

South Burlington households and housing needs



Vermont Housing Finance Agency

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South Burlington Affordable Housing Committee and ECOS Project
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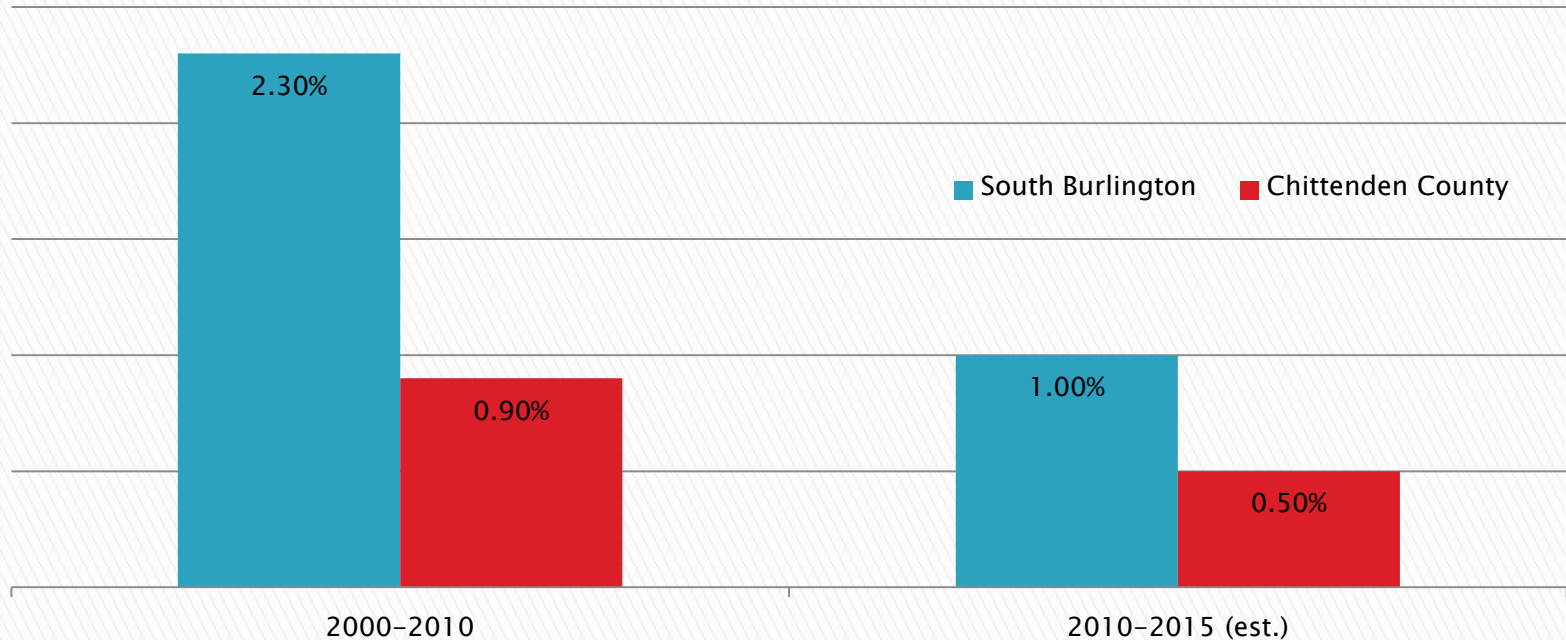
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1. Demographics

General South Burlington population
information

Growth in number of households

Annual rate of household growth



Data source: Census SF1 (2000 and 2010), VHFA forecast based on projections from ESRI and Allen & Cable's Residential Report, March 2011 (2015).

The number of households in South Burlington is growing by an estimated 1% each year—about twice as fast as in the county as a whole.

Growth in number of households (cont.)

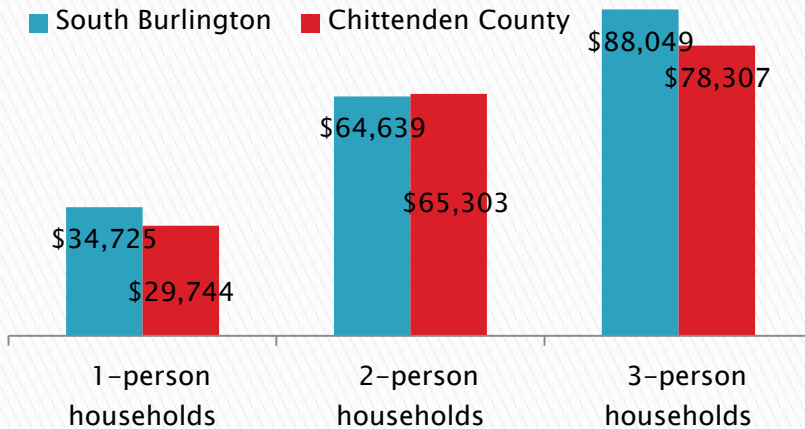
- ▶ An estimated 8,339 households will call South Burlington their primary home by 2015.

Year	Number of households	Chittenden County*	South Burlington as % of county
2000	6,332	56,452	11%
2010	7,987	61,827	13%
2015 (est.)	8,339	63,223	13%
Estimated additional households (2010-2015)	404	1,600	25%

*Estimates of household growth rate in the area vary. The Chittenden County Regional Planning Commission estimates a higher rate of county household growth, resulting in 65,693 households by 2015.

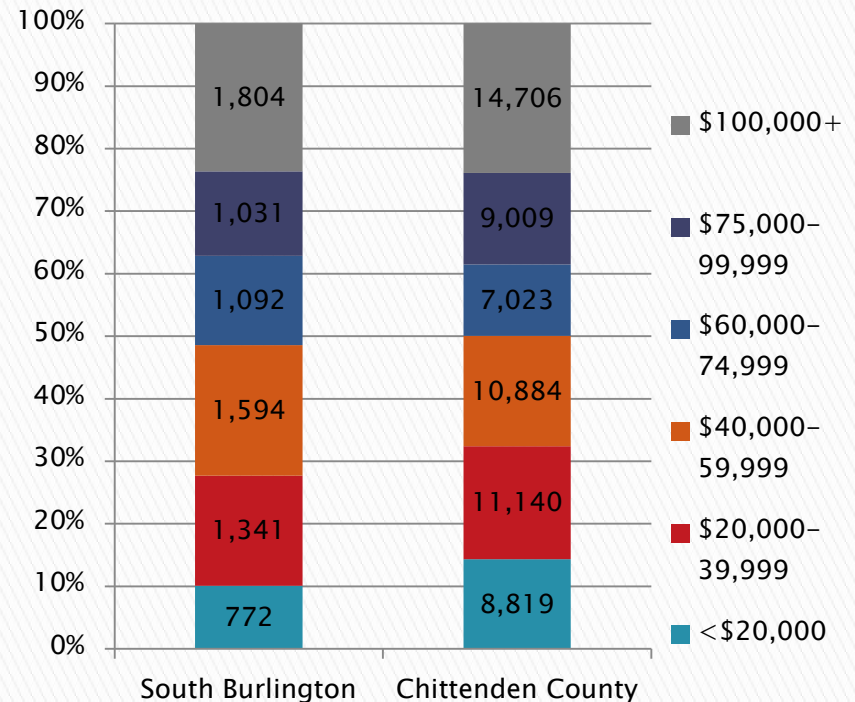
Household income

Median income (AGI), by household size



Note: Estimates for 1- and 2-person households are not significantly different between South Burlington and Chittenden County. Estimates for 4+ person households are not shown due to small sample sizes.

Households, by income group



The median household income in South Burlington in 2010 was approximately \$61,000—similar to the median for the county as a whole. Approximately 2,000 South Burlington households make less than \$40,000 a year.

Identifying households with lower incomes

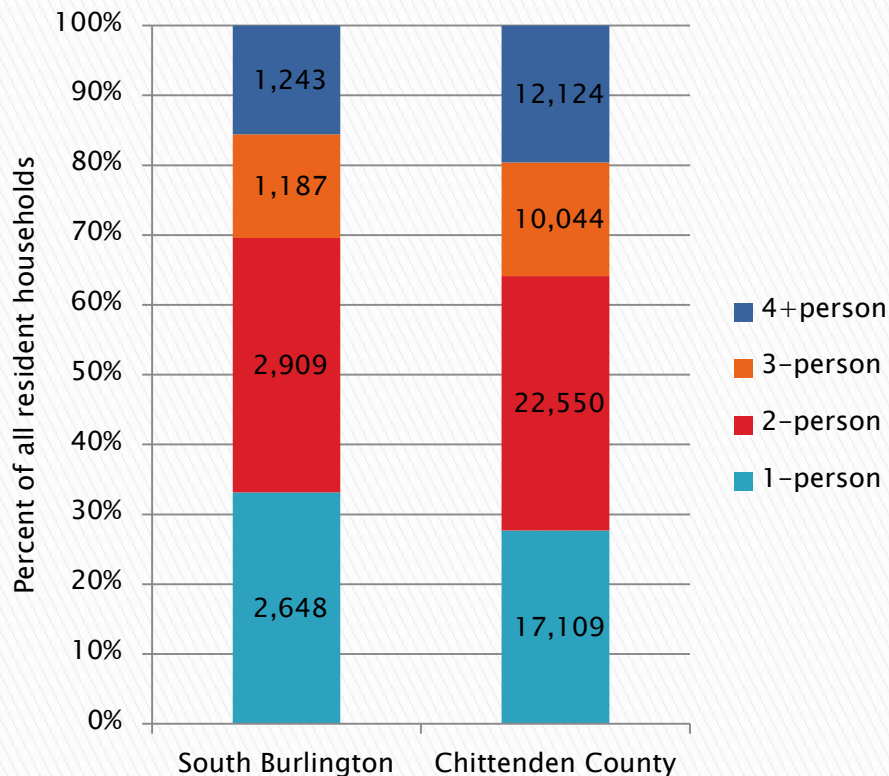
- ▶ One way to identify lower income households is by comparing a household's income to the median income of all households in an area.
- ▶ Many housing programs restrict eligibility to households with total incomes of no more than 80% of the median income in the area. Other programs target households with even lower incomes by limiting eligibility to households with total incomes of no more than 50% or 30% of the area median.
- ▶ Eligibility for HUD programs is computed using median income estimates that reflect the size of the household and the county in which the household is located.

HUD income thresholds for 4-person household in the Burlington–So. Burlington Metropolitan Statistical Area, 2012

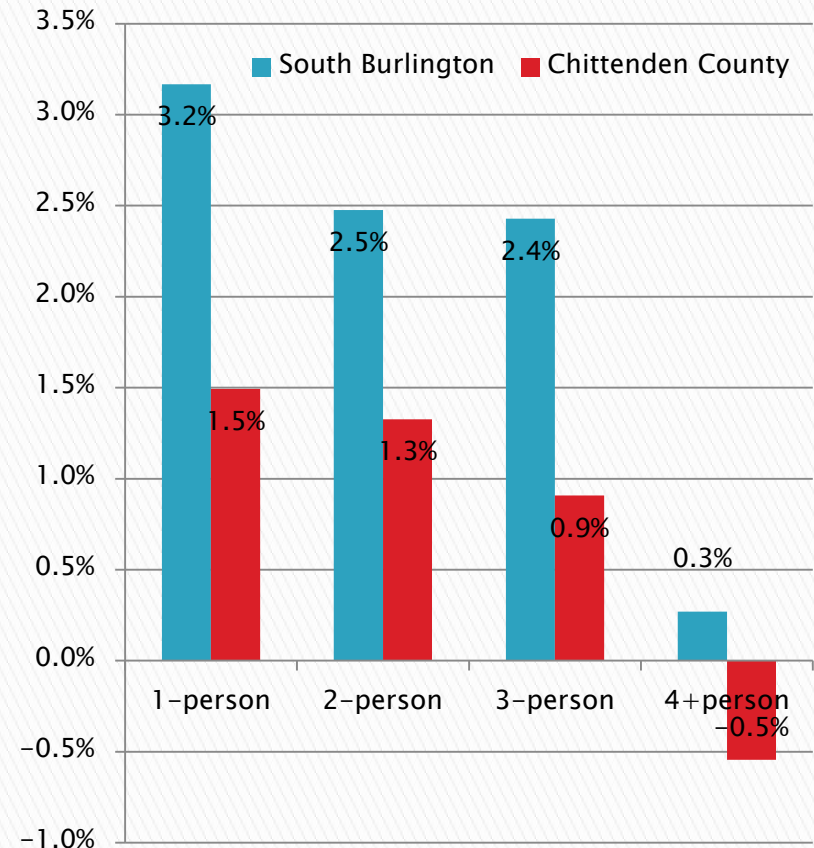
30% of median	\$23,010
50% of median	\$38,350
80% of median	\$61,360
Median income	\$76,700
120% of median	\$92,040

Household size

Household size, 2010



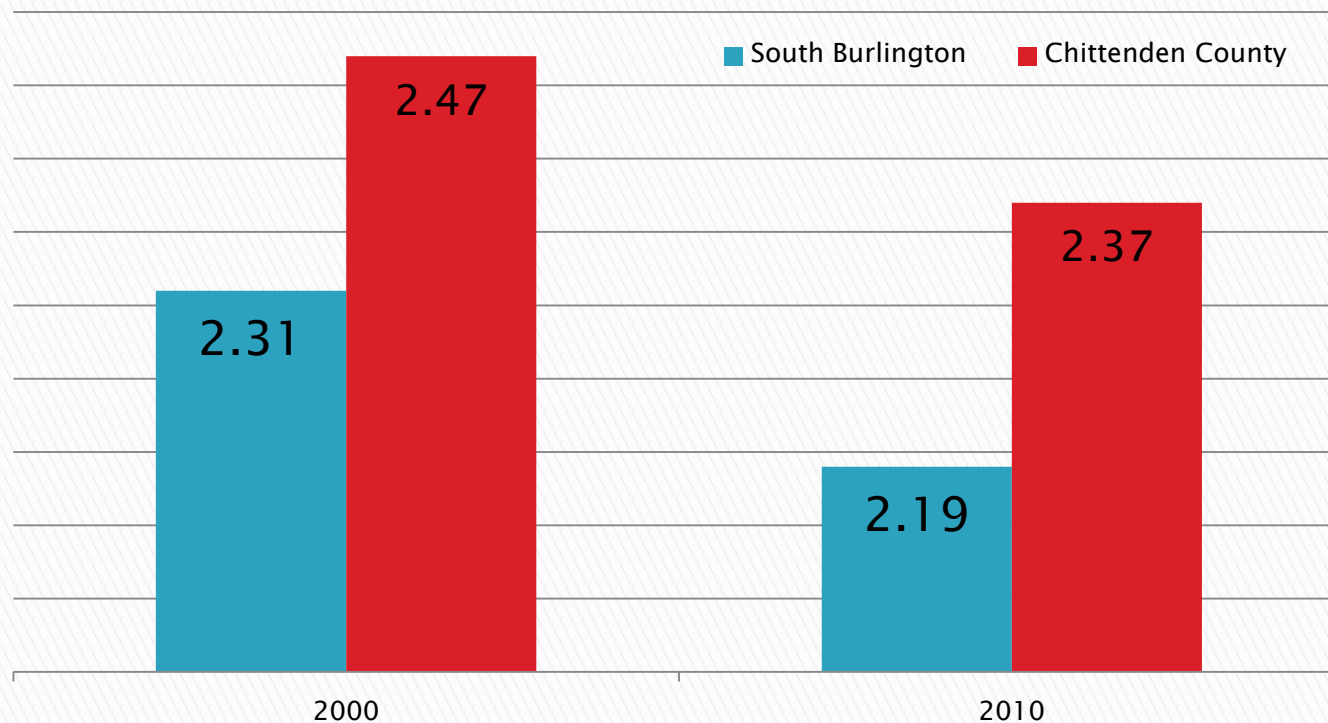
Annual growth rate, 2000–2010



1- and 2-person households comprise 69% of South Burlington's households. This segment of the population is growing faster than the segment comprised of larger households. In fact, the number of 4+ person households has grown very little, and is actually declining in the county as a whole.

Household size (cont.)

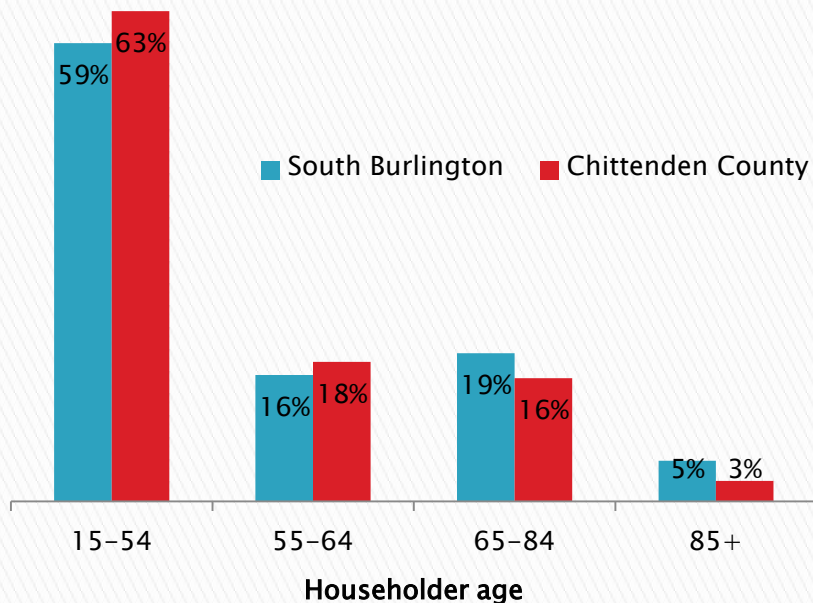
Average household size



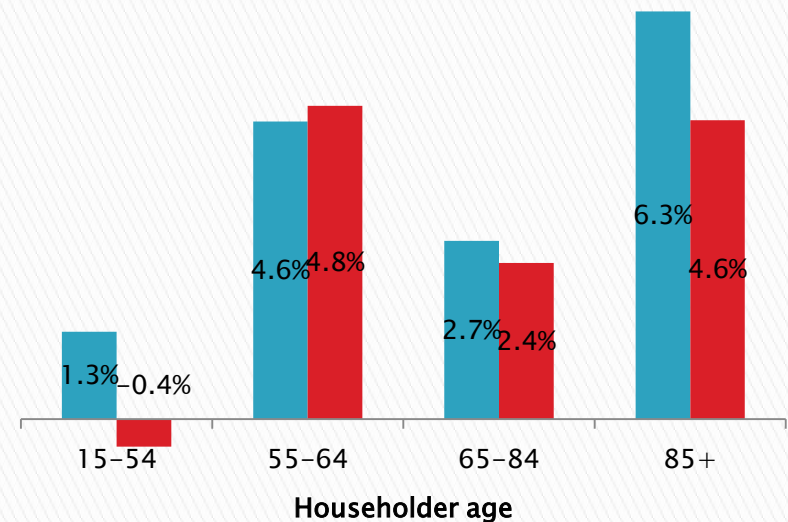
Age of householders

Forty-one percent of the households in South Burlington are headed by people at least 55 years old. Like for the county and state as a whole, this segment of the population is growing much faster than the younger segment.

**Households by age group,
as % of all households**



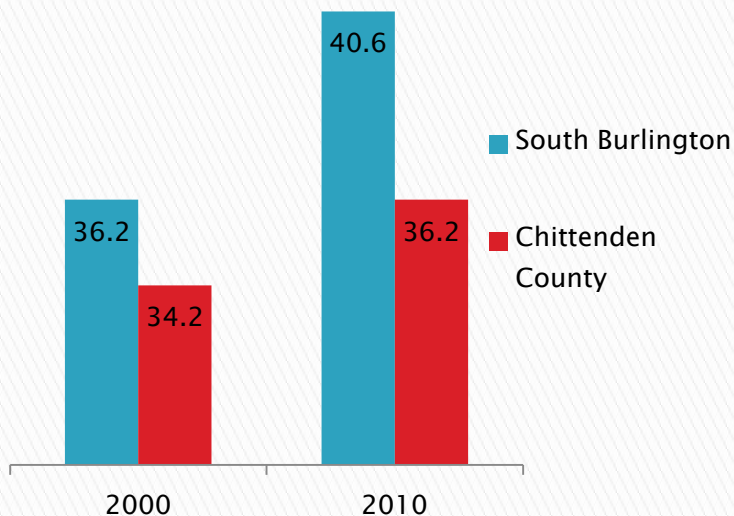
**Annual growth of
households, by householder
age, 2000-2010**



Age of householders (cont.)

The median age of the population of South Burlington (40.6 years) is substantially higher than the county median (36.2 years) which may be influenced by Burlington's young college student population.

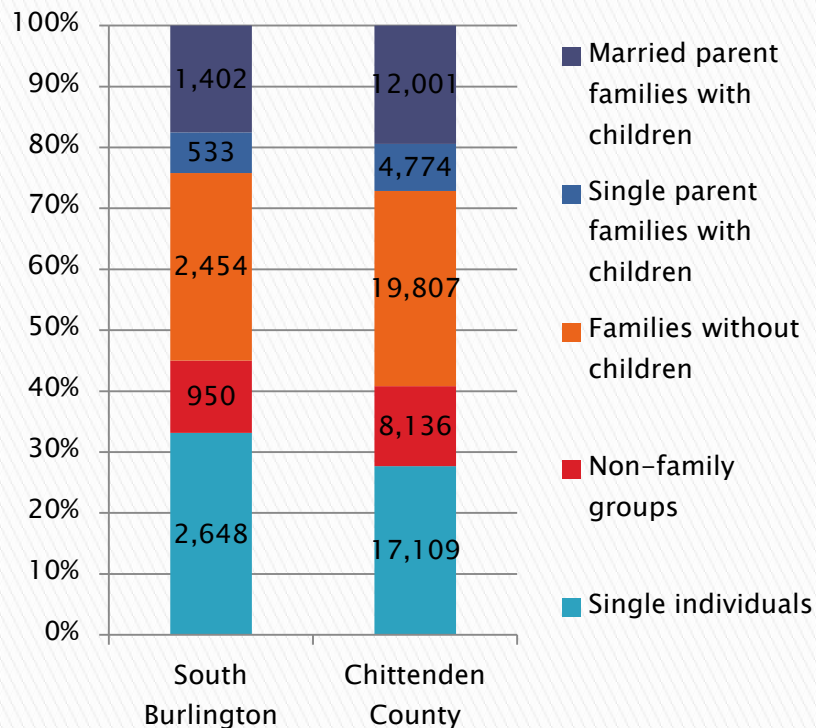
Median age of the population



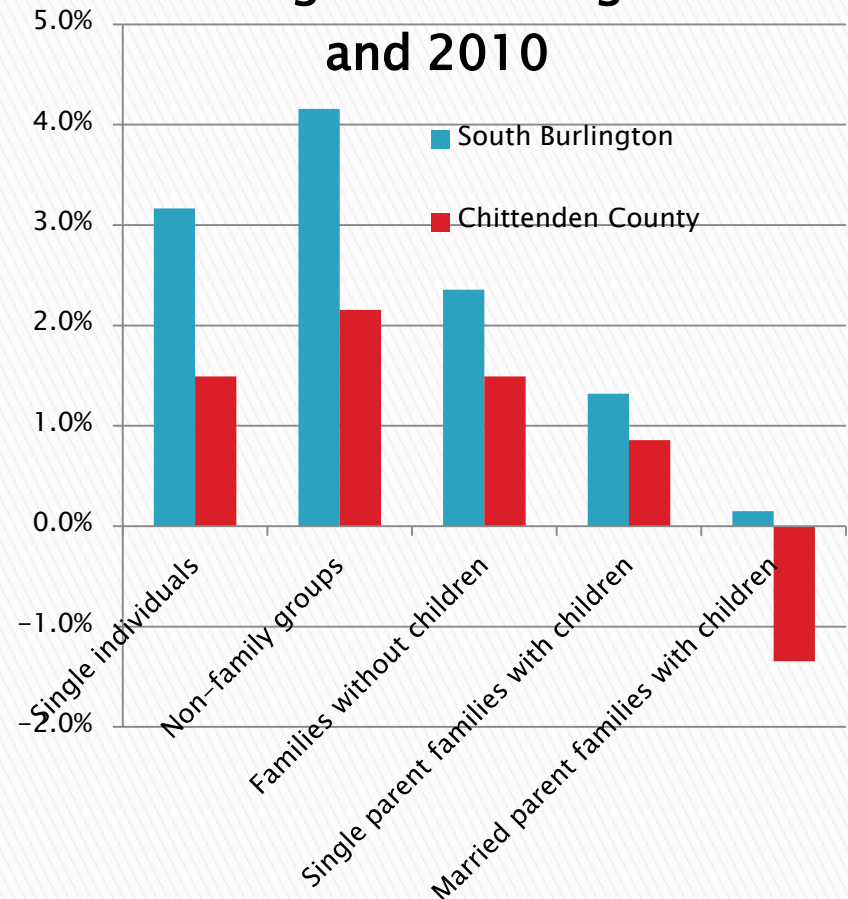
	Number of households	
Age of householder	2000	2010
15-54	4,135	4,732
55-64	817	1,304
65-84	1,161	1,531
85+	219	420
Total	6,332	7,987

Household type

Household types



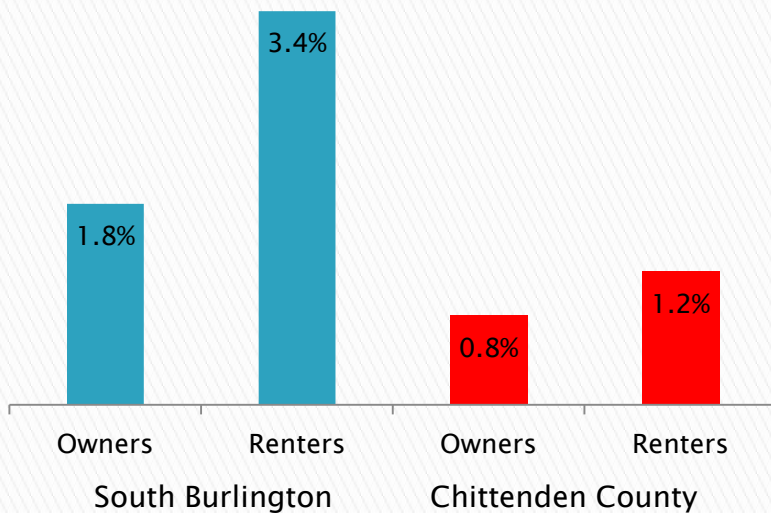
Annual growth during 2000 and 2010



1-person households are the single largest household type in South Burlington, comprising 33% of its households. This is higher than for the county as a whole (28%). Like in the county as a whole, 1-person households, non-family groups, and families without children led South Burlington's growth between 2000–2010. Families with children comprise 25% of South Burlington's households—slightly less than in the county as a whole (27%).

Homeowners and renters

Annual growth by tenure,
2000–2010



	South Burlington		Chittenden County		South Burlington as % of county	
	Owners	Renters	Owners	Renters	Owners	Renters
2000	4,351	1,981	37,291	19,161	12%	10%
2010	5,186	2,801	40,310	21,517	13%	13%
Additional households	835	820	3,019	2,356	28%	35%

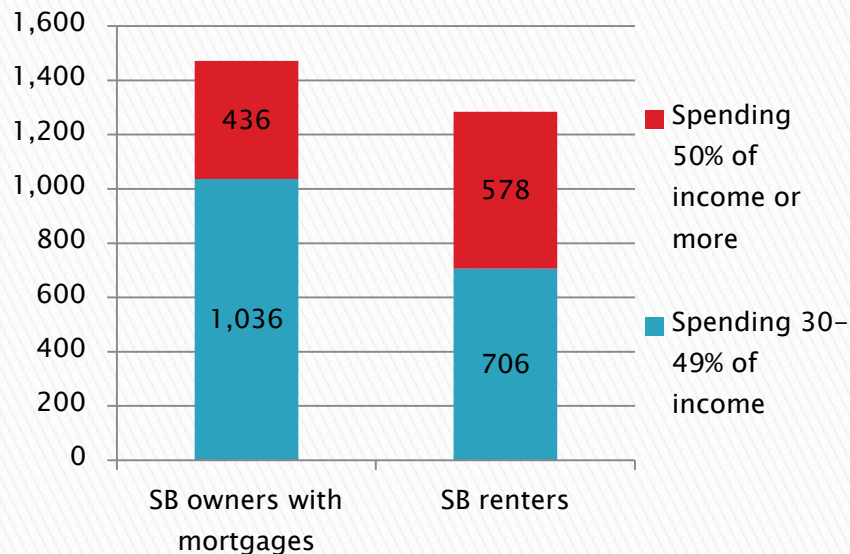
Like for the county as a whole, 65% of South Burlington's households own their homes (down from 69% in South Burlington in 2000). The number of renter households in South Burlington grew by 3.4% during 2000–2010, or by 820—almost as much as the number of new owner households (835).

2. Housing affordability

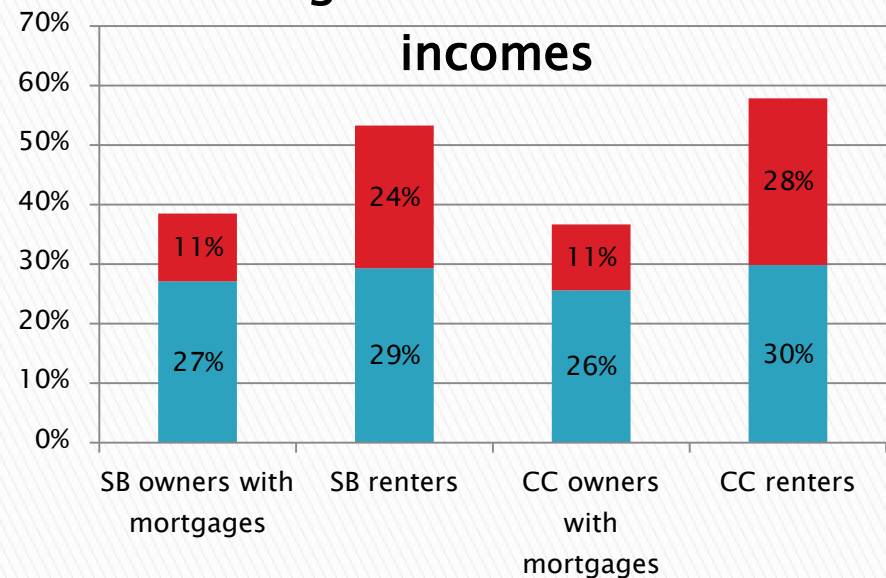
Overview of housing costs and affordability and the number of and type of affordable units in South Burlington's housing stock

Housing cost burden

Households with high housing costs relative to their incomes



% of households with high housing costs relative to their incomes

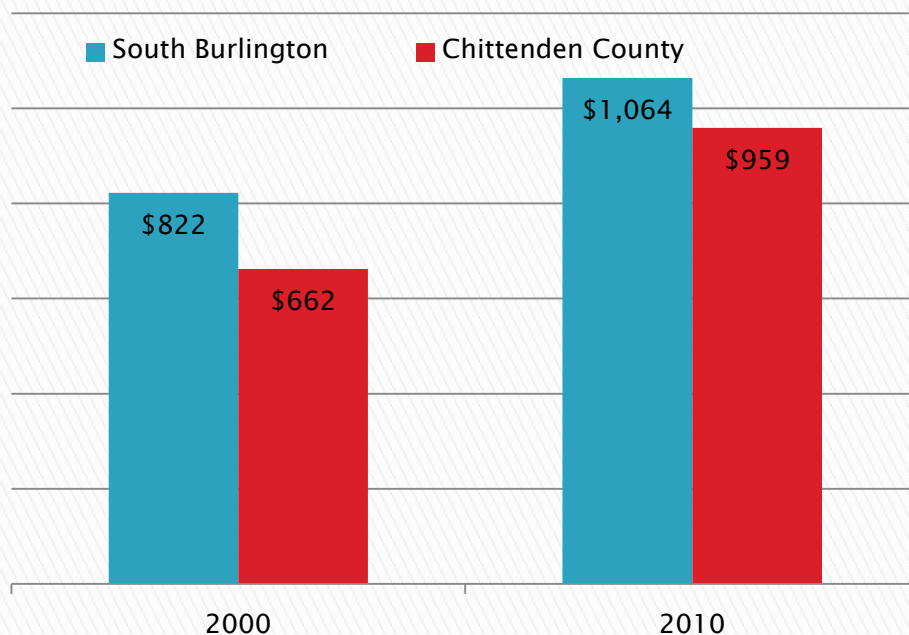


Note: Housing costs include mortgage or rent payments, property taxes, insurance and association fees, and utilities.

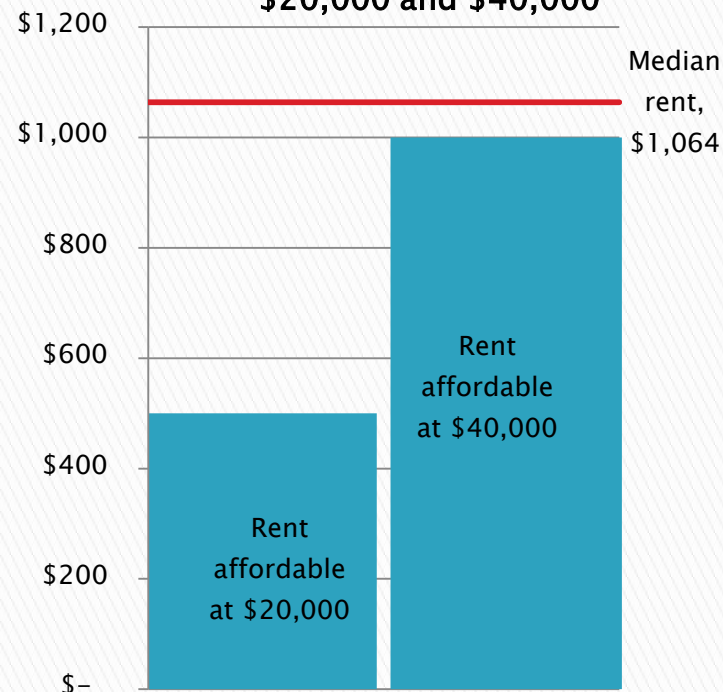
Approximately 2,800 households in South Burlington spend more than 30% of their incomes for housing expenses. About 1,000 of these households pay more than half of their income on housing. Especially among lower income households, households with this level of "cost burden" are at a higher risk of foreclosure, eviction, homelessness and frequent moving—all of which harm both residents and the community.

Rent

Median gross rent



Gap between median rent and rent affordable to households with incomes of \$20,000 and \$40,000

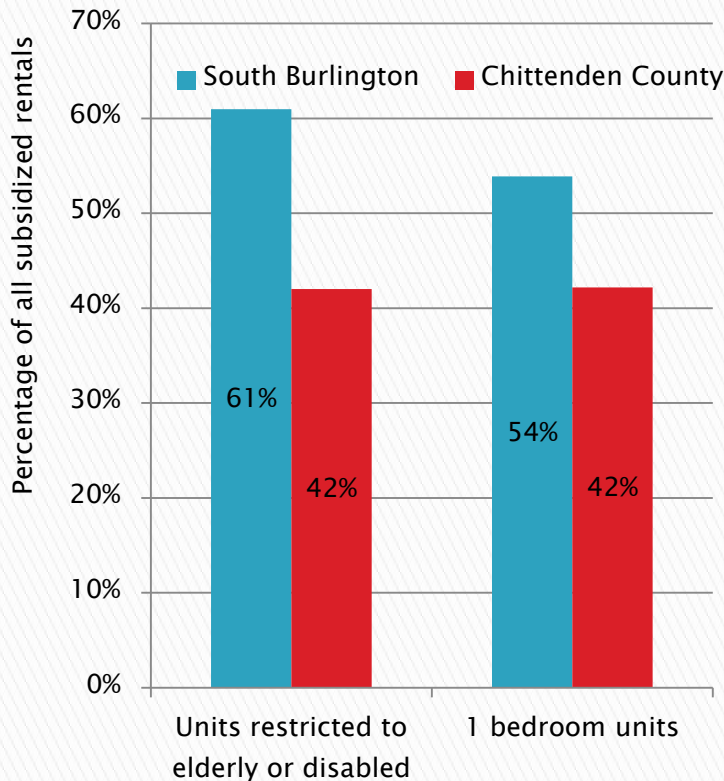


Note: Rent is considered “affordable” here if it consumes no more than 30% of a household’s income.

The median rent of South Burlington apartments (\$1,064) is higher than for the county as a whole and out of reach of its lower income households.

Rental units with project-based subsidies

Unit types

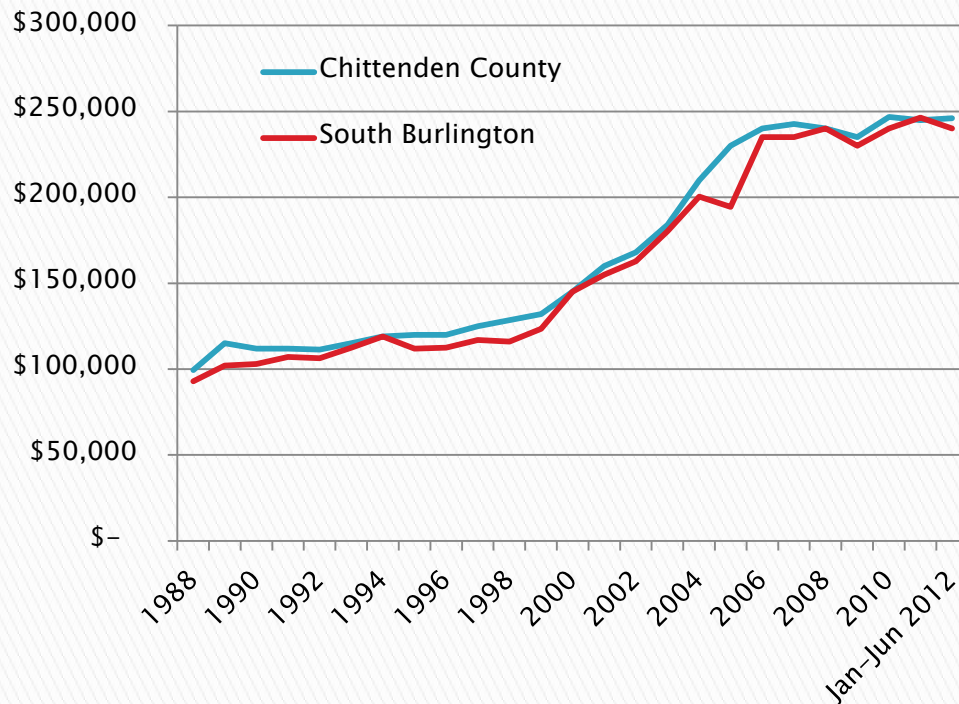


		Units	Opened
Grand Way Commons I (senior)	412 Farrell St.	63	2007
Grand Way Commons II (senior)	412 Farrell St.	28	2011
O'Dell Apartments – Allocated	345 & 347 Farrell St.	80	2003
O'Dell Apartments – Bond	349 & 351 Farrell St.	79	2003
Anderson Apartments	Anderson Parkway	18	2001
South Burlington Community Housing (disabled)	82 Anderson Parkway	10	2001
Country Park (senior)	635 Hinesburg Rd.	76	1979
Lime Kiln Apartments	378 & 380 Lime Kiln Rd.	48	2002
Queensbury Road Co-Operative	Queensbury Road	18	1995
Pines -- Phase I (senior)	7 Aspen Drive	53	1995
Pines -- Phase II (senior)	7 Aspen Drive	33	1996
Pines -- Phase III (senior)	7 Aspen Drive	39	1997
Pines -- Phase IV (senior)	5 Aspen Drive	60	1999
Total		605	

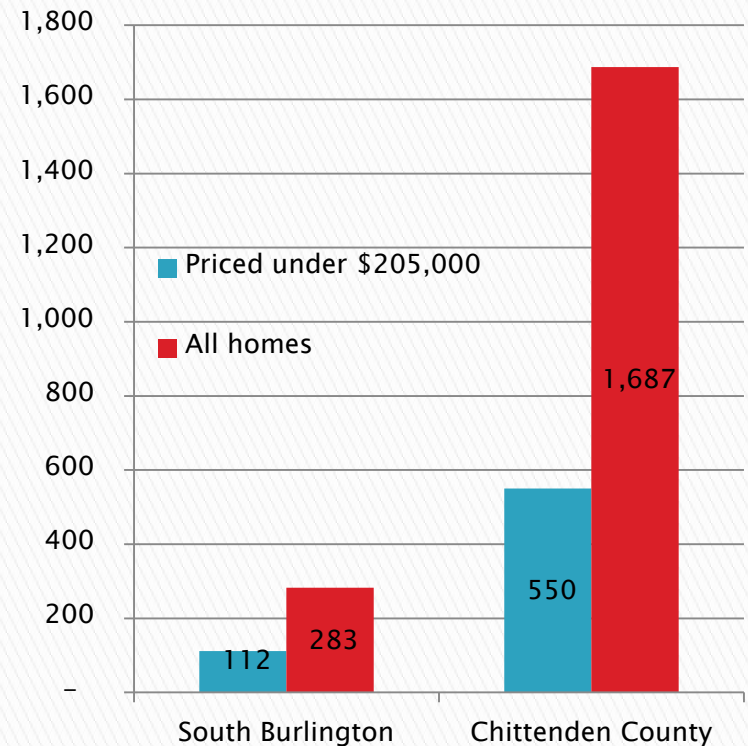
605 units (13%) of the county's subsidized rental housing is in South Burlington. The units are distributed among six neighborhoods. Most of the units (61%) are restricted to elderly or disabled tenants and almost all have 1 or 2 bedrooms.

Home prices

Median price of primary homes sold



Homes sold in 2011



**Includes detached houses and condominiums.

The median price of a home in So. Burlington in 2011 was \$246,500—virtually the same as for the county as a whole. Unfortunately, this price is well out of reach of the median income household, who is likely to be able to afford a home priced at no more than \$205,000.* *See affordability assumptions on next page.*

Stock of affordable owner homes

	Number of primary owner homes valued at less than \$205,000*	Number within .5 miles of public transit stop	% within .5 miles of public transit stop
South Burlington	1,222	1,066	87%
Chittenden County	7,456	4,431	59%

*\$205,000 is the estimated purchase price affordable to a median income household in 2010 (with income of \$60,000), assuming 2010 average interest rates, insurance and taxes, a 30% year fixed-rate mortgage with 5% down payment and a 30% housing cost-income affordability ratio. The effect of property tax income sensitivity is not reflected in this analysis.

3. Needs and opportunities

Most pressing housing needs in South Burlington and Chittenden County and opportunities to address them

Types of South Burlington residents with most pressing needs

- ▶ Nearly **600 renter households** in South Burlington spend more than 50% of income for their housing (“severely cost burdened”)
- ▶ Another **400 owner households** are severely cost-burdened by their housing costs and stock of smaller houses declined near airport.
- ▶ **69% of South Burlington’s households have 1–2 people.** This percentage is likely to continue rising since this is the fastest growing segment of the population.

County-wide housing needs

Outside Burlington, So. Burlington has more households than any other Chittenden County town. It is uniquely located near downtown Burlington, bus routes, employment centers and other frequent destinations of county residents. For these reasons, So. Burlington is in a prime position to help address the county's most pressing housing issues:

- ▶ Approximately 500 people in Chittenden County were homeless in Jan. 2011.
- ▶ Some county residents lack equal access to housing opportunities. The county's growing population of non-White residents, residents with disabilities, and 1-parent families are more likely to experience poverty and less likely to become homeowners.
- ▶ Many county households pay unaffordable housing costs (11% of mortgaged owner households and 28% of renter households pay more than half of their incomes for housing).

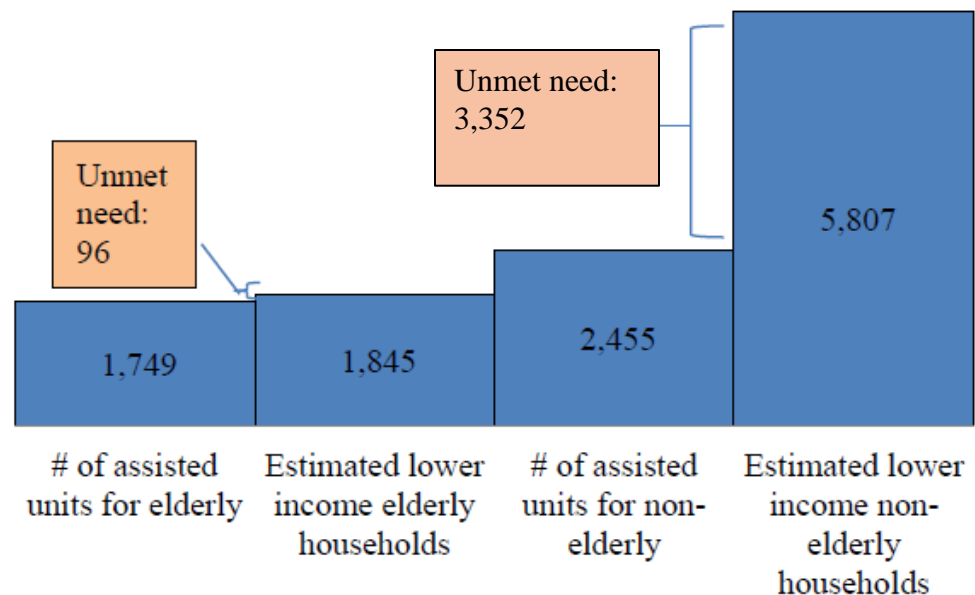
County-wide housing needs (cont.)

- ▶ Nearly 60% of homes in the county were built when lead paint was prevalent, most home insulating, heating and energy technology was inefficient, and building and accessibility codes did not yet accommodate all types of residents.
- ▶ More than 11% of county residents commute 25 or more miles to work and the vast majority of working residents pay more than 45% of their income for housing and transportation.
- ▶ Population is likely to continue growing, although at a slower pace than in past decade. In 2010–2015, demand for owner homes is likely to be lower than prior levels of home building. However, the number of renter homes needed will require an increased pace. Tools to ensure adequate rental supply include renovation and conversion of existing buildings as well as new construction.

County-wide housing needs (con't)

- ▶ Unmet needs for affordable rental housing among non-elderly households exceed those among elderly.
- ▶ Housing needs among the growing elderly population will be mainly for service enriched housing.

A supply and demand comparison of assisted rental units and lower income renters in Chittenden County, 2010



Note: "Lower income households" here refers to households with incomes of less than \$50,000

Opportunities

- ▶ 1,000 South Burlington households pay more than half of their incomes for housing. Combined with low vacancy rates and steady growth of new households, the need for developing additional affordably-priced housing remains critical for South Burlington.
- ▶ By virtue of its location, employment opportunities, and quality of life, South Burlington is ideally suited to continue its significant role helping the long-run sustainability of the region by accommodating new households.
- ▶ Most pressing needs are among renters, but additional affordable units are needed for South Burlington owners as well.
- ▶ Small units are more affordable and will best accommodate the 1 and 2-person households that will continue to dominate the city's population.