



# Building Homes Together

A campaign to strengthen Chittenden County communities

## Year 5 Data Results – September, 2021

In 2016, the Building Homes Together (BHT) campaign launched with the support of well over a hundred municipal officials, businesses, nonprofits, Legislators and individuals. The BHT campaign set a target of creating 3,500 new homes in Chittenden County by the end of 2020, with 20% or 700 of them permanently affordable. Those goals translate to 700 new homes per year, with 140 homes affordable. This is a detailed report of the outcomes of the five-year campaign; the data is also available on this [online dashboard](#).

A total of 3,659 homes were built in Chittenden County between 2016 and 2020. The average new home construction over the five years of the campaign is 732 homes/year, exceeding the annual goal. A net total of 508 new homes<sup>1</sup> were added to the County in 2020. This includes 335 multi-family homes, 201 single family homes, and 30 accessory dwellings; minus 58 demolitions.

New Homes Constructed and First Occupied in Chittenden County (all years refined in 2020) <sup>2</sup>										
2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
263	334	645	468	613	587	1012	730*	633**	776	508

\* Does not include a net gain of 304 dorm beds at UVM.

\*\*Does not include 314 student beds within 105 apartments at Champlain College at 194 St. Paul Street.

Unfortunately, the County fell short of the second goal of the campaign—to build 700 total or 140 affordable homes annually from 2016 to 2020. A total of 536 permanently affordable homes were built, or an average of 107 affordable homes per year. We achieved 77% of our goal for affordable housing.

Affordable Homes in Chittenden County <sup>3</sup>				
2016	2017	2018* (housing bond)	2019 (housing bond)	2020
102	91	85	175	83

\*In 2018, Champlain Housing Trust permanently protected naturally occurring affordable housing at Dorset Commons in South Burlington; these 105 homes are not included in the 2018 count as this is an outlier.

A major effort associated with the first five years of the campaign was the state housing bond supported and passed by the Governor and state legislature. The Building Homes Together campaign originally called for a \$70 million investment in affordable housing statewide. A \$37 million Housing for All Revenue Bond was signed into law in June 2017, helping to fund affordable construction housing in Vermont through 2019. In Chittenden County this has resulted in about 250 more units which would not have happened otherwise; and twice the annual affordable housing production in 2019. Without sustaining that level of capital, the pace of affordable housing decreased.

### COVID's disastrous impact:

The COVID pandemic has exacerbated many of the existing housing challenges and uncovered a housing market that was even worse than previously documented for low-income households. Counts of homeless households increased as

<sup>1</sup> CCRPC data collection from Chittenden County municipalities on new homes first occupied in 2020. Mobile homes (7) and camps (5) are included in the single-family home category.

<sup>2</sup> CCRPC data collection from Chittenden County municipalities, 2014-2020 accounts for demolitions. Note: this data is refined each year to account for duplications and clarifications of year occupied.

<sup>3</sup> In the first year of the campaign (2016) only the number of newly constructed affordable homes were counted. The campaign changed the methodology slightly in 2017 to tell a more complete picture about affordable housing – the change includes capturing inclusionary housing units and homes brought into a permanently affordable portfolio (such as Champlain Housing Trust's shared equity homes).



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those who were temporarily housed with friends and family needed to leave for social distancing. These people, temporarily placed in motels, have few options in the tight and expensive rental market in the county. While the Chittenden County January 2020 homeless point in time count was 217 households, this increased to 508 in August 2020. There were about 500 homeless households living in temporary motel/hotel placements as of September 2020 (homeless families = 45; homeless individuals = 444).

Swift response by the State of Vermont with CARES Act funding to support renters and homeowners to cover their housing costs prevented a catastrophe in 2020. The State of Vermont has also committed a significant amount of funding from the American Rescue Plan Act to affordable housing. It remains to be seen if this will be enough to bring security to financially stressed households.

In addition, COVID-19 stymied new construction due to labor shortages, supply chain issues and physical distancing protocols. Also, there has been an increase in out of state homebuyers adding to the demand – and driving prices higher. In conclusion, COVID-19 further de-stabilized low- and no-income Vermonters, and wreaked havoc on the housing market. The full impact of these circumstances will likely be felt for the foreseeable future.

### Indicators still point to an undersupplied market:

*Incomes v. Home Costs* – Over the last decade, while median household incomes have risen at a rate of 1.7% per year, rent inflation has averaged 2.3% annually<sup>4</sup>. As rental rates outpace income growth it limits a home buyers’ ability to save for a down payment; furthering demand for rental homes in the County. More than half of renters in the County are cost-burdened, paying more than 30% of their income on rent<sup>5</sup>. In addition, there are fewer sales of homes less than \$300,000 and the average and median days on the market for those home sales have continued to decrease over the last five years indicating a lack of supply of homes at this price point<sup>6</sup>.

*Many are Waiting for Housing* – Many households are qualified and waiting for affordable housing. As reported in August/September 2021: Champlain Housing Trust has 348 households on their waitlists. Cathedral Square has 853 households on their unduplicated waitlist (not including independent living apartments, Assisted Living, and Assisted Living Memory Care waitlists); and Burlington Housing Authority has 2,012 households on their master wait list for housing choice vouchers.

*Rental Vacancy Rate* – We are still well below a healthy rental vacancy rate. The June 2021 vacancy rate is under 1%; this is the first time that it has been this low since 2001. While the rate hit 3% in 2015 and 2016; it has been below that for the last 5 years. It increases slightly with higher new construction, but those new apartments are absorbed quickly. This indicates that there is still too little supply. Housing experts target a 3 to 5% rate to yield a healthy market for renters and owners alike.

Rental Apartment Vacancy Rate in Chittenden County (Annual Average, except for 2021) <sup>7</sup>													
2000	2005	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021*
0.7%	2.0%	1.6%	1.2%	1.3%	1.5%	1.3%	3.0%	3.3%	2.6%	1.8%	2.2%	1.9%	0.9%

\*2021 rate is from July only, not an annual average of the July and December reported rate.

<sup>4</sup> Allen, Brooks & Minor Report, June 2020. A comprehensive semi-annual analysis of the real estate market.

<sup>5</sup> American Community Survey, 5-year estimates, 2019 from: <https://www.housingdata.org/profile/income-employment/cost-burden>.

<sup>6</sup> Allen, Brooks & Minor Report, June 2021. A comprehensive semi-annual analysis of the real estate market.

<sup>7</sup> Allen, Brooks & Minor Report, June 2020. A comprehensive semi-annual analysis of the real estate market.



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*Employees Live Outside of the County* - While the number of jobs has remained relatively steady in Chittenden County, there are fewer workers living here now than in 2002. Only 67% of County employees lived here in 2018, down from 75% in 2002, indicating a lack of available, affordable homes within the County<sup>8</sup>. During the COVID pandemic more employees were working from home and while some of this might continue, it is too soon to know the impact of this long-term.

*Impact is Far Reaching* – The shortage of housing has continued to have negative impacts in the region from economic development to public health. Employers continue to identify rents and housing availability as being barriers to economic growth. This is a major hurdle on top of an already challenging shortage of trained and available workforce. Affordable Housing has been identified as one of the top six needs in the community by the UVM Medical Center’s 2019 Community Health Needs Assessment<sup>9</sup>.

## **Notable Accomplishments**

Even though the affordability goals were not met over the first five years of the campaign, there has been significant strides on the tools that the campaign called for. The Housing for All Revenue Bond described above helped to fund affordable construction housing in Vermont. Also at the state level, the VT Department of Housing and Community Development completed a housing infill guidance project called [Enabling Better Places: A Zoning Guide for Vermont Neighborhoods](#).

Chittenden County municipalities have also been tackling the issue of increasing the supply of affordable and market rate housing through a wide variety of avenues, including but not limited to:

- Conducted Housing Needs Assessments (Essex, Essex Junction, Hinesburg, South Burlington, Winooski, and Underhill. Richmond’s is in process.)
- Established Housing Committees (Burlington, Colchester, Essex/Essex Junction, Hinesburg, Jericho, Richmond, Shelburne, South Burlington, Williston and Winooski)
- Increasing zoning density (Bolton, Burlington, Essex Junction, Jericho, Milton, Richmond, Shelburne, South Burlington, Westford, Williston and Winooski; and many more are considering: Essex)
- Updated Accessory Dwelling Unit standards (Burlington, Charlotte, Jericho, Richmond, Shelburne, Westford and Williston)
- Review Process Improvements (Burlington, Westford, Williston and Winooski. Richmond in process.)
- Established Local Housing Trust Funds<sup>10</sup> (Burlington, Charlotte, South Burlington, Williston and Winooski; at least two others are considering: Essex/Essex Junction)
- Adopted Inclusionary Zoning Requirements (Burlington, Hinesburg, and South Burlington; at least three others are considering: Jericho, Essex, Essex Junction)
- Actively pursued grant funding for affordable housing construction (Burlington, Hinesburg, Shelburne, and South Burlington; at least two others are considering)
- Donated municipal land for affordable housing (Winooski)
- Reduced permit or impact fees (Burlington, Milton, Williston, Hinesburg)

<sup>8</sup> Longitudinal Employer-Household Dynamics section of the Census Bureau. Last updated in 2018.

<sup>9</sup> UVM Medical Center’s 2019 Community Health Needs Assessment: <https://www.uvmhealth.org/medcenter/pages/about-uvm-medical-center/the-community/needs-assessment.aspx>

<sup>10</sup> IF all Chittenden County municipalities added a penny to the property tax it could amount to approximately \$2 million for housing.



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- Received State Designation Providing Act 250 Relief (Burlington, Colchester, Essex Junction, Hinesburg, Westford, Williston, Winooski)
- Participated in Regional Housing Discussions and Peer Learning (Bolton, Burlington, Charlotte, Colchester, Essex, Essex Junction, Hinesburg, Jericho, Milton, Richmond, Shelburne, South Burlington, St. George, Underhill, Westford, Williston and Winooski)
- Housing Retention Requirements (Burlington and South Burlington)
- Wastewater Infrastructure in Villages: Jericho, Huntington and Westford are actively working toward new wastewater infrastructure.
- Other: Burlington's Housing Action Plan; Williston's affordable housing incentives within the Growth Management Program; Hinesburg considering water/wastewater allocation based on community goals including housing needs

Moving forward, Building Homes Together will build upon these accomplishments and continue to call for action to reach the new construction and affordable home goals. Stay tuned for more information about the next Building Homes Together campaign goals in the coming months.

**For more information and to sign on to the Building Homes Together campaign visit:**  
***[ecosproject.com/building-homes-together](https://ecosproject.com/building-homes-together)***