



CITY OF ST. ALBANS 2014-2015 HOUSING STUDY AND NEEDS ANALYSIS

Draft: July 1, 2015

This report was produced by the Northwest Regional Planning Commission under the oversight of the St. Albans City Planning Commission and Planning & Development Dept. with funding from a Municipal Planning Grant from the Vermont Department of Housing and Community Development

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Executive Summary

In 2013 the St. Albans City Planning Commission was tasked with undertaking a study of housing issues in the community. The overall goal of the study was to facilitate discussions and answer some of the burning questions our community has about housing. The six study questions were:

1. What is the nature of the City's current housing stock, especially owner vs. renter and the % of subsidized units?
2. What are market rents in the City?
3. What critical needs exist for housing in the City? What do we need more of?
4. What is the effect of subsidized housing on the private rental market in the City? And vice versa.
5. What is the effect of subsidized housing on the City's grand list?
6. What are some ways to ensure the proper maintenance of housing in the City and the residential quality of life of our neighborhoods?

The City has a comprehensive plan that calls for ensuring the right housing mix. Many housing projects have been developed in the City in the past decade, some of which have required the City Council to vote in support of particular projects to allow developers access to federal grants. However City Staff and the Planning Commission have realized that there are no complete answers whenever the above questions are asked by the City Council or the public. While the City may be able to plan for desired housing densities, there exists little to no mean by which to guide other City actions concerning types of housing or the needs thereof. The City lacks comprehensive guidance on what types of projects to support and what other actions to take. The Planning Commission intends the results of the St. Albans City Housing Study and Needs Assessment to put the City much further along the path toward developing that guidance.

Below is a summary of how each of the study questions is addressed by the final report:

1. What is the nature of the City's current housing stock, especially owner vs. renter and the % of subsidized units?

The report addresses this question beginning on page 12 within the Housing Inventory subsection. The City has approximately 3,000 housing units. Most residential properties (75%) are single family homes. The plurality of rental housing units (47%) are in multi-family buildings of 4 or more (18% triplex, 26% duplex, 9% single). The majority of City housing units were built before the 1950s.

In Figure 3.14 on page 13, the 2010 Census and an analysis of declared homesteads in the City grand list vs. units in the City rental registry show that the majority of housing units in the City are rental (52% rental via Census and 51% rental via the City data). However that same figure shows that the 2009-2013 American Community Survey attributes the majority to owner-

occupied units at 56%. At this point, it is recommended that more credence be given to the data from the 2010 Census and the City sources until such time that subsequent ACS data releases confirm that a new trend may be emerging. In the meantime one can at least conclude that the ratio of rental vs. owner housing is nearly balanced.

Beginning on page 19, the data shows that the vacancy rate of rental housing in the City is 3.9%, which is lower than many other Vermont cities and lower than the VHFA “healthy rate” of 5%. Figure 4.2 on page 36 shows that the percentage of subsidized rental housing units (project-based) is 22.8%, and the percentage of subsidized rental households (tenant-based) is 18.1% (some subsidized households may also live in subsidized units). This is comparable with other similarly sized Vermont cities.

Figure 3.24 on page 21 shows that 13.5% of housing units in the City are senior or disability services-based units.

2. What are market rents in the City?

Figure 3.27 on page 25 addresses this question. Various data sources are provided. Median rents range from \$775 to \$850. The rents reported range from \$565 for a studio to \$1,525 for a 4-bedroom. All City rental prices seem to fall below the Fair Market Rents for the larger MSA area as calculated by HUD. The rent affordability analysis in Figure 3.30 on page 28 shows that that City’s median household incomes are lower than the county overall, and there are rental affordability gaps for those households at 50% or less of the median and possibly for those under 80% of the median.

3. What critical needs exist for housing in the City? What do we need more of?

One of the things that the City has learned is that it is hard to answer this question on a local, non-regional basis, since most housing need issues are dealt with on a regional basis, and many housing needs can be fulfilled with new projects right outside the City boundary just as much by work inside the City.

The answer to this question also depends on what data and policies the City decides should drive housing goals.

For instance, if the City decides that housing outcomes should address wait-lists and the housing affordability and adequacy of current resident households, then there is a need for more rental housing, regardless of type or affordability (see the information on vacancy rates on page 20 and the wait list information in Figure 3.25 on page 23). The latter data could also be used to advocate for more subsidized and/or elderly housing, although there is a note regarding the number of non-Franklin County residents that may be on waiting lists. The rental and homeownership affordability analysis Figures (3.30 on page 28 and 3.33 on page 31) show that here is a need for more affordable housing for those at 50% and 30% of median household

income for renters and for 100% or less of median household income for ownership. The City has also heard anecdotally of the need for recovery housing to help community members deal with substance abuse issues. This is another type of need that could use more exploration.

The City might also want to use housing policies to address the low percentage of people who live AND work in the City, according to Figure 3.10 on page 10. It may benefit the community in many ways to have more people living and working in the City, spending their daytime dollars locally, reducing commuting times, and having more time for locally-based activities and volunteerism. The City does not yet know what types of housing and other efforts could be used to encourage more City workers to also become City residents, but one first step would be to work with major employers to gain more insight on their employees. Many employers have stated in the past that such efforts would be beneficial to their recruiting efforts to find quality workers.

Or perhaps the City's policies should focus more on what housing development options would best match the City's current built capital and the ability to maintain or grow the grand list. There are many existing underutilized buildings and lots in the City that could potentially benefit from housing development. Perhaps the City should focus more on what types of housing would best be able to make use of the existing built capital in the City on a case-by-case basis, for example:

- are studio apartments the best way to keep a historic building in good maintenance, or
- would a subsidized nonprofit provide a good solution for managing an existing duplex or triplex, or
- should the City do more to entice the types of people who are attracted to the City's existing neighborhood housing stock in order to provide rent and maintenance funds for current landlords, or
- is a certain type of housing the best way to redevelop an underutilized lot and increase the grand list?

The ultimate issue is that there is a housing need in nearly every socio-economic sector, and the City's greatest housing need may be just to keep its current housing in good shape and maintain quality of life in the neighborhoods. Therefore, the City may want to focus on:

- a. working with current landlords on how the City can help with the existing housing stock, and
- b. let the private market (including nonprofits) do what it does best to assess what types of housing make the best economic sense in what cases and assist as the City always does for redevelopment projects.

Obviously there needs to be an ongoing conversation with stakeholders on this issue.

4. What is the effect of subsidized housing on the private rental market in the City? And vice versa.

The information gained from this study shows that there are many answers to this question, and that not all landlords feel the same way (pages 33-35). In the survey, 61% of landlords reported the subsidized projects DO NOT affect their ability to find tenants, but the comments reveal that some of that is from landlords who feel that they are not looking for “that type” of tenant anyway. And then some of the landlords who answered “yes” to the question actually think that subsidized housing improves their ability to find tenants. A look at landlord comments show that some think subsidized housing is better quality than what they can provide, while others think the opposite. This study revealed some more nuanced information about subsidized and market-rate housing, but the City can make the following conclusions thus far:

- a. The opinions on negative or positive effects of project-subsidized housing upon market rate housing are mixed among private landlords.
- b. Tenant-based subsidies (Section 8) can benefit market rate housing just as much as any other type.

5. What is the effect of subsidized housing on the City’s grand list?

This issue is addressed on pages 37-38. The data show that the State’s rules for assessing the property value of subsidized housing projects provided an initial negative impact on the grand list when enacted in 2007. Over time, the subsidized project values have increased at a slightly smaller rate than the rest of the grand list. If more recent information on this effect is desired, the Planning Commission recommends to the City Administration that standard assessments be performed on subsidized projects for updated analyses.

6. What are some ways to ensure the proper maintenance of housing in the City and the residential quality of life of our neighborhoods?

Nearly every service that the City provides somehow impacts quality of life in the neighborhoods, the prosperity of the people who live there, and the ability of people to pay to maintain housing. Unfortunately, that presents web of causality and coincidental effects that are hard to isolate. The solutions seem simple:

- a. Tenants need to be able to pay landlords enough to be able to maintain their property.
- b. Homeowners need to have enough money to maintain their properties
- c. Neither of the above two deals with the very real issues of aesthetics, noise or lawn clutter that also affect neighborhood quality of life.

As expected, this study has revealed no immediate solution for quality of life issues. However, the study did provide some insight on how landlord/tenant communication and education could be a potential solution.

The Opportunities and Solutions Matrix that starts on page 39 lists the ideas from this study that could prove beneficial for addressing housing maintenance and quality of life issues. Most have to do with increased communication with landlords and tenants and more/better data-management by the City. It is likely that this study is an important first step in a program of community engagement on housing issues.

Next Steps

This draft of the Housing Study report has been accepted by the St. Albans City Planning Commission with the goal of presenting to the City Council before the end of 2015 and recommending some of the options in the Opportunities and Solutions Matrix. This study is a significant step toward making more informed decisions concerning housing in City policies and programs.

In the meantime it is near certain that the Planning Commission or others in the City may learn a new piece of information or have a conversation with a housing stakeholder worthy of adding to this report. It is possible that this report will never be “final,” and even if it is, that is unlikely to be anytime soon. Therefore the Planning Commission and Planning & Development Department will continue to welcome any information and input out there relevant to the City’s housing situation.

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Kindest Regards,

- **the St. Albans City Planning Commission, June 15, 2015.**

I. Introduction

In the fall of 2013, the City of St. Albans applied for and received a Municipal Planning Grant from the Vermont Agency of Commerce and Community Development to conduct a housing study. The City contracted Northwest Regional Planning Commission (NRPC) to complete the study. The City determined that a housing study was needed to understand current housing issues and future housing needs in St. Albans City so that the Planning Commission and Planning Staff could better implement the Comprehensive Municipal Plan, specifically goals related to ensuring that “a variety of housing options will be available for all income levels and segments of the Saint Albans City Population.” In addition, the Planning Commission and Planning Staff sought more information to guide future decisions regarding the development of subsidized housing in the City.

The Planning Commission chose to focus their efforts on answering six questions within the housing study. The six questions are broad ranging and focus on broad issues, like proper maintenance of structures in neighborhoods, and on narrow issues like determining the market rents in the City. When the study addresses these questions, the relevant question will be provided in a text box. The six questions are as follows:

1. What is the nature of the City’s current housing stock, especially owner vs. renter and the % of subsidized units?
2. What are market rents in the City?
3. What critical needs exist for housing in the City? What do we need more of?
4. What is the effect of subsidized housing on the private rental market in the City? And vice versa.
5. What is the effect of subsidized housing on the City’s grand list?
6. What are some ways to ensure the proper maintenance of housing in the City and the residential quality of life of our neighborhoods?

The study is divided into three key sections: methodology, a housing needs analysis, and an analysis of critical issues, opportunities and solutions for the City housing market. This study used the Vermont Housing Finance Agency’s (VHFA) *Vermont Housing Needs Assessment Guide*, as a resource for the needs analysis. The report provides the City with guidance on implementing the Comprehensive Municipal Plan while also addressing the six questions posed by the City.

While this study is focused on housing in the City, it should be kept in mind that housing is a regional and statewide issue. This study needs to be understood as a snapshot of the City housing market within the context a regional housing market that is affected by complex economic and social forces.

II. Methodology

NRPC collected data from several sources for this study, including local databases, survey generated data, U.S. Census data and data from a variety of state agencies and organizations. All of these data sources have varying levels of confidence, strengths and weaknesses. Where local sources of data were available, NRPC attempted to use this data or at least provide it as a frame of reference. U.S. American Community Survey data was used most persistently throughout the study because it covers such a wide array of topics. The following is a summary of the data sources used to complete this study:

A. Sources

1. City Grand List

Information from the City Grand List was used often throughout this report. NRPC used a copy of the Grand List dated January 3, 2014. Historical Grand Lists from 2006 and 2007 were also used.

2. City Rental Database

NRPC relied heavily on the City Rental Database. This database tracks City inspections of all rental properties in the City for compliance with the City Fire Code and is maintained by the City Fire Marshall. The copy of the Rental Database used by NRPC was dated December 2013.

3. City Zoning Permit Database

NRPC used data from the City Zoning Permit Database which is maintained by the City's Planning Department. The Zoning Permit Database was provided to NRPC on April 3, 2014.

4. Survey Data

Data collected from the tenants and landlords in the City via surveys that sent to each group. The surveys were distributed to the 1,524 rental units in the City cataloged on the City Rental Database and to each landlord owning property in the City (400 landlords). The surveys were mailed via US mail in late July 2014. Each survey was also available to be completed online via a link on the City's website. Sixteen percent of Tenant Surveys were returned (246 responses) and 31% of Landlord Surveys were returned (146 responses).

5. Focus Groups/Interviews

NRPC, in collaboration with City Planning Staff, held four focus groups in December 2014 and January 2015. The focus groups were based on three distinct groups: private landlords, subsidized housing/non-profit landlords, and city employees. Focus group notes and participants are provided in Appendix C. The questions asked during each focus group were concentrated on issues relating to changes in the rental market, the effects of subsidized housing on the city rental market, rental structure maintenance, and tenant relations.

6. US Census - 2010

NRPC used US Census data from 2010 in this report, where applicable. It should also be noted that the US Census in 2010 collected much less data than previous censuses. Much information that would have been applicable to this study, though available in previous censuses, was no longer available through the 2010 US Census and is instead available through the American Community Survey.

7. American Community Survey 2009-2013

When information previously obtained via the US Census was no longer available, data from the American Community Survey was used. Typically, NRPC used data from the American Community Survey 2009-2013, the most recent American Community Survey available during the drafting of this report.

The main difference between the American Community Survey and the US Census is that the American Community Survey contains estimates based on surveys of random households within a community during a five year period (ex. 2009-2013). It is not a “count” like the census. The American Community Survey is collected via mail. According to the US Census Bureau, approximately 295,000 surveys are mailed per month to randomly selected addresses in the United States. Follow up phone calls or personal visits by US Census workers are made to households that do not respond to the mailed survey. Between 2009 and 2013, the American Community Survey sampled 608 persons and 271 housing units in the City of St. Albans.

Since St. Albans City is a small community, and since American Community Survey is a survey and not a census, data from the American Community Survey for St. Albans City typically has a considerable large margin of error. This should be kept in mind while reading this report. Despite issues with the American Community Survey, it is the best available data for a variety of data points used in this study.

American Community Survey is abbreviated as “ACS” throughout the report. More information about ACS can be found at: <http://www.census.gov/acs/www/>.

8. Vermont Department of Taxes

Information from the Vermont Department of Taxes is frequently referenced throughout this report. This data typically pertains to property and/or structure values and reflects data collected by the department in 2013 and 2014.

9. State Housing Needs Assessment

The Vermont Agency of Commerce and Community Development released a 2015-2020 Housing Needs Assessment in January 2015. This document was consulted to confirm statewide housing trends and provide context to the housing market in the City of St. Albans.

10. Vermont Housing Finance Agency's (VHFA) Vermont Housing Needs Assessment Guide

The VHFA Housing Needs Assessment Guide was used as a resource to guide the needs assessment section of this study. It was developed to help communities' better collect, organize, and analyze data that influences both the current and future housing market.

11. Other Sources

Some additional data sources were used during the writing of this report and are documented. Additional sources include income information available through the US Department of Housing and Urban Development (HUD), Vermont State Housing Authority (VSHA) and interviews with staff members of local non-profits like the St. Albans City Housing Authority (SACHA).

B. "Affordable Housing" and "Subsidized Housing"

There is need to clarify the meanings of "affordable housing" and "subsidized housing" within the context of this study. Both terms can take on varied meanings depending on user and context. This study refers to affordable housing as a limit on the percentage of a household's income spent on monthly housing costs. Specifically, this study will rely on the definition of "affordable housing" found in Vermont Statute (24 V.S.A §4303):

"Affordable Housing" - Housing that is owned by its inhabitants whose gross annual household income does not exceed 80 percent of the county median income, or 80 percent of the standard metropolitan statistical area income if the municipality is located in such an area, as defined by the U.S. Department of Housing and Urban Development, and the total annual cost of the housing, including principal, interest, taxes, insurance, and condominium association fees is not more than 30 percent of the household's gross annual income, AND Housing that is rented by its inhabitants whose gross annual household income does not exceed 80 percent of the county median income, or 80 percent of the standard metropolitan statistical area median income if the municipality is located in such an area, as defined by the U.S. Department of Housing and Urban Development, and the total annual cost of the housing, including rent, utilities, and condominium association fees, is not more than 30 percent of the household's gross annual income.

The City of St. Albans is located within the Burlington-South Burlington, VT Metropolitan Statistical Area (MSA). The entire MSA incorporates all municipalities within Chittenden, Franklin, and Grand Isle Counties. This means that the basis for calculating gross annual household income, in regards to determining what is "affordable housing" in the City of St. Albans, is greatly influenced by household income levels in Chittenden County, a county that

typically has higher household incomes than both Franklin County and City of St. Albans. For this reason, when conducting affordability analysis NRPC uses the MSA median household income in addition to the county median household income.

Notwithstanding the statutory definition above, there are programs that define affordable housing based on different income levels and housing cost limits. When discussing programs that use a different definition of affordable housing, the differences will be explained.

“Subsidized housing” in the context of this study can be divided into project based subsidies and tenant based subsidies. Project-based subsidies stay with a particular housing development either through rent assistance to income eligible tenants or through development subsidies that provide funding for construction, such as through a tax credit, in exchange for the units being affordable through covenant. Affordable housing covenants typically have rent ceilings and income limits.

Tenant based subsidies on the other hand consist of rent assistance issued to the tenant that can be used at any housing unit. The most common form of tenant rent assistance is the Section 8 Voucher (commonly known as a Housing Choice Voucher). See Appendix D and E for more information.

III. Housing Needs Analysis

In this Section, NRPC collected and analyzed available data to assess housing demand and future needs in the City of St. Albans. First, we performed a demographic overview and made conclusions on housing demand in the City. Second, we conducted an inventory of housing to understand the current makeup of housing in the City. Lastly, we evaluated the availability of housing in demand and defined specific future needs.

A. Demographic Overview and Housing Demand

1) Population

Saint Albans City is located in the northern Champlain Valley, approximately 30 miles north of Burlington and 70 miles south of Montreal with a current population of 6,919 (Figure 3.1). The regional relationship of Saint Albans to Burlington and Canada has played an important role in the City’s economic and cultural development and therefore has impacted housing demand and needs. As a regional employment center for Franklin and Grand Isle Counties, local employees seek out convenient and affordable housing in the City. Further, being in the commuter shed of Burlington and neighboring Chittenden County job centers, the Chittenden County workforce seeks out less costly housing in St. Albans City and Franklin County.

St. Albans City	6,919
Burlington	42,331
Newport	4,564
Rutland City	16,345
Franklin County	48,019
Vermont	625,904
Source: 2009-2013 ACS	

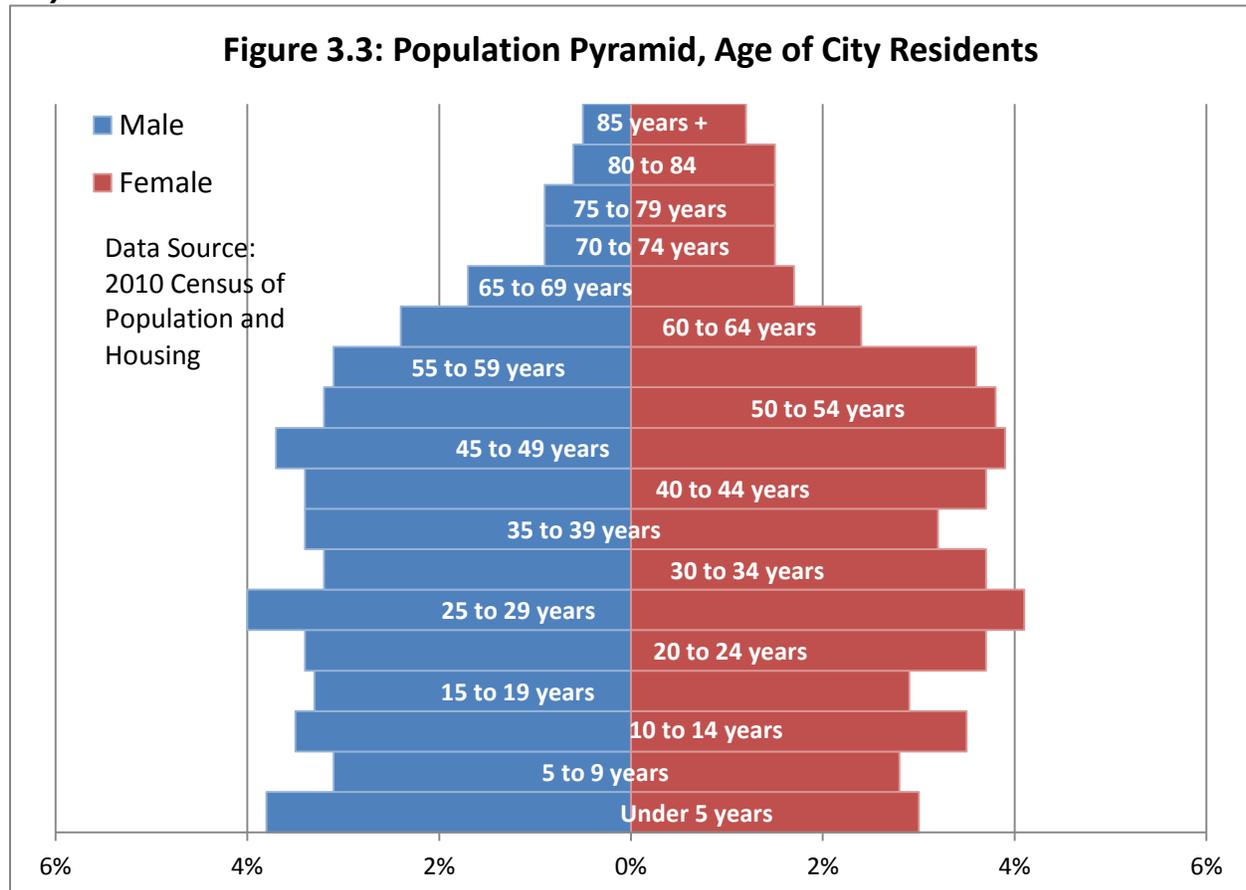
2) Population Age

Age is one of the key characteristics in analyzing demand within a housing market. The age of a population provides insight on the size, tenure and other characteristics of housing demand within a community.

The available data shows that while median age is lower in St. Albans City than in the County and State, the population in the City is still aging (Figure 3.2). There are a great

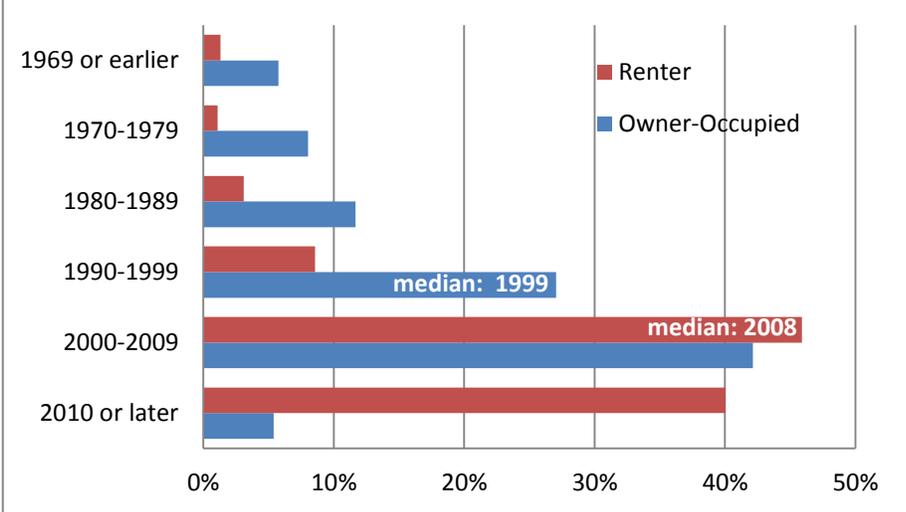
Figure 3.2: Median Age			
	2000 Census	2010 Census	2009-2013 ACS 5 Yr Estimate
St. Albans City	35.2	36.3	37.6
Franklin County	35.7	39.6	39.7
Vermont	37.7	41.5	42.0

number of residents in age cohorts between 45 and 64 years of age (Figure 3.3). These residents, most of them members of the baby boom generation (born between 1946 and 1964), will have an effect on the City housing market over the next several decades. This is part of a trend of growing senior populations across the nation. The first baby boomers began turning 65 in 2011, but the peak year of the baby boom generation will not start turning 65 until 2022. The Vermont Housing Needs Assessment notes that “between 2015 and 2020, the greatest growth in households by age is projected to continue to occur amount households between the ages of 65 and 74.” ***It is anticipated that St. Albans City (along with the County and State) can expect demand for senior housing to increase substantially over the next 10 to 20 years.***



Based on current occupancy trends it can be assumed that both ownership and rental opportunities are in demand (the 2009-2013 ACS reports that 48% of senior households own while 52% rent). Although, given the full occupancy at designated subsidized senior rental housing with a variety of services and activities provided geared towards seniors, **it can be postulated that seniors are more interested in senior specific rental options over homeownership as they age.**

Figure 3.4: Occupied Housing Units by Tenure by Year Householder Moved into Unit Data Source: 2009-2013 ACS 5-Yr Estimates



As a population ages, the possibility of disability increases. This is important to note as the percentage of seniors in the City is anticipated to grow over the next 20 years. Currently, ACS 2009-2013 estimates that 51% (379) individual seniors have a disability and therefore **there will be demand for handicap accessible senior housing units.**

Figure 3.5: Households >1 Year in Renter Occupied Dwellings in Different Place 1 Year Ago

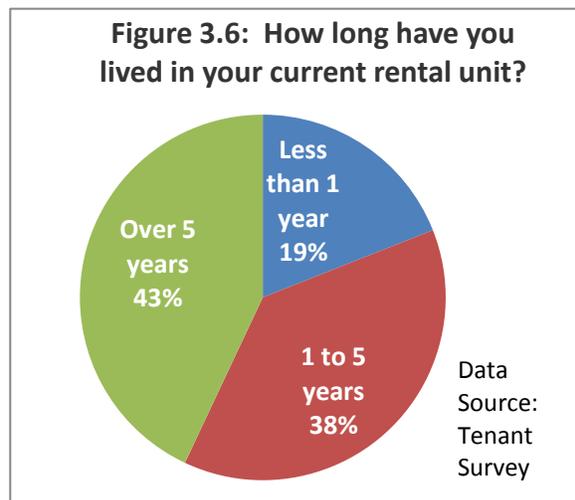
	St. Albans City	Newport	Rutland	VT
Same house 1 year ago	61.05%	72.65%	73.44%	69.46%
Moved within same cnty	29.52%	22.84%	19.07%	19.00%
Moved from different VT cnty	1.06%	2.75%	1.47%	4.05%
Moved from different state	8.36%	1.00%	5.23%	6.80%
Moved from abroad	0.00%	0.75%	0.79%	0.68%
Data Source: 2009-2013 ACS 5-Yr Estimates				

Figure 3.3 also shows that there is a large population in their 20s, 30s and early 40's in St. Albans City. This age group is commonly known as the baby boom echo or the baby boomers children. The group incorporates single, young professionals new to the labor force to young and growing family households. **This shows a demand for small units for young professionals without families, in addition to larger units more suited to families with children (both rental and ownership opportunities).**

3) Mobility Rates and Turnover

The term mobility rate refers to where a population was living one year ago and how long a householder has been living in a particular dwelling, both of which can indicate the stability of a population. The population in owner-occupied dwellings is more stable than the population in renter-occupied dwellings (Figure 3.4). The population in renter-occupied dwellings is reported to be less stable in St. Albans City than in two other similar Vermont cities (Newport and Rutland) and the State, as reported by the ACS (Figure 3.5). The 2009-2013 ACS reports that 30% of renter households moved to St. Albans City from within Franklin County within the last year (approx. 389 households).

This contrasts with mobility trends for renter occupied units reported by the Tenant Survey. Approximately 81% of survey respondents indicated that they had lived in their current rental unit for more than one year. This includes 43% of respondents that indicated that they had been living in their current rental unit for more than 5 years (see Figure 3.6). The low rental mobility rate reported by the survey is likely skewed due to the high proportion of Tenant Survey respondents living in senior housing units as such tenants may be less likely to move.



4) Income

The 2009-2013 estimated median household income of \$45,712 is less than the same figures for the county and the state, but higher than the comparison cities of Rutland and Newport (Figure 3.7). St. Albans City has a relatively high median household income for owner-occupied dwellings and a relatively low median household income for renter-occupied dwellings.

Figure 3.7: Median Household Income in Past 12 Month in 2013 Inflation Adjusted Dollars

	Occupied Housing Units	Owner Occupied	Renter Occupied
Saint Albans City	\$45,712	\$70,506	\$22,163
Newport City	\$31,408	\$45,719	\$17,083
Rutland City	\$40,622	\$57,442	\$25,275
Franklin County	\$56,240	\$67,002	\$28,227
Vermont	\$54,267	\$66,057	\$31,244

Data Source: 2009-2013 U.S. Census American Community Survey 5-year Estimates

Similarly, the poverty level is higher in Saint Albans City than the county and state (13% compared to 9% and 11%), but lower than the comparison cities of Rutland and Newport. Virtually all individuals aged 16 and older that are under the poverty level do not hold full time jobs. Interestingly, there are a higher percentage of part-time or part-year workers under the poverty level in Saint Albans City, than the county

and the state. Given these income and poverty figures, **affordable housing opportunities are in demand in St. Albans City.** This trend is confirmed by the Vermont Housing Needs Assessment

which finds that there is “significant pent-up demand and need for affordable rentals within the state.”

Figure 3.8: Population 16 Years and Over Below the Poverty Level

	Population 16 Years and Over	Worked full-time, year-round	Worked part-time or part-year	Did not work
Saint Albans City	13.2%	2.3%	19.3%	26.8%
Newport City	18.4%	4.5%	15.2%	32.8%
Rutland City	14.6%	2.1%	23.0%	22.5%
Franklin County	8.9%	1.4%	11.6%	19.6%
Vermont	11.0%	2.0%	15.1%	20.7%

Data Source: 2009-2013 U.S. Census American Community Survey 5-year Estimates

5) Employment and Unemployment

St. Albans City has a labor force (civilian population living in St. Albans City over 16) of 4,070 with an unemployment rate of 6.5% (Figure 3.9). The St. Albans City unemployment rate has been comparatively high since 2006 and is not recovering as quickly as the county and state since the recession.

Figure 3.9: Employment, 2014 Annual Average

	Labor Force	Employment	Unemployment	Unemployment Rate
St. Albans City	4,070	3,800	270	6.5
Franklin County	27,350	26,250	1,100	4.1
Vermont	348,850	334,550	14,300	4.1

Source: Vermont Dept. of Labor Economic and Labor Market Information

Approximately 22% of the City’s labor force lives and works within the City, while about 78% of local jobs are filled by workers commuting to the City for employment but living elsewhere.

This phenomenon of local jobs being mismatched to the local labor force is most likely explained by the City’s proximity and ease of access to Chittenden County. Almost 39% of the City labor force works in Chittenden County. As noted earlier, housing is more expensive in Chittenden County than in St. Albans City. Workers may be drawn to less expensive housing in St. Albans City. About 26% of the City’s labor force works in other Franklin County municipalities. There are definitely some questions about why a large majority of the City’s labor force is occupying jobs outside the City and why City workers aren’t living in the within the City. The City should continue to study and monitor this issue to gain a better understanding of who lives and works in the City.

In Franklin County, under half (44%) of the county's labor force lives and works within the County. This means that 56% of the County workforce leaves the County for employment. Only 34% of the jobs in the Franklin County are filled by workers commuting from outside the County. In the comparative cities of Newport and Rutland the percentage of the labor force living and working in the community is higher than the City. Rutland's is close to 50% and Newport's is just over 40%.

The largest employment sector in St. Albans City is the occupational category of Health Care and Social Assistance (1,057 jobs). This category is followed by Educational Services (638 jobs) Administration and Support (506 jobs), Retail Trade (480 jobs), and Information (358 jobs). About 15.5% of the jobs in St. Albans City are held by City residents followed closely by St. Albans Town residents at 13.5%.

The next four communities are all Franklin County communities (Swanton, Highgate, Georgia, and Sheldon). These workers from these four communities, combined with St. Albans Town, occupy for about 34% of workers in the City.

When comparing jobs data from the US Census On the Map tool, it becomes clear that although St. Albans City has a large number of health care and social assistance jobs and educational services jobs, yet only about half of the jobs are held by persons that live in the City. Further, there are over 506 Administration and Support jobs in the City, but only 175 of these are held by City residents. There are 372 City residents that work in manufacturing, but only 85 of these residents work in the City (Figure 3.11).

Figure 3.10
Inflow/Outflow Job Counts in 2011
U.S. Census, LEHD On the Map



Figure 3.11: Jobs Comparison

	Jobs of St. Albans City Residents	Jobs in St. Albans City
Agriculture, Forestry, Fishing and Hunting	22	13
Mining, Quarrying, and Oil and Gas Extraction	1	1
Utilities	8	0
Construction	114	78
Manufacturing	372	85
Wholesale Trade	133	150
Retail Trade	443	480
Transportation and Warehousing	90	140
Information	86	358
Finance and Insurance	68	145
Real Estate and Rental and Leasing	20	11
Professional, Scientific, and Technical Services	137	179
Management of Companies and Enterprises	8	6
Administration & Support (Waste Mgmt & Remediation)	175	506
Educational Services	346	638
Health Care and Social Assistance	549	1,057
Arts, Entertainment, and Recreation	22	9
Accommodation and Food Services	211	198
Other Services (excluding Public Administration)	79	94
Public Administration	237	208
Total Jobs	3,121	4,356
Source: U.S. Census, LEHD On the Map		

B. Housing Inventory

1) Housing Units

Residential growth has been slow in the City of St. Albans. The U.S. Census reports a loss of 145 housing units from 2000 to 2010 and another 65 units between 2010 and the 2009-2013 5-Year Estimates (Figure 3.12). Unfortunately, the available City databases do not clearly track net housing unit change from year to year. City permit databases clearly show an increase in new housing units during this period, but it is unclear how demolitions, consolidations of housing units, or use conversions impacted the net change. In the future, this information may be more clearly understood by working closely with City staff to better understand how these items are reported in permit databases and other records.

There are 2,337 individual properties in the City of St. Albans (St. Albans City 2014 Grand List). Of these properties, the Grand List reports that 1,992 or 85% have at least one residential unit. The Vermont Tax Department reports that 1,318 of the properties on the City Grand List were counted as “homesteads” in 2014. This means that 1,318 properties in the City during 2014 were owned and occupied by a VT resident as his or her principal home and declared as a homestead with the VT Department of Taxes.

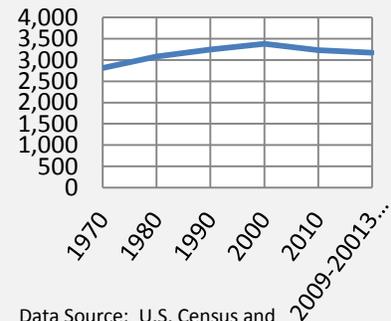
According to the St. Albans City 2014 Grand List, NRPC counted 2,997 housing units in the City of St. Albans. This figure is substantially lower than the 2009-2013 American Community Survey 5-Year Estimate, which reported 3,166 housing units, and reported by 2010, 2000, 1990 and 1980 U.S. Census housing unit counts. Given this major discrepancy between data sources, NRPC is concerned with the accuracy of how units are reported in the Grand List. For this reason, the ACS figure for total housing units, occupied housing units, owner occupied housing units, renter occupied housing units and vacant housing units will be used in this study to maintain consistency.

The split between renter occupied housing units and owner occupied housing units is slightly tipped towards owner occupied at 56% vs. 44% (Figure 3.14, 2009-2013 ACS 5-Yr Estimates). As a note of comparison, the City’s Rental Database reports 1,534 total rental units (both occupied and vacant). By comparing this figure to the 2013 total housing unit count from the Grand List,

Study Question #1:

What is the nature of the City’s current housing stock, especially owner vs. renter and the percentage of subsidized units?

Figure 3.12: Housing Unit Growth



Data Source: U.S. Census and ACS 2009-2013 5-Yr Estimate

Figure 3.13: Properties, Units and Structures

Property: A division of land held by an owner(s).

Unit: A dwelling space designed for one household and that has a unique address.

Structure: A building containing one or more units.

we can estimate that there are 1,463 non-rental housing units (both occupied and vacant). Therefore, local data indicates a higher proportion of rental units (51%) than ownership units (48%). This local data matches closely with percentages calculated using the 2010 Census. However, it needs to be kept in mind that ACS2009-2013 and 2010 Census percentages are calculated using occupied housing units only, while the local percentages are calculated using total housing units.

Figure 3.14: Housing Units

	2009-2013 ACS			2010 Census		City Grand List and City Rental Database	
	Number of Units	%	Margin of Error	Number of Units	%	Number of Units	%
Total Housing Units	3,166	NA	+/-149	3,231	NA	2,997	100%
Occupied Housing Units	2,967	100%	+/-150	2,977	100%	NA	NA
Owner occupied:	1,671	56%	+/-157	1,428	48%	1,463	49%
Renter occupied:	1,296	44%	+/-163	1,549	52%	1,534	51%
Vacant Housing Units	199	NA	+/-93	254	NA	NA	NA

Data Source: 2009-2013 ACS 5-Yr Estimates, 2010 Census, City Grand List, and City Rental Database.

2) Type of Housing Stock

Type of Structure

Over 75% of properties with at least one residential unit consist of single family homes (1,528), according to the 2014 Grand List. Two unit properties make up 14% (281) while multi-unit properties make up 9% (183).

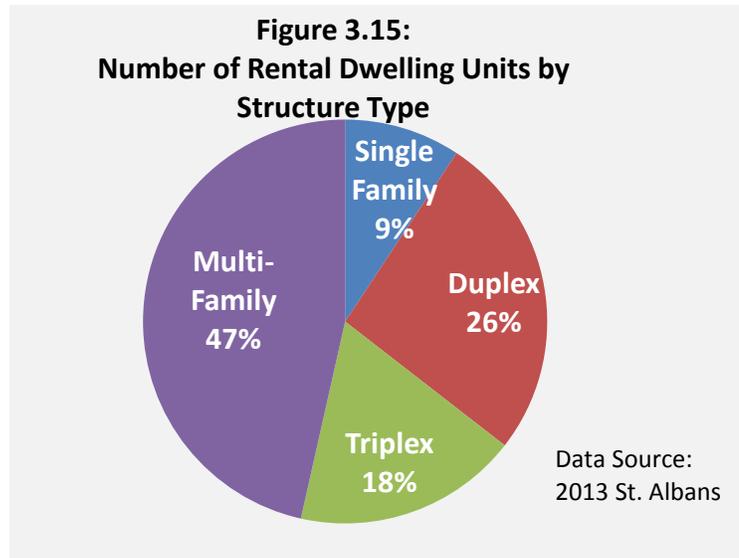
The Rental Database, which tracks both properties and units, reports that the majority of rental dwelling units in the City are located within multi-family structures of at least 4 dwelling units (Figure 3.15). These structures account for a total of 720 units (47% of rental units in the City). Single-family homes only account for 9% of the rental dwelling units in the City. The 2013 Rental Database also reports that duplexes are the most common type of structure in the City to contain a rental dwelling unit.

The most accurate information on owner occupied dwellings comes from the American Community Survey, which reports that the majority (84%) of owner-occupied units are single family homes (ACS 2009-2013 5-Yr Estimates).

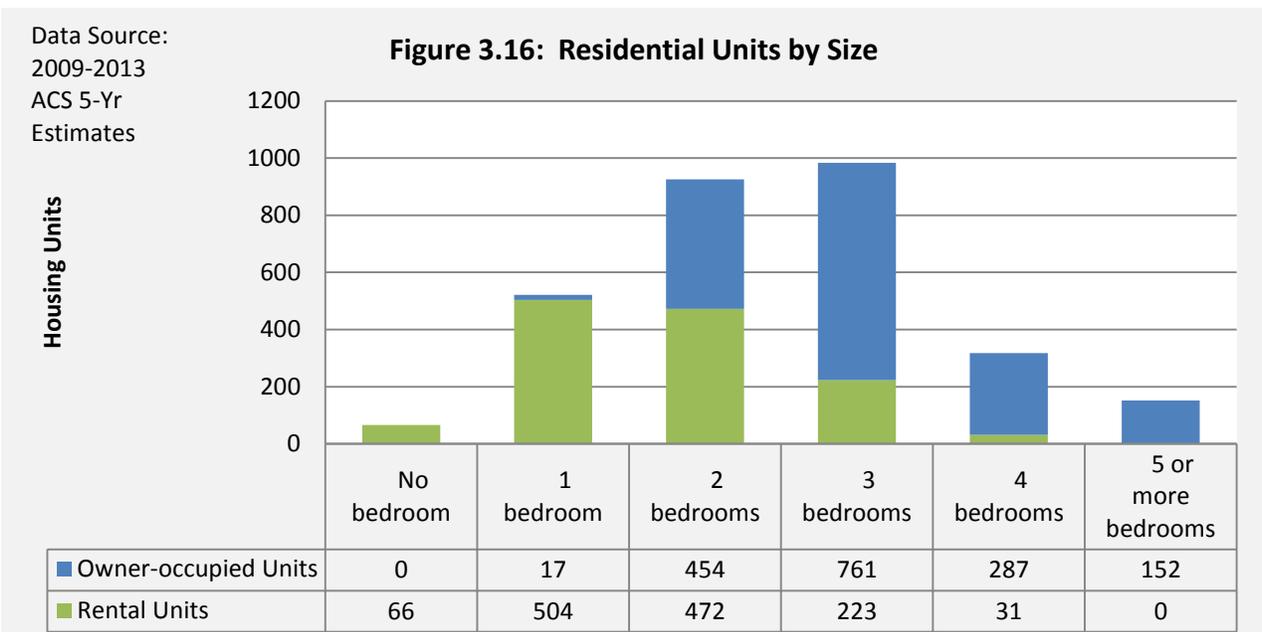
Housing Unit Size

Housing units in St. Albans City are split along the following categories: approximately one-third of units are three bedrooms, approximately one-third of units are two bedrooms and the last third of units is split between 0-1 bedroom and 4 plus bedrooms (2009-2013 ACS 5 Yr Estimates).

Owner-occupied units tend to be larger than rental units, with the majority of owner occupied units consisting of three bedroom units and the majority of rental occupied units in the City consisting of one and two bedroom units (Figure 3.16). There are very few one bedroom owner-occupied units.



While analyzing the size of individual residential units, it is important to keep in mind average household size. The average household size for a rental household is 2.03 persons, while the average owner-occupied household size is 2.53 (ACS 2009-2013 5-Yr Estimates). The considerable difference in average household size for owner-occupied versus rental units supports the data showing that owner occupied units tend to be larger than rental occupied



units. Single person households are also far more prevalent in renter-occupied housing than owner occupied housing (46.2% versus 28.2% according to the 2009-2013 ACS 5-Yr Estimates).

3) Age of Housing Stock

The majority of residential rental properties in the City were constructed before 1950 according to the 2013 City Rental Database (Figure 3.17); however, age was only reported for 309 out of 530 properties. The 2009-2013 ACS reports a smaller majority as constructed pre-1950 (55% versus 73%).

Figure 3.17: Age of Rental Housing Stock		
Construction Date	Rental Database	2009-2013 ACS
Pre 1950s	73%	55%
1950-1969	9%	17%
1970-1989	14%	21%
1990-Present	4%	7%

Data Source: 2013 Rental Database (Reported for 309 out of 530 properties); 2009-2013 ACS 5-Yr Estimates

The majority of the homeownership stock in the City was also built before 1950 (60%). Very few (46 units) are estimated to have been built since 1990 (Figure 3.18).

Figure 3.18: Age of Owner Occupied Dwellings	
Total Housing Units	1,671
Pre 1950s	60%
1950-1969	15%
1970-1989	16%
1990-Present	9%

Data Source: 2009-2013 ACS 5-Yr Estimates

The existence of an aging housing stock is common in Vermont’s traditional downtowns and village centers. St. Albans is fortunate in that it has several opportunities for redevelopment and infill development to allow it to continue to grow into the future.

It should be kept in mind that the dates available from the Rental Database and ACS reflect the date of original construction. The dates of any subsequent renovations or additions to residential structures in the City are not readily available. Additionally, the dates do not reflect when buildings may have been converted from an original use, like a single-family home, to a multi-unit apartment building or vice versa.

4) Subsidized Rental Housing and Senior Housing

Several types of subsidized rental housing exist in the City, which can generally be split into three categories: tenant based rental assistance, project based rental assistance and project based development subsidies. In total, there are 88 units of project based subsidized housing units available to low-income households representing 2.7% of the City’s housing stock. Additionally, at a minimum, another 10% of the City’s housing stock is occupied by households that hold a Section 8 Voucher. There are also 181 subsidized housing units available to seniors and/or disabled households representing 5.7% of the City’s housing stock. Approximately 39% of respondents to the Tenant Survey are currently living in some form of subsidized housing

(either tenant based or project based). Appendix D and Appendix E contain full explanations of rental assistance programs used in the City.

Tenant-Based Rental Assistance

Three tenant based primary rental assistance programs are available in the City of St. Albans, including Section 8 Vouchers, the Vermont Rental Subsidy and the Shelter Plus Care program.

Section 8 Vouchers are issued by local housing authorities and the Vermont State Housing Authority (VSHA) to income qualifying

tenants. The subsidy is adjusted on a case by case basis so that the tenant pays no more than 30% of their income on rent and utilities (Figure 3.19). Voucher payments are capped at 90% of MSA Fair Market Rent set by the U.S. Department of Housing and Urban Development (HUD) and can be used at any housing unit that meets VSHA inspection standards. Vouchers may also be used in housing units that have rent restrictions due to project based development subsidies.

There are currently 156 Section 8 Vouchers being issued to tenants in St. Albans City by the VSHA and an additional 78 issued by the St. Albans Housing Authority to tenants within the City. This equals a total of 234 Section 8 Vouchers. The St. Albans Housing Authority will be absorbed by the VSHA on July 1, 2015 and all vouchers will be transferred to the VSHA (see Figure 3.20).

According to VSHA, the organization distributes more Section 8 vouchers to Franklin County residents than any other County in the State. The total number of Section 8 Vouchers distributed to Franklin County residents is 490 vouchers. More populous Chittenden County only receives 411 Section 8 Vouches from VSHA. According to Zeke Cyr, a Section 8 Field Representative for VSHA, Franklin County probably receives the most Section 8 vouchers from VSHA due to a few reasons: First, most of the vouchers in Chittenden County are

Figure 3.19: Section 8 - Maximum Voucher Payments based on HUD Fair Market Rent

Unit Size	Rent Payment
Studio	\$843
1 Bedroom	\$916
2 Bedroom	\$1,196
3 Bedroom	\$1,497
4 Bedroom	\$1,758
Source: Vermont State Housing Authority, 11/1/14	

Figure 3.20: St. Albans Housing Authority-VSHA Merger

The City of St. Albans has had a local housing authority for several decades. However, on December 8, 2014, the St. Albans City Council passed a resolution to dissolve the St. Albans Housing Authority (SACHA) and transfer all functions of the organization to the Vermont State Housing Authority (VSHA). The dissolution of SACHA will be official on July 1, 2015. There are several reasons for the dissolution of SACHA, but the primary reason is budgetary. SACHA is currently only open one day of the week and struggles to provide adequate service to its clients. Additionally, the waitlist for SACHA had been closed for years due to limited funding. VSHA is a larger organization better able to provide service to clients. All existing voucher recipients at SACHA will continue to have vouchers through VSHA. All households on the SACHA waitlist will be transferred to an equivalent position on the VSHA waitlist.

distributed by two large housing authorities (Burlington and Winooski Housing Authorities), not VSHA. Second, Mr. Cyr notes that tenants have been attracted to St. Albans and Franklin County in recent years due to “the higher rate of rental vacancies (especially compared to Chittenden County), lower rents, and a boom in new housing units coming on-line.”

Tenant-based assistance is also available via the Vermont Rental Subsidy (VRS). This is a State funded program administered by the Vermont Agency of Human Services for very low income tenants as an alternative to emergency housing. Tenants in the program are vetted by local Agency Housing Review Teams and undergo intense oversight. Subsidies provided under this program and are intended to last only one year. If a tenant remains in good standing with the program, they may be given preference for a Section 8 voucher at the end of the one year period.

Since the start of the VRS program in January 2012, about 50 households have used the VRS program in the St. Albans District, which encompasses all of Franklin and Grand Isle Counties. According to Nicole Mosher with the Agency of Human Services, “10 closed for noncompliance, 7 transitioned to an alternative living situation other than a long term voucher, and 33 transitioned to a Section 8.” City specific data is not available. There are currently 23 households in the State on the waitlist for the VRS program.

The Shelter Plus Care program is another more specialized tenant based rental assistance program used in the City. The program provides rental assistance to homeless individuals with disabilities, including individuals with mental illness and substance abuse. Zeke Cyr from VSHA and Linda Ryan from Samaritan House estimate that there were about 30 people in the City using this program during 2014.

Project Based Rental Assistance

Project based rental subsidies are assigned to a specific housing unit and any eligible household who moves into that unit will receive assistance to cover the portion of the rent that it cannot otherwise afford. Tenant’s contributions are capped at 30% of household income. Housing with project-based assistance is often built or developed with the purpose of accepting low-income tenants specifically, but may also be restricted to elderly and/or disabled tenants.

There are 217 housing units that have project based rental assistance in St. Albans City, 80% of which are dedicated to senior and/or disabled tenants (Figure 3.21). The majority of units with project based rental assistance are one bedroom units, although of the 36 units not dedicated to seniors and/or disabled tenants, there are 14 two bedroom units, 14 three bedroom units and 2 four bedroom units. A summary of project based rental assistance programs and a list of housing projects that have project based rental assistance can be found in Appendix D and E.

Figure 3.21: Project Based Rental Assistance

	Type of Units				Bedrooms						Access-able
	Total	Senior Only	Disabled Only	Senior/ Disabled Only	0	1	2	3	4	5+	
Beth-El Court	32	32	x	x	x	32	x	x	x	x	3
Lake Street Housing	7	x	6	x	x	1	x	x	x	x	x
Fourwinds Apartments	44	x	x	44	x	44	x	x	x	x	5
Heritage Lane Apartments	28	x	x	28	x	28	x	x	x	x	1
Welden Villa	40	x	x	40	x	40	x	x	x	x	x
Holy Angels Commons	31	x	x	31	x	26	5	x	x	x	3
Rail City Family HLP	31	x	x	x	1	4	10	14	2	x	2
Hillcrest Views	4	x	x	x	x	x	4	x	x	x	x
Totals	217	32	6	143	1	175	19	14	2	x	15

Cathedral Square owns and operates the Fourwinds Apartments senior housing project in the City. In addition to providing housing, Cathedral Square provides access to services through a State program called Support and Services at Home (SASH). SASH provides onsite care coordination to enable seniors to remain independent and continue to age at home. Wellness nursing, health care coordination, and nutrition and exercise programming are some of the services provided under SASH.

Project Based Development Subsidies for Rental Housing

Developers of affordable rental housing will often access a variety of federal, state, and local housing programs in order to raise enough money to build a project. Typically this type of subsidy will place limits on tenant income and rent that can be charged to ensure that the units are perpetually affordable. There are 5 housing projects with a total of 79 units in the City of St. Albans that were developed using this type of funding (See Appendix E). A full list of project based development subsidies is located in Appendix D.

5) Subsidized Homeownership Options

There are fewer opportunities for subsidizing homeownership in the City. Champlain Housing Trust (CHT) controls 21 single family homes in St. Albans City that are a part of its Shared Equity Program. The program enables income eligible households the ability to purchase owner-occupied housing units from CHT (See Figure 3.22 for income limits).

CHT provides the homeowner with the down payment and closing costs which are “repaid by the owner at the time of sale and given to the next buyer of the home, thus keeping the property affordable for generations to come.” Those using the Shared Equity program also

agree to sell the property back to CHT when they are ready to move. CHT then markets the home at no cost to the homeowner until a new eligible buyer is found. When the home is sold to the new buyer, the homeowner receives what they paid for the home plus 25% of the home’s market appreciation. CHT retains the remainder of the home’s market appreciation to support its programs.

Figure 3.22: Shared Equity Program Income Limits

Household Size (number of persons living in the home)	Maximum Income
1 person	\$56,200
2 persons	\$64,200
3 persons	\$72,200
4 persons	\$80,200

Habitat for Humanity, in cooperation with VHCB, controls the resale of one property in the city through a restrictive covenant to ensure that it remains perpetually affordable. There are also opportunities for affordable homeownership opportunities through the Section 8 Homeownership Program operated by VSHA, yet homes purchased using this program are not perpetually affordable. Participants in the Section 8 Homeownership Program are eligible for assistance in paying their mortgage, taxes, or insurance for the first 15 years that they own a home (or in perpetuity if the head of the household is disabled). To be eligible for the program, the head of the household must have a tenant-based “rental voucher” with VSHA, meet minimum income requirements (\$14,500 per year), and an adult in the household must be employed at least 30 hours per week. There are some exceptions to these rules for disabled or elderly individuals. According to VSHA, there are currently 7 homes in St. Albans City that were purchased through the Section 8 Homeownership program that are currently receiving assistance.

There are no specific development projects in the City that are specifically geared towards homeownership for seniors or have ownership restricted to only seniors. There are at least two developments located in the St. Albans Town that follow such a model: The Pillars (Pillsbury Manor) and Grice Brook (condo flats just off exit 19).

6) Emergency Housing

Although not included in the count of project-based affordable housing units in the City, the Samaritan House is a non-profit organization that provides emergency shelter, transitional housing, and support services to people without other options St. Albans City and the greater northwest Vermont region. Their shelter is called Tim’s House, which provides emergency shelter for homeless families and individuals, and transitional apartments for families and individuals (three family apartments and two individual apartments). The Samaritan House has one full time and two part time case managers that assist Tim’s House guests with finding employment and permanent housing, repairing credit and landlord references, parenting skills, how to sustain an apartment, advocacy, working with area landlords, and other skills.

According to Executive Director Linda Ryan, Samaritan House served 159 people last year and helped 69 individuals secure permanent rental housing.

During interviews with Linda Ryan, Executive Director of the Samaritan House, she indicated there was a need for housing for single individuals with severe income limits. She indicated that she believed that efficiency units or boarding house type units would serve these individuals. Ms. Ryan further noted that the Samaritan House is interested in creating such housing in the City.

7) Recovery Housing

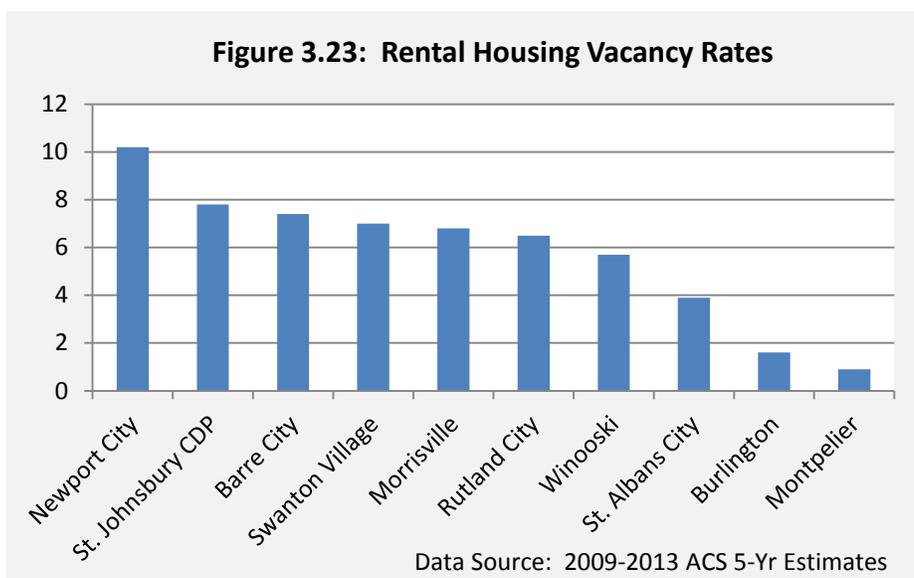
During interviews, Linda Ryan also noted that there is a need for “sober housing” or “recovery housing” for those recovering from substance abuse addiction. She pointed to models such as the Phoenix House in Burlington which is 3- to 24-month sober living program for men in early recovery from substance abuse. A need for this type of housing has been expressed by others in the recent past. This housing study was finished before the City was able to compile more stakeholder input on this issue, so it is recommended as a topic of focus for the future.

C. Housing Availability and Future Needs

1) Availability of Rental Housing

The rental vacancy rate in St. Albans City is approximately 3.9% (ACS 2009-2013). The Landlord Survey also reported a 3.9% rental vacancy rate. This rate is lower than the 5% vacancy rate cited by the VHFA as a “healthy vacancy rate.” According to VHFA, a vacancy rate of less than 5% indicates that there is additional room in the market for rental housing.

The City’s low rental vacancy rate is lower than many other urban municipalities in central and northern Vermont according to data from the ACS 2009-2013 (Figure 3.23). The cities of Burlington and Montpelier are the only urban municipalities sampled with lower vacancy rates than St. Albans City. It should be noted that both Burlington and Montpelier rental markets are influenced by the large number of students living in each municipality.



Unfortunately, we do not currently have data that can tell us which types of rental units (i.e. number of bedrooms, units in structure, location, price, quality, etc.) are vacant most often and which types are in most demand. We know that the majority of rental units are located in multi-unit structures, half being located in structures with 4 or more units, while only 9% consist of single family dwellings (Figure 3.15). We also know that there are not as many studio, three-bedroom and four-bedroom units as there are of one and two bedroom units (Figure 3.16). We know that there is an increasing population of young professionals and growing families (the growing senior population is discussed below) and can assume that young professionals seek smaller units and growing families seek larger units. Despite this information, it is still difficult to draw concrete conclusions on exactly what type of units should be added to the local market.

Figure 3.24: Senior Housing in St. Albans and Other Communities

	Number of Senior or Disabled Subsidized Housing Units	Percentage of Senior or Disabled Project-Based Housing Units
Franklin County		
Enosburg Falls	66	24.2%
Richford	39	16.0%
St. Albans City	181	14.0%
Swanton Village	48	11.4%
Outside Franklin County		
Barre City	296	14.8%
Burlington	844	8.6%
Newport	63	8.0%
Rutland	455	13.4%
Data Source: Vermont Housing Finance Agency		

The Vermont Housing Needs Assessment notes low vacancy rates for all rental units in the state regardless of the number of bedrooms. However, the assessment does note that vacancy rates are especially low for larger rental units (3 bedroom or larger). This may be partially due to the low number of rental units in multi-family housing complexes that are 3 bedrooms or larger. This means that larger family households have fewer rental housing options and are often forced to rent what are termed “non-conventional rentals” – single family homes and duplexes. These non-conventional rental units are comparably older, of lower quality, and have higher rents than most multi-family options in the State. If this trend holds true for St. Albans City as well there may be a need for additional larger apartments (3 and 4 bedrooms) in multi-family structures in the City.

2) Availability of Senior/Disabled Rental Housing

As documented in Section III (A), there is a growing senior population in St. Albans City that will be substantially increasing in the next ten years. The St. Albans City Comprehensive Plan contains a policy that states that the City should “encourage appropriate senior housing opportunities in the City, located near necessary amenities.” There are many housing options for seniors as they age, including aging in place, downsizing to smaller ownership or rental units, moving to subsidized senior specific rental housing, or moving to one of a variety of

residential care options. As the population ages there may be increased demand in the City for rental units and homeownership units that are specifically targeted at seniors. This may include additional subsidized senior rental housing. The creation of senior housing is one way to ensure that seniors can continue to be able to live in a community.

Subsidized Senior-Specific Housing

Currently, there are 181 subsidized housing units that are dedicated exclusively to seniors and the disabled (Figure 3.24). It is a common understanding that subsidized senior specific rental housing units are in high demand and that the market has seemingly unlimited demand for additional such units. NRPC has contacted management companies for all subsidized projects in the City to check the occupancy and waitlist status, but has only verified this information for two of five senior specific projects (Figure 3.25). Fourwinds Apartments is full with a large waitlist, while Weldon Villa has 1 vacancy that is anticipated to be filled shortly through its relatively small waitlist.

NRPC looked at the Fourwinds Apartments (44 units) waitlist in more depth. The majority of waitlisted seniors are from Franklin County (81), while a majority of those from the County being from the City and Town of St. Albans (57). However, it is interesting to note that the waitlist includes a significant number of people currently living in Chittenden County (39). The waitlist also includes additional households from outside northwestern Vermont (22). In a letter from Cathedral Square, owner and operator of Fourwinds, to Northwest Regional Planning Commission and the City of St. Albans, Cathedral Square developer Miranda Lescaze notes that those from outside the region “may be interested in returning to St. Albans if they lived there previously, may be interested in moving closer to family in St. Albans or may be interested in Fourwinds for other reasons”, such as the Support And Services at Home (SASH) program. Given the comparatively high waitlist for Fourwinds as compared to Weldon Village, it can be assumed that the services provided by the SASH program are desired.

Figure 3.25: Subsidized Housing Waitlists

Subsidized Housing Facility	Management Company	Senior or Disabled Housing Restricted?	Number of Households on Waiting List	Is Waiting List Closed?
Fourwinds Apartments	Cathedral Square	Yes	147	No
Weldon Villa	Vermont State Housing Authority	Yes	7, 1 vacancy	No
Beth-El Court	RH Carr Associates	Yes		
Heritage Lane Apartments	Mountaha, LLC	Yes		
Holy Angels Commons	E.P. Management Corp.	Yes		
Lake Street	Champlain	Yes (6 of 7)	3	No

Figure 3.25: Subsidized Housing Waitlists

Subsidized Housing Facility	Management Company	Senior or Disabled Housing Restricted?	Number of Households on Waiting List	Is Waiting List Closed?
Housing	Housing Trust			
Hillcrest Views	Vermont State Housing Authority	No	8, 3 vacancies	No
Rail City Family HLP	Champlain Housing Trust	No	50	No
Butler House	Champlain Housing Trust	No	First Come, First Serve, Occupied, No Waitlist	N/A
Fairfield Street School Apartments	Champlain Housing Trust	No	First Come, First Serve, Occupied, No Waitlist	N/A
Waugh Opera House	Champlain Housing Trust	No	First Come, First Serve, Occupied, No Waitlist	N/A
Willard Mill	Champlain Housing Trust	No	First Come, First Serve, Occupied, No Waitlist	N/A
St. Albans Supportive Housing	Northwest Counseling and Support Services	No		
Section 8 Voucher Program	Vermont State Housing Authority	No	71	Yes

Data current as of March 2015.

It is important to note that some people may be on wait lists for several different housing projects and therefore the waitlist cannot be combined to calculate the true demand for affordable or senior housing in the City.

Owner-occupied Senior Housing

All of the subsidized housing units that are dedicated to seniors in the City are rental units. There are no subsidized housing units in the City that are both dedicated to seniors and available for homeownership, which could have demand in the City. As homeowners age, there may be some citizens that still prefer to own a home rather than rent even when they are retired and are on a limited income. As noted earlier in Section III (B), there are some subsidized senior housing homeownership opportunities located in St. Albans Town built by private developers. Champlain Housing Trust also has subsidized homeownership opportunities that are available regardless of age through their Shared Equity Program.

Accessory Apartments

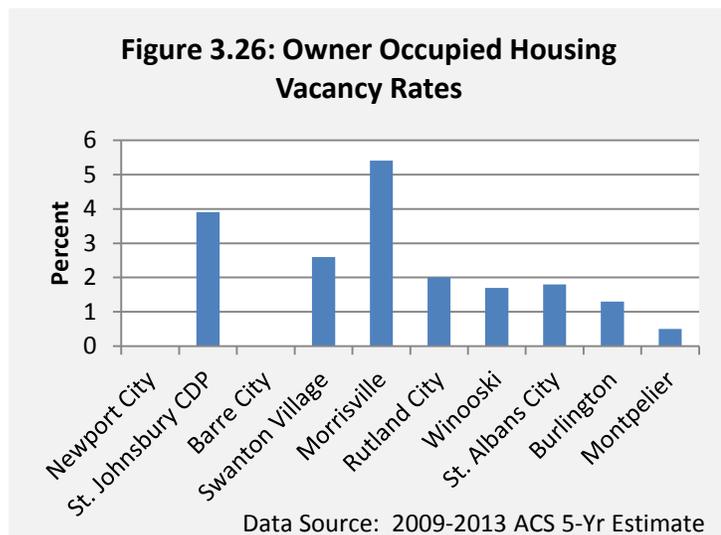
As an alternative to subsidized homeownership opportunities for seniors, the City could do more to encourage the construction of accessory apartments. As allowed by 24 V.S.A §4412 and the St. Albans Land Development Regulations, any single family home is entitled to one accessory apartment. All accessory apartments are restricted to being either an efficiency or

one-bedroom apartment not greater than 30% of the habitable floor area of the single family dwelling. The owner may live in either the accessory dwelling or the primary dwelling. Accessory apartments might be preferable to renters, including seniors, looking for neighborhood based owner-occupied rental options, and for homeowners looking to rent out either their primary dwelling or an accessory dwelling. Accessory apartments are a great opportunity for small, affordable rental options for all households, although these units may be attractive to seniors looking to downsize or seniors looking to live close to their families.

3) Availability of Subsidized Rental Housing

The income statistics for St. Albans City presented above clearly indicate that there is a market for subsidized housing, especially subsidized rental housing options. Based on the occupancy status and waitlists at subsidized projects in the City, it is clear that there is unmet demand for project based rental subsidies (Figure 3.25). Further, the Section 8 Voucher Program currently has a waitlist of 71.

It should be noted that subsidized housing projects can lose their subsidy or tax credits unless they periodically renew the subsidy or reapply for the tax credits. The Vermont Housing Needs Assessment notes that statewide there are 141 projects (3,257 units) that could lose funding between 2015 and 2020. It is likely that many of these projects will opt to renew their subsidy or re-apply for tax credits, but there is always some uncertainty in the future.



4) Availability of Homeownership Housing

Vacancy rates for owner-occupied units are even lower than rental vacancy rates and are also more uniform from city to city. The average home ownership vacancy rate in a selection of Vermont cities, including St. Albans City is 1.9% (Figure 3.26). The homeownership vacancy rate for St. Albans City is 1.8%. Just as for rental housing, this vacancy rate is below what is considered a healthy vacancy rate by Vermont Housing Finance Agency (VHFA), which states in their Housing Needs Assessment Guide that a low “for sale” vacancy rate can “indicate pent up demand for housing.” VHFA continues by stating that a healthy “for sale” vacancy rate is around 3%. Below 3% generally means that homeowners have limited choice and increasing ownership costs and that there may be need for additional home ownership options.

Similar to rental housing, we do not currently have data that can tell us which types of homeownership units (i.e. number of bedrooms, attached/detached, location, price, quality, etc.) are vacant most often and which types are in most demand. We know that over 80% of homeownership units are single-family dwellings according to the ACS 2009-2013. We also

know that there are virtually no one-bedroom and studio ownership options in the City. We can assume that perhaps the growing population of young professionals may have demand for smaller ownership options, including condominium units. Beyond this hypothesis, it is clear that there is room in the City for more ownership housing, but unclear exactly what type of units those should be.

D. Affordability

1) Market Rents

One of the central goals of this study is to determine average market rents in the City. Information regarding market rents was collected from various sources: ACS 2009-2013, the Tenant Survey, and advertisements for apartments on Craigslist. Also considered is the Fair Market Rent (FMR) for the MSA as calculated by HUD and the maximum amount available to a tenant receiving Section 8 Voucher Assistance in Franklin County according to VSHA. The FMR is the 40th percentile of gross rents for typical, non-substandard rental units occupied by recent movers in a local housing market. The FMR value includes Chittenden County and Grand Isle Counties.

Study Question #2:
What are the market rents in the City?

Median rents in the City range from \$820 to \$850 according to the ACS, Tenant Survey and a Survey of Craigslist (Figure 3.27). Median rents for a 1 bedroom (39% of rental housing stock) range from \$650 to \$738 according to the Tenant Survey and a survey of Craigslist. The 2009-2013 ACS reported that 35% of 1 bedroom units have rents between \$750 and \$999. Median rents for a 2 bedroom (36% of rental housing stock) range from \$825 to \$863 according to the Tenant Survey and a survey of Craigslist. The 2009-2013 ACS reported that 40% of 2 bedroom

Figure 3.27: Median Rental Costs in St. Albans City

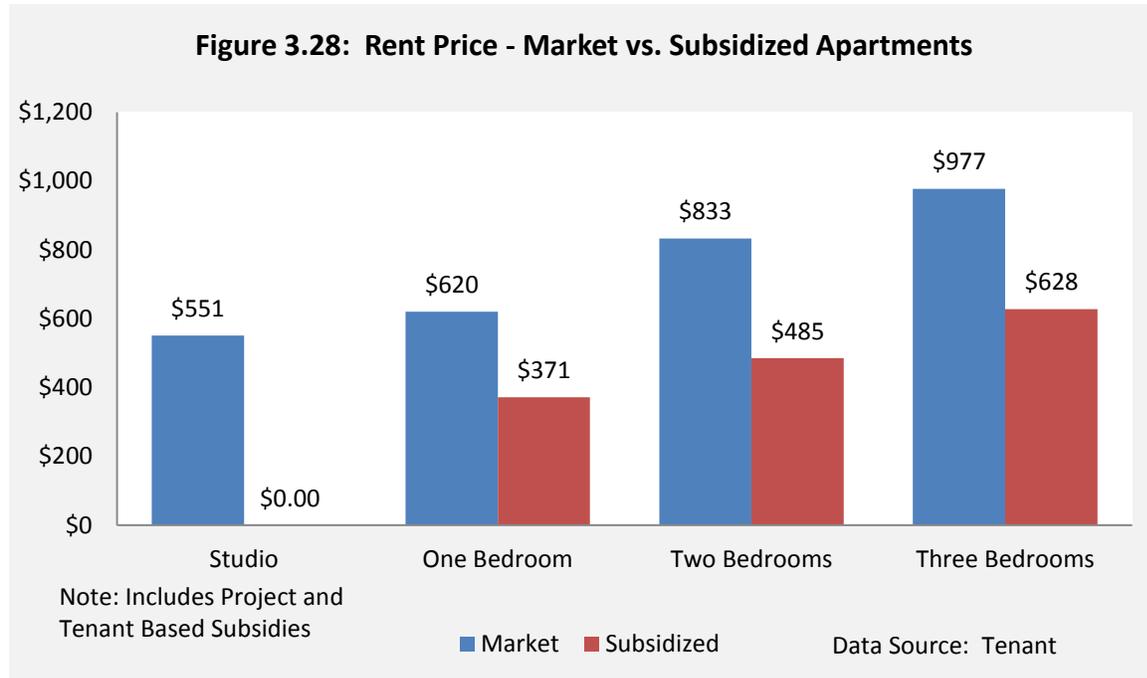
	ACS 2009-2013 Gross Rent	Tenant Survey (Median)	Craigslist (Median)	Fair Market Rent (MSA)	Section 8 Voucher Max Rent Contribution - Franklin County
All Units (Median)	\$820	\$775	\$850	NA	NA
Studio	\$500-749 (52%)	\$565	\$600	\$936	\$843
1 Bdrm	\$750-999 (35%)	\$650	\$738	\$1,017	\$916
2 Bdrm	\$1,000 + (40%)	\$825	\$863	\$1,328	\$1,196
3 Bdrm	\$1,000 + (93%)	\$900	\$1,150	\$1,663	\$1,497
4 Bdrm	N/A	N/A	\$1,525	\$1,953	\$1,758
Utilities Included?	Yes	Varies	Varies	Yes	N/A

Data Sources: 2009-2013 ACS 5-Yr Estimate, NRPC St. Albans City Tenant Survey, Craigslist Rental Advertisements on January 15, 2015, the Vermont State Housing Authority.

units have rents over \$1,000. The ACS gross rent figures by bedroom, in addition to the FMR

and Section 8 Voucher Contribution, are higher due to the fact that utilities are consistently included, while for the Tenant Survey and the Craigslist Survey the inclusion of utilities varies due to inconsistent reporting.

Approximately one-third of Tenant Survey respondents were from a household receiving some form of rental subsidy. Figure 3.28 shows the difference in rent price that Tenant Survey respondents reported for non-subsidized housing versus subsidized housing.



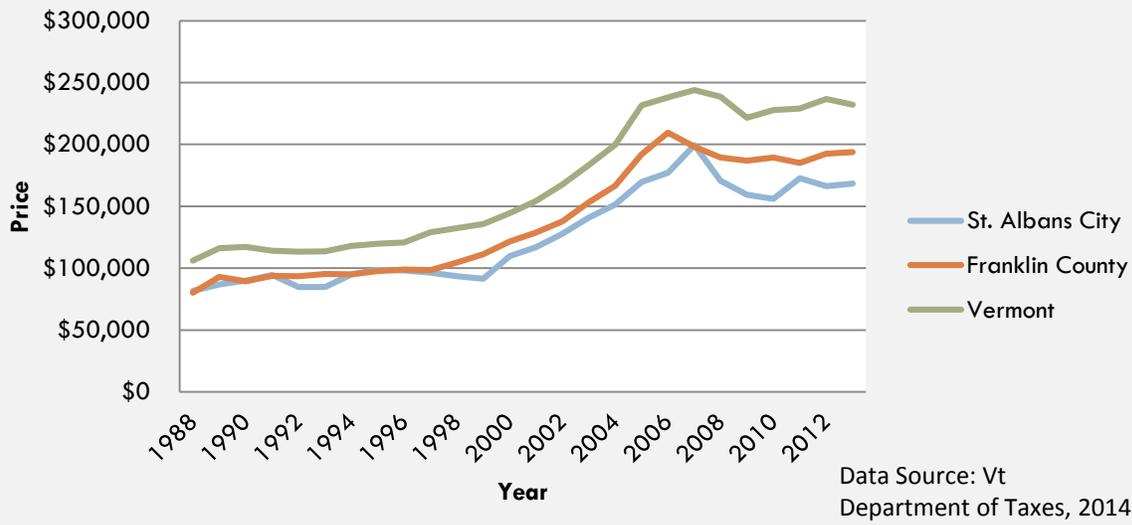
2) Home Ownership Costs

The costs of homeownership are more readily available than market rents. Median and average sale prices for primary dwellings are available through the Vermont Department of Taxes (via the Vermont Housing Data Center). The median price of a single-family home sold in St. Albans City between January 2014 and July 2014 was approximately \$167,500. This is lower than the median values in Franklin County (\$180,000) and Vermont (\$192,250) for the same time period. The difference in value between the three geographic areas has remained fairly consistent since the late 1990s (Figure 3.29).

Like much of the real estate market in the State and nationwide, prices have dropped since the peak of the market in 2006 and 2007, but seem to be rebounding from market lows in the last few years. For instance, the median price of a single-family home sold in St. Albans City in 2007 was \$175,900. By 2009, this value had decreased to \$154,950 before rebounding to current levels (\$167,500).

Mortgages rates in the State and across the country are currently low and in some cases below 4%. Such rates could create more affordable home ownership opportunities in the City and the State, especially in the short term.

Figure 3.29: Average Price of Single Family Home Sold



3) Affordability

NRPC completed an affordability analysis that calculates the gap between what a household can afford based on the statutory definition of affordable housing (See Section III(B)) and median rent or sale prices on the market. While the statutory definition uses the median household income for the Metropolitan Statistical Area (MSA), NRPC's analysis uses the median family income for the Burlington-South Burlington MSA reported by the U.S. Department of Housing and Urban Development (HUD) and the median household income for Franklin County, in addition to the median household income for the Burlington-South Burlington MSA. The relevance of each of these data sources is provided below:

- 2009-2013 ACS Household Median Income for the Burlington/South Burlington MSA (\$61,763). This income source was included to comply with the statutory definition of affordable housing in Title 24, Chapter 114, Section 4303.
- 2009-2013 ACS Household Median Income for Franklin County (\$56,240). This income was included because it better reflects incomes in the City and immediate area. By adjusting the geographic area to just Franklin County, potentially higher incomes of Chittenden County residents have been excluded.
- 2014 HUD Median Family Income for the Burlington/South Burlington MSA (\$80, 225). This income source was included to compare affordability for family households as compared to all households. Since many family households have two wage-earners, this figure is higher than median household income. It was also considered because HUD uses it as a basis for determining eligibility for its major affordable housing programs.

Income data specific to St. Albans City was not used in any portion of the affordability analyses. This is because it is important to view housing affordability in the City within a regional context. Individuals and families will move both in and out of City. Therefore, it is important to consider incomes for the County and MSA.

Income is considered at its baseline levels (100%) and at lower income levels (80%, 50% and 30%) to provide context on affordability for median income, low income, very low income and extremely low income families and households.

Rental Affordability Analysis

For the MSA median household income, city median household income, and county median household income, there is no affordability gap until you assess very low (50%) and extremely low incomes (30%) (Figure 3.30). Therefore, rental housing in the City can generally be considered affordable in St. Albans according to the statutory definition of “affordable housing.” Nonetheless, it is important to understand that there are many very low and extremely low income households for which rental housing is not affordable. For 50% and 30% of the MSA median income, the affordability gap is between \$48 and \$357. For 50% and 30% of the county median income, the affordability gap is greater, between \$117 and \$398. The affordability gap is even larger for those at 50% and 30% of city median income. The HUD median family income shows an affordability gap only for extremely low incomes (30%) of \$218. These households are the most likely to be eligible for available subsidized housing programs.

Figure 3.30: Rental Affordability Analysis

Percent of Median Income	Median Income	30% of Income/ Year	30% of Income/ Month	Income Available for Rent/ Month	Median Rent – St. Albans City	Affordability Gap
MSA - Median Household Income						
100%	\$61,763	\$18,529	\$1,544	\$1,544	\$820	\$724
80%	\$49,410	\$14,823	\$1,235	\$1,235	\$820	\$415
50%	\$30,882	\$9,264	\$772	\$772	\$820	(\$48)
30%	\$18,529	\$5,559	\$463	\$463	\$820	(\$357)
Franklin County -Median Household Income						
100%	\$56,240	\$16,872	\$1,406	\$1,406	\$820	\$586
80%	\$44,992	\$13,498	\$1,125	\$1,125	\$820	\$305
50%	\$28,120	\$8,436	\$703	\$703	\$820	(\$117)
30%	\$16,872	\$5,062	\$422	\$422	\$820	(\$398)
City - Median Household Income						
100%	\$45,712	\$13,714	\$1,143	\$1,143	\$820	\$323
80%	\$36,570	\$10,971	\$914	\$914	\$820	\$94
50%	\$22,856	\$6,857	\$571	\$571	\$820	(\$249)
30%	\$13,714	\$4,114	\$343	\$343	\$820	(\$477)
MSA - Median Family Income						
100%	\$80,225	\$24,068	\$2,006	\$2,006	\$820	\$1,186

80%	\$64,180	\$19,254	\$1,605	\$1,605	\$820	\$785
50%	\$40,113	\$12,034	\$1,003	\$1,003	\$820	\$183
30%	\$24,068	\$7,220	\$602	\$602	\$820	(\$218)

Data Source: Median income based on HUD and ACS estimates; median rent ACS 2009-2013; all other figures computed by the NRPC.

The median rent figure included in the affordability analysis is the gross contract rent as calculated by 2009-2013 ACS (\$820). This is the median of all rents across the City, regardless of apartment size. This rent figure includes contract rent plus the estimated average monthly cost of utilities and fuels if they are paid by the renter. This figure was selected as the rent to be used in affordability analyses because it provides the most accurate aggregation of City rent data that incorporates the cost of utilities and fuels. It also is higher than the median rent collected from the Tenant Survey and lower than the median rent collected from the survey of Craigslist.

To provide additional context on rental affordability in the City, an affordability analysis was conducted using mean income data from the Vermont Department of Labor for the four most common occupations of City residents and workers. Households earning a single income at the average wage rate from the Federal Government, manufacturing, or private education and health services (totaling 3,058 jobs) do not show an affordability gap for the median rent (Figure 3.31). However, a household earning a single income at the average wage rate from the retail sector would likely face a considerable affordability gap if renting an apartment at the median rent.

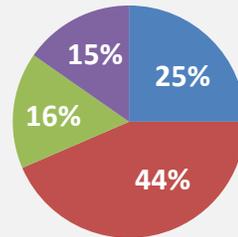
Figure 3.31: Rental Affordability Analysis Based on Occupation Wage

Occupation	Jobs	Mean Wage 2013	30% of Income/ Year	30% of Income/ Month	Income Available for Rent/ Month	Median Rent – St. Albans City	Affordability Gap
Federal Government	1,031	\$70,147	\$21,044	\$1,754	\$1,754	\$820	\$934
Manufacturing	926	\$63,580	\$19,074	\$1,590	\$1,590	\$820	\$770
Private Educational and Health Services	1,101	\$52,648	\$15,794	\$1,316	\$1,316	\$820	\$496
Retail	1,000	\$24,565	\$7,370	\$614	\$614	\$820	(\$206)

Data Source: Income data from the Vermont Department of Labor; median rent ACS 2009-2013; all other figures computed by the NRPC

The Tenant Survey asked respondents about rental affordability. The majority of survey respondent households (75%) reported rent costs that meet or exceed 30% of their household income, the percentage that is considered unaffordable (Figure 3.32). However, the accuracy of these responses cannot be confirmed since the calculation was completed by each respondent. It is also difficult to relate this survey response to the affordability analysis above because we do not know the incomes of the survey respondents and if (or how) respondents were reporting any rental subsidy.

Figure 3.32: Percentage of Monthly Household Income Spent on Rent Each Month



- Less than 30% of income
- 30% to 39% of income
- 40% to 49% of income
- 50% or greater of income

Ownership Affordability Analysis

To assess the affordability of homeownership in the City, a affordability analysis for homeownership was completed. This analysis is comparable to the rental affordability analysis, but takes into account the greater number of costs incorporated into homeownership such as taxes, insurance, and a down payment. The maximum affordable mortgage value was calculated using a present value formula that incorporates income information (minus property tax, PMI and homeowner’s insurance costs as estimated by VHFA) and interest rate information (a 4% interest rate) while assuming a 30 year mortgage. The same income data was used in the both affordability analyses (MSA Median Family Income, MSA Median Household Income, Franklin County Median Household Income, and City Median Household Income). The median sale price for a primary residence was based on data available from the Vermont Department of Taxes. Affordability was based upon the State definition of affordability which can be reference in Article II (B).

At the MSA median household income, county median household income, and City median household income there is an affordability gap at low, very low and extremely low income levels (Figure 3.33). Therefore, according to the statutory definition homeownership can generally be considered unaffordable in St. Albans. There are many very low and extremely low income households for which homeownership is not affordable. For 50% and 30% of the MSA median income, the affordability gap is between \$59,137 and \$143,843 over the course of a 30 year mortgage. For 50% and 30% of the county median income, the affordability gap is greater, between \$122,499 and \$181,830. The HUD median family income shows a comparable trend. The most surprising finding is that a home at the median sale price in St. Albans City is unaffordable for a household making the City median household income.

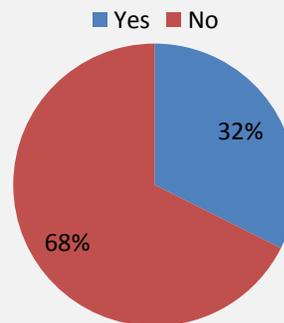
Figure 3.33: Homeownership Affordability Analysis

Percent of Median Income	Income	30% of Income/ Year	30% of Income/ Month	Taxes & Insurance	Income Available for Housing/ Month	5% Down Payment	Maximum Affordable Mortgage	Median Sale Price for Primary Residences in City (2014)	Affordability Gap
MSA - Median Household Income									
100%	\$61,763	\$18,529	\$1,544	\$450	\$1,094	\$8,375	\$222,662.14	\$167,500	\$55,162
80%	\$49,410	\$14,823	\$1,235	\$450	\$785	\$8,375	\$157,449.30	\$167,500	(\$10,051)
50%	\$30,882	\$9,264	\$772	\$450	\$322	\$8,375	\$59,630.05	\$167,500	(\$107,870)
30%	\$18,529	\$5,559	\$463	\$450	\$13	\$8,375	(\$5,582.79)	\$167,500	(\$173,083)
Franklin County - Median Household Income									
100%	\$56,240	\$16,872	\$1,406	\$450	\$956	\$8,375	\$193,504.67	\$167,500	\$26,005
80%	\$44,992	\$13,498	\$1,125	\$450	\$675	\$8,375	\$134,123.33	\$167,500	(\$33,377)
50%	\$28,120	\$8,436	\$703	\$450	\$253	\$8,375	\$45,051.31	\$167,500	(\$122,449)
30%	\$16,872	\$5,062	\$422	\$450	(\$28)	\$8,375	(\$14,330.03)	\$167,500	(\$181,830)
City – Median Household Income									
100%	\$45,712	\$13,714	\$1,143	\$450	\$693	\$8,375	\$154,674.41	\$167,500	(\$12,826)
80%	\$36,570	\$10,971	\$914	\$450	\$464	\$8,375	\$106,409.12	\$167,500	(\$61,091)
50%	\$22,856	\$6,857	\$571	\$450	\$121	\$8,375	\$34,011.18	\$167,500	(\$133,489)
30%	\$13,714	\$4,114	\$343	\$450	(\$107)	\$8,375	(\$14,254.11)	\$167,500	(\$181,754)
MSA - Median Family Income									
100%	\$80,225	\$24,068	\$2,006	\$450	\$1,556	\$8,375	\$320,128.20	\$167,500	\$152,628
80%	\$64,180	\$19,254	\$1,605	\$450	\$1,155	\$8,375	\$235,422.16	\$167,500	\$67,922
50%	\$40,113	\$12,034	\$1,003	\$450	\$553	\$8,375	\$108,363.08	\$167,500	(\$59,137)
30%	\$24,068	\$7,220	\$602	\$450	\$152	\$8,375	\$23,657.03	\$167,500	(\$143,843)

Data Source: Median income based on HUD and ACS estimates; taxes and insurance are an estimate; median sale price for primary residences in St. Albans City was obtained from the Vermont Department of Taxes; all other figures computed by the NRPC.

Question #17 of the Tenant Survey asked respondents “Is homeownership a goal for you?” The majority of respondents (68%) said “no” (Figure 3.34). This number is probably high due to the large number of respondents that are seniors living in subsidized housing that no longer desire to be home owners. Out of 99 respondents that said “yes” to Question #17, 41 respondents indicated that they did not have enough money for a down payment, 23 respondents said that they could not obtain a loan due to bad credit and 15 respondents said that housing is just too expensive. This information, combined with the earlier discussed

Figure 3.34: Tenant Survey - Question #17 -Is homeownership a goal for you?



survey response to monthly rent payments as a percentage of income, seems to indicate that many renters currently living in the City may not possess the necessary buying power to purchase a home.

IV. Critical Issues, Opportunities and Solutions

A. Quality of Rental Housing

The quality of rental housing in the City is an issue central to this study. It is a concern that came up continuously during planning meetings and focus group discussions. There is a perception that many rental housing units in the City that lack quality. This was confirmed, in part, by the Tenant Survey (Question #15) where 6% of respondents indicated that their current rental units do not meet their needs due to the unit's poor condition/quality.

Study Question #6:

What are some ways to ensure the proper maintenance of housing in the City and the residential quality of life of our neighborhoods?

Linked to the discussion about quality, is the concern about the age of the housing stock in the City and its effect upon the quality of housing. According to ACS 2009-2013, almost half of the City's rental housing stock was built before 1939 (48.5%). The percentage for owner-occupied structures is even higher (53%). Although most properties in the City have likely undergone renovations and maintenance since construction, it is difficult to track renovations of all properties in the City through the Zoning Permit Database or Rental Database. It is clear is that the City housing stock is considerably aged.

Poor exterior appearance and property maintenance of rental units was cited as a persistent issue in the City according to the Planning Commission and others in the community. There is concern about the negative effects that poor rental property maintenance has upon the neighborhood, particularly upon property values. To a lesser extent the exterior appearance of ownership housing was also cited as a problem.

Champlain Housing Trust (CHT) stressed to NRPC that, in their experience, the quality of rental housing is often maintained by having a constant presence on the property. CHT noted that it performs several inspections per unit per year. These inspections are performed for a variety of reasons including standard annual inspections or special inspections like smoke detector inspections. Despite the reasoning of inspection, the secondary purpose of all inspections according to CHT is to maintain a presence on site so that potential problems can be addressed immediately and to maintain regular communication between the tenant and the landlord. This practice was echoed by an interviewed private landlord in the City that takes a similar approach in maintaining rental units that he owns. Though such actions sound simple, they can make a substantial impact upon the quality of housing in the community and neighborhood appearance.

The City has taken positive steps towards tracking rental housing quality in the City. City staff has inspected nearly all rental units in the City for compliance with the City Fire Code and the City Public Health and Safety Code (PHSO). This practice ensures that rental units are safe and as violations are cured, improves quality. City staff noted in an interview with NRPC that there are only about 8 to 10 “problem” properties in the City that are continually non-compliant with City codes. Currently, City Staff conducts inspections of each rental unit in the City every 3 to 4 years.

The work of VSHA, the organization that operates the Section 8 voucher program, was commended by several community members during conversations with NRPC during the preparation of this study. Mr. Zeke Cyr was particularly praised in his ability to thoroughly conduct inspections of rental units for compliance with Section 8 guidelines and his ability to match potential tenants and landlords. However, it was also noted that the while VSHA does well in requiring compliance with their guidelines, their guidelines are generally considered minimal.

There are many actions that the City can take to work towards improving housing quality in the City. These actions are listed in Section IV (D) in the Opportunities and Solutions Matrix and were brainstormed by many of the focus group participants, City Staff and well as NRPC.

B. Impact of Subsidized Housing

This study looked at the impact of subsidized housing in the City and specifically considered how it affects the private rental market and the City’s Grand List, or tax base. The study found the impact to be complex with some affects easily quantified, and others not.

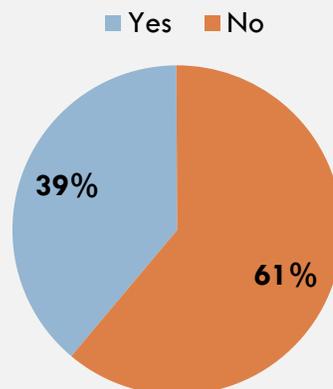
1) Impact on Private Rental Market

This study sought to prove or discredit the perception that subsidized housing makes it difficult for the private rental market to find good tenants and maintain rental properties. This impact was considered, in part, due to complaints made to the Planning Commission and City Staff that subsidized housing ends up with all the “good tenants,” while private landlords are left with the “bad tenants.” The argument then continues by claiming that “bad tenants” are more likely to cause property damage, withhold rent, and more likely to require eviction.

Study Question 4:

What is the effect of subsidized housing on the private rental market in the City?

Figure 4.1: Does subsidized housing affect your ability to find tenants and/or maintain your property?



Data Source:
St. Albans
City Landlord
Survey

On the Landlord Survey, respondents were asked the following question (#15): “Do you think subsidized housing in the community affects your ability to find tenants and/or maintain your property?” The majority of landlord respondents (61.2%) answered that they did not think that subsidized housing had such an affect. In fact, some of the 38.8% of individuals that responded “yes” to the question actually stated that subsidized housing affects their property positively, rather than negatively (As a side note: 64% of “yes” respondents to Question #15 also responded “decreased” to Question #5 (“Over the past 10 years, how have your annual profits from your rental units changed?” In addition, 64% of “yes” respondents to Question #15 also responded “yes” to Question #10 (“Do you find it a challenge to keep your rental units maintained?” Only, 40% of “no” respondents to Question #15 also responded “decreased” to Question #5. Even less (36%) responded “yes” to Question #10. The survey results show that landlords that have seen their profits decrease and are having trouble maintaining their structures have the most negative view of subsidized housing).

While most landlords think that subsidized housing does not affect their ability to find tenants and/or maintain their property, some landlords in the City hold such a belief. To explore the validity of these opinions, NRPC reviewed the comments for question #15 (see text boxes to the right of pages 36 and 37).

An additional perceived negative impact of subsidized housing was revealed by comments to this question: that there is a stigma associated with subsidized housing in St. Albans City based on a stereotype that it houses tenants that make “bad neighbors” and the belief that there is a high percentage of subsidized housing in the City. It is argued that this stigma keeps desired “good tenants” away from the City.

In response to comments from private landlords about it being difficult to compete with subsidized housing both in terms of the rates that they charge and in

Landlord Survey Question #15 Comments

Subsidized housing does not affect my ability to find tenants and/or maintain their property:

- *“No - my ability to find tenants and maintain my property has to do with the people I rent to - not whether or not the rent is subsidized.”*
- *“It helps to create more applicants than I would get without it.”*
- *“We are highly selective of our tenants and only will rent to individuals who meet our good neighbor criteria and have the financial resources to fulfill all obligations.”*
- *“Market is currently flooded with low quality construction subsidized housing. Good tenants try them out but quickly leave.”*
- *“We maintain our rentals so they go quickly, primarily word of mouth.”*

Landlord Survey Question #15 Comments

Subsidized housing does affect my ability to find tenants and/or maintain their property:

- *“Compete with private sector for good tenants. Bad tenants cost money.”*
- *“Hard to find, good tenants. They take the best we get the rest.”*
- *“Private owners cannot compete with subsidized units.”*
- *“Hard to compete with the rates.”*
- *“The government screen for the best tenants, leave us with the rest.”*
- *“They cherry pick all the good elderly tenants.”*
- *“Shrinks the size of the potential renters which are of quality. Leaves landlords with a smaller pool of quality renters.”*

terms of securing “good tenants”, there are several points we considered that provide this opinion with less merit:

- 1) Market rate housing is not intended to compete with subsidized housing. Subsidized housing (both project and tenant based) is available to households that meet low-income thresholds and need a subsidy to make rent affordable. By nature, market rate units are more expensive and will not be affordable to the same population of households that are eligible for subsidized housing. However, at the same time the sizeable number of Section 8 vouchers used in the City increases the number of

households that can afford market rate units due to the subsidy. Question 7 of the Landlord Survey reported that 40% of landlord respondents rented at least 1 rental unit to a household receiving a Section 8 voucher.

- 2) Private landlords and local housing non-profits have an equal opportunity to screen tenants. Both have the ability to run credit checks, run background checks, ask for references, and require a security deposit. Local housing non-profits that manage project based subsidized housing do not have additional tools to screen for tenants that are not accessible to private landlords. Local housing non-profits also have to repair damages and use the same eviction process as private landlords.
- 3) The rental vacancy rate in the City is 3.86%. This indicates that there is a shortage in the rental housing market and that therefore the market favors those in charge of the supply of housing - landlords.

Landlord Survey Question #15 Comments

The stigma associated with subsidized housing a high concentration being located in St. Albans City impacts the quality of renters interested in St. Albans City:

- *“Destructive behavior, disturbance to the peace, lack of oversight.”*
- *“People with subsidized housing generally do not respect the property owners building.”*
- *“It is increasingly difficult to get quality tenants due to the extensive subsidized housing in the area. And what really stinks is that our tax dollars are being used to compete against us.”*

During a focus group held with local housing non-profits on December 14, 2014, there was discussion about whether non-profits ended up with “good tenants” and private landlords ended up with “bad tenants.” Non-profits argued this was not true and stated that there are also “bad” tenants in project based subsidized housing. They helped to clarify some of differences in management structure of project-based subsidized housing. They explained that housing non-profits that obtain funding through governmental programs are responsible for more reporting and record keeping than a typical private landlord and that these additional responsibilities require additional staff and subsequently more money to operate. Second, housing non-profits noted that they cannot aggregate monies from different housing projects. Funding allocated to construct, maintain and administer a specific housing project is required to stay with that specific housing project. Operating money cannot be shared across the entire housing portfolio of the non-profit like it could be with a private landlord. Finally, private

landlords and local housing non-profits also have equal opportunity to apply to funding sources that will ensure that housing units are perpetually affordable such as the Low Income Tax Credit or a VHFA Loan.

In summary, the existence of subsidized housing projects does not negatively affect private landlords in the City in terms of their competition with market rate units for good tenants or what they charge for rent. However, there may be a stigma on the City’s rental market associated with the belief that there are a high number of subsidized units leading to undesirable neighborhoods. This stigma could be impacting the pool of potential market rate tenants looking to reside in the City. However, St. Albans City has a comparable percentage of subsidized housing when compared to other Vermont cities, especially when compared to other urban centers like Burlington and Barre (Figure 4.2). Conversely, some landlords indicated in their open-ended responses to the Landlord Survey that they held no stigma against tenants with Section 8 vouchers and that many such tenants are responsible, “good” tenants.

Figure 4.2: Percentage of Subsidized Rental Units by Town			
	Percent of Renter Occupied Housing Units in Subsidized Projects	Percent of Renter Occupied Housing Units Using Section 8 Vouchers	Renter Occupied Housing Units
Franklin County			
Enosburg Falls	42.5%	7.7%	273
Richford	20.9%	6.9%	244
St. Albans City	22.8%	18.1%	1,296
Swanton (Town and Village)	12.8%	8.7%	749
<i>Franklin County</i> (all municipalities)	17.3%	12.8%	4,446
Outside Franklin County			
Barre City	25.3%	13.2%	2,005
Burlington	23.7%	18.2%	9,773
Newport	9.5%	6.5%	790
Rutland	24.3%	10.1%	3,384
<i>Chittenden County</i> (all municipalities)	21.3%	10.6%	21,851
Source: Vermont Housing Data Center, local housing authorities and the Vermont Housing Authority, February and March 2015.			
Note: Section 8 vouchers may be used to supplement rent in some project based subsidized housing units; therefore these figures must be considered separate and cannot be aggregated to come up with total subsidized units.			

Many of the same actions that will help improve housing quality will also help combat the stigma associated with subsidized housing in the City. These actions are listed in the Opportunities and Solutions Matrix in Section IV (D). By focusing on building and improving the City's neighborhoods and getting the word out, potential tenants will learn that regardless of the existence of subsidized housing, there are desirable neighborhoods and good neighbors in the City.

2) Impact on City Grand List

This study sought to quantify the financial impact that project-based subsidized housing has on the City. Many in the City believe there is a negative financial impact due to Act 68 and Act 75, which cause these properties to be valued differently of the City's Grand List.

Act 68, passed by the legislature in 2003, created homestead (residential) and non-homestead (non-residential) properties. According to VHFA, Act 68 also "allows certain subsidized housing properties to reduce their assessment and effective tax burden" in an attempt to provide project-based subsidized housing properties with assessment that would be comparable to homestead tax rates (<http://www.vhfa.org/rentalhousing/managingagents/propertymanagers/act68>). According to the Act, the maximum reduction in assessed value that subsidized housing properties may receive is 10%. All project-based subsidized housing properties that seek to receive such a reduction must be recertified by VHFA each year. Fourteen of the 16 project-based properties in the City seeking a property tax exemption per Act 68 during 2015 were provided with the full 10% exemption. Two other properties were given tax exemptions: one at 8% and another property at 9.25%.

In response to a court ruling, the legislature passed Act 75 in 2005. The Act "requires local property tax assessors to value housing projects subject to affordability covenants [16 properties in the City] using an income method as opposed to full market value." As summarized by VHFA, "the intent is to recognize that project based subsidized properties have a reduced value because of the limited rental payment potential."

NRPC gained perspective on how Act 75 impacts the grand list by looking at the differences between assessed values of subsidized housing projects the year before Act 75 went into effect in 2006 (minus the Act 68 exemptions) and assessed values the first year the law was in effect in 2007 (minus the Act 68 exemptions). The assessed value of project based subsidized housing in the City decreased by \$1,571,646 using the Act 75 mandated income-based assessment method in 2007 as opposed to the market-based assessment value in 2006. This resulted in a reduction in property tax revenue collected by the City from these properties in 2007 in the amount of \$28,146.08, or 12.75% (Figure 4.3).

It is more difficult to measure the impact of Act 75 over time. Since the year Act 75 went into effect, the City Assessor has not created a market-rate assessment for subsidized housing projects. Thus, we cannot compare the rate of increase over time for the income-based assessment versus the market-rate assessment. Alternatively, NRPC compared the percent change in tax revenue generated by project based subsidized housing to tax revenue generated by the entire grand list (including project based subsidized housing) between 2007 and 2014.

Revenue generated from properties subject to Act 75 went up by 28.23% from 2007 to 2014, while the entire Grand List saw a 29.54% change in value.

Figure 4.3: Revenue for Properties Subject to Act 75 vs. Entire Grand List		
	Properties Subject Act 75	Entire Grand List
Tax Revenue 2006	\$222,735.68	\$8,143,681.96
Tax Revenue 2007	\$194,589.60	\$8,618,487.52
Tax Revenue 2014	\$249,516.12	\$11,164,307.21
% Change in Tax Revenue 2006-2007	-12.64%	5.83%
% Change in Tax Revenue 2007-2014	28.23%	29.54%
Data Source: St. Albans City Grand Lists		
Note: Only existing subsidized housing projects as of 2006 were included in both 2007 and 2014 (since 2006, 4 additional properties have become subject to Act 75).		
Note: The City underwent a reassessment in 2011, which impacted the rate of increase from 2007-2014.		

When judging the tax impacts of Act 68 and Act 75, the intent behind the legislation should be considered. Project based subsidized housing inherently has lower income generation potential than market rate housing. Both Act 68 and 75 intended to “level the playing field” between subsidized housing landlords and market rate landlords by decreasing the tax burden on subsidized properties.

Also worth consideration when looking at the financial impacts of subsidized housing is the newly passed Act 174, which the state legislature passed during the 2014 session. Act 174 changes how municipalities assess owner occupied housing units that are subject to housing subsidy covenant. As of January 1, 2015, Act 174 mandates that municipalities assess owner occupied housing units subject to housing subsidy covenants at 60% to 70% of “what the fair market value would be if the property was not subject to a housing subsidy covenant.” For example, Act 174 would impact how properties in the CHT Shared Equity Program are assessed. City staff estimates that approximately 23 properties in the City will be impacted by Act 174 resulting in decrease of approximately \$1,117,440 in assessed value from the Grand List and a loss of approximately \$9,070 in tax revenue.

3) Other Positive Impacts of Subsidized Housing

Subsidized housing exists to address housing affordability and security and to prevent homelessness. Both project-based and tenant-based subsidized housing help fulfill one of the most basic human needs (shelter) for low income, vulnerable populations, such as retired seniors, the disabled, and single parents, without overburdening them with market rate rents. These are households that otherwise would be unable to find affordable housing in the City and would be at risk of homelessness. Subsidized housing can help low income households maintain stable housing over time.

Without subsidized housing, it is likely that there would be a higher level of homelessness and additional need for emergency shelter both in the City and regionally, which can in turn tax municipal and regional services (for example, the Police Department and Northwestern Medical Center).

Several of the largest developments in the City over the past 20 years have been project based subsidized housing developments, many of which improved the property and neighborhood and added to the Grand List. Despite the lower amount of revenue generated by project based subsidized housing due to Act 68 and 75, one can assume that properties with subsidized housing would generate more tax revenue than vacant properties.

C. Opportunities and Solutions Matrix

The following table lists various suggestions for the City Council to consider, based on the data, research and input gleaned from this study. It has not yet been ranked based on priority.

Opportunities and Solutions Matrix	
Opportunity	Responsibility
<i>Listserv for landlords in the community.</i>	Private Landlords and Planning Commission
The lack of communications amongst private landlords was a much discussed issue during the preparation of this study. Although there is a Franklin County Landlord Association, this organization is a loose connection of landlords that lacks formal organization. The Vermont Apartment Owners Association, according to some in the community, is focused more on Chittenden County landlords. Instead of creating a formal landlord organization, a listserv could provide similar benefits. A listserv could provide increased communication between landlords at very little cost. Best practices could be more easily shared and City-wide issues discussed. A listserv would also enable the City to better target communication to landlords in the City.	
<i>Training opportunities for landlords.</i>	Fire Department and Planning and Development Staff
Increased training opportunities for City landlords were a frequent suggestion while conducting interviews for this study. These trainings could be used to encourage practices used by local non-profits and some private landlords. Trainings could cover best management practices for topics ranging from property maintenance to lease agreements. The training opportunities could be conducted in association with Franklin County Landlord Association or Vermont Apartment Owners Association in collaboration with non-profit housing groups.	
<i>Training opportunities for tenants.</i>	Fire Department, local schools, Vermont Apartment Owners Association and local housing non-profits
A frequent issue cited during interviews for this study was the number of tenants in the City that do not understand the basics of being a “good tenant.” A training course providing current and future tenants with information on being good tenants could help. The course could cover lease agreements, property upkeep, and how to effectively communicate with landlords. The target audience would be tenants in transitional housing and tenants with no rental references	

Opportunities and Solutions Matrix	
Opportunity	Responsibility
<p>or only poor references. The Samaritan House currently has provides a training course to its clients, which could be used as a basis for creating a curriculum focused on other populations. The City could work with the School District, VSHA, and perhaps even Vermont Apartment Owners Association to develop and implement the course. Participating in the course could potentially be an alternative to providing a landlord with references.</p>	
<i>Higher standards for the City Public Health and Safety Code.</i>	Fire Department and City Council
<p>The City could adopt higher standards in the City Health and Safety Code to address the quality of rental housing. St. Albans City could look to Burlington as an example of a community with higher code standards. Although a comparison of the Burlington Minimum Housing Standards and the St. Albans Public Health and Safety Code is beyond the scope of this project, NRPC did look at some of the non-technical aspects of the Burlington Minimum Housing Standards and found a few administrative procedures that could potentially be a good fit for St. Albans City.</p>	
<i>Require a Managing Agent.</i>	Fire Department and City Council
<p>Requiring that landlords that do not live locally designate a managing agent is an administrative procedure that could easily be adapted from the Burlington Minimum Housing Standards. For example, if a landlord owns a rental property in Burlington and does not live in Chittenden County, the landlord is required to designate a “Managing Agent” that is “empowered to represent the owner in matters concerning compliance.” All rental properties are also required to have an emergency contact within Chittenden County. St. Albans could adopt a similar practice, but could instead require that there be a “Managing Agent” within Franklin County. Such a procedure could lead to greater and easier compliance due to having someone responsible for the unit present within the region. It would also provide for easier communication between the landlord, tenant, and City, especially in emergency circumstances.</p>	
<i>Decrease time period before fines can be issued.</i>	Fire Department
<p>During an interview with the Fire Department, it became clear that the department typically begins fining individuals for violations of the City Fire Code and City Public Health and Safety Code after 21 days. This is not a mandatory timeline for either code, but a practice adopted by the Fire Department. The City could choose to begin fining individuals after a shorter amount of time, such as 7 days or 14 days. This could potentially improve compliance with violations of the City Fire Code and City Public Health and Safety Code.</p>	
<i>Revolving Loan Fund to help fund improvements to rental housing</i>	City Council, Planning and Development Department, and Finance Department
<p>The City could create a Revolving Loan Fund to help private landlords make improvements to their buildings to ensure compliance with the City Fire Code and City Public Health and Safety Code. The fund could also be used as equity to help fund the sale of a derelict property to another property owner. To initially capitalize the fund, the City could redistribute money charged from violations of the Fire Code and Public Health and Safety Code from the General Fund to the Revolving Loan Fund.</p>	
<i>Tax Stabilization.</i>	City Council, Planning and Development

Opportunities and Solutions Matrix	
Opportunity	Responsibility
	Department, and Assessor
<p>Municipalities are enabled to enter into tax stabilization agreements with property owners per 24 V.S.A 4403. The City could offer to provide individual rental property owners tax stabilization if the rental property owners conducted specific improvements to their rental property. The length of the tax stabilization agreement offered by the City should be contingent upon the amount of improvement done to a structure. The maximum length of a tax stabilization contract, per statute, is 10 years.</p>	
<i>“Risk Pool Funding” for Private Landlords</i>	Private landlords
<p>A persistent issue surrounding rental housing is the problem of the “bad tenant.” Bad tenants can cause damage to rental properties and are costly to evict, especially if the tenants are no longer paying rent. While property damage can be covered by insurance, eviction is typically a process that a landlord must pay for out-of-pocket. This is burdensome, especially for small landlords that only own one or two rental properties. “Risk pool funding” could allow private landlords to share legal expenses when evictions are necessary and share the costs of any property maintenance not covered by insurance during occasions when the landlord has a “bad tenant.” The limitation to this recommendation is that there needs to be an organization that can operate the “risk pool funding.” Ideally, this would be a landlords association, like the Franklin County Landlords Association, or another private group.</p>	
<i>Less frequent rental inspections for properties with good inspection records.</i>	City Council and Fire Department
<p>The City currently inspects all rental units every 3 to 4 years, but it could push back the timeline to every 5 to 6 years for rental units that have a good inspection record, such as passing the first inspection or passing two inspections in a row. This would provide a small monetary incentive to landlords due to the less frequent collection of inspection fees.</p>	
<i>“Gold Star” Program.</i>	City Council and Fire Department
<p>To incentivize compliance with the City Fire Code and City Public Health and Safety Code the City could create a “gold star” program. A “gold star” program would recognize rental units that have continually met City Fire Code and City Public Health and Safety Code standards. These properties could distinguish themselves in advertisements and would make them more attractive to potential renters.</p>	
<i>Software Integration.</i>	All City Departments
<p>During discussions with City staff in multiple departments, an issue that arose was the lack of integration between different types of software. For instance, the Fire Department noted that the records kept for the Public Health and Safety Code were kept in different software than records kept regarding compliance with the Fire Code. Additionally, fines for each code are recorded in separate accounting software. Zoning permit and enforcement records are kept in yet another type of software. Consolidation of information and record keeping across departments could benefit the City. It would save City staff time because all information about a property would be centrally located and easier to collect. This would lead to greater communication between departments since all staff would have access to the same information. Using one type of software may even save the City money when factoring in</p>	

Opportunities and Solutions Matrix	
Opportunity	Responsibility
licensing fees. The City should assess its options regarding software used by staff and see if there are opportunities to consolidate systems and encourage more efficient workflow.	
<i>Complete market based assessment of subsidized housing projects subject to Act 75</i>	Assessor and Finance Department
One way to better understand the effects of Act 75 upon the Grand List would be to have the City Assessor complete market based assessments of subsidized housing projects. This would be done in addition to the income based assessments required by statute. The differences between the market based and income based assessments could then be compared and tracked over time to better understand the impact upon the Grand List on a year-by-year and cumulative basis.	
<i>Housing Preference Surveys</i>	Planning and Development Department
By surveying local residents (renters and homeowners) and local workers, the City could begin to better understand the housing preferences of those living and/or working in the City. This could help the City Planning and Development Department, City Planning Commission, and City Council better determine what types of housing should be supported and encouraged in the City. Survey results could inform future revisions to the Municipal Plan and in the City Land Development Regulations or could be the basis, for example, of a City program to encourage local workers to also live in the City.	
<i>Create a Subsidized Housing “Tool Box” or “Checklist”</i>	City Council and Planning and Development Department
Developers of subsidized housing often need the support of the local governmental body to acquire grant funding. A “tool box” or “checklist” should be created to help guide the City Council when the Council is evaluating whether or not to support such applications. The tool would look at each application on a case-by-case basis and weigh both the positive and negative effects of the specific proposed subsidized housing project. The tool would aim to enable the City Council to make informed decisions based on the best available information. The tool would also aim to make such decisions more transparent.	
<i>Housing Trust Fund</i>	City Council, Finance Department and Planning and Development Department
Housing trust funds enable municipalities to allocate money into a fund that can be used to develop future subsidized housing. Housing trust funds are popular because the municipality can choose which types of housing to support with the fund. Housing trust funds can be funded through a variety of means including impact fees, permit fees, property tax, sales tax, or through the general fund. The Vermont Housing and Conservation Board is an example of a housing trust fund that operates on a State level. Burlington, Charlotte and Montpelier all have existing local housing trust funds. South Burlington recently started a housing trust fund intended for a specific future project in collaboration with Champlain Housing Trust. The project will be focused on creating new affordable homeownership opportunities in South Burlington through CHT’s Shared Equity Program.	
<i>Funding for Upper Floors of Historic Buildings</i>	City Council, Planning and Development Department, External Funding Sources

Opportunities and Solutions Matrix

Opportunity

Responsibility

The upper floors of historic buildings in Downtown St. Albans continue to be an untapped resource for potential housing. Many Downtown buildings remain underutilized on second and third floors. Upper floors of historic buildings face many challenges, including code updates, energy efficiency needs and accessibility challenges. Nevertheless state and federal tax credits exist for things like code updates, facades, energy efficiency and elevators. The City could help landowners access these credits, or it could even choose to fund upper floor rehabilitation with other local or grant funds. Past projects in the City and beyond have shown that upper downtown floors area feasible for both subsidized housing and high-end market housing.

V. Conclusion

The St. Albans Housing Study and Needs Analysis provides a thorough analysis of current housing and future housing needs in the City of St. Albans. The Study also explores two critical issues related to the current housing market in the City as identified by the Planning Commission: the quality of the housing stock and the impact of subsidized housing on the City.

St. Albans City is small Vermont city with a relatively, young population compared to the county and state. Yet like the county and the state, the City will experience a dramatic increase in their senior population as the baby boomers continue to age during the coming years. This demographic shift will place new demands on the City's housing market.

Beside the local demographic influences, the housing market in St. Albans City is affected heavily by its geographic location and regional housing pressures. The City is located only 30 miles north of Burlington and the larger labor force and labor market that exists in Chittenden County. Many City residents currently travel outside the City for employment and a majority of workers employed in the City live in other municipalities. Rental housing is more affordable in St. Albans City than Chittenden County; 80% of the median income for the metropolitan statistical area and Franklin County appear able to afford rental housing based on NRPC's affordability analysis. However, there are many low income households (50% and 30% of median incomes) that do not appear to have access to affordable market rate rental housing. Homeownership in the City is slightly unaffordable according to the State definition of affordability. A household making 80% of the median income for the metropolitan statistical area cannot afford to purchase a home in the City at the current median sale price of homes in the City.

Housing growth has been slow in the City, although both rental and homeownership vacancy rates indicate that there is room in the market for additional housing units. There is limited data available on what type of new housing would be supported by the market. Potential needs include: additional subsidized senior specific units, senior specific homeownership opportunities, small homeownership opportunities geared towards young professionals, and

larger rental units (3 and 4 bedrooms) located in multi-unit structures geared toward growing families.

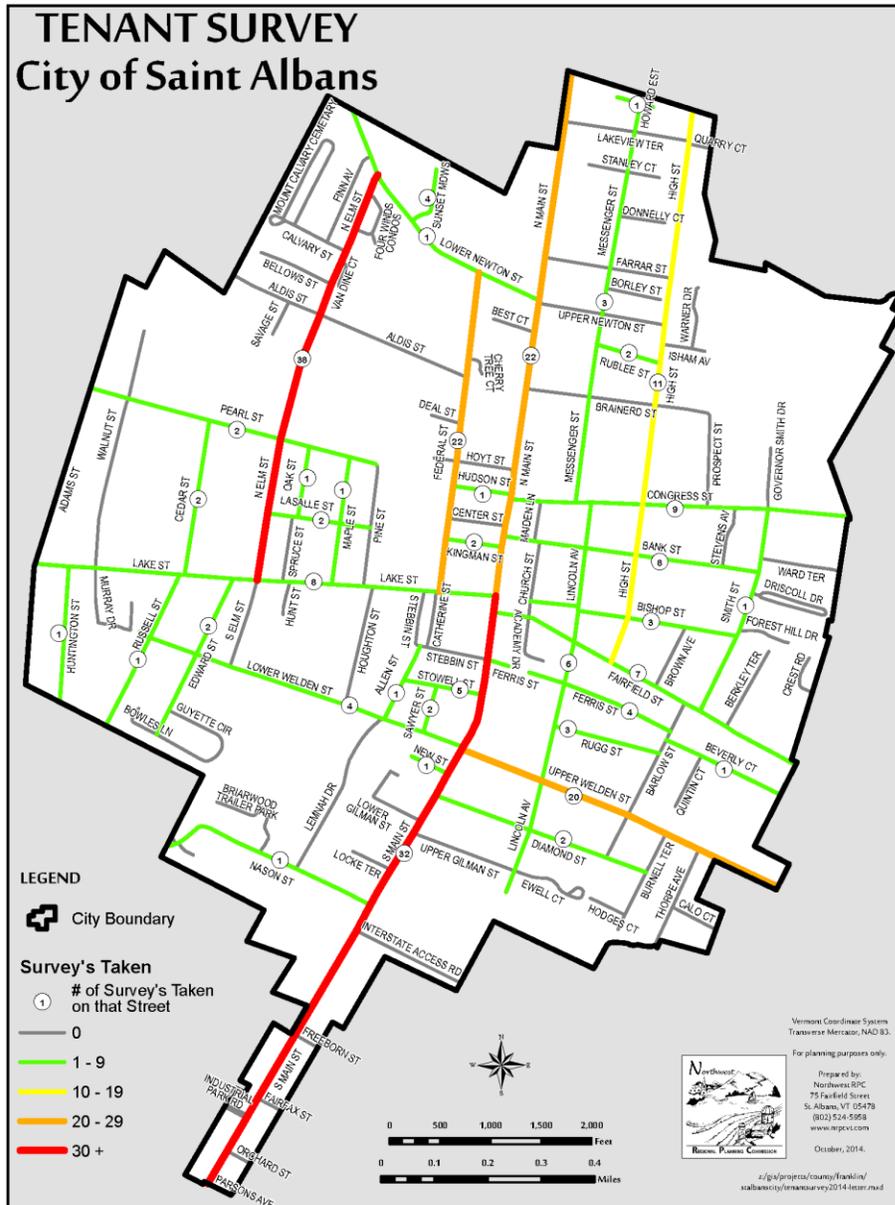
This study provides several opportunities that could help improve property maintenance and housing quality in the City. Related to housing quality is a perception that the existence of subsidized housing in the City creates low quality neighborhoods. This study provides many opportunities and potential solutions to combat this stigma and work towards improving the quality of the City's housing stock, with the ultimate goal of promoting and improving the City's great historic neighborhoods.

Appendix A - Tenant Survey Results

Tenant Survey - Summary

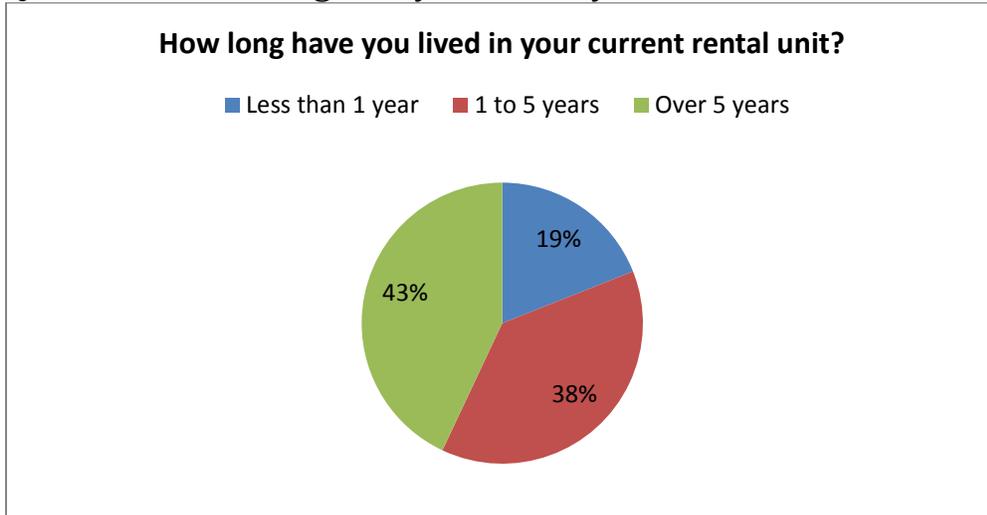
	Number of Surveys
Surveys Sent to Rental Units	1524
Surveys Returned to NRPC	246
Survey Response Rate	16%

Question 1 - What street do you live on?

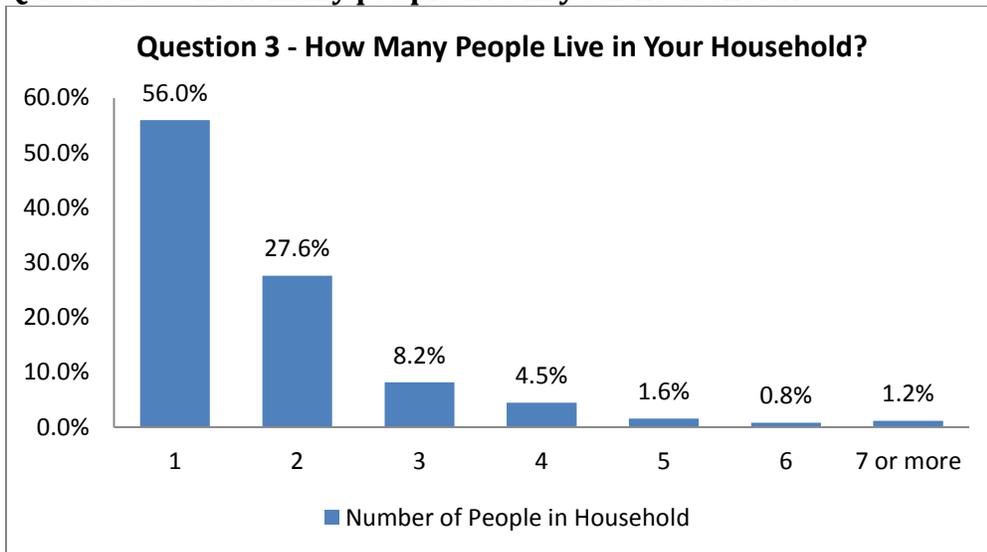


CITY TENANT SURVEY 2014	
Street Name	Surveys Received
ALLEN ST	1
BANK ST	8
BEVERLY CT	1
BISHOP ST	3
CEDAR ST	2
CONGRESS ST	9
DIAMOND ST	2
EDWARD ST	2
FAIRFIELD ST	7
FEDERAL ST	22
FERRIS ST	4
HIGH ST	11
HOWARD EST	1
HUDSON ST	1
HUNTINGTON ST	1
KINGMAN ST	2
LAKE ST	8
LASALLE ST	2
LINCOLN AVE	6
LOWER NEWTON ST	1
LOWER WELDEN ST	4
MAPLE ST	1
MESSENGER ST	3
NASON ST	1
NEW ST	1
NORTH ELM ST	38
NORTH MAIN ST	22
OAK ST	1
PEARL ST	2
RUBLEE ST	2
RUGG ST	3
RUSSELL ST	1
SAWYER ST	2
SMITH ST	1
SOUTH MAIN ST	32
STOWELL ST	5
SUNSET MDWS	4
UPPER WELDEN ST	20

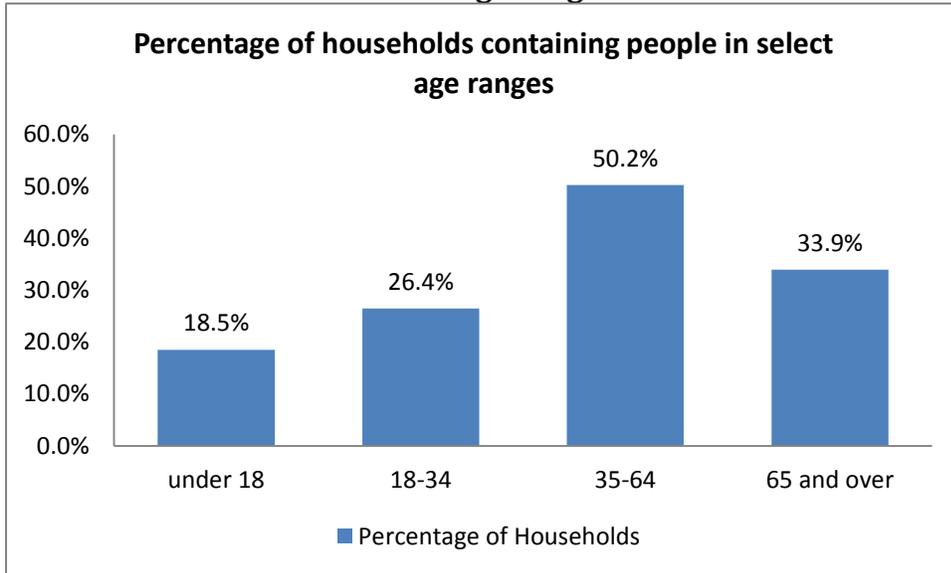
Question 2 - How long have you lived in your current rental unit?



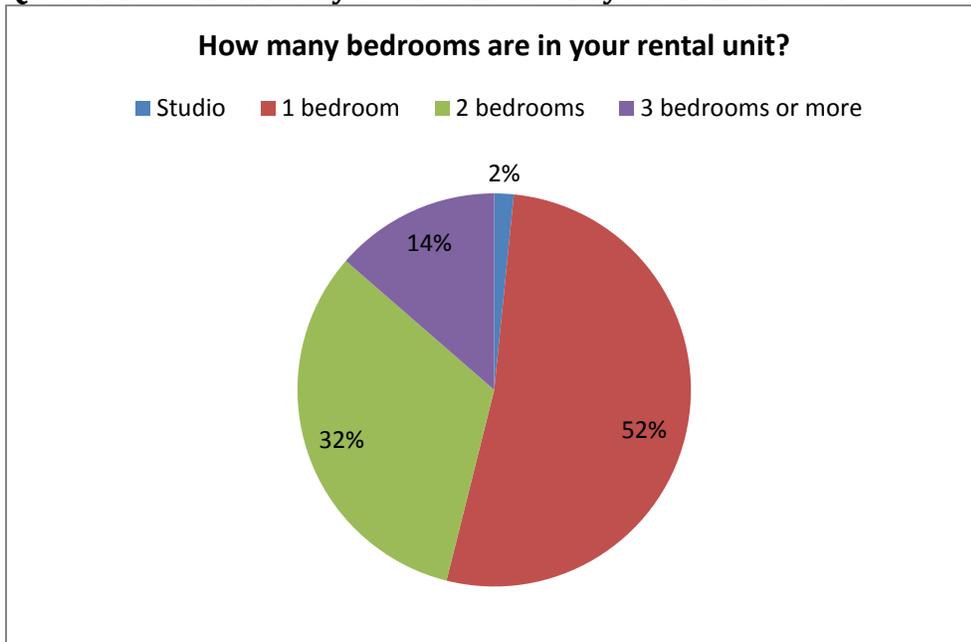
Question 3 - How many people live in your household?



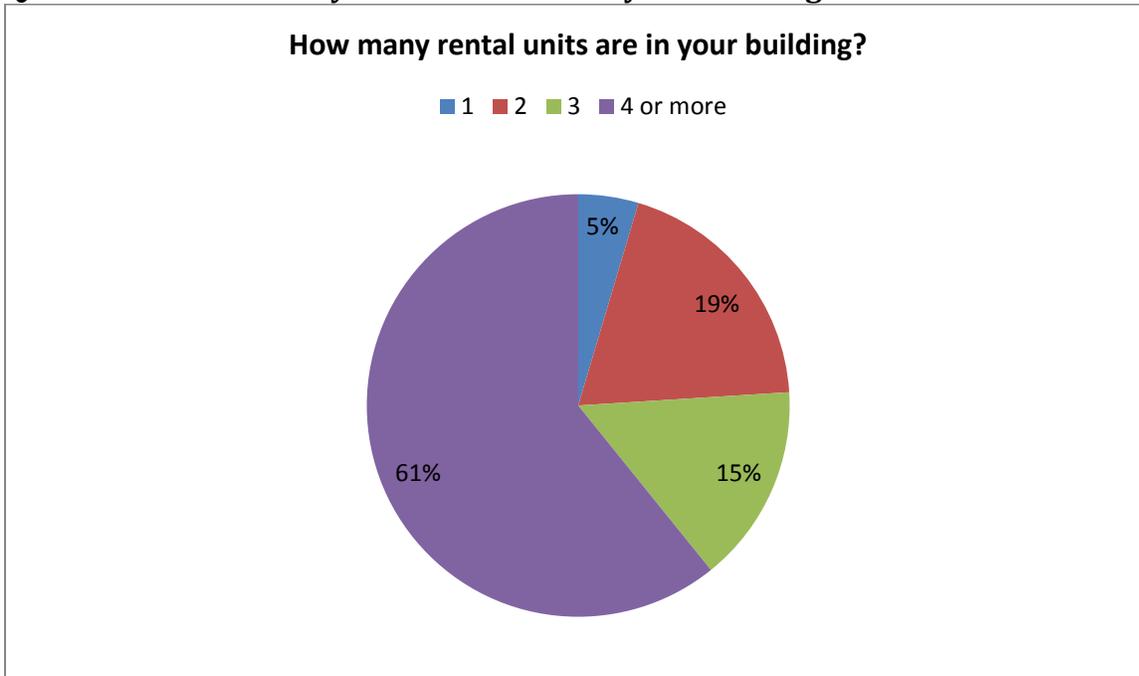
Question 4 – Please check the appropriate category if any members of your household are within these age ranges:



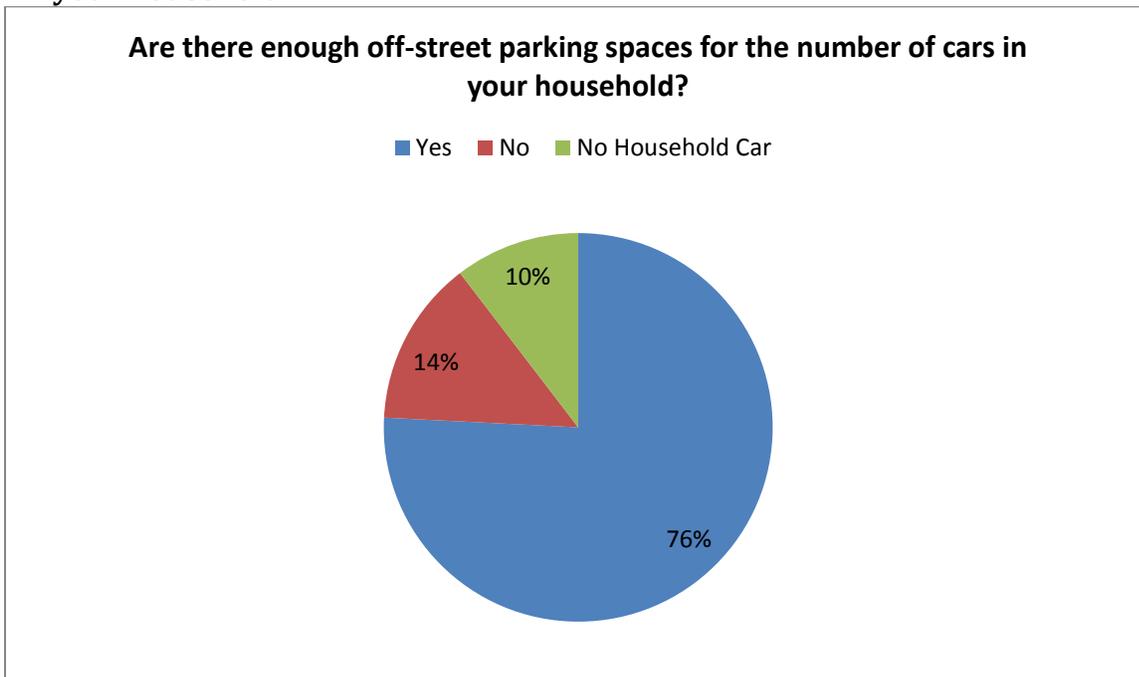
Question 5 – How many bedrooms are in your rental unit?



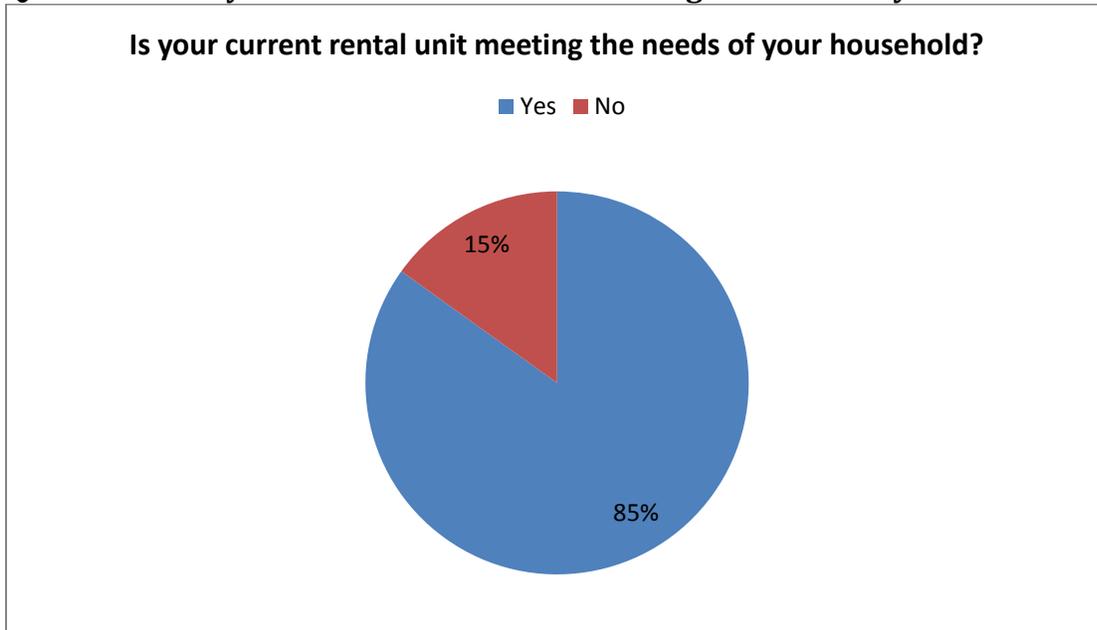
Question 6 – How many rental units are in your building?



Question 7 – Are there enough off-street parking spaces for the number of cars in your household?

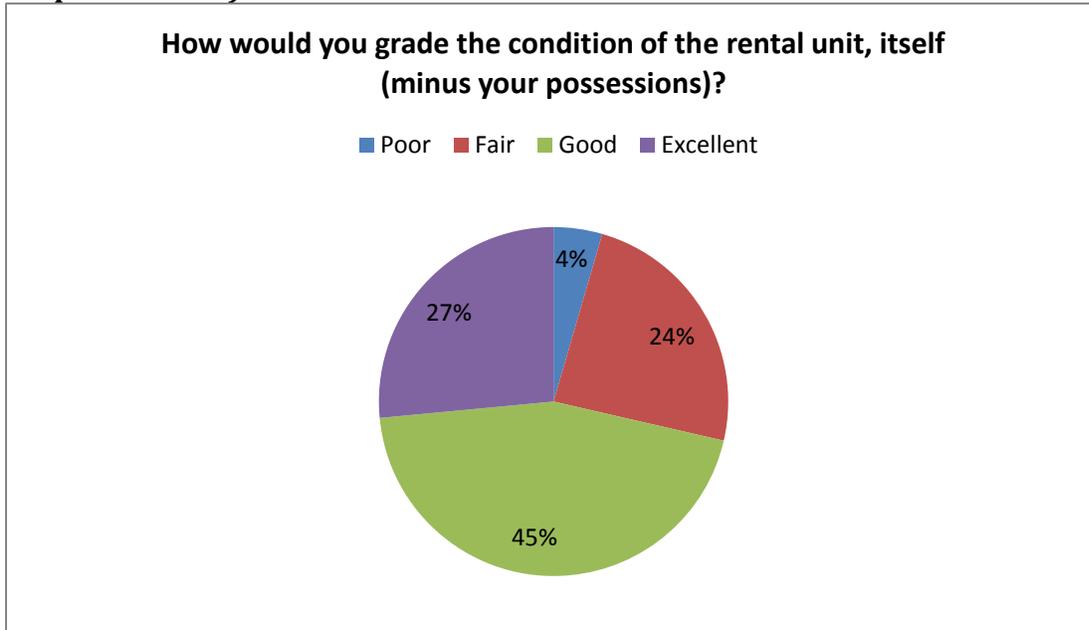


Question 8 – Is your current rental unit meeting the needs of you household?



If no, why not?	Number of Respondents
Lack of Maintenance and/or Outdated	15
Too Small	13
Access Issues	5
Parking	3
Other	5

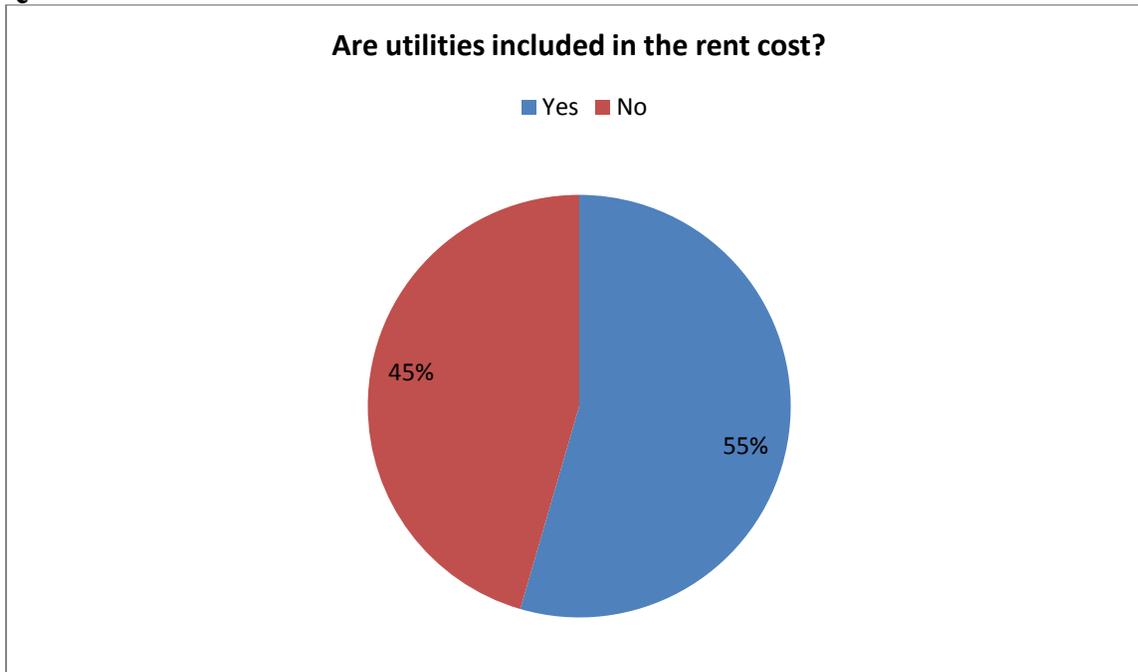
Question 9 – How would you grade the condition of the rental unit, itself (minus your possessions)?



Question 10 – What is the cost of rent per month?

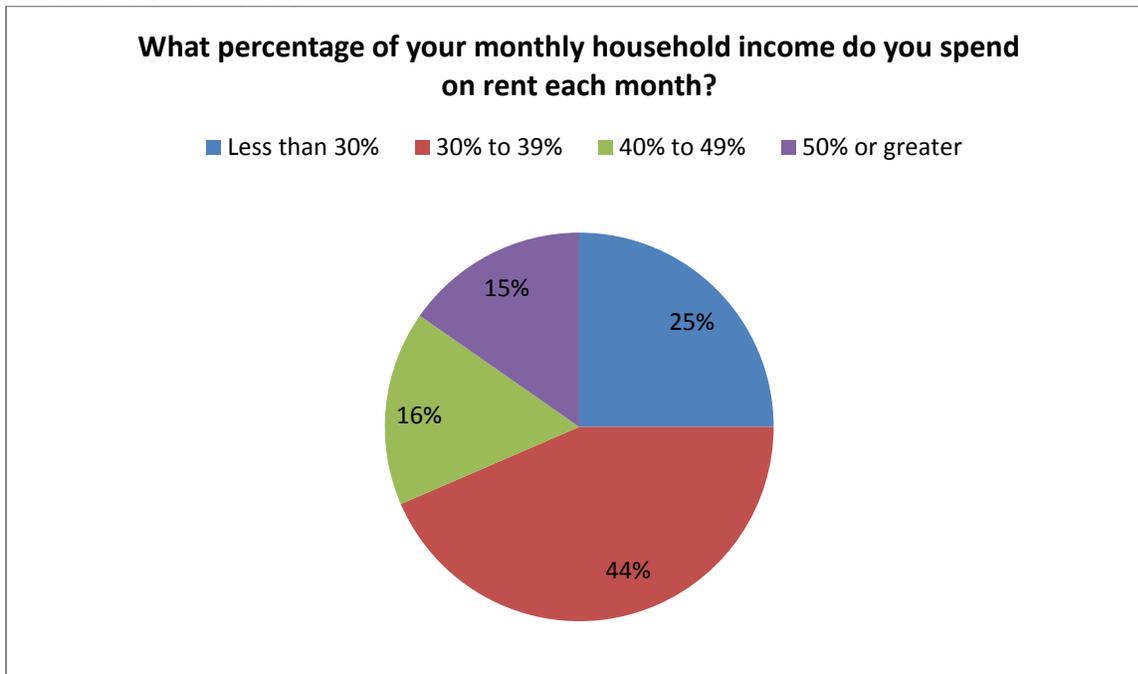
Mean Rent	\$646.35
Median Rent	\$700.00

Question 11 – Are utilities included in the rent cost?

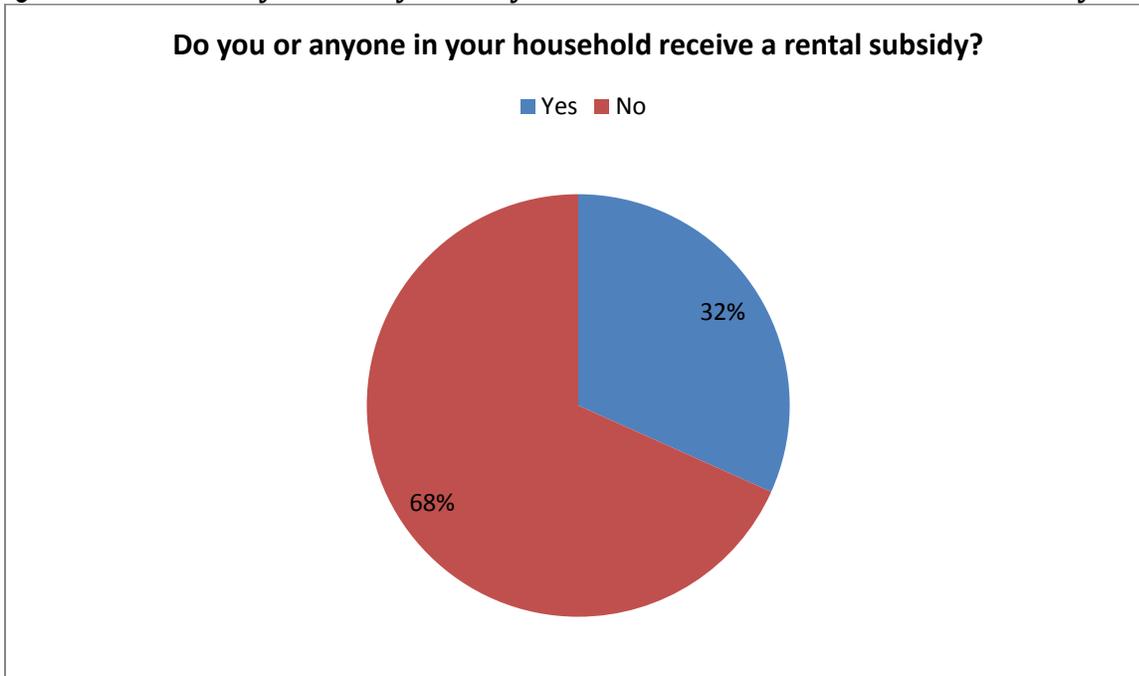


Utility	Number of Respondents (more than one per unit)
Heat	96
Electricity	67
Water	42
Garbage Removal	38
Snow Removal	14
Outdoor Maintenance	10
Hot Water	15
Sewer	11
Everything	6
Gas	2
Cable	1

Question 12 - What percentage of your monthly household income do you spend on rent each month?



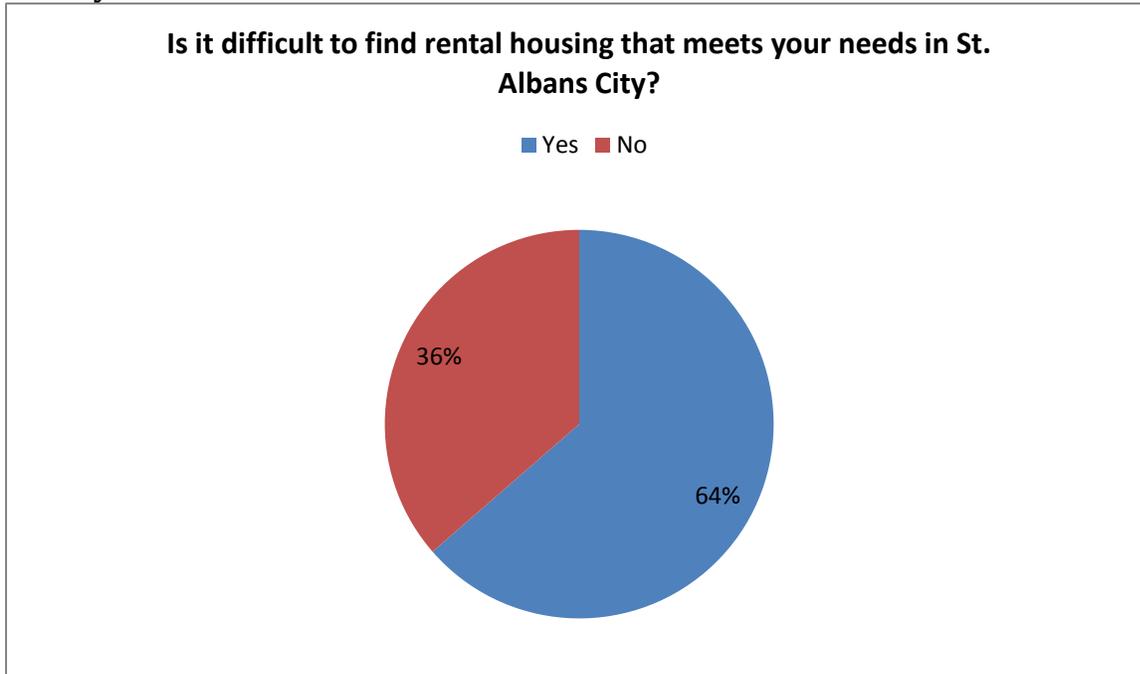
Question 13 - Do you or anyone in your household receive a rental subsidy?



Question 14 - Do you live in a subsidized rental unit?



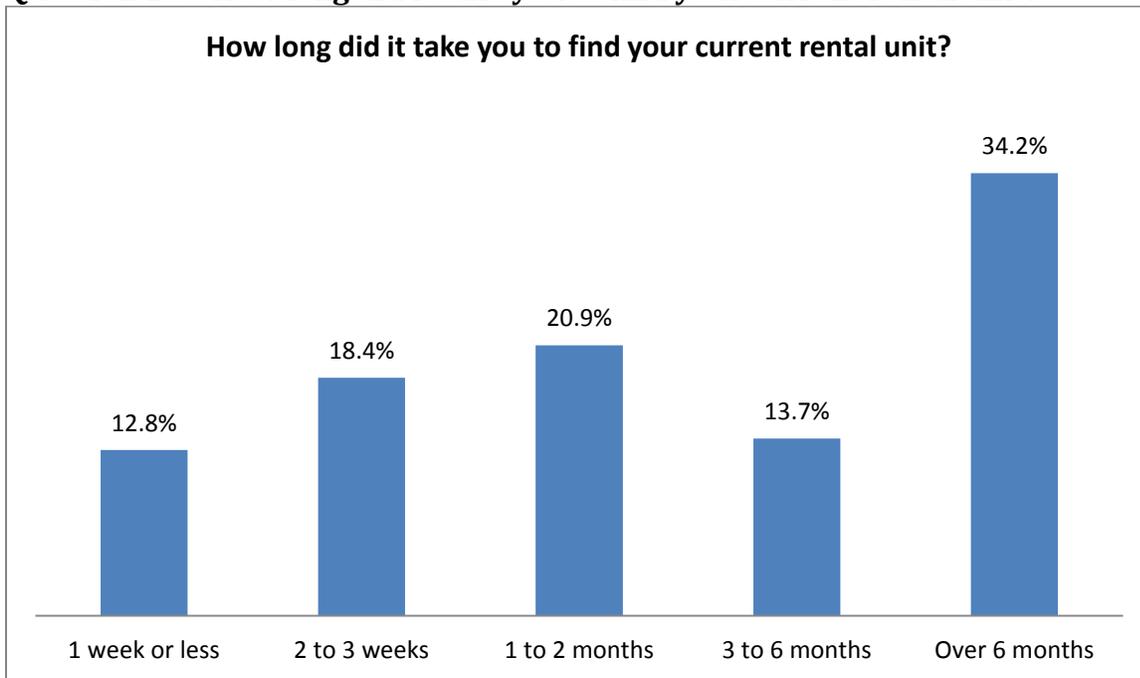
Question 15 - Is it difficult to find rental housing that meets your needs in St. Albans City?



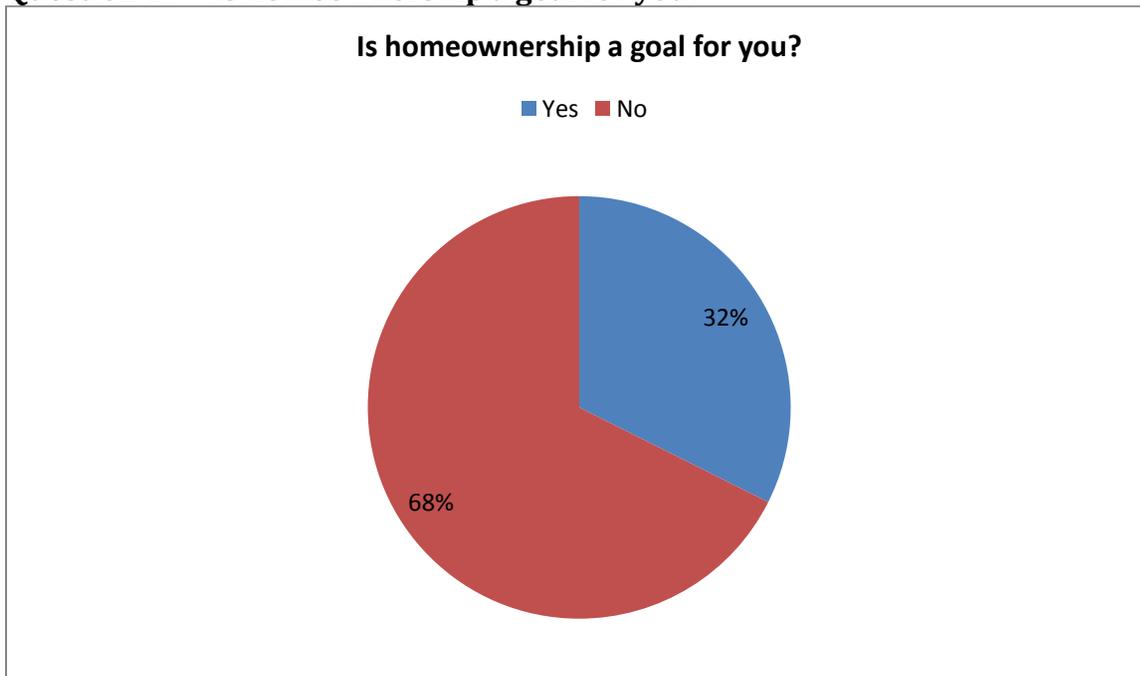
Why or why not?

Reason	Number of Respondents
High Cost/Apartments Unaffordable	60
Not Enough Subsidized or Senior Housing/Waiting List Too Long	21
Lack of Pet Friendly Apartments	12
Poor Condition of Apartments	12
Size	9
Not Enough Rental Units	6
Other	10

Question 16 - How long did it take you to find your current rental unit?



Question 17 - Is homeownership a goal for you?



Reason	Number of Respondents
Lack of Savings or Down Payment	41
Bad Credit/Existing Debt	23
Housing Prices	15

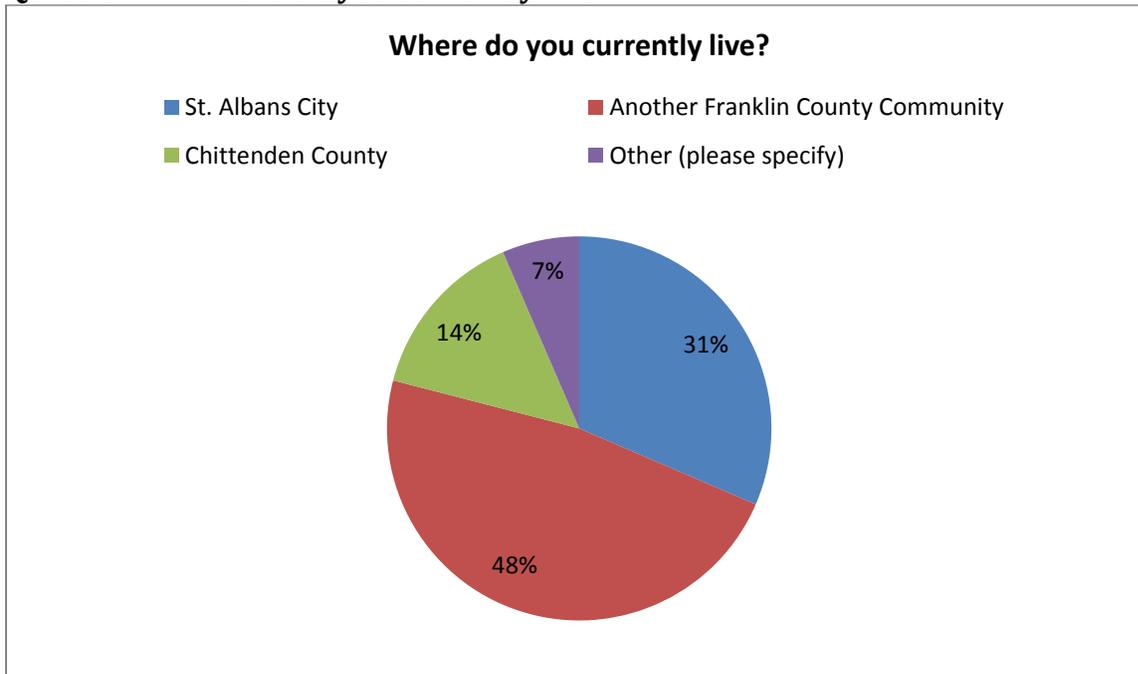
Reason	Number of Respondents
Unemployed or Underemployed	5
Property Tax	2
Other	13

Appendix B – Landlord Survey Results

Landlord Survey – Summary

	Number of Surveys
Surveys Sent to Landlords	400
Surveys Returned to NRPC	127
Survey Response Rate	31%

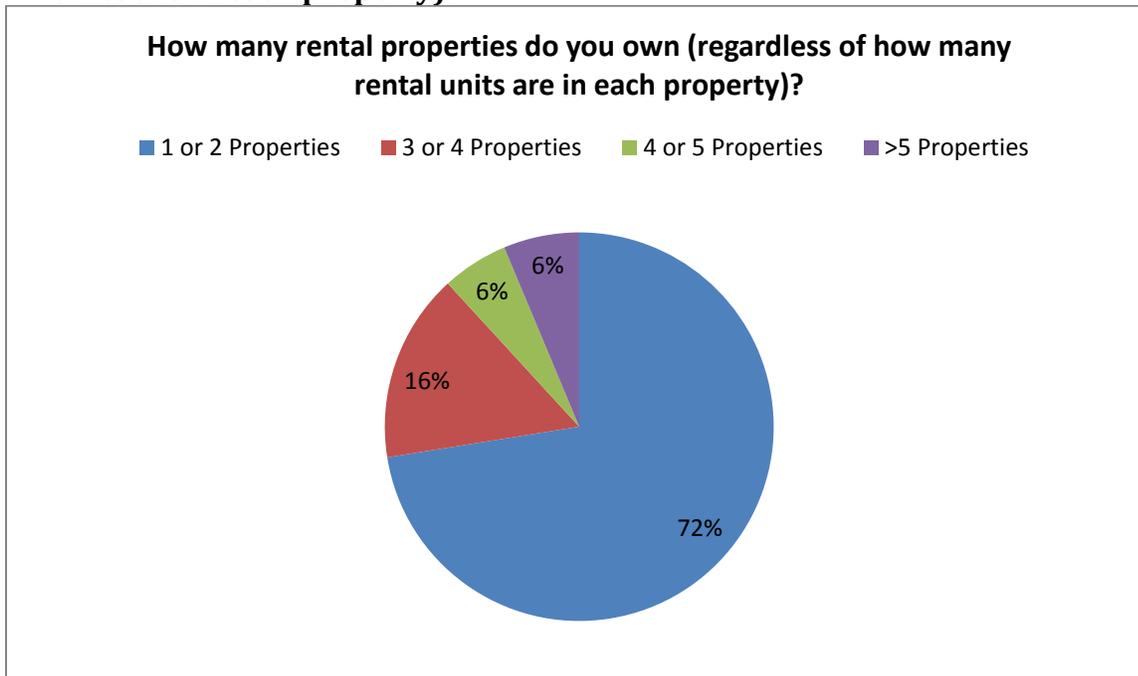
Question 1 - Where do you currently live?



Other Locations:

Other Locations	Number of Respondents
Lamoille County	2
North Hero	1
Essex Jct	1
Newport	1
In state of VT	1
Massachusetts	1
Out of State	1

Question 2 – How many rental properties do you own (regardless of how many rental units are in each property)?



Total Units	488
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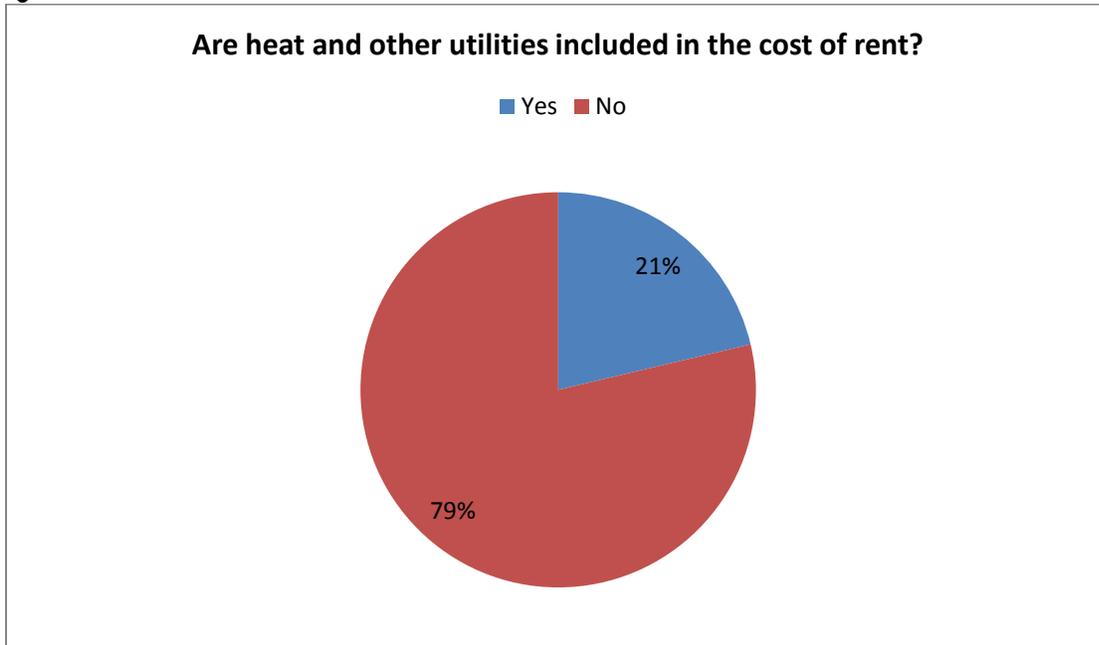
How many total rental units do you own in the City?

Total Units Owned by Respondents	474
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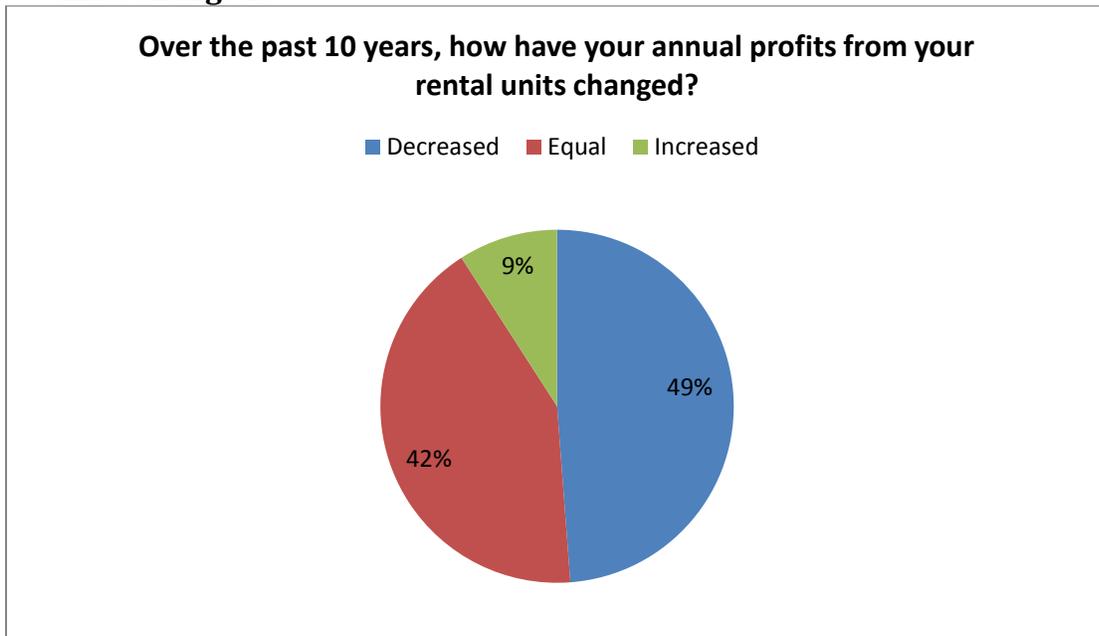
Question 3 – How much rent do you charge per bedroom (on average)?

Mean Rent Per Bedroom	516.15
Median Rent Per Bedroom	429.00

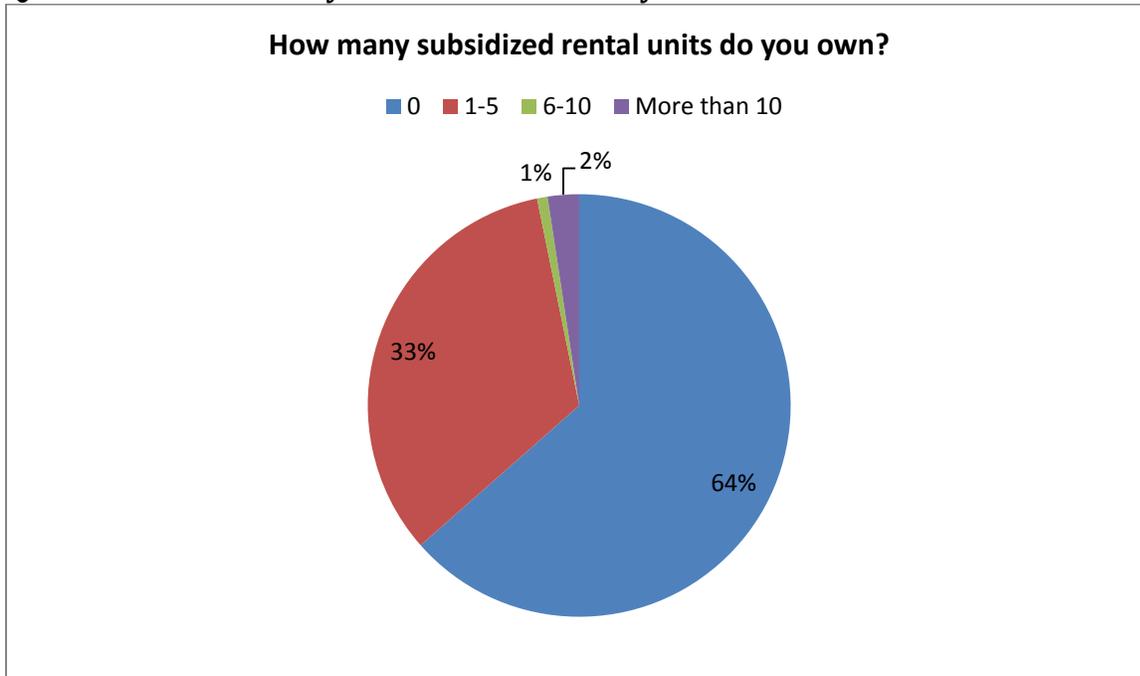
Question 4 – Are heat and other utilities included in the cost of rent?



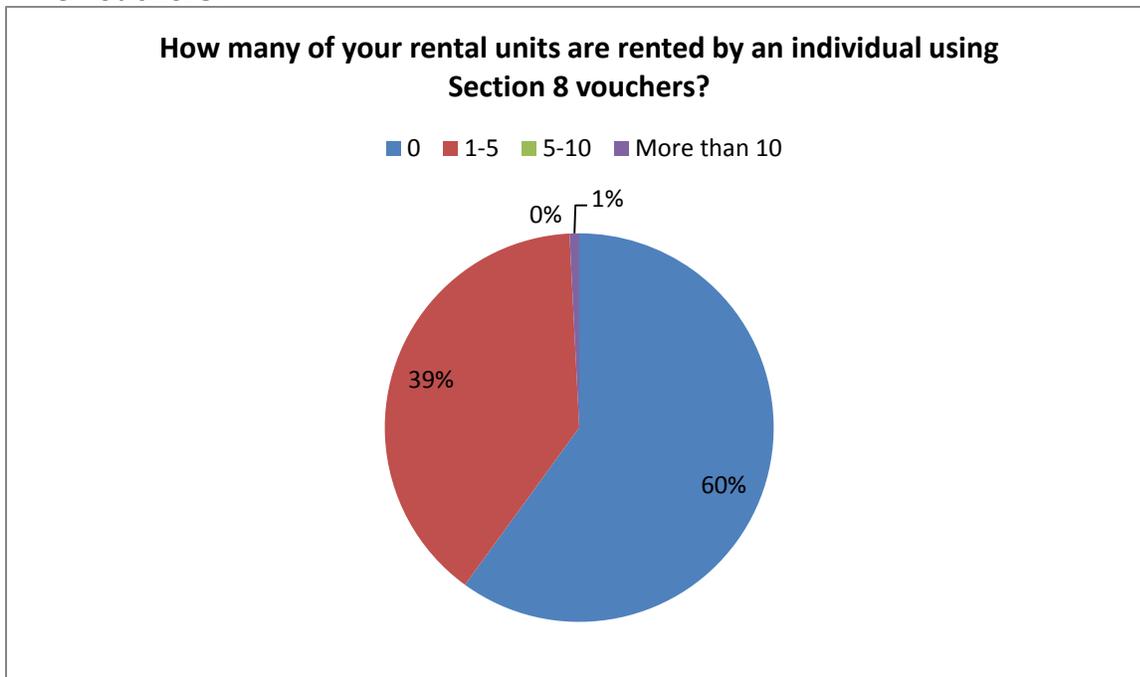
Question 5 – Over the past 10 years, how have your annual profits from your rental units changed?



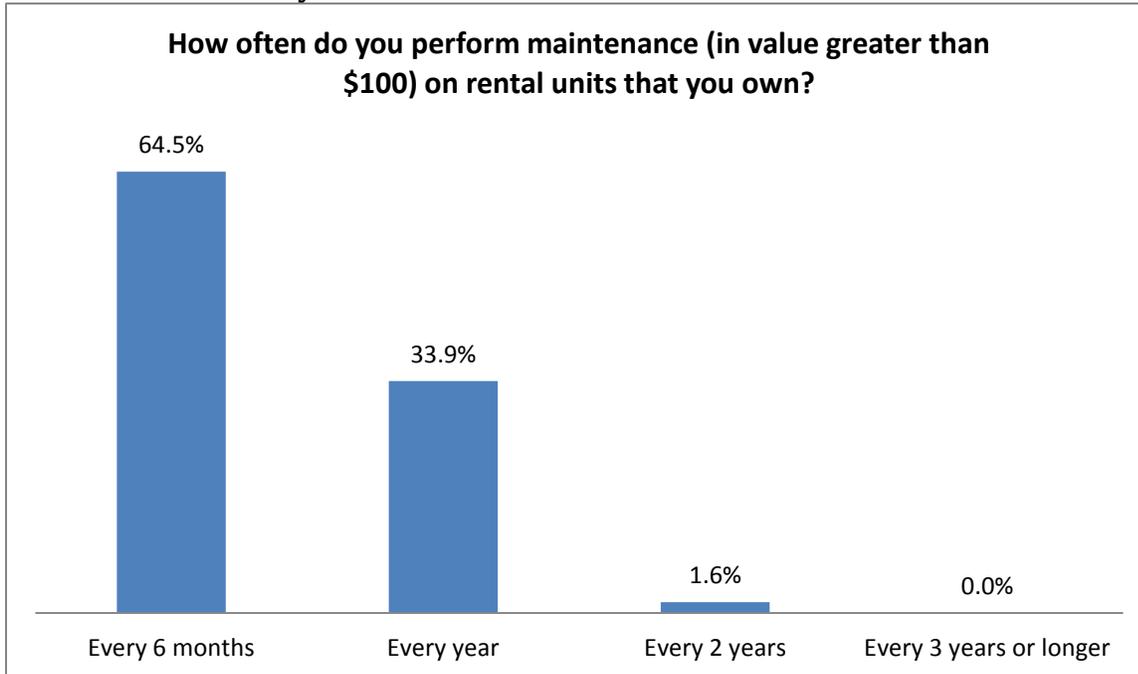
Question 6 - How many subsidized units do you own?



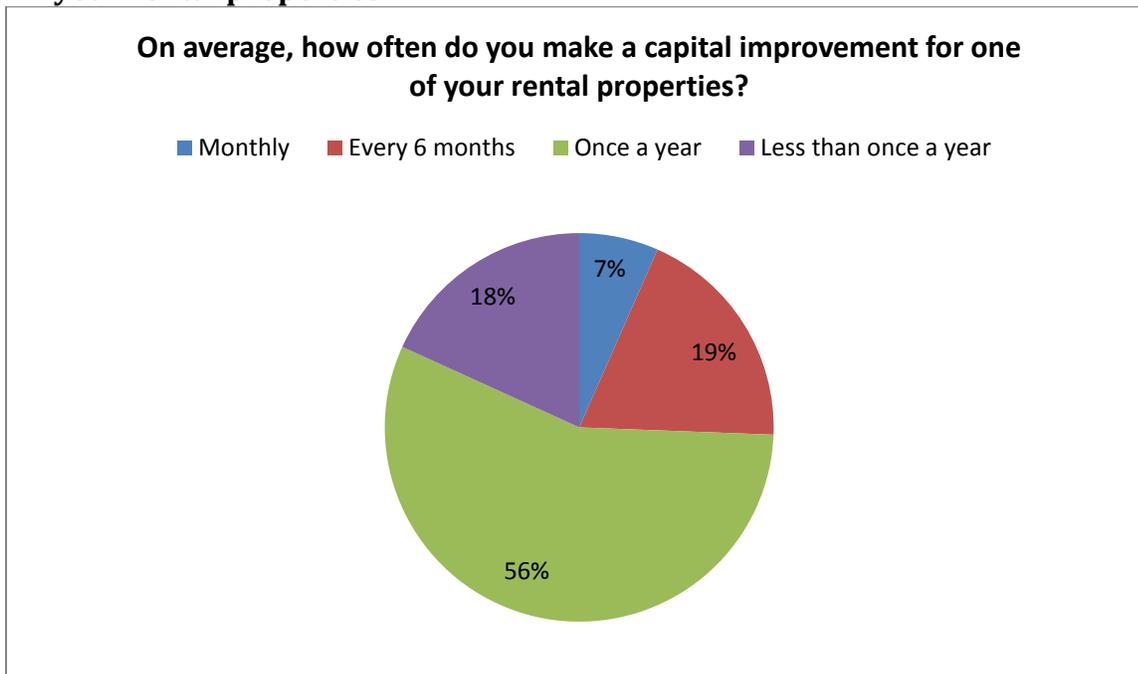
Question 7 - How many of your rental units are rented by an individual using Section 8 vouchers?



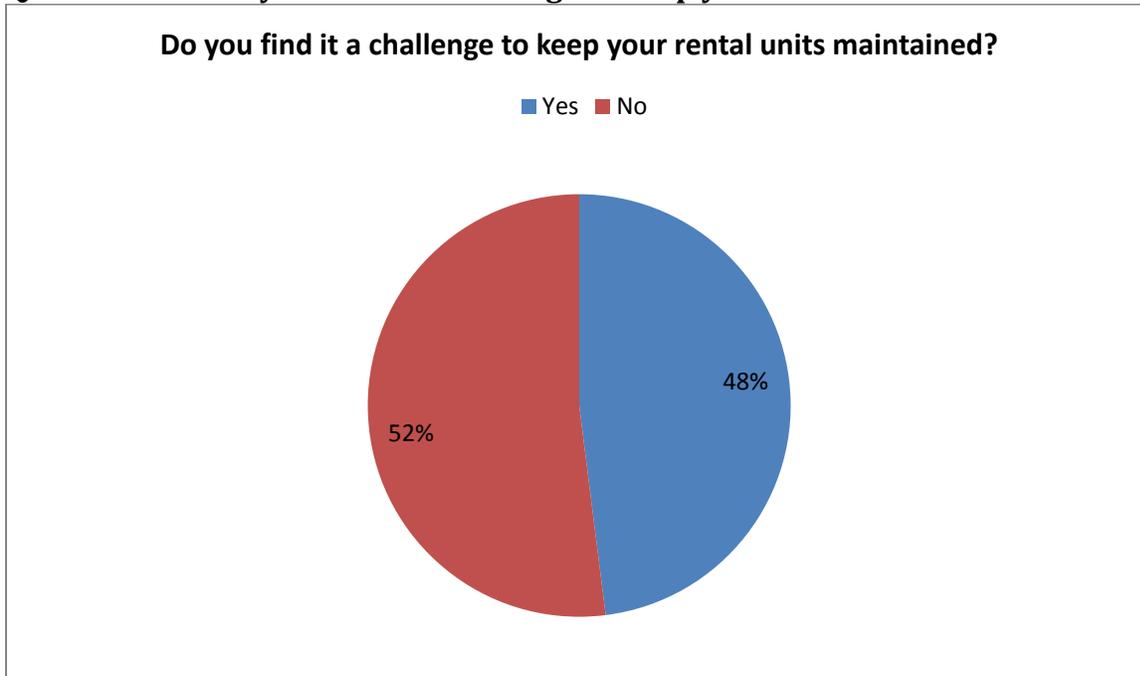
Question 8 – How often do you perform maintenance (in value greater than \$100) on rental units that you own?



Question 9 – On average, how often do you make a capital improvement for one of your rental properties?

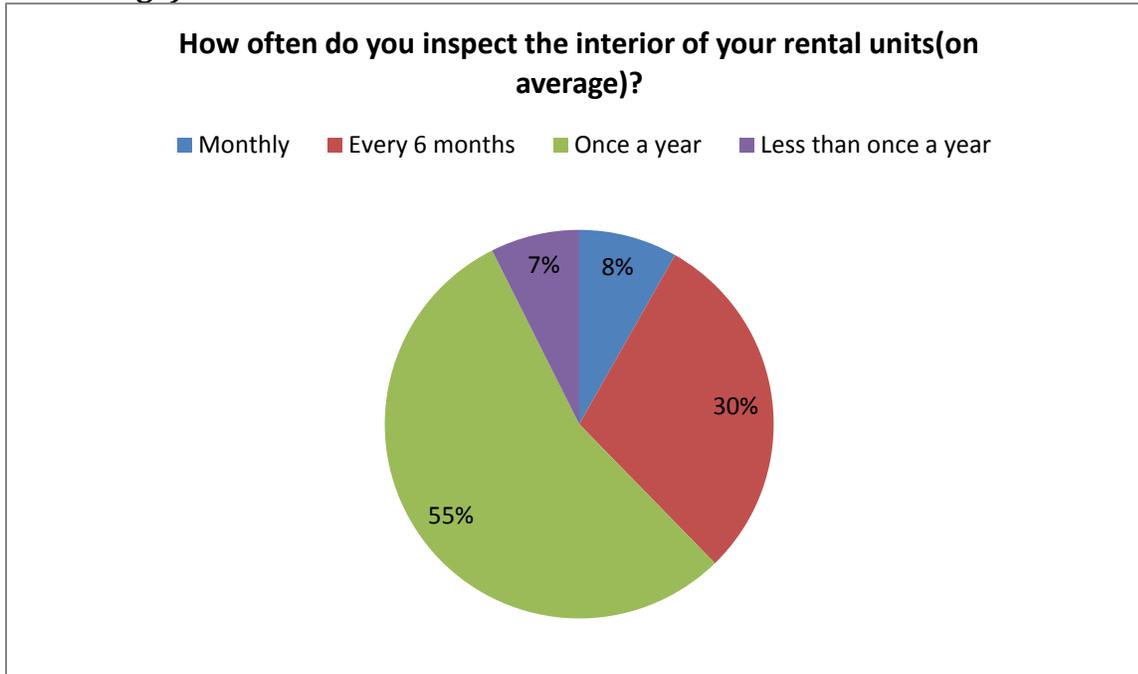


Question 10 - Do you find it a challenge to keep your rental units maintained?



Reason	Number of Respondents
Bad Tenants	27
Cost of Maintenance Too High	11
City Fire Marshall/City Boards	7
High Property Tax/Utility Costs	7
Old Building	3
Time	2

Question 11 – How often do you inspect the interior of your rental units (on average)?



Question 12 – What is the current vacancy rate of your rental units?

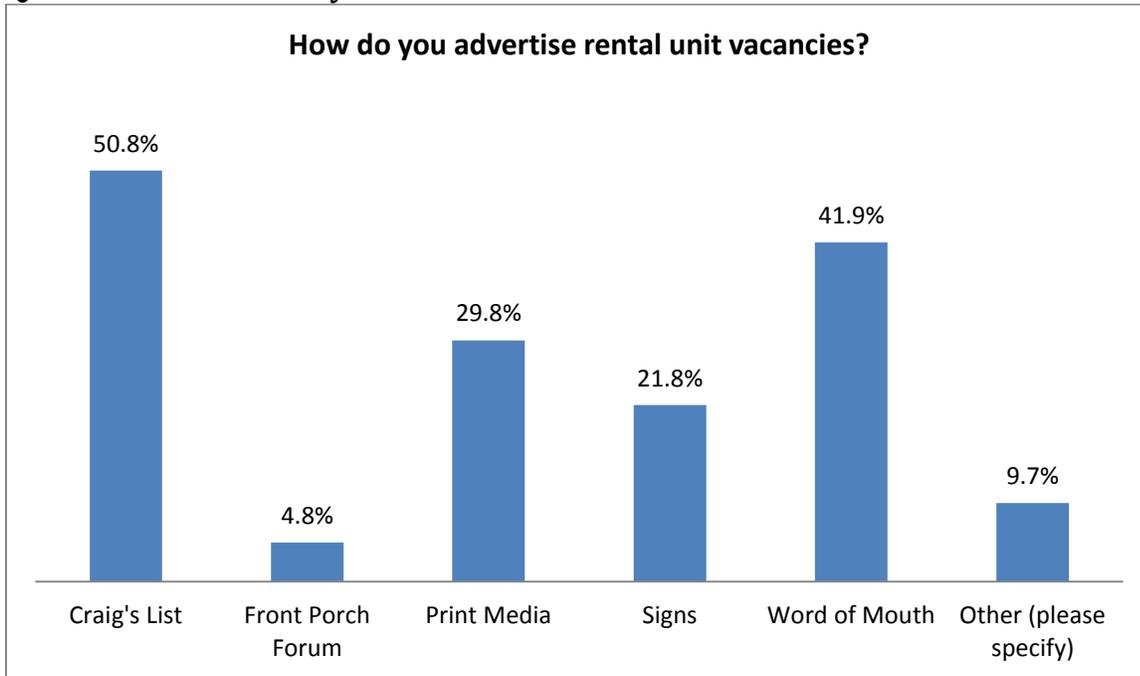
Vacancy Rate	Number of Respondents
0%	87
1%	3
2%	1
10%	3
12%	1
15%	2
30%	1
50%	2
100%	1

Question 13 – At present, how many of your vacant rental units have been vacant for more than 3 months?

Total Vacant Units	12
Vacancy Rate	3.86%*

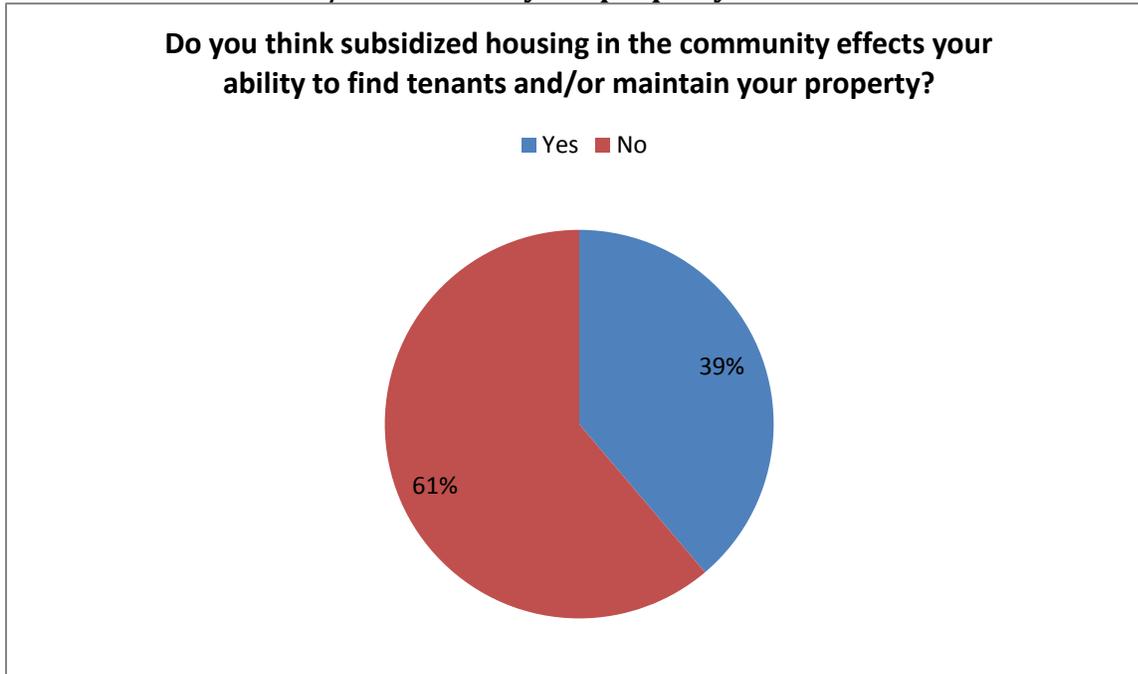
*Vacancy rate was calculated for only those respondents that answered both Question 2 and Question 13.

Question 14 - How do you advertise rental unit vacancies?



Other	Number of Respondents
St. Albans Messenger/Newspaper	2
Rental/Real Estate Agent	6
Sign in Yard	1
None	3

Question 15 - Do you think subsidized housing in the community affects your ability to find tenants and/or maintain your property?



Please explain your answer to Question 15:
Don't have subsidized housing (same population of renters for both sub and unsub. housing)
Encouraging large number of people to move into one unit causes issues to spill into neighborhood.
No - my ability to find tenants and maintain my property has to do with the people I rent to - not whether or not the rent is subsidized.
Me no, but I can see how it could effect on others in lower placed market.
When a tenant doesn't pay rent there is a long process and a lot of expense to have them evicted.
Compete with private sector for good tenants. Bad tenants cost money.
Hard to find, good tenants. They take the best we get the rest.
It helps to create more applicants than I would get without it.
Destructive behavior, disturbance to the peace, lack of oversight.
Unsure
They have a new baby may have to make addition for 3rd child.
But believe there's a lot of subsidized housing which can cut into investment.
Very few vacancies currently, however with the "projects" like at the end of Fairfax St & Goodriches on So Main St, there may become more.
We are highly selective of our tenants and only will rent to individuals who meet our good neighbor criteria and have the financial resources to fulfill all obligations.
No, but too much brings the area down. I have seen it in Burlington.

Please explain your answer to Question 15:
People with subsidized housing generally do not respect the property owners building.
It helps
Private owners cannot compete with subsidized units.
It seems they tenants really don't care about the property or rules. Everyone we have rented to from Section 8 has "trashed" the apt and a complete overhaul and even new appliances are needed.
Hard to compete with the rates.
It is increasingly difficult to get quality tenants due to the extensive subsidized housing in the area. And what really stinks is that our tax dollars are being used to compete against us.
Driving rents down.
I have 3 vacant apts out of 21.
We cannot compete with the lower rates.
By giving subsidized housing at lower rents it makes it difficult to find good tenants.
The government screen for the best tenants, leave us with the rest.
More difficult, stop building them.
Too many subsidized properties cause taxes to increase on the rest of us who don't get subsidies.
It is very hard to spend money creating a nice place to live and compete with gov't subsidized housing. There is no long term return on your investment.
Subsidized housing checks should go directly to owner of house. I hardly get my rent. There is always an excuse. I tried to evict but it did not work and I paid out of pocket again. I never get half of my rent. They live for almost nothing. Upset with subsidized.
It varies month to month. It could be 0% vacancy and it could change in a day.
The cost to maintain apt houses goes up. The tenants are destructive with kids. No rent increase.
Greater pool of tenants.
The upstairs apartment has been difficult to find suitable tenants.
Fortunate at this time.
We maintain our rentals so they go quickly, primarily word of mouth.
Market is currently flooded with low quality construction subsidized housing. Good tenants try them out but quickly leave.
They cherry pick all the good elderly tenants.
When city fire does inspection there should also be money available to help w/ costs, not a charge for inspection and problems. Also common sense - old buildings don't have steel doors with closures.
Unsure
There is definitely more competition due to subsidized housing, finding good tenants is much more difficult.

Please explain your answer to Question 15:

Shrinks the size of the potential renters which are of quality. Leaves landlords with a smaller pool of quality renters.

Drug dealings

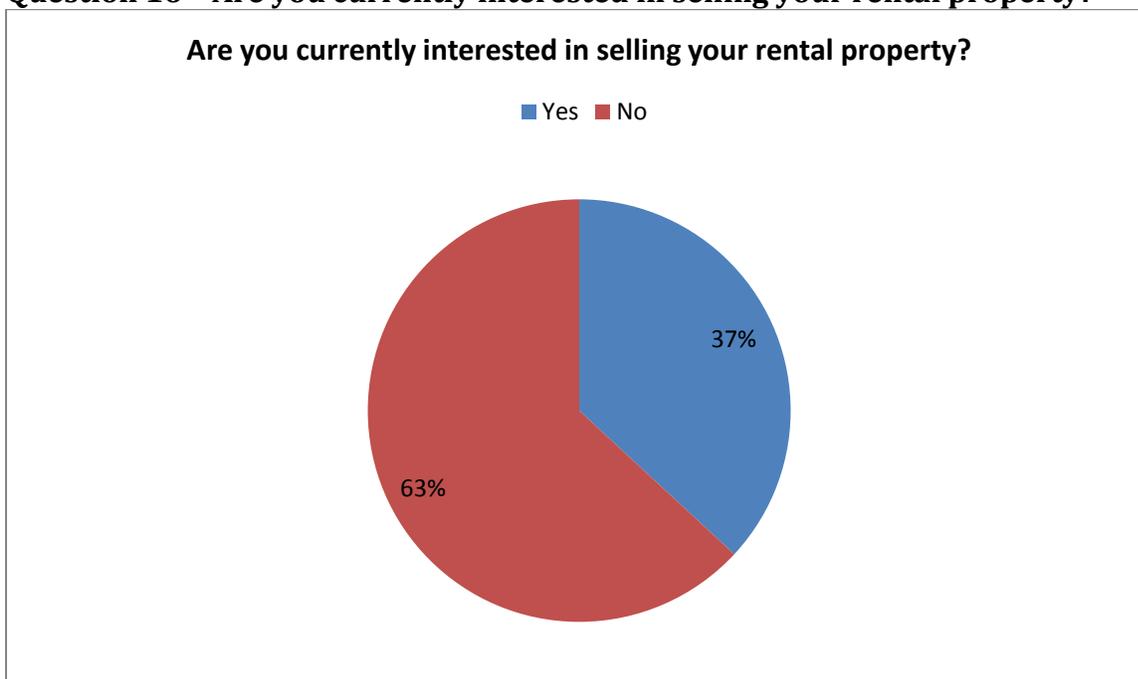
Our property is a senior/disabled property and we have a very large waiting list.

Subsidized housing enables people to rent.

Keep people on welfare, don't have to pay their rent.

Finding is not an issue, determining who will be good tenants, difficulty in removing bad non-paying tenant. Tenant's access to free legal services, small landlords payout of pocket for lawyer or pay non-paying tenants to leave.

Question 16 - Are you currently interested in selling your rental property?



Reason	Number of Respondents
Hard to find good tenants/Experience with Bad Tenants	10
Property Tax/Utility Costs	10
Retirement/Aging	9
Too Much Hard Work/Time	7
Not Enough Return on Investment	5

Reason	Number of Respondents
City Codes	3
Affordable Housing	3
Other	6

Appendix C – Focus Groups/Interviews Participants and Notes

1) Housing Interview/Discussion: Housing Non-Profits

December 16, 2014

In attendance: Taylor Newton, Chip Sawyer, Chris Dermody, Amy Demetrowicz – CHT (Director of Development), Josie Curtain – CHT (Director of Property and Asset Management), Skip Trainer – CHT (Maintenance), Krister Adams – VSHA (Housing Development Specialist), Darcy Young – VSHA (manages Welden Villa and Hillcrest), Miranda Lescaze - Cathedral Square (Developer) and Lisa MacDonald – Cathedral Square (SASH).

Challenges Facing Affordable/Subsidized Housing Non-Profits:

-Chip asked to what extent it was difficult for non-profits to get funding for new projects. All agreed that it is currently very competitive. Also noted the “red tape” associated with administering such programs and the time/staffing needed.

-Amy noted that most funding of CHT projects through the Low Income Tax Credit where non-profits essentially sell their tax credits to funders, like banks. Is regulated by the IRS and requires a lot of reporting/administrative costs. Amy noted that this program is available to private developers.

-Non-profits still have to go through the same eviction process. Still really difficult to get a tenant out of a unit. Takes months. Josie mentioned that some tenants have declared bankruptcy right before eviction and were allowed to stay in the unit. CHT representatives seems to find the current eviction laws favoring the tenant and would be willing to cooperate with private landlords on reforms.

-Lisa mentioned that Cathedral Square had once maintained units for a private developer (Heritage Lane). She mentioned that it was a much different experience. The developer was interested in meeting code minimums and making profit. Cathedral Square was interested in creating a “stable community” which is “important to the infrastructure” of the City. Two very different missions (Lisa mentioned that she is also a private landlord).

Question #3 on Critical Needs in Community:

-each organization was clear that there is a need for a subsidy. Having folks only pay 30% is important and the only way that some folks can afford housing.

-Josie at CHT mentioned that some folks in their units age-in-place and don’t move to elderly housing units.

-Lisa from Cathedral Square noted that their units really need to be located near services (like doctor’s offices, grocery stores, etc) and transportation because they serve elderly population that typically can no longer drive.

-CHT (Amy and Josie) noted that for a few years ago they were having trouble filling their units in the downtown location, yet would have no trouble filling locations on the outside of town. This isn't an issue any longer due to some folks wanting to live closer to their jobs and gas prices going up. Current CHT vacancy rate across all rental properties is about 3% according to Josie.

-Cathedral Square waiting list at Fourwinds is about 3+ years long. System-wide list is between 120 and 130 households. Only do elderly housing. About 90% of residents are women.

-Darcy mentioned that some tenants prefer to live in their units that are located in the Town instead of the City. She says this is mostly due to the school district.

-Darcy and Lisa both mentioned that some of their tenants are now coming from Chittenden County or other places outside the county like Morrisville or Waterbury. This is because there's less demand for affordable units in St. Albans than in Chittenden County. Some just want to come and be closer to family.

-Darcy noted that there are more grandparents with custody over than grandchildren now than ever before. This obviously means that there is a growing demand for larger units, even for the elderly.

-Darcy mentioned that there is a need for emergency housing. A lot of tenants need housing within a very short amount of time and it is not available.

Question 6 on Property Maintenance and Quality:

-Amy mentioned that Burlington has yearly inspections that look not only at life safety issues, but also housing quality issues. (There was a specific name for this inspection. Ask Chip or Amy). There is also a registry for rental units (and fees) in Burlington.

-Darcy mentioned that maybe there should be some tenant training. Many start renting and don't understand what the responsibilities are. I then asked her what she does now. She mentioned that currently they go through the main points of the lease with the tenant upon rental of a unit and might provide them with some basic materials. CHT and Cathedral Square also mentioned that they provide materials to tenants.

-Darcy mentioned that the Housing Solutions group might be able to help landlords deal with or work with tenants to solve issues. Darcy also stated that she has attended meeting with the Hoarding Task Force in Burlington which has been a useful resource.

-Skip stated that CHT uses a computerized request system. This systems catalogues requests by property and keeps historical records. Lisa mentioned that Cathedral Square uses a similar program called "Boston Post." Maintenance persons can print off what is being requested and then mark it as "complete" in the system when it is done.

-Skip said that in addition to doing inspections when a request has been made, there are other inspections. There is an annual inspection by CHT and other inspection like smoke detector inspections. This is in addition to City inspections by the Fire Marshall and any other inspections by the State Fire Marshall. There is a paper checklist that CHT uses for all of its inspections to ensure that a thorough job is done and a record kept. Skip stated that it is really necessary to keep a presence on site at all times so that tenants are aware that you care about the building and so they are less likely to do something to the unit that will become a problem. There are also housekeeping checks for problem tenants that don't keep their unit clean enough. Keeping "curb appeal" was the term that was mentioned. A good looking unit "raises expectations" according to Skip, or give the resident a sense of pride.

-Amy mentioned that the amount of inspections (and annual request to look at tenant finances if I remember correctly. This should be clarified) does turn some tenants off. CHT definitely maintains a presence within each unit and has definitive expectations of tenants.

-Chip asked whether good maintenance of units was just how the non-profits operate, or if they had to given requirements of funding mechanisms. Krister mentioned that it was necessary to keep a good public image and that some entities that fund projects, like Vermont Housing and Conservation Board or banks, get on the non-profits for inadequate maintenance. Some lending agreements may even have covenants requiring certain conditions. Amy mentioned that all affordability covenants are recorded in the land records in the City Clerk's office.

-Amy reiterated that non-profits screen for good tenants in the same way that private landlords can screen for good tenants. Background checks, credit checks, references, all tools available to private landlords. She also reiterated that low vacancy rates mean that private landlords can be selective given that there is an ample market of tenants. Chris asked if training to landlords on this subject was available. It was then mentioned that Stuart Bennett should be contacted Vermont Apartment Owners Association. Maybe training is available through them.

-Amy noted that maintenance of units is typically funded through rent by CHT. CHT uses a portion of monthly rent to go to a maintenance reserve fund which is then used for both routine maintenance and large capital projects. The idea is to be self-sustaining (mentioned that this method helped pay for roof and back up boiler on Fairfield Street apartments). Sometimes HUD and private funding is also used. Sometimes a property is refinanced so that a loan can be taken to do maintenance.

Clarifications:

-Krister noted that VSHA isn't directly affiliated with the State. Instead, they are a quasi-public organization created by the State. The Housing Foundation, Inc. is a separate corporation that is used as a holding company by VSHA. VSHA only maintains structures used by The Housing Foundation, Inc.

-Krister mentioned that he was under the understanding that their projects did not benefit from Act 75. He specifically mentioned Hillcrest. Will need to double check this information.

-Amy noted that CHT funding is project specific. Money from one project cannot be used on another project. Potential economies of scale cannot be created in that regard.

Next Steps:

-Need to sit down with the Assessor to begin comparing Act 75 projects with non-Act 75 projects. Need to determine lost revenue to the City. Look into valuation of Hillcrest.

-Look into history of Act 75. Provide some reasoning for the intent of the Act in the final report.

-Set up a focus group with City employees. Try to gather more information about what is in the city rental database and how it is useful.

-Set up an interview with Zeke Sears (Vermont State Housing Authority) and Linda Ryan for early January. Might make sense to really get some numbers from Linda regarding emergency housing and learn more about this "Housing Solutions" group that meets every Tuesday.

-collect materials that are provided to tenant by the non-profits upon them moving into rental units.

-Talk to Chip about the "Housing Solutions" group that was mentioned by Darcy and run by Kristen Prior.

-Need to work with the assessor to do a comparison between Act 75 units and non-Act 75 units. Need to understand the true value of that is being lost in terms of property value and tax revenue. Even if we can't compare similar size units, we could compare on a bedroom basis.

-Have Chip send us the recording of the focus group.

Ideas to keep in mind for study:

-is there need for affordable ownership opportunities?

-is there no real market of renters that can afford market rates? Are people either able to get subsidized housing or buy a home? Is there any real in between?

-revolving loan fund for building maintenance? Or compliance with life safety code? Chris mentioned doing something like that that would be in part funded through fees or fines.

2) Housing Interview/Discussion: Samaritan House and Vermont State Housing Authority

January 14, 2015

In Attendance: Linda Ryan, Zeke Cyr, Greta Brunswick and Chris Dermody

Section 8 Vouchers

Section 8 Vouchers are truly geared towards low incomes. Renter pays 30% of income and Section 8 makes up the difference. There are caps on rent amounts based on Fair Market Rents set by HUD, income and other factors, Zeke will send over info on this. He has imposed an overall rent limit of 90% of FMR in the City due to the Franklin and Grand Isle County being part of the Burlington-South Burlington MSA.

The St. Albans Housing Authority supposedly had 85 vouchers to give out, Zeke was told that 78 vouchers are in use and will be transferred to the State Housing Authority. The St. Albans Housing Authority wait list will also be transferred and integrated into the State Housing Authority's wait list. The waitlisted people's priority will be maintained in the transfer. It is not expected that the City will lose any vouchers, perhaps they will gain some.

Currently there are 336 Section 8 vouchers in St. Albans, not including the 78-85 that are in use and will be transferred from the St. Albans Authority to the State Authority. But these 78-85 are used within 6 mile radius of City – not all within the City. The waitlist is currently closed, but may be reopened soon. It was initially closed back during the sequester because Section 8 funding was cut. Zeke does not know how many are on the Statewide waitlist or how many are on the St. Albans waitlist. The Statewide waitlist will not be able to tell us how many are waiting for vouchers to be used in the City.

Zeke noted that the City and region are very well served in terms of Section 8 vouchers. There are more vouchers in Franklin County than any other County in the State.

Zeke noted that he does see a lot of vouchers being transferred from Chittenden County to St. Albans City. Once you receive a Section 8 voucher you can apply to have it transferred to another area if it was originally tied to a certain area.

VT Rental Subsidy

VT Rental Subsidy (Through VT Agency of Human Services) is a program for very low income folks. It typically involves a 1 year contract with a case manager and \$650 per month per family of 4. It is meant to transition people to Section 8 Vouchers after 1 year. VT Rental subsidies have priority for Section 8 vouchers over others on the waitlist.

Tax Credit Project Based Affordable Housing

What is considered affordable is not affordable to very low incomes. This statement refers to the project based tax credit housing that is geared towards median incomes and has rent limits

that are only slightly cheaper than market rates. How many section 8 vouchers are being used in tax credit affordable housing projects is a good question. In looking at the benefit of this type of affordable housing given that it is not serving truly low income folks (unless with additional section 8 assistance) you can consider the tax increment from what the use was prior to redevelopment. Also you can look at the benefit of having good quality, new, well managed and maintained workforce housing units in the community that would not be developed otherwise. The units are obviously in demand.

Samaritan House

Samaritan House served 159 people last year (2014) and helped 69 homeless families secure permanent rental housing. Samaritan House has 1 full time and 3 part time case managers. Samaritan House helps with VT Rental Subsidy and Shelter Plus Care, which is a housing subsidy geared towards folks dealing with severe substance abuse or mental illness. Zeke estimates that there are around 30 individuals on Shelter Plus Care in the City (through Samaritan House, NCSS, and Pathways to Housing).

Opportunities

There are not a lot of opportunities for single individuals who have severe income limits due to child support and other factors. Efficiency or boarding house type units would serve them well. Linda estimates that the City could use one building with 4-6 rooms. She is interested in purchasing a building to make this happen.

Both Linda and Zeke liked the idea of public housing landlords educating private landlords on good renter practices. We need to think more on the best structure for this to make it a good experience for all.

Both Linda and Zeke liked the idea of a rental housing improvement fund similar to Winooski. Linda thought this would be a good match for funding by the Vermont Housing Conservation Board.

The idea of a risk pool of funding was proposed that landlords could access for legal expenses and making improvement after having bad tenants. Perhaps it could also include make use of community justice center work crews or other types of community labor programs to decrease cost.

The Samaritan House offers a 'How to be a good Tenant' workshop. It would be great to make this workshop available more widely and more often and make it attractive to not just the homeless community or transitional housing community looking for permanent housing, but for all first time renters or others with bad rental history in general. If it was made more available then landlords could require it as a prerequisite in place of three good references.

3) Housing Interview/Discussion: A City Landlord/Property Manager January 16, 2015

In attendance: Interview, Chris Dermody, Chip Sawyer, Taylor Newton, Greta Brunswick

Question #4 – Impact of subsidized housing on private rental market.

Interviewee thinks that market rate rent survey results are all in the ball park.

Subsidized non-profit housing does not make it easier or harder for landlords to rent out and maintain property.

*It is the **stigma of poor quality housing and neighborhoods in St. Albans City** that may be influenced by a negative image of subsidized housing that affects private landlord's ability to bring in good tenants.*

Interviewee does not use Craigslist to advertise rental units. He/she has not had good luck with it due to high rate of inquiries that are not serious or do not pan out. Interviewee uses the Messenger, word of mouth and signs.

Question #6 on property maintenance and neighborhood quality.

On the idea having a 'Being a good tenant' workshop and its potential use as a prerequisite for renting to tenants, Interviewee thinks that quality landlords would use it, but the "problem" landlords would not.

How often should inspections happen? Monthly, semi-annually? Interviewee does semi-annually.

PHSO currently requires inspections every 3-4 years. This may increase to 6 years for properties that have a good record.

How much revenue is the City accruing from rental property violations?

Franklin County Landlord Association is an informal group and largely inactive right now. It came into existence after the City started inspecting rental properties. ***Perhaps a listserve giving landlords in the City a forum to communicate would serve them well?*** Information sharing between landlords is always good.

There is also a more formal Burlington based landlords association – believed to be the Vermont Apartment Owners Association. Membership is \$200 per year and provides legal assistance, templates and other resources. It does not attract landlords that don't care/problem landlords.

Burlington did a good job on cleaning up their rental housing through enforcement. ***What rules and enforcement schedules do they have that St. Albans could learn from?***

The Section 8 inspection criteria are very low, which results in many units rented through vouchers being poor quality units. While inspections happen annually with the Section 8 program, it is not causing properties to be cleaned up. Interviewee gave example of bathroom vents to nowhere passing Section 8 inspections.

Opportunities

To encourage well maintained neighborhoods and properties and decrease stigma of poor quality housing and neighborhoods:

- Facilitate sale of problem landlord properties. City could use RLF to make up difference in sale price to sweeten the deal. This subsidizes the whole neighborhood, not just the one property.
- Do a public relations piece on good quality housing and neighborhoods in the City.
- Increase frequency of insurance inspections to decrease premiums.
- Require inspection of rental properties at time of every vacancy enforced through PHSO, or 3-4 year default inspection period.
- Label properties with good inspection records as St. Albans Gold Star properties and advertise properties as having this standard.
- Implement tax stabilization for properties that invest in exterior improvements to rental properties for a period of time. Would there be a dollar amount or percentage of assessed value threshold to qualify?
- Community supported buy-out and then sale to private developer/landlord.

4) Housing Interview/Discussion: City Fire Department February 3, 2015

In attendance – Charlie Sargent (FD), Chip Sawyer, Chris Dermody and Taylor Newton.

-Charlie explained his role. His position implements the Fire Code and Health and Safety Code. Records inspections using INFERS (might be wrong acronym) and NEMRC. Each system is for a different code. Inspections for Health and Safety Code apply to all city properties, not just rental.

-Inspections for Fire Code done on a four year cycle. Have done nearly all the units in St. Albans according to Charlie (he couldn't confirm them all). Said that about 25% of inspections require reinspection to ensure that everything meets code. Stated that the outsides of buildings often reflect the insides of buildings.

-Charlie said the City probably has 8 to 10 "problem" properties. Often those properties have Section 8 vouchers.

-Charlie said he's found that most complaints from tenants about landlords occur right before or during an eviction process. On average, the City completes about 6 to 8 inspections per week due to complaints. It is busier in the summer when there are more like 8 to 10 inspections a week plus inspection for those units that are for sale and regular/scheduled inspections. Most common complaint issues in the winter are for lack of heat and lack of hot water.

-Enforcement typically means a warning letter issued to the landlord. Charlie believes they give the landlord about 21 days to comply before issuing a fine. Enforcement letters are only kept in hard copy and aren't recorded or kept track of within a digital database.

-Inspections done before the sale of the property do not cost any money. Chip theorized that this is because of the enabling legislation the state passed to allow the City to implement the fire code.

-Indicated it would be beneficial to have more administrative support to implement the codes.

To Do:

-Figure out how much the City takes in for revenue from fees and fines.

Possible Solutions:

-Maybe look at software to integrate enforcement with rental database (or even zoning permit database).

Appendix D – Directory of Affordable Housing (Vermont Housing Data Center)

The following is detail explanation of the types of government programs that can be used to fund affordable housing. This information is taken directly from the Vermont Housing Data Center and from the “Vermont Rental Subsidy Program - Six Month Evaluation and Recommendations:”

1) Introduction

The U.S. Department of Housing and Urban Development (HUD) is the federal agency responsible for:

- Creating and funding most affordable housing policy and programs
- Helping improve and develop local communities
- Enforcing fair housing laws

HUD's annual budget provides funding for most of the programs listed below. Depending on the program, the funding is then given to state governments; non-profit or private housing developers; Public Housing Authorities (PHAs) or other housing agencies. Each housing program has a different agency that administers it; different income and eligibility rules; and different application and program regulations.

Rental housing assistance available to low-income families and individuals can come in one of two models:

- Project-based assistance; or
- Tenant-based assistance

With project-based assistance, the rental subsidy is assigned to a specific housing unit, and any eligible household who moves into that unit will receive assistance to cover the portion of the rent that it cannot otherwise afford. Housing with project-based assistance is often built or developed with the purpose of accepting low-income tenants specifically.

Tenant-based assistance is a rental subsidy that moves with a household into any qualifying housing within a certain area. The housing can be — and is often — private housing that may not have been built or developed with the intention of accepting solely low-income tenants, but if the quality and cost of the unit falls within a certain range, then it may qualify.

HUD has created many programs that are based on these two core concepts, and has expanded them to include special programs for designated populations such as families trying to reunite with their children, people with disabilities, people who are homeless, and people who are elderly. Below are short descriptions of some of the most popular rental housing assistance programs available in Vermont.

Each program is for individuals and/or families who are low-income. This can be defined based on a variety of standards but usually is related to the Area Median Income (AMI). Eligible

households for each program may be limited to those earning just 30% of the AMI, 50% of the AMI, or up to 80% of AMI. For more information on specific income eligibility as well as what assistance may be available, contact the agency listed within each description or the property manager of the specific development.

2) Tenant-Based Rental Assistance

Housing Choice Voucher program (Section 8)

The Housing Choice Voucher (HCV) program is a new combination of two programs that were called the Section 8 certificate and the Section 8 voucher programs. Under the Section 8 HCV program, a family or individual can apply to a Public Housing Authority (PHA) for rental assistance (called a "voucher") that would enable them to afford a privately-owned apartment of their choice within the PHA's jurisdiction. The vouchers are usually tenant-based and therefore if a household chooses to move after a period of time, they may do so without losing their assistance. Households pay approximately 30 percent — and no more than 40 percent — of their adjusted income for rent and utilities, and the PHA pays the balance of the rent directly to the owner.

Eligibility for the Section 8 HCV program is limited to applicants with incomes below 50% of the Area Median Income, although most of the vouchers assist households earning much less than that. Households receiving a voucher from a PHA must locate a unit that meets HUD's Housing Quality Standards, are within the PHA's jurisdiction, and has reasonable rent by local market standards.

In addition to its conventional Section 8 vouchers for any low-income household, PHAs may have applied to HUD for additional HCV vouchers targeted to a specific population. These include:

Family Unification Vouchers

These are regular HCVs that are used specifically to promote the reunification of families by providing rental assistance for whom the lack of adequate housing is a primary factor in:

The imminent placement of the family's child, or children, in out-of-home care; or

The delay in the discharge of the child, or children, to the family from out-of-home care

For more information about Family Unification Vouchers, contact VSHA. Read more about Family Unification Vouchers at the HUD site.

Mainstream Vouchers

Mainstream vouchers are HCVs but are specifically available to households where the head of household or spouse has a disability. The Burlington Housing Authority, Vermont State Housing Authority, and Winooski Housing Authority are the only PHAs in Vermont administering these vouchers. Read more about Mainstream Vouchers at the HUD site.

"Designated" and "Certain Development" Housing Vouchers

Households where an adult member is under 62 and disabled may apply for these HCVs that are available through certain PHAs. The Burlington Housing Authority is the only PHA in Vermont administering these vouchers. Read more about Designated Housing Vouchers and read more about Certain Development Housing Vouchers at the HUD site.

Welfare to Work Vouchers

These HCVs are specifically for families who are either receiving federal Temporary Assistance to Needy Families (TANF, previously known as Welfare), are eligible to receive TANF, or have received TANF assistance in the past 2 years. The vouchers are targeted to families who have a critical need for housing in order to obtain or retain viable employment. Read more about Welfare to Work Vouchers at the HUD site.

Vermont Rental Subsidy Program

The Vermont Rental Subsidy Program (VRSP) is a local solution to homelessness which provides state-funded rental assistance to formerly-homeless families and individuals whose monthly income would otherwise be insufficient to afford the cost of renting in their communities. This program is not a federal Section 8 program.

Participants in the VRSP are paired with a housing support worker who helps the family stay connected with essential services critical to their success as renters. This housing support worker is the point of contact for participating landlords should a problem arise with the tenancy. Subsidies are intended to provide support for up to one year while the household is actively working to increase their income or secure other forms of longer-term affordable housing.

3) Project-Based Rental Assistance

There are several housing programs that offer project-based rental assistance to individuals and families who are low-income. These programs have a variety of income eligibility requirements and offer different formats of assistance. Some housing has been built that can offer assistance based on a household's adjusted income so that it only has to contribute 30 percent of its income towards rent and utilities. Other housing is designed so that rents are lower than other market-rate apartments in an effort to provide affordable options. For more information on the specific programs, read below:

Section 8 New Construction/Substantial Rehabilitation

Under the Section 8 New Construction/Substantial Rehabilitation Program, funding allowed housing developers to build new housing specifically reserved for low-income tenants. This funding could also be used to rehabilitate a building in need of repair or convert a building to housing. Housing units that were created through this program are given project-based rental subsidies that stay with the apartments they support. The income eligibility limits vary from county to county. For more information: Contact the project manager of the property directly.

Section 8 Project-Based Assistance

Project-based vouchers are a component of a public housing agencies (PHAs) housing choice voucher program. A PHA can attach a portion of its voucher assistance to specific housing units

if the owner agrees to either rehabilitate or construct the units, or the owner agrees to set-aside a portion of the units in an existing development. PHAs refer families, who have already applied to a PHA for housing choice vouchers and are on the PHA's waiting list, to properties that have project-based voucher assistance when units become vacant. The PHA pays the owner the difference between 30 percent of family income and the gross rent for the unit. Read about how rents are calculated for this program. For more information on Section 8 Project-Based Assistance, go to HUD's website or contact the property manager directly.

Rural Development Rental Assistance (521)

Rental Assistance is available in some rural housing developments that were built with Rural Development (RD) Section 515 funding. The RD 515 program is not administered through HUD and is instead run through the US Department of Agriculture. The rental subsidy may be for all or some of the units in the Section 515 development. A household receiving rental assistance pays approximately 30 percent of its adjusted income for rent. For more information: contact the management agent of the RD property directly or read more about the Rural Development Rental Assistance program on Vermont's RD website.

Section 236

The Section 236 program was active from the early 1960s through the early 1970s. It was designed to produce housing affordable by families with incomes above the public housing income limits. Almost all Section 236 projects now have project-based rental assistance assigned to them so that tenants don't have to pay more than 30 percent of their income for housing costs. Read about how rents are calculated for Section 236 funded properties (24kb; PDF). For more information contact the property manager directly.

Section 8 Moderate Rehabilitation Program

Under the Section 8 Moderate Rehabilitation Program, funding was provided to private housing owners to rehabilitate their properties to meet HUD's Housing Quality Standards. Once the construction was completed, subsidies were provided for those units. For more information: contact the management agent of the property directly or contact the Vermont State Housing Authority, which administers this program.

4) Project Based Development Subsidies

Developers of affordable rental housing will often access a variety of federal, state, and local housing programs in order to raise enough money to build a project. Below is a list of programs that could be used to develop affordable housing.

Community Development Block Grant

The Community Development Block Grant (CDBG) program provides annual grants on a formula basis to many different types of grantees. In Vermont, the City of Burlington gets its own CDBG funding from HUD and the State gets a separate allocation to cover the rest of the state outside of the greater Burlington area. CDBG funds may be used for activities including, but are not limited to: acquisition of property; relocation and demolition; rehabilitation of residential and non-residential structures; and activities relating to energy conservation and renewable energy resources. For more information on Community Development Block Grant, go to HUD's website or contact the property manager directly.

Home Program

The HOME Program can be used in: developing rental housing, tenant-based rental assistance, homeownership activities, and homeowner repair. The projects listed in the DoARH have received HOME funding to develop rental housing. This housing must adhere to certain limits that HUD has outlined. There are limits on the amount of income a tenant in a HOME-funded unit can earn, as well as limits on the rent that can be charged for a unit. The HOME program is administered through the City of Burlington for the Greater Burlington Area, and the Vermont Housing and Conservation Board administers the program for the rest of the state. For more information on the HOME program, go to HUD's website or contact the property manager directly.

Housing for the Elderly

There are many housing options for people who are elderly, commonly defined as someone over the age of 62. The Section 202 Housing Program for the Elderly is specifically for the elderly and provides affordable housing for people who are over the age of 62. HUD provides long-term direct loans to private, non-profit sponsors who build, buy, or rehabilitate a housing project and then accept elderly housing tenants. Tenants of these buildings pay approximately 30 percent of their adjusted income for rent. For more information on Housing for the Elderly, visit HUD's website.

Sometimes if the person over 62 also happens to have a disability, then they can also qualify for housing designed for people with disabilities, which will include many accessible units. HUD also provides general housing information for senior citizens that covers a variety of programs and resources.

Housing for People with Disabilities

There are several affordable housing options for low-income people with disabilities who are low-income. There are specific programs designed for people with disabilities and their families. The Section 811 Housing Program for People with Disabilities provides funding for non-profit organizations interested in building, buying, or rehabilitating a housing development for adults who have a disability. HUD provides long-term direct loans to the non-profit and residents of the housing pay approximately 30 percent of their adjusted income for rent. For more information: contact the management agent of the 811 property directly or read more about Housing for People with Disabilities on HUD's website.

Other projects, not specifically targeted to people with disabilities may be designated as accessible units which indicate that the apartments are designed to be barrier free. (It should be noted that the barrier free design will vary significantly from unit to unit and may not be compliant with current codes.) For more information on specific accessible units contact the management agent of the project directly.

Housing Opportunities for People with AIDS

There are several programs that are available for families and individuals where the head of the household or a spouse is living with HIV/AIDS. People with HIV/AIDS are eligible for any HUD housing program designed for people with disabilities so Section 811 or other similar programs

are available. For information on other housing programs that someone with HIV/AIDS may be eligible for, go to HUD's website.

Also, the Housing Opportunities for People with AIDS (HOPWA) program is a HUD administered program specifically for the specific needs of persons living with HIV/AIDS and their families. HOPWA makes grants to local communities, states, and nonprofit organizations for projects that benefit low-income persons medically diagnosed with HIV/AIDS and their families. HOPWA funds are awarded as grants from one of three programs. To find out more about the specifics, go to HUD's HOPWA web page. For more information about a specific project, contact the management agent directly.

Low Income Housing Tax Credit

The Housing Credit was designed by Congress to assist in the creation and preservation of affordable rental housing for low-income households. It is currently the most used funding source for developers creating housing for low-income households. It provides a reduction in federal tax liability over a 10-year period for owners of qualifying rental housing who agree to conform to certain operating restrictions for at least 15 years. This program is not administered by HUD but instead is run through the Internal Revenue Service. For more information: Contact the management agent of a specific tax credit project or read more about the Low Income Housing Tax Credit program. The Vermont Housing Finance Agency is the state administering agency for this housing program, to read more about Vermont-specific program information, go to VHFA's website.

FHLB's Affordable Housing Program

The Affordable Housing Program (AHP) is locally awarded by the Federal Home Loan Bank of Boston to address, in partnership with member institutions, the affordable-housing needs of communities across New England. Ten percent of the Bank's net earnings funds the program, which awards grants and low-interest advances, or loans, through member institutions. The Bank's member institutions work with local housing organizations to apply for funds to support initiatives that serve very low- to moderate-income households in their communities. The actual terms are determined by the member financial-institution applicant, based on the specific needs of the development. For more information: Contact the management agent of a specific AHP project or go to the FHLB of Boston's AHP website.

Public Housing

Public Housing is operated by local PHAs who develop, own, and manage projects for lower income individuals and families. Households are eligible if they earn less than 80% of the Area Median Income. These housing projects are publicly owned, and tenants who live there pay approximately 30 percent of their adjusted income for rent and the public assistance covers the rest of the cost. For more information: Contact the management agent of a specific Public Housing project; contact your local PHA; or read more about the Public Housing project at HUD's website.

RD Section 515 Program

The Rural Rental Housing Program, also called the Section 515 program, provides low-interest loans to finance affordable multifamily housing or congregate housing for families and people who are elderly or disabled who are low-income. Section 515 loans can be used to purchase, construct, or rehabilitate housing. Loans are available for up to 30 years with only a one percent interest rate, which helps keep the rents affordable. Funds are awarded competitively by the Office of Rural Development to interested housing developers including individuals; partnerships; state and local agencies; and for-profit and non-profit organizations. For more information: Contact the management agent of a specific Section 515 project or go to Vermont's Rural Development description of the 515 program.

Rental Assistance for People Who Are Homeless

There are several programs available to people who are at risk of homelessness, homeless, or in other housing crisis situations. The programs available can be either tenant-based or project based rental assistance, and can sometimes include supportive services that are helpful to tenants who need assistance to secure housing, employment, or other life skills. To learn more about the resources available through both the State of Vermont and the federal government to help individuals and families who are homeless, contact the Committee on Temporary Shelter (COTS) if you're in Chittenden County, or outside of Chittenden County contact the Office of Economic Opportunity. Learn more about HUD's homeless programs.

Vermont Housing & Conservation Board Funding

VHCB funds the acquisition, rehabilitation and construction of affordable housing by nonprofit housing organizations. Affordable housing projects eligible for funding include rental housing, rental and ownership coops, mobile home parks, single family homes, shared elderly housing, single room occupancy housing, and group homes. VHCB funds help to leverage federal and private funds to develop housing to serve lower income households and individuals with special needs. VHCB offers a loan and grant program, feasibility funding, and other programs to support affordable home ownership. For more information on the funding offered through VHCB, go to the VHCB website or for specific information on the rental restrictions of a VHCB-funded property, contact the property manager directly.

Vermont Housing Finance Agency Loan

VHFA offers low interest construction and permanent mortgage financing for the development and preservation of affordable rental housing. Specific requirements regarding rent restrictions and qualifying household income may vary with the funding source. However, all developments must serve at least 51% low- and moderate-income Vermonters. Funds usually come from a number of sources including: proceeds from the sale of tax-exempt or taxable bonds; Federal Home Loan Bank non-member advances; pension fund mortgage pools; and VHFA reserves. For more information on the funding offered through VHFA, go to the VHFA website or for specific information on the rental restrictions of a VHFA-financed property, contact the property manager directly.

5) Market Rate Units

Affordable housing development is best supported when there is a mix of incomes from tenants living in a property. To achieve this goal, some units may be subsidized through a federal, state, or local housing program, while other units in the same building or complex may be available to tenants regardless of their income, and with no restrictions on the rent asked or paid. These are referred to as "market rate units."

Appendix E – Types of Subsidized Housing Programs in City of St. Albans

Below is a catalogue of types of subsidized housing funding mechanisms used in the City of St. Albans. The list reviews tenant-based rental assistance, project-based rental assistance, and other project based subsidies.

1) Tenant-based Rental Assistance

1. Section 8 Vouchers
2. Vermont Rental Subsidy
3. Shelter Plus Care

2) Project-based Rental Assistance

1. Section 8 New Construction/Substantial Rehabilitation: includes: Beth-El Court, Heritage Lane Apartments, and Holy Angels Commons.
2. Section 8 Project-based Vouchers: Rail City Family HLP (12 units), and Welden Villa.
3. Rural Development - Section 521: Fourwinds Apartments and Hillcrest Views.

3) Project Based Development Subsidies

Some projects, while not providing month-to-month rental assistance to tenants or project owners, were funded through mechanisms that help keep the units perpetually affordable. These programs include:

1. Low Income Housing Tax Credits: Butler House, Fairfield Street School Apartments, Fourwinds Apartments, Hillcrest Views, Waugh Opera House, and Willard Mill.
2. Community Development Block Grant (CDBG): Butler House, and Rail City Family HLP.
3. Housing and Urban Development - Section 202: Heritage Lane Apartments and Lake Street Housing.
4. Housing and Urban Development - Section 811 – Housing for people with Disabilities: Lake Street Housing.
5. Rural Development Section 515 Program: Fourwinds Apartments
6. HOME: includes: Butler House, Fairfield Street School Apartments, Fourwinds Apartments, Lake Street Housing, Rail City Family HLP, St. Albans Supportive Housing, Waugh Opera House, and Willard Mill.
7. Vermont Housing and Conservation Board (VHCB) Funding: Butler House, Fairfield Street School Apartments, Fourwinds Apartments, Lake Street Housing, Rail City Family HLP, St. Albans Supportive Housing, Waugh Opera House, and Willard Mill.
8. Vermont Housing Finance Agency (VHFA) Loan: Butler House, Fourwinds Apartments, Holy Angels Commons, Rail City Family HLP, Waugh Opera House, Welden Villa, and Willard Mill
9. Market Rate Apartments: Fairfield Street School Apartment, Fourwinds Apartments, Rail City Family HLP, Waugh Opera House, and Willard Mill.

Other: Butler House was funded through a variety of other funding mechanisms. St. Albans Supportive Housing was funded in part through a McKinney Vento Grant. Project Based Rental Assistance and Project Development Subsidies by Housing Project

	Units				Subsidy Type	
	Total	Senior Only	Disabled Only	Senior/ Disabled Only	Project Based	Development
Beth-El Court	32	32	0	0	Section 8 New Construction/Substantial Rehabilitation	X
Butler House	6	0	0	0	X	Community Development Block Grant, HOME program, Low Income Housing Tax Credits, VT Hsg Conservation Board funding, VT Hsg Finance Agency loan, Preserv Trust+ REEP+ City of St. Albans+ Historic Tax Credits
Fairfield Street School Apartments	21	0	0	0	X	HOME program, Low Income Housing Tax Credits, VT Hsg Conservation Board funding, Market rate units included in project
Fourwinds Apartments	44	0	0	44	RD's Sec. 521	HOME program, Low Income Housing Tax Credits, RD's Section 515 program, VT Hsg Conservation Board funding, VT Hsg Finance Agency loan, Market Rate
Heritage Lane Apartments	28	0	0	28	Section 8 New Construction/Substantial Rehabilitation	Section 202 Supp. Hsg for the Elderly program
Hillcrest Views	4	0	0	0	RD's Sec. 521	Low Income Housing Tax Credits
Holy Angels Commons	31	0	0	31	Section 8 New Construction/Substantial Rehabilitation	VT Hsg Finance Agency loan

Lake Street Housing	7	0	6	0	Sec. 202/811	HOME program, Section 811 Supp. Hsg. for Disabled program, VT Hsg Conservation Board funding
Rail City Family HLP	31	0	0	0	Section 8 New Construction/Substantial Rehabilitation	Community Development Block Grant, HOME program, Low Income Housing Tax Credits, VT Hsg Conservation Board funding, VT Hsg Finance Agency loan, Market rate units included in project
Saint Albans Supportive Housing	5	0	0	0	X	HOME program, VT Hsg Conservation Board funding
Waugh Opera House	20	0	0	0	X	HOME program, Low Income Housing Tax Credits, VT Hsg Conservation Board funding, VT Hsg Finance Agency loan, Market rate units included in project
Welden Villa	40	0	0	40	Section 8 New Construction/Substantial Rehabilitation	VT Hsg Finance Agency loan
Willard Mill	27	0	0	0	X	HOME program, Low Income Housing Tax Credits, VT Hsg Conservation Board funding, VT Hsg Finance Agency loan, Market rate units included in project

SUBSIDIZED HOUSING UNITS

City of Saint Albans



Vermont Coordinate System
Transverse Mercator, NAD 83.

For planning purposes only.

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October, 2014

