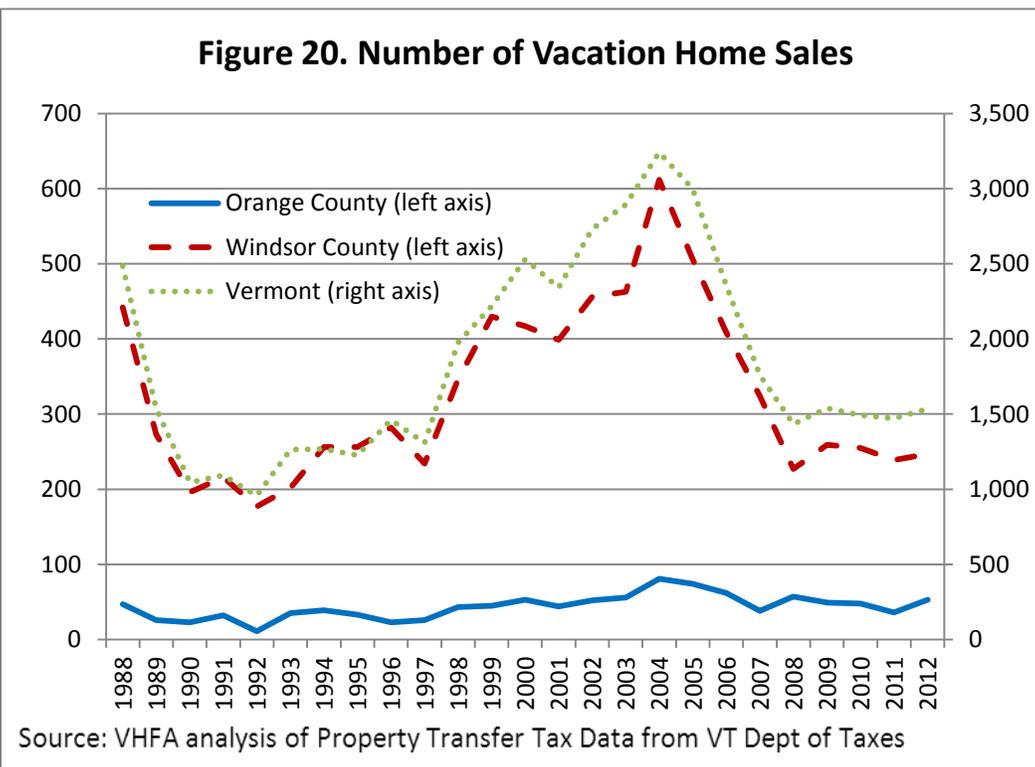
Estimates of the 2011 median gross monthly rent in Orange and Windsor are \$778 and \$842, respectively.⁸ Monthly rent can be near \$500 for the smallest apartments and \$2,500 for rental homes with 4 or more bedrooms, according to our recent survey of classified advertisements in the region. A total of 121 rental homes were advertised on Craig's List between July 1st and August 15.

The median number of bedrooms in the advertised units was two.



Vacation Homes

Seasonal and vacation homes comprise 16% of the state's housing stock-- 2nd highest in the nation, closely behind Maine. In a typical year, 22% of the state's home sales are vacation homes and that proportion has remained steady since 2000. Relative to vacation home sales statewide, Orange County has a lower proportion (typically 17% of home sales are vacation homes) and Windsor has a much higher proportion (37%). In areas with a great deal of interest from prospective second home buyers, it is important to consider prices of both vacation homes and primary homes since individual buyers and owners choose whether to use their homes as primary or second homes.

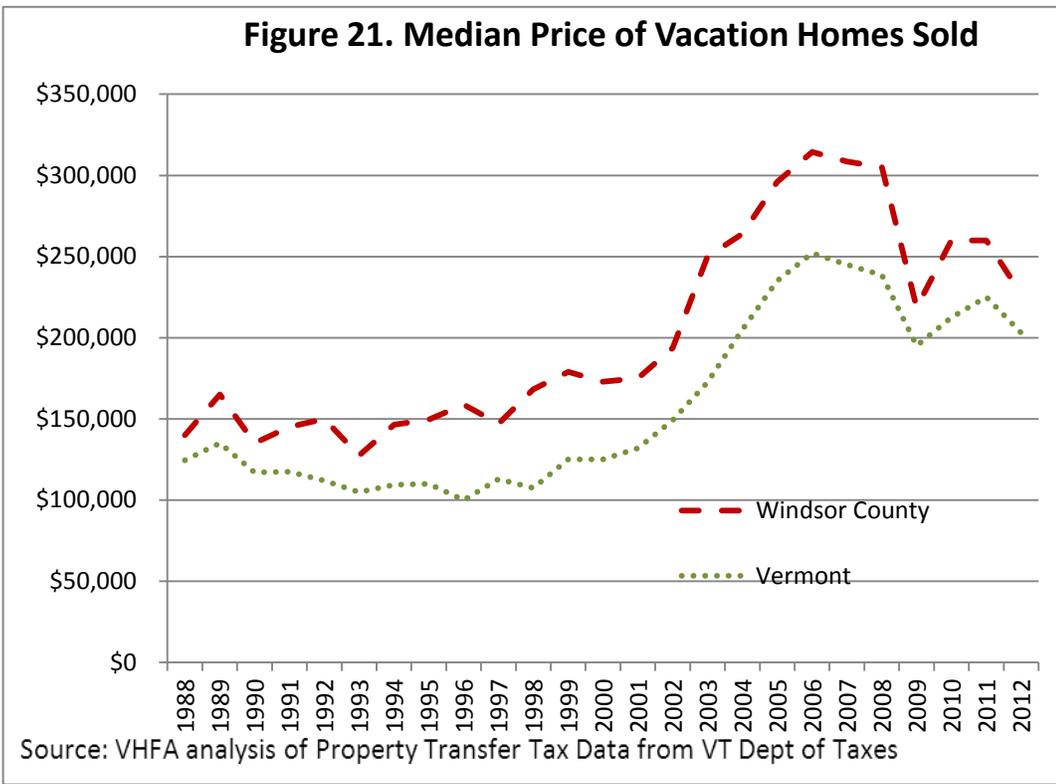


Windsor County's vacation homes are typically sold for about \$40,000 more than vacation homes in the rest of the state. The median sales price of these properties is usually about 30% higher than the state's overall median, although since the recession the difference has been reduced to 15%.

An example of the effect of seasonal homes and employees is Ludlow where a market study for redevelopment of the Black River Overlook rental complex recently took place. The market study report explained that "the town's seasonal

⁸ U.S. Census Bureau, American Community Survey 2007-2011. Rent estimates are in 2011 dollars and include utilities.

Figure 21. Median Price of Vacation Homes Sold



housing values tend to be toward the high end of the price scale and, because the influence of seasonal buyers extends into the village and the remainder of the community, this market has tended to push pricing upward on a town-wide basis.” The report goes on to explain the resort’s impact on employment: “...the number of persons employed ranges from 140 persons year-round to over 1,300 persons during the peak of the winter ski season.” “75 percent of available rentals are specifically intended for seasonal renters – at rental rates that are *well in excess*

of affordability for low or even moderate income households. ...we

estimate that Ludlow’s current vacancy rate – among units that are available to year-round renters – is lower than the statewide rate.”

The Black River Overlook property manager reported that approximately 70% of the households inquiring about renting in Ludlow have insufficient household income . He explained that “applicants tend to have incomes in the 20 to 50 percent of median range... and because of the presence of Okemo Mountain Resort, many applicants/tenants’ incomes vary significantly during the course of the year; sufficient during the resort’s primary operating season, but insufficient during the non-skiing portion of the year.”

Housing Development

According to Betty McEnaney of the Bean Group Realtors, there is currently little development of new owner homes in Windsor County. She allowed that there may be some custom built homes being constructed, but no speculative building in the area has happened for several years.

Additionally, we identified no recent multifamily rental housing construction in the region. The four affordable rental housing projects funded in the area recently were redevelopment of existing affordable units, rather than new construction:

Figure 22. Recent multifamily rental housing construction

Development	Town	Development Type	Number of Units	Occupancy
Greystone Village	Hartford	Redevelopment of existing affordable units	31 1-bedroom 3 2-bedroom	Restricted to elderly or disabled tenants
Depot II	Bethel	Redevelopment of existing affordable units	4 1-bedroom 6 2 or 3 bedroom	1-bedroom units are restricted to elderly or disabled tenants; others are general occupancy
Black River Overlook	Ludlow	Redevelopment of existing affordable units	15 2-bedroom 10 3-bedroom	General occupancy
Olde Windsor Village	Windsor	Redevelopment of existing affordable units	58 1-bedroom 19 2-bedroom	67 or 77 units are elderly only

As part of the proposals for these redevelopment projects, a market study was done for each community analyzing the experience of the projects themselves before redevelopment, as well as studying the market demands for similar housing within the surrounding market. Some highlights of those trends are listed below:

- In Hartford, “only one unit becomes available every 12 months, and there is a 14 day turn time on occupancy for new tenants,” the market study reads. This points to an extremely tight housing market in this area.
- Similarly, the report for Bethel reads, “The project has experienced strong demand throughout its operating history and particularly strong demand during the past few years. During recent years, the project has experienced full occupancy and averaged only one turnover on an annual basis. ... The project currently has a significant waiting list, as follows: 25 households for the 4 one-bedroom units and 21 households for the two- and three-bedroom units.”

The Hartford-based market study completed in October 2010 confirmed these findings when it stated, “Although occupancy and demand for multi-family properties is considered to be strong, there appears to be lack of interest from developers and investors for new development. Some individuals have commented that they have curbed any new plans as the current economic environment has led to financial uncertainty.”

71% of the towns in the study area have zoning, and half have some kind of state designation of being a designated downtown, village center, growth center, or new town center.

Conclusions, recommendations and policy tools to address gaps

The following policies were formulated by a community-level process that included seven participants representing a wide range of interests as the East Central Vermont Sustainability Consortium Housing Workgroup.⁹ The majority of the Workgroup’s recommendations align with the findings of this study, although some need further attention if they are to match state housing priorities and this study’s conclusions.

⁹ Kristi Morris, Housing Workgroup Chair and Springfield Selectboard Chair; Ray Brewster, RuralEdge; Lori Hirshfield, Town of Hartford; Julie Iffland, Randolph Area Community Development Corporation; Lorelee Morrow, Two Rivers-Ottawaquechee Regional Commission; Andrew Winters, Twin Pines Housing Trust; Dan Potter, Southern Windsor County Regional Planning Commission; Anne Duncan Cooley, Upper Valley Housing Coalition; and Kate Cruickshank, Champlain College.

Housing Workgroup Recommendation:

1. Municipalities should evaluate their role in supplying the region's housing stock by assessing their capacity for growth.
 - Suitable locations in both towns with infrastructure as well as those without.
 - Collaboration with neighboring towns, regional planning commissions, housing trusts, and other non-profit housing groups (e.g., housing authorities).

Consideration should be given to:

- Aging in Place
- Accessible, Safe Housing
- Low-income Housing
- Work-force Housing
- Fair Housing that advances integration and inclusion
- Energy Efficiency
- Connection to transit routes or walkable to services

VHFA Response

The need to ensure affordable, safe, and decent housing opportunities for all residents in each community is crucial. Our nation has a long history of housing discrimination that can still occur across the country, including Vermont. Additionally, the power of neighborhood opposition to housing development (often termed Not in My Back Yard, or NIMBYism) remains strong. Because this can be a key factor in limiting housing development and redevelopment opportunities, it is appropriate for every municipality to “evaluate their role in supplying the region's housing stock by assessing their capacity for growth.” That said, the idea of a fair share distribution of housing across all municipalities without a deeper examination of employment opportunities, community amenities, or demand from residents can potentially lead to underutilized housing and even sprawl.

With a region that is expecting little growth in the near future, municipalities should be challenged to examine opportunities beyond encouraging new housing development. This includes the recommendations noted in the summary:

- Preserving existing affordable housing,
- Renovating existing housing with public funding to create more rental units affordable to extremely low-income residents,
- Adaptively reusing non-housing properties to create more housing units, and
- Increasing the number of affordable homeownership units through shared equity of existing homes in towns where the median home prices and incomes are out of balance.

This Workgroup recommendation will be strengthened if it clearly reflects the state's priorities of focusing development in areas with historic settlement patterns, ideally clustered in downtowns, village centers, and reduces rural, sprawling development. This type of compact design and development will improve affordability, energy efficiency, reduce transportation costs for both residents and municipalities, and improve health outcomes. Public affordable housing funding already considers the location of housing as a key consideration, and limits projects to community centers.

Finally, the bullet points listed for consideration are all worthy and important criteria for consideration. Each will require a firmer definition, set regionally so that the area can examine if it is indeed meeting the goals set out here. In the end, it will be up to the individual municipalities to commit to set their priorities and regulations along these lines, if this type of housing will be supported.

Housing Workgroup Recommendation:

2. Encourage multi-family housing, assisted living facilities and group homes (including Single Room Occupancy facilities), and senior housing in close proximity to services in village and town centers, along public transport routes, in areas with adequate public sewer and water service, or in areas of soils suited to onsite wastewater technology.

VHFA Response

Developing dense housing is typically less expensive than housing that takes up more land because of the cost of that land. Additionally, encouraging “housing in close proximity to services in village and town centers, along public transportation routes,” and in areas served by infrastructure necessary for development are goals that align well with the state’s overall housing policies. Clustering development in these communities is not only desired by residents (as can be seen by the “What We Want” survey results), but it also is the most ecologically efficient approach to land use.

This recommendation is strong because it focuses on a myriad of housing options, from multifamily housing to assisted living facilities to single room occupancy units. The data in this analysis has shown, though, that the region does not need to expand its portfolio of age-restricted senior housing but does need to increase its general occupancy housing affordable to the lowest income households with no age restrictions . As shown above, the region needs 675 more units for elderly households and 4,409 more units for younger renters. Since lower income elderly households are eligible to live in non-age restricted units, many live in the existing general occupancy affordable units available and others could if new non-age restricted housing were developed.

57% of the respondents to the East Central Vermont Consortium’s recent survey said that their community was not set up to support Vermont’s aging population’s desire to continue living in their homes and communities as they age. Implementing this recommendation would help address this concern.

Housing Workgroup Recommendation:

3. Provide incentives to property owners to rehabilitate existing vacant structures for housing in town and village centers that are compatible with existing neighborhoods.

VHFA Response

As stated in response to recommendation #1, this region of Vermont has a need to create more affordable housing options for its residents, and one way to do this is to rehabilitate and renovate existing housing units and bring them into the subsidized housing inventory.

Additionally, rehabilitating existing structures, will bring more housing up to meet basic life safety codes, reduce the incidence of lead based paint, increase home energy efficiency, and possibly increase the property values which could increase municipal tax collections to support community infrastructure.

The benefits of rehabilitating housing are not limited to already vacant properties. Vermont has some of the oldest housing stock in the nation, and 47% of the homes in Orange and Windsor counties were built before 1970. While not all older homes are in need of rehabilitation, the age of housing can indicate housing quality in the absence of any better information.

In addition, the recent wave of foreclosed homes that the state has seen as a result of the Great Recession has likely taken its toll on housing quality. It is highly probable that most of the 948 foreclosed homes in Orange and

Windsor counties since 2010 are in need of rehabilitation in order to make them habitable and “compatible with existing neighborhoods.”¹⁰

This recommendation would be strengthened by striking the word “vacant” and allowing the incentives created to be applied to all existing housing in need of rehabilitation.

Housing Workgroup Recommendation:

4. Provide a balance of housing for a mixture of incomes that is driven by the housing market through a variety of mechanisms such as:
 - Raising awareness and support of affordable housing issues among the public
 - Transfer of Development Rights (TDRs),
 - Cluster development/waivers,
 - Planned unit development,
 - Inclusionary zoning,
 - Density bonuses,
 - Accessory dwelling units (including educating homeowners about their right to build ADUs),
 - Adaptive reuse of larger buildings to multi-family
 - Reductions in development fees, and
 - Conversion of single-family to multi-family homes.

VHFA Response

In addition to the list above, there other opportunities to consider:

- All towns could:
 - Write up a strong housing component in the town plan that is based on current data proven needs and not only updates the highlighted topics from years past but ensures that the headings and data captures the highest needs currently;
 - Actively help identify land suitable for development and work with developers and existing property owners to highlight opportunities for partnership;
 - Help the community to visualize density so that they understand existing zoning so that they might be less upset when housing developments that fit within the allowable density is proposed for a neighborhood. This also could allow the community to potentially become comfortable with raising density allowances;
 - Actively work with the Regional Planning Commission to ensure local planning is in support of regional goals;
 - Strongly support housing development throughout the process such as adopting “on the record” review, creating predictability and minimizing timing delays for developers¹¹; and
 - Make sure all communities allow for the approval of ADUs at the municipal staff level, and not require ADU approvals to go before a Planning Commission or other board. This leads to delays, and a higher possibility that eligible ADU developments may not be approved.
- For the 29 towns with zoning:
 - In addition to the density bonuses, consider higher lot coverage or height bonuses for affordable housing;
 - Consider reductions in parking requirements, waiving requirements or lowering them for downtown housing or mixed use developments; and

¹⁰ [Vermont Department of Financial Regulation](#), Banking Division.

¹¹ The towns of Chester, Ludlow, Randolph, Springfield and Windsor already have on the record review.

- Look closely at infrastructure requirements for roads, recreation, schools, and consider how much cost they might be adding to the housing developed.
- For communities with a high proportion of rental housing stock such as Royalton, Windsor, Ludlow, Hartford, Fairlee, Springfield, Bradford, and Randolph:
 - Consider creating a local rental housing registry so that towns know where the existing rental housing is within a community, and create a database to communicate with landlords when necessary. Additionally, consider having additional rental codes or local enforcement of minimum state requirements, like 11 communities in Vermont already do.

Because the tools listed by the Workgroup can be complex to implement, each needs to be defined and examples given of places that have successfully implemented them in order for this to be a useful menu of options for towns.

It would be inappropriate to recommend any one of these approaches over any other for the entire region since adoption would require local participation and buy in to the process and outcomes. That said, some of these will have far greater impact on affordability and availability of housing and so the additional tools listed above are roughly in order of impact, starting with the lowest and moving up towards higher cost and potential impact.

VHFA, in partnership with the Agency of Commerce and Community Development and the state’s Regional Planning Commissions, are hoping to roll out a model of presenting this information. Hopefully, in 2014, RPC partners will start to work with municipalities to walk through this list of recommendations and begin to work with local partners. They will be armed with online resources, and contacts within the state who have implemented these steps.

Housing Workgroup Recommendation:

5. Create additional state housing credits to supplement the limited supply of federal credits, which can finance the creation of senior housing units.

VHFA Response

This recommendation gets at the heart of why this state has limited affordable rental housing: the public resources to support these units have not kept up with demand.

State housing credits are only one of several tools that can support the creation of affordable housing in our state. It is recommended that the reference to “state housing credits” be changed to “resources” to include important opportunities such as fully funding the state’s housing trust fund, called the Vermont Housing and Conservation Fund. Increasing funding through that channel could lead to more funding for the Homeland program which supports the shared equity model of perpetually affordable homeownership. It also could lead to more money for the Vermont Home Access Program which flows to the Vermont Center for Independent Living and supports accessibility modifications in homes of people with physical disabilities. Also, demand is highest for deeply subsidized rental housing with rental assistance that adjusts to tenant income. State housing credits do not provide that deep subsidy but instead create units that rent for about 78% of the median. The state does fund a limited number of rental subsidies that, if expanded, could make existing rental housing affordable to extremely low-income households.

Additionally, as discussed above, there is greater need to finance the creation of general occupancy affordable rental housing units, rather than age-restricted senior housing. Not only are there already more senior housing units than those with no age limitations, but elderly housing often has an easier time being approved locally, and often faces fewer NIMBYism complaints. Because of this, by recommending that the additional resources finance the creation of all housing units, and not just those that are age restricted, it helps to level that playing field.

That said, there is a subset of “senior housing” in need of expansion in this region. Research shows that Vermonters are not utilizing senior housing once they reach the age of eligibility (typically 55 or 62). Instead, most 55 or 62 year olds are still healthy and living independently and are not interested in moving into “senior housing” until and unless they have some kind of need that needs to be addressed. For example, they may need to stop driving and become isolated; they may need help with their medication management; or want to have a meal or two made available to them daily. The age in which households are moving into elderly housing developments is increasing, as is the number of “activities of daily living” that they need help with. Therefore, instead of needing more age restricted housing which excludes younger, working households, what the region, and the state, really need are more service enriched housing opportunities for elders, such as affordable assisted living.

Housing Workgroup Recommendation:

6. Incentivize affordable housing through a variety of methods:
 - Expedited permitting review (if specific conditions are met-e.g. a percentage of fair share housing included).
 - Investigate consolidated permitting methods (that is, consider how multiple layers of required permitting might be satisfied).
 - Bonus densities (and fee waivers)
 - A review of uses, minimum lot sizes, lot coverage, heights and densities in districts.

VHFA Response

Similar to the tools in recommendation #4, this list focuses on incentives for affordable housing, specifically. These recommendations would be appropriate for the 29 communities with zoning. Below are a few additional items for municipalities either with or without zoning to consider specifically for affordable housing:

- Apply for Community Development Block Grants on behalf of affordable housing developers;
- Create an active affordable housing commission charged with continual attention to the issue similar to a Cemetery Commission, a Conservation Commission, and others;
- Identify targets of affordable housing units for low or moderate income households;
- Apply to be a “designated downtown,” “village center,” or “town center” by the state to trigger housing incentives for the developer;¹² and
- Create a housing trust fund, either along the lines of the three that exist already in Vermont, or consider a new approach.

Merging this recommendation with #4 above would provide the full range of tools and incentives and could highlight the opportunities for affordable housing where appropriate. Increasing the availability of all housing stock will help relieve some pressure on prices, thereby potentially increasing the affordability of units across the market, although in communities with strong demand for affordable housing will likely need additional focused efforts to create subsidized housing.

Housing Workgroup Recommendation:

7. Support higher density neighborhoods and mixed-income housing (including multi-family) in rural areas by: Encourage mixed income housing development to avoid concentrating affordable units in a limited number of areas
 - Creating funding mechanisms and alternatives for infrastructure (at least wastewater) in smaller, rural towns,

¹² 20 towns have some kind of state designation within them, as stated in the table on page 16.

- Going to smaller lots and reducing other requirements in larger town areas with public sewer or water
- Encouraging infill and second story residential in mixed residential and commercial-use districts in town and village centers.

VHFA Response

While higher density neighborhoods and mixed income housing, including multifamily housing, are ideal models, developing in rural areas can cause unintended negative impacts. Without examining individual market studies that are often commissioned to examine the potential demand for a specific proposed development, it doesn't make sense at this point to encourage housing development in rural areas outside of designated downtowns, village centers, or outside of historic settlement patterns. This recommendation needs more data collection and detailed analysis before it can be widely supported and adopted.

Housing Workgroup Recommendation:

8. Promote innovative construction and renovation design techniques that enhance affordability, energy efficiency, occupants' health and environmental suitability near employment, transportation lines and/or service centers.

VHFA Response

Promoting innovation in construction and design are wonderful tools that should be encouraged by all levels of government and all partners in housing development. These innovations in energy efficiency and enhancing occupants' health and environmental suitability are probably very different than any tools that could be used to improve affordability, which would be improved more by increasing density and limiting infrastructure requirements or permitting fees as discussed in recommendations #4 and #6 above. Finally, the idea of siting housing near "employment, transportation lines and/or service centers" is crucial, and hopefully can be addressed in recommendation #1, as recommended by this study. By separating out the multiple goals identified in this one recommendation will show a clearer priority for communities to act upon and developers to respond to.

Additionally, it is difficult to imagine what incentives a municipality could provide that would be beneficial to a housing developer that could help enhance energy efficiency or occupants' health and safety. Already, builders are naturally inclined to ensure construction practices and design that will be most efficient and marketable since more consumers are demanding this. While promoting techniques, or creating incentives, could be a great benefit for the region, it is important that municipalities' desire for innovation doesn't come at the expense of affordability for the housing units. As discussed in the study's additions to recommendation #4, municipalities should "look closely at infrastructure requirements for roads, recreation, schools, and consider how much cost they might be adding to the housing developed." This will have to be done in close collaboration with existing developers to ensure that everyone agrees on the cost of implementing any of these measures.

Housing Workgroup Recommendation:

9. Ensure that newly developed or rehabilitated housing that has been subsidized with public funds (such as grants, loans, or subsidies) remains perpetually affordable for a period of at least 30 years.

VHFA Response

This recommendation speaks to the need to use limited public funds judiciously and to ensure that the benefit of using those funds lasts for generations. That said, the state's housing funding agencies, legislature, and policy leaders completely agrees with this philosophy and therefore has already instituted a policy of perpetual affordability for all limited housing funds. It's important to note that perpetual affordability is very different than a 30 year affordability covenant. The largest federal funding programs already require 30 year affordability

restrictions, but in Vermont policy leaders realized that it needed even longer commitments to avoid the loss of affordable housing units from the inventory available. Therefore, the state began its process of making sure that programs required perpetual affordability (meaning that the project remains affordable for as long as it remains housing) more than 25 years ago.

For example, the largest source of housing funding that creates affordable housing in Vermont (and nationally), is the federal Low Income Housing Tax Credit program. This program has two options: 1) a limited pool of more valuable credits that result in higher equity available for the development (called “allocated credits” because they are allocated from a limited pool of credits awarded to Vermont); and 2) a much larger pool of credits that, while valuable, result in less equity for the development (called “bond credits” because they come automatically when a developer receives a bond-funded loan through VHFA).

In Vermont, projects funded with allocated credits have been required to remain perpetually affordable since 2000, which is well beyond the 30 year requirements that the federal tax credit program requires. Bond credits still allow for projects to convert to market rate at the end of their 30 year use period, although this has not yet happened as far as VHFA is aware. Additionally, there is a Preservation Council focused on monitoring all “at risk” projects and working with owners to negotiate either extended affordability or a transfer of the project to a non-profit housing partner who will agree to maintain perpetual affordability. In reality, most projects also have funding from the Vermont Housing and Conservation Board (VHCB), which has required perpetual affordability of all projects since the organization was created in 1987. In addition, VHCB’s Homeland program, described above, which creates affordable homeownership opportunities using a shared equity model, also requires perpetual affordability.

Appendix 1: Community profiles

Estimated prevalence of residents who are cost burdened by housing expenses

	Households spending more than 30% of income for housing	Households spending more than 50% of income for housing	% spending more than 30% of income for housing	% spending more than 50% of income for housing
Addison County	4240	1626	30.1%	11.5%
Granville	*	14	*	10.3%
Hancock	*	*	*	*
Orange County	3155	1127	26.5%	9.5%
Bradford	423	155	38.3%	14.0%
Braintree	149	51	28.1%	9.6%
Brookfield	*	37	*	7.0%
Chelsea	126	36	23.3%	6.7%
Corinth	*	33	*	5.9%
Fairlee	*	*	*	*
Newbury	285	113	28.9%	11.5%
Randolph	451	219	24.7%	12.0%
Strafford	*	38	*	8.4%
Thetford	265	*	24.2%	*
Topsham	*	*	*	*
Tunbridge	*	58	*	10.4%
Vershire	*	*	*	*
West Fairlee	*	27	*	9.8%
Pittsfield	65	*	26.5%	*
Windsor County	7681	3405	31.0%	13.8%
Andover	*	*	*	*
Baltimore	*	12	*	13.3%
Barnard	*	55	*	13.3%
Bethel	291	93	33.5%	10.7%
Bridgewater	*	*	*	*
Cavendish	181	87	30.3%	14.5%
Chester	569	233	40.6%	16.6%
Hartford	1701	698	38.3%	15.7%
Hartland	308	113	21.7%	8.0%
Ludlow	274	140	29.5%	15.1%
Norwich	287	123	20.7%	8.9%
Plymouth	*	40	*	13.8%
Pomfret	*	52	*	13.2%
Reading	79	25	27.2%	8.6%
Rochester	*	*	*	*
Royalton	515	365	40.0%	28.3%
Sharon	*	137	*	22.1%
Springfield	1231	521	31.5%	13.3%
Stockbridge	*	33	*	9.7%
Weathersfield	267	101	21.3%	8.1%
West Windsor	*	*	*	*
Windsor	563	213	37.7%	14.3%
Woodstock	358	168	25.7%	12.1%

Data source: U.S. Census Bureau, American Community Survey 2007-2011, aggregation of mortgaged owner and renter estimates.

* indicates the absence of a reliable survey estimate due to small sample size. Shading represents exceeding county average.

Median home sales price and estimated median rent

	Median home sales price, 2012	Median monthly gross rent, 2011
Addison County	201,298	856
Granville	99,500	912
Hancock	264,000	713
Orange County	156,000	778
Bradford	153,000	912
Braintree	130,000	713
Brookfield	135,000	955
Chelsea	145,000	691
Corinth	140,000	1,042
Fairlee	215,000	955
Newbury	130,000	737
Randolph	151,000	758
Strafford	250,000	962
Thetford	207,500	952
Topsham	153,450	*
Tunbridge	199,000	860
Vershire	141,200	725
West Fairlee	189,000	1,042
Pittsfield	290,500	850
Windsor County	173,000	842
Andover	150,000	*
Baltimore	No sales	817
Barnard	195,000	1,326
Bethel	130,000	767
Bridgewater	73,850	795
Cavendish	139,000	747
Chester	150,000	804
Hartford	198,750	924
Hartland	177,000	905
Ludlow	210,000	684
Norwich	382,000	1,104
Plymouth	121,000	*
Pomfret	192,500	1,058
Reading	184,250	*
Rochester	130,900	659
Royalton	155,000	818
Sharon	226,250	1,066
Springfield	115,000	777
Stockbridge	145,000	720
Weathersfield	155,950	*
West Windsor	168,000	*
Windsor	133,750	780
Woodstock	290,440	1,063

Data sources: U.S. Census Bureau, American Community Survey 2007-2011 (Median and rent), VT Property Transfer Tax records for primary homes (Median home sales price). * indicates the absence of a reliable American Community Survey estimate due to small sample size. Shading represents exceeding county average. Shading represents exceeding county average.

Estimated prevalence of owner households cost burdened by their mortgage and other housing costs

	Households spending more than 30% of income for housing	Households spending more than 50% of income for housing	% of households spending more than 30% of income for housing	% of households spending more than 50% of income for housing
Addison County	2700	809	38	11.4
Granville	*	*	*	*
Hancock	*	*	*	*
Orange County	2139	731	35	11.9
Bradford	222	*	39.2	*
Braintree	107	*	36.8	*
Brookfield	87	31	37.7	13.4
Chelsea	78	*	27.9	*
Corinth	91	*	33.3	*
Fairlee	82	*	42.7	*
Newbury	209	*	39.1	*
Randolph	308	164	36.3	19.3
Strafford	91	*	40.3	*
Thetford	156	*	29.1	*
Topsham	145	*	49.2	*
Tunbridge	104	*	38.7	*
Vershire	*	*	*	*
West Fairlee	*	*	*	*
Pittsfield	*	*	*	*
Windsor County	4546	1795	39.8	15.7
Andover	*	*	*	*
Baltimore	*	*	*	*
Barnard	*	*	*	*
Bethel	222	*	44.5	*
Bridgewater	56	*	41.8	*
Cavendish	116	54	50.4	23.5
Chester	372	*	49.1	*
Hartford	756	317	40.3	16.9
Hartland	262	*	36.5	*
Ludlow	142	*	41.9	*
Norwich	179	*	30.9	*
Plymouth	77	*	55.4	*
Pomfret	102	*	53.1	*
Reading	55	*	36.7	*
Rochester	*	*	*	*
Royalton	276	200	50.4	36.5
Sharon	104	54	31.8	16.5
Springfield	680	220	36.4	11.8
Stockbridge	51	*	42.1	*
Weathersfield	235	*	32.5	*
West Windsor	107	47	41.3	18.1
Windsor	252	*	40.1	*
Woodstock	289	125	40.4	17.5

Data source: U.S. Census Bureau, American Community Survey 2007-2011. * indicates the absence of a reliable survey estimate due to small sample size.

Shading represents exceeding county average.

Estimated prevalence of renter households cost burdened by their housing costs

	Households spending more than 30% of income for housing	Households spending more than 50% of income for housing	% of households spending more than 30% of income for housing	% of households spending more than 50% of income for housing
Addison County	1540	817	48.9	25.9
Granville	*	*	*	*
Hancock	*	*	*	*
Orange County	1016	396	53.5	20.9
Bradford	201	*	83.4	*
Braintree	*	*	*	*
Brookfield	*	*	*	*
Chelsea	*	*	*	*
Corinth	*	*	*	*
Fairlee	*	*	*	*
Newbury	76	*	44.7	*
Randolph	*	*	*	*
Strafford	*	*	*	*
Thetford	*	*	*	*
Topsham	*	*	*	*
Tunbridge	*	*	*	*
Vershire	*	*	*	*
West Fairlee	*	*	*	*
Pittsfield	*	*	*	*
Windsor County	3135	1610	49.9	25.6
Andover	*	0	*	0
Baltimore	*	*	*	*
Barnard	*	*	*	*
Bethel	*	*	*	*
Bridgewater	*	*	*	*
Cavendish	*	*	*	*
Chester	*	*	*	*
Hartford	945	381	56.5	22.8
Hartland	*	*	*	*
Ludlow	132	75	48.7	27.7
Norwich	*	*	*	*
Plymouth	*	*	*	*
Pomfret	*	*	*	*
Reading	*	*	*	*
Rochester	*	*	*	*
Royalton	239	*	59.2	*
Sharon	*	83	*	52.9
Springfield	551	301	51	27.8
Stockbridge	*	*	*	*
Weathersfield	*	*	*	*
West Windsor	*	0	*	*
Windsor	311	*	57.4	*
Woodstock	*	*	*	*

Data source: U.S. Census Bureau, American Community Survey 2007-2011. * indicates the absence of a reliable survey estimate due to small sample size.

Shading represents exceeding county average.

Affordability of median priced home for median income household

	Median household income	Purchase price affordable	Cash needed at closing	Affordability gap?
Addison County	57,203	196,000	16,426	5,298
Granville	53,125	181,500	15,382	n/a
Hancock	35,313	120,000	10,954	144,000
Orange County	52,407	179,000	15,202	n/a
Bradford	44,500	151,500	13,222	1,500
Braintree	42,105	143,500	12,646	n/a
Brookfield	61,641	211,000	17,506	n/a
Chelsea	47,841	163,500	14,086	n/a
Corinth	49,375	168,500	14,446	n/a
Fairlee	60,703	208,000	17,290	7,000
Newbury	50,603	173,000	14,770	n/a
Randolph	48,091	164,000	14,122	n/a
Strafford	52,457	179,000	15,202	71,000
Thetford	71,329	245,500	19,990	n/a
Topsham	50,000	170,500	14,590	n/a
Tunbridge	54,231	185,000	15,634	14,000
Vershire	42,438	144,500	12,718	n/a
West Fairlee	49,375	168,500	14,446	20,500
Pittsfield	62,125	213,000	17,650	77,500
Windsor County	53,129	181,500	15,382	n/a
Andover	49,000	167,500	14,374	n/a
Baltimore	*	*	*	*
Barnard	71,429	245,500	19,990	n/a
Bethel	51,000	174,000	14,842	n/a
Bridgewater	51,750	176,500	15,022	n/a
Cavendish	42,250	144,000	12,682	n/a
Chester	45,750	156,000	13,546	n/a
Hartford	52,455	179,000	15,202	19,750
Hartland	63,147	216,500	17,902	n/a
Ludlow	46,094	157,000	13,618	53,000
Norwich	87,833	302,000	24,058	80,000
Plymouth	60,208	206,500	17,182	n/a
Pomfret	64,844	222,000	18,298	n/a
Reading	59,625	204,500	17,038	n/a
Rochester	45,385	154,500	13,438	n/a
Royalton	35,395	120,500	10,990	34,500
Sharon	52,727	180,000	15,274	46,250
Springfield	46,397	158,000	13,690	n/a
Stockbridge	46,458	158,000	13,690	n/a
Weathersfield	62,029	212,500	17,614	n/a
West Windsor	76,250	262,000	21,178	n/a
Windsor	48,095	164,000	14,122	n/a
Woodstock	77,863	268,000	21,610	22,440

Data sources: VHFA analysis of American Community Survey estimates of median household income in 2011, assuming a 5% down payment, average insurance and property tax rates, and a 30% housing affordability ratio. "Affordability gap" is based on the median primary home sales price by town in 2012.

Shading represents exceeding county average.

Affordability of median priced home for median income family

	Median family income	Purchase price affordable	Cash needed at closing	Affordability gap?
Addison County	69,759	240,000	19,594	n/a
Granville	59,750	204,500	17,038	n/a
Hancock	47,708	163,000	14,050	101,000
Orange County	62,463	214,000	17,722	n/a
Bradford	65,378	224,000	18,442	n/a
Braintree	46,944	160,500	13,870	n/a
Brookfield	69,583	239,500	19,558	n/a
Chelsea	56,250	192,500	16,174	n/a
Corinth	58,173	199,500	16,678	n/a
Fairlee	62,188	213,000	17,650	2,000
Newbury	66,298	227,000	18,658	n/a
Randolph	61,875	212,000	17,578	n/a
Strafford	60,714	208,000	17,290	42,000
Thetford	79,706	274,000	22,042	n/a
Topsham	52,232	178,500	15,166	n/a
Tunbridge	62,344	213,500	17,686	n/a
Vershire	41,597	141,500	12,502	n/a
West Fairlee	60,000	205,500	17,110	n/a
Pittsfield	56,771	194,500	16,318	96,000
Windsor County	66,890	229,000	18,802	n/a
Andover	57,500	197,000	16,498	n/a
Baltimore	73,333	252,000	20,458	*
Barnard	80,278	276,000	22,186	n/a
Bethel	67,813	232,500	19,054	n/a
Bridgewater	74,167	255,000	20,674	n/a
Cavendish	56,250	192,500	16,174	n/a
Chester	64,813	222,000	18,298	n/a
Hartford	65,875	225,500	18,550	n/a
Hartland	77,652	267,000	21,538	n/a
Ludlow	59,531	204,000	17,002	6,000
Norwich	124,050	427,000	33,058	n/a
Plymouth	91,094	313,500	24,886	n/a
Pomfret	67,292	230,500	18,910	n/a
Reading	63,125	216,500	17,902	n/a
Rochester	52,976	181,000	15,346	n/a
Royalton	49,605	169,500	14,518	n/a
Sharon	66,583	228,000	18,730	n/a
Springfield	55,857	191,500	16,102	n/a
Stockbridge	47,083	160,500	13,870	n/a
Weathersfield	68,958	237,000	19,378	n/a
West Windsor	86,375	297,000	23,698	n/a
Windsor	54,074	184,500	15,598	n/a
Woodstock	97,917	337,000	26,578	n/a

Date sources: VHFA analysis of American Community Survey estimates of median household income in 2011, assuming a 5% down payment, average insurance and property tax rates, and a 30% housing affordability ratio. "Affordability gap" is based on the median primary home sales price by town in 2012. Shading represents exceeding county average.

Affordability of median priced home for median income family of four

	Median income	Purchase price affordable	Cash needed at closing	Affordability gap?
Addison County	78,859	271,000	21,826	n/a
Granville	*	*	*	*
Hancock	56,250	192,500	16,174	71,500
Orange County	67,099	230,000	18,874	n/a
Bradford	*	*	*	*
Braintree	53,250	182,000	15,418	n/a
Brookfield	77,500	266,500	21,502	n/a
Chelsea	57,813	198,000	16,570	n/a
Corinth	*	*	*	*
Fairlee	65,625	225,000	18,514	n/a
Newbury	67,500	231,500	18,982	n/a
Randolph	57,155	196,000	16,426	n/a
Strafford	*	*	*	*
Thetford	113,929	392,000	30,538	n/a
Topsham	*	*	*	*
Tunbridge	*	*	*	*
Vershire	*	*	*	*
West Fairlee	*	*	*	*
Pittsfield	*	*	*	*
Windsor County	80,603	277,000	22,258	n/a
Andover	57,917	198,500	16,606	n/a
Baltimore	98,333	338,500	26,686	*
Barnard	89,500	308,000	24,490	n/a
Bethel	69,250	238,000	19,450	n/a
Bridgewater	*	*	*	*
Cavendish	89,583	308,000	24,490	n/a
Chester	*	*	*	*
Hartford	77,089	265,000	21,394	n/a
Hartland	119,310	410,500	31,870	n/a
Ludlow	75,714	260,500	21,070	n/a
Norwich	132,273	455,000	35,074	n/a
Plymouth	96,964	333,500	26,326	n/a
Pomfret	*	*	*	*
Reading	*	*	*	*
Rochester	*	*	*	*
Royalton	*	*	*	*
Sharon	*	*	*	*
Springfield	61,548	211,000	17,506	n/a
Stockbridge		*	*	*
Weathersfield	73,125	251,500	20,422	n/a
West Windsor	89,766	309,000	24,562	n/a
Windsor	*	*	*	*
Woodstock	*	*	*	*

Date sources: VHFA analysis of American Community Survey estimates of median household income in 2011, assuming a 5% down payment, average insurance and property tax rates, and a 30% housing affordability ratio. "Affordability gap" is based on the median primary home sales price by town in 2012. Shading represents exceeding county average.

Affordability of median priced home for median income senior-headed household (65+)

	Median income	Purchase price affordable	Cash needed at closing	Affordability gap?
Addison County	42,204	143,500	12,646	57,798
Granville	52,813	180,500	15,310	n/a
Hancock	51,875	177,000	15,058	87,000
Orange County	36,356	124,000	11,242	32,000
Bradford	31,364	106,000	9,946	47,000
Braintree	38,125	130,000	11,674	n/a
Brookfield	45,625	155,500	13,510	n/a
Chelsea	31,250	105,500	9,910	39,500
Corinth	36,818	125,500	11,350	14,500
Fairlee	72,614	249,500	20,278	n/a
Newbury	30,208	102,000	9,658	28,000
Randolph	36,061	123,000	11,170	28,000
Strafford	44,583	152,000	13,258	98,000
Thetford	*	*	*	*
Topsham	*	*	*	*
Tunbridge	36,563	124,500	11,278	74,500
Vershire	28,333	95,500	9,224	45,700
West Fairlee	*	*	*	*
Pittsfield	*	*	*	*
Windsor County	36,703	125,000	11,314	48,000
Andover	*	*	*	*
Baltimore	28,250	95,500	9,224	*
Barnard	73,750	253,500	20,566	n/a
Bethel	28,679	97,000	9,321	33,000
Bridgewater	32,917	111,000	10,306	n/a
Cavendish	35,446	120,500	10,990	18,500
Chester	35,991	122,500	11,134	27,500
Hartford	29,972	101,000	9,586	97,750
Hartland	42,900	146,000	12,826	31,000
Ludlow	29,773	100,500	9,550	109,500
Norwich	*	*	*	*
Plymouth	*	*	*	*
Pomfret	44,688	152,000	13,258	40,500
Reading	58,026	199,000	16,642	n/a
Rochester	33,889	114,500	10,558	16,400
Royalton	31,957	108,000	10,090	47,000
Sharon	43,750	149,000	13,042	77,250
Springfield	30,291	102,500	9,694	12,500
Stockbridge	39,875	136,000	12,106	9,000
Weathersfield	42,000	143,000	12,610	12,950
West Windsor	*	*	*	*
Windsor	26,625	90,000	8,869	43,750
Woodstock	76,094	261,500	21,142	28,940

Date sources: VHFA analysis of American Community Survey estimates of median household income in 2011, assuming a 5% down payment, average insurance and property tax rates, and a 30% housing affordability ratio. "Affordability gap" is based on the median primary home sales price by town in 2012. Shading represents exceeding county average.

Affordability of median priced home for household with 50% median income

	Household income	Purchase price affordable	Cash needed at closing	Affordability gap?
Addison County	28,602	96,500	9,288	104,798
Granville	26,563	89,000	8,805	10,500
Hancock	17,657	58,500	6,837	205,500
Orange County	26,204	87,500	8,708	68,500
Bradford	22,250	74,500	7,869	78,500
Braintree	21,053	70,500	7,611	59,500
Brookfield	30,821	104,000	9,802	31,000
Chelsea	23,921	80,000	8,224	65,000
Corinth	24,688	82,500	8,385	57,500
Fairlee	30,352	102,500	9,694	112,500
Newbury	25,302	84,500	8,514	45,500
Randolph	24,046	80,500	8,256	70,500
Strafford	26,229	88,000	8,740	162,000
Thetford	35,665	121,500	11,062	86,000
Topsham	25,000	83,500	8,450	69,950
Tunbridge	27,116	91,500	8,966	107,500
Vershire	21,219	71,000	7,644	70,200
West Fairlee	24,688	82,500	8,385	106,500
Pittsfield	31,063	105,000	9,874	185,500
Windsor County	26,565	89,000	8,805	84,000
Andover	24,500	82,000	8,353	68,000
Baltimore	*	*	#N/A	*
Barnard	35,715	121,500	11,062	73,500
Bethel	25,500	85,500	8,579	44,500
Bridgewater	25,875	86,500	8,643	n/a
Cavendish	21,125	70,500	7,611	68,500
Chester	22,875	76,500	7,998	73,500
Hartford	26,228	88,000	8,740	110,750
Hartland	31,574	106,500	9,982	70,500
Ludlow	23,047	77,000	8,031	133,000
Norwich	43,917	149,500	13,078	232,500
Plymouth	30,104	101,500	9,622	19,500
Pomfret	32,422	109,500	10,198	83,000
Reading	29,813	100,500	9,550	83,750
Rochester	22,693	76,000	7,966	54,900
Royalton	17,698	58,500	6,837	96,500
Sharon	26,364	88,500	8,772	137,750
Springfield	23,199	77,500	8,063	37,500
Stockbridge	23,229	77,500	8,063	67,500
Weathersfield	31,015	104,500	9,838	51,450
West Windsor	38,125	130,000	11,674	38,000
Windsor	24,048	80,500	8,256	53,250
Woodstock	38,932	132,500	11,854	157,940

Date sources: VHFA analysis of American Community Survey estimates of median household income in 2011, assuming a 5% down payment, average insurance and property tax rates, and a 30% housing affordability ratio. "Affordability gap" is based on the median primary home sales price by town in 2012.

Shading represents exceeding county average.

Affordability of median priced home for household with 80% median income

	Household income	Purchase price affordable	Cash needed at closing	Affordability gap?
Addison County	45,762	156,000	13,546	45,298
Granville	42,500	144,500	12,718	n/a
Hancock	28,250	95,500	9,224	168,500
Orange County	41,926	143,000	12,610	13,000
Bradford	35,600	121,000	11,026	32,000
Braintree	33,684	113,500	10,486	16,500
Brookfield	49,313	168,500	14,446	n/a
Chelsea	38,273	130,500	11,710	14,500
Corinth	39,500	134,500	11,998	5,500
Fairlee	48,562	166,000	14,266	49,000
Newbury	40,482	138,000	12,250	n/a
Randolph	38,473	131,000	11,746	20,000
Strafford	41,966	143,000	12,610	107,000
Thetford	57,063	195,500	16,390	12,000
Topsham	40,000	136,000	12,106	17,450
Tunbridge	43,385	147,500	12,934	51,500
Vershire	33,950	114,500	10,558	26,700
West Fairlee	39,500	134,500	11,998	54,500
Pittsfield	49,700	169,500	14,518	121,000
Windsor County	42,503	144,500	12,718	28,500
Andover	39,200	133,500	11,926	16,500
Baltimore	*	*	*	*
Barnard	57,143	196,000	16,426	n/a
Bethel	40,800	139,000	12,322	n/a
Bridgewater	41,400	141,000	12,466	n/a
Cavendish	33,800	114,000	10,522	25,000
Chester	36,600	124,500	11,278	25,500
Hartford	41,964	143,000	12,610	55,750
Hartland	50,518	172,500	14,734	4,500
Ludlow	36,875	125,500	11,350	84,500
Norwich	70,266	241,500	19,702	140,500
Plymouth	48,166	164,500	14,158	n/a
Pomfret	51,875	177,000	15,058	15,500
Reading	47,700	163,000	14,050	21,250
Rochester	36,308	123,500	11,206	7,400
Royalton	28,316	95,500	9,224	59,500
Sharon	42,182	143,500	12,646	82,750
Springfield	37,118	126,500	11,422	n/a
Stockbridge	37,166	126,500	11,422	18,500
Weathersfield	49,623	169,500	14,518	n/a
West Windsor	61,000	209,000	17,362	n/a
Windsor	38,476	131,000	11,746	2,750
Woodstock	62,290	213,500	17,686	76,940

Date sources: VHFA analysis of American Community Survey estimates of median household income in 2011, assuming a 5% down payment, average insurance and property tax rates, and a 30% housing affordability ratio. "Affordability gap" is based on the median primary home sales price by town in 2012.

Shading represents exceeding county average.

Affordability of median priced home for household with 150% median income

	Household at 150% of median	Purchase price affordable	Cash needed at closing	Affordability gap?
Addison County	85,805	295,000	23,554	n/a
Granville	79,688	274,000	22,042	n/a
Hancock	52,970	181,000	15,346	83,000
Orange County	78,611	270,500	21,790	n/a
Bradford	66,750	229,000	18,802	n/a
Braintree	63,158	216,500	17,902	n/a
Brookfield	92,462	318,000	25,210	n/a
Chelsea	71,762	247,000	20,098	n/a
Corinth	74,063	254,500	20,638	n/a
Fairlee	91,055	313,000	24,850	n/a
Newbury	75,905	261,000	21,106	n/a
Randolph	72,137	248,000	20,170	n/a
Strafford	78,686	270,500	21,790	n/a
Thetford	106,994	368,000	28,810	n/a
Topsham	75,000	258,000	20,890	n/a
Tunbridge	81,347	280,000	22,474	n/a
Vershire	63,657	218,000	18,010	n/a
West Fairlee	74,063	254,500	20,638	n/a
Pittsfield	93,188	320,500	25,390	n/a
Windsor County	79,694	274,000	22,042	n/a
Andover	73,500	253,000	20,530	n/a
Baltimore	*	*	*	*
Barnard	107,144	368,500	28,846	n/a
Bethel	76,500	263,000	21,250	n/a
Bridgewater	77,625	267,000	21,538	n/a
Cavendish	63,375	217,000	17,938	n/a
Chester	68,625	236,000	19,306	n/a
Hartford	78,683	270,500	21,790	n/a
Hartland	94,721	326,000	25,786	n/a
Ludlow	69,141	238,000	19,450	n/a
Norwich	131,750	453,500	34,966	n/a
Plymouth	90,312	310,500	24,670	n/a
Pomfret	97,266	334,500	26,398	n/a
Reading	89,438	307,500	24,454	n/a
Rochester	68,078	233,500	19,126	n/a
Royalton	53,093	181,500	15,382	n/a
Sharon	79,091	272,000	21,898	n/a
Springfield	69,596	239,500	19,558	n/a
Stockbridge	69,687	239,500	19,558	n/a
Weathersfield	93,044	320,000	25,354	n/a
West Windsor	114,375	393,500	30,646	n/a
Windsor	72,143	248,000	20,170	n/a
Woodstock	116,795	402,000	31,258	n/a

Date sources: VHFA analysis of American Community Survey estimates of median household income in 2011, assuming a 5% down payment, average insurance and property tax rates, and a 30% housing affordability ratio. "Affordability gap" is based on the median primary home sales price by town in 2012.

Shading represents exceeding county average.

Affordability of median priced home for single-person household earning average county wage

	Household earning average county wage	Purchase price affordable	Cash needed at closing	Affordability gap?
Addison County	38,778	132,000	11,818	69,298
Granville	38,778	132,000	11,818	n/a
Hancock	38,778	132,000	11,818	132,000
Orange County	34,530	116,500	10,702	39,500
Bradford	34,530	116,500	10,702	36,500
Braintree	34,530	116,500	10,702	13,500
Brookfield	34,530	116,500	10,702	18,500
Chelsea	34,530	116,500	10,702	28,500
Corinth	34,530	116,500	10,702	23,500
Fairlee	34,530	116,500	10,702	98,500
Newbury	34,530	116,500	10,702	13,500
Randolph	34,530	116,500	10,702	34,500
Strafford	34,530	116,500	10,702	133,500
Thetford	34,530	116,500	10,702	91,000
Topsham	34,530	116,500	10,702	36,950
Tunbridge	34,530	116,500	10,702	82,500
Vershire	34,530	116,500	10,702	24,700
West Fairlee	34,530	116,500	10,702	72,500
Pittsfield	34,530	116,500	10,702	174,000
Windsor County	38,967	132,500	11,854	40,500
Andover	38,967	132,500	11,854	17,500
Baltimore	38,967	132,500	11,854	*
Barnard	38,967	132,500	11,854	62,500
Bethel	38,967	132,500	11,854	n/a
Bridgewater	38,967	132,500	11,854	n/a
Cavendish	38,967	132,500	11,854	6,500
Chester	38,967	132,500	11,854	17,500
Hartford	38,967	132,500	11,854	66,250
Hartland	38,967	132,500	11,854	44,500
Ludlow	38,967	132,500	11,854	77,500
Norwich	38,967	132,500	11,854	249,500
Plymouth	38,967	132,500	11,854	n/a
Pomfret	38,967	132,500	11,854	60,000
Reading	38,967	132,500	11,854	51,750
Rochester	38,967	132,500	11,854	n/a
Royalton	38,967	132,500	11,854	22,500
Sharon	38,967	132,500	11,854	93,750
Springfield	38,967	132,500	11,854	n/a
Stockbridge	38,967	132,500	11,854	12,500
Weathersfield	38,967	132,500	11,854	23,450
West Windsor	38,967	132,500	11,854	35,500
Windsor	38,967	132,500	11,854	1,250
Woodstock	38,967	132,500	11,854	157,940

Date sources: VHFA analysis of American Community Survey estimates of median county wage data for 2012 from the VT Dept. of Labor, assuming a 5% down payment, average insurance and property tax rates, and a 30% housing affordability ratio. "Affordability gap" is based on the median primary home sales price by town in 2012.

Shading represents exceeding county average.

Affordability of median priced home for single-person household earning minimum wage

	Household earning minimum wage	Purchase price affordable	Cash needed at closing	Affordability gap?
Addison County	17,888	59,000	6,870	142,298
Granville	17,888	59,000	6,870	40,500
Hancock	17,888	59,000	6,870	205,000
Orange County	17,888	59,000	6,870	97,000
Bradford	17,888	59,000	6,870	94,000
Braintree	17,888	59,000	6,870	71,000
Brookfield	17,888	59,000	6,870	76,000
Chelsea	17,888	59,000	6,870	86,000
Corinth	17,888	59,000	6,870	81,000
Fairlee	17,888	59,000	6,870	156,000
Newbury	17,888	59,000	6,870	71,000
Randolph	17,888	59,000	6,870	92,000
Strafford	17,888	59,000	6,870	191,000
Thetford	17,888	59,000	6,870	148,500
Topsham	17,888	59,000	6,870	94,450
Tunbridge	17,888	59,000	6,870	140,000
Vershire	17,888	59,000	6,870	82,200
West Fairlee	17,888	59,000	6,870	130,000
Pittsfield	17,888	59,000	6,870	231,500
Windsor County	17,888	59,000	6,870	114,000
Andover	17,888	59,000	6,870	91,000
Baltimore	17,888	59,000	6,870	*
Barnard	17,888	59,000	6,870	136,000
Bethel	17,888	59,000	6,870	71,000
Bridgewater	17,888	59,000	6,870	14,850
Cavendish	17,888	59,000	6,870	80,000
Chester	17,888	59,000	6,870	91,000
Hartford	17,888	59,000	6,870	139,750
Hartland	17,888	59,000	6,870	118,000
Ludlow	17,888	59,000	6,870	151,000
Norwich	17,888	59,000	6,870	323,000
Plymouth	17,888	59,000	6,870	62,000
Pomfret	17,888	59,000	6,870	133,500
Reading	17,888	59,000	6,870	125,250
Rochester	17,888	59,000	6,870	71,900
Royalton	17,888	59,000	6,870	96,000
Sharon	17,888	59,000	6,870	167,250
Springfield	17,888	59,000	6,870	56,000
Stockbridge	17,888	59,000	6,870	86,000
Weathersfield	17,888	59,000	6,870	96,950
West Windsor	17,888	59,000	6,870	109,000
Windsor	17,888	59,000	6,870	74,750
Woodstock	17,888	59,000	6,870	231,440

Date sources: VHFA analysis of VT 2013 minimum wage (\$8.60/hr.), assuming employment 40 hours/week, 52 weeks/year, a 5% down payment, average insurance and property tax rates, and a 30% housing affordability ratio. "Affordability gap" is based on the median primary home sales price by town in 2012.

Shading represents exceeding county average.

Vermont designations pertaining to real estate development

	Downtown Designation	Village Designation ¹³	Growth Center	New Town Center
Andover				
Baltimore				
Barnard				
Bethel		yes		
Bradford	yes			
Braintree				
Bridgewater				
Brookfield		yes		
Cavendish		Yes/yes		
Chelsea		yes		
Chester		yes		
Corinth				
Cornwall				
Fairlee				
Granville		yes/yes		
Hancock				
Hartford	yes	yes/yes/yes	yes	
Hartland		yes		
Ludlow		yes		
Newbury				
Norwich		yes		
Pittsfield		yes		
Plymouth				
Pomfret				
Randolph	yes	yes		
Reading				
Rochester		yes		
Royalton		yes/yes		
Sharon		yes		
Springfield	yes			
Stockbridge				
Strafford		yes		
Thetford				
Topsham				
Tunbridge		yes/yes		
Vershire				
Weathersfield				
West Fairlee		yes		
West Windsor				
Windsor	yes			
Woodstock		yes		

¹³ Multiple “yes” indicates the presence of more than one village designation.