

THE IMPACT OF LACK OF HOUSING ON THE HUUSD COMMUNITY

June 2021



MAD RIVER VALLEY
HOUSING COALITION



MAD RIVER VALLEY

PLANNING DISTRICT

Fayston • Waitsfield • Warren

CHANGING DEMOGRAPHICS

Age x Income Change 2018-2023

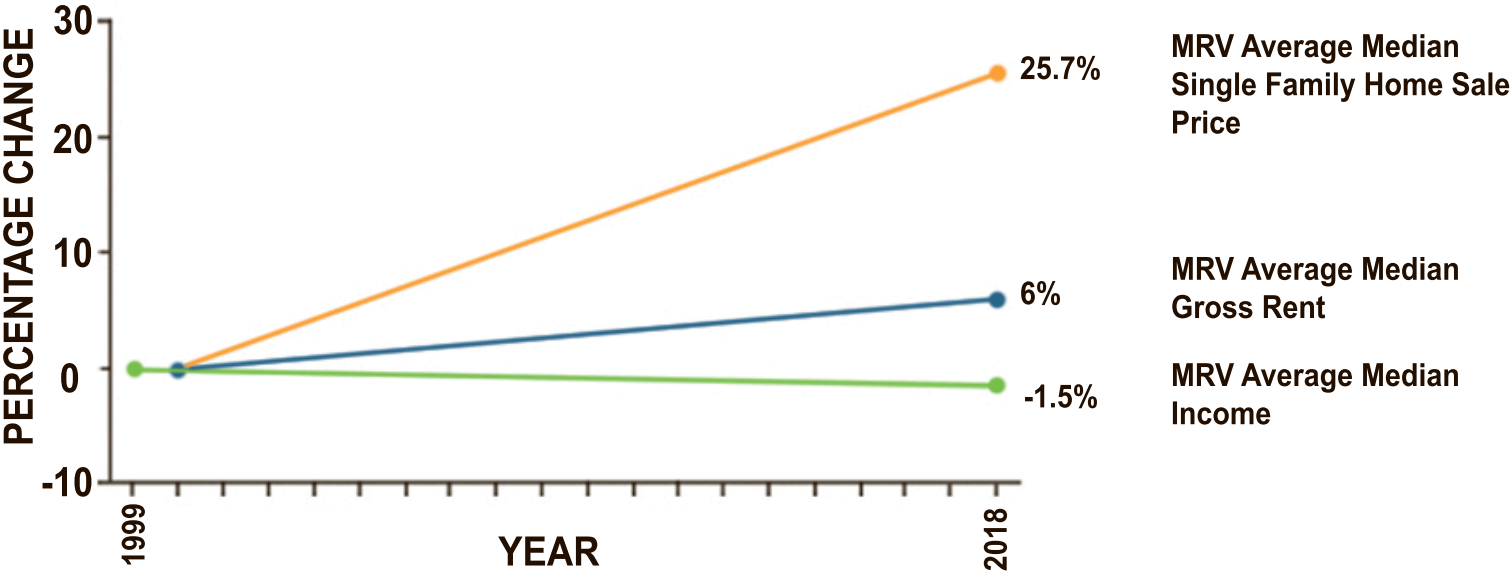
Loss of younger families & individuals making \$100k or less

Change 2018-'23		HH Age Group							Totals
		<25	25-34	35-44	45-54	55-64	65-74	75+	
HH Income Group	\$0-\$34,999	(3)	(4)	(18)	(25)	(32)	+9	+36	(34)
	\$35-\$74,999	(10)	(2)	(42)	(51)	(40)	+9	+22	(105)
	\$75-\$99,999	(2)	(3)	(17)	(24)	(23)	+10	+3	(54)
	\$100-\$149,999	(1)	+14	+7	+7	+18	+43	+11	+100
	\$150-\$199,999	+0	+14	+20	+32	+27	+24	+9	+125
	\$200,000+	+0	+1	+4	+4	+8	+16	+3	+37
Totals		(16)	+19	(46)	(56)	(43)	+111	+83	+68



COST TO BUILD/BUY/RENT

HOUSING COST vs. INCOME PERCENTAGE CHANGE IN THE MAD RIVER VALLEY



(Housingdata.org, 2020)

COST TO BUILD/BUY/RENT

What Is Affordable for a Family of Four?



Parent 1

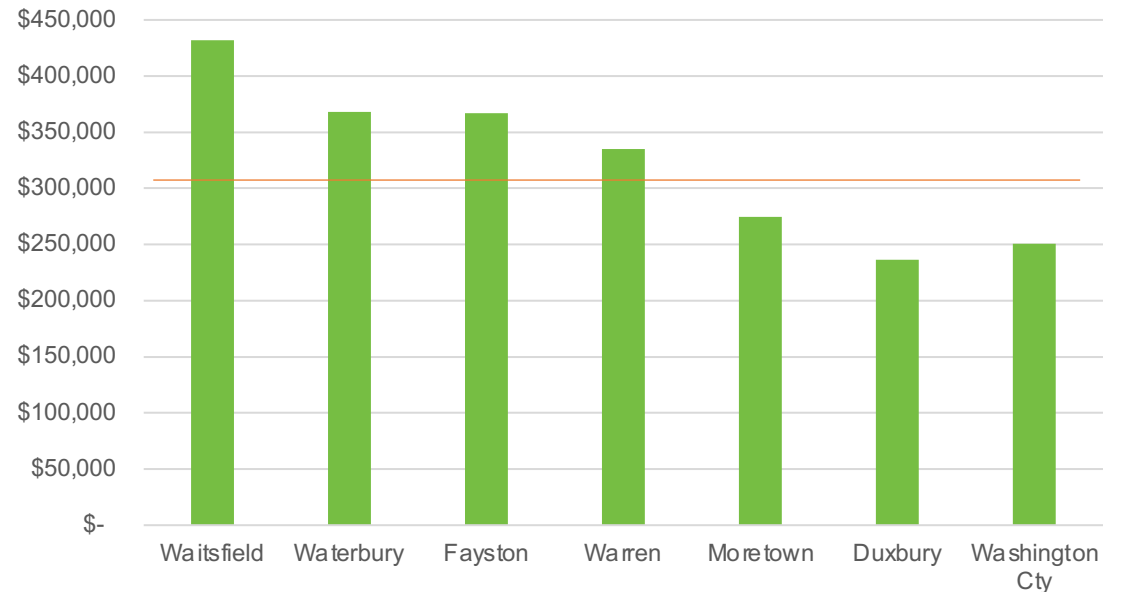
- Education Services: \$47,386

Parent 2

- Public Administration: \$34,318

→ Total Household Income: \$81,704

2020 Average Home Sales Price



Based on this household income, you could afford a home priced at \$301,000

COST TO BUILD/BUY/RENT

Lack of Available Affordable Homes

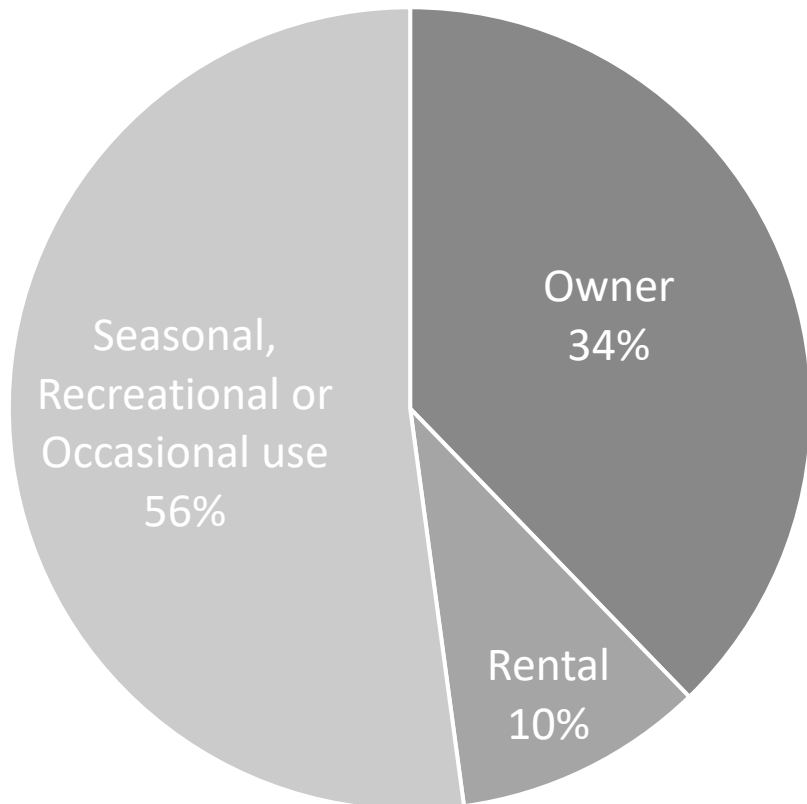
Present Unmet Housing Need		<30%	30-50%	50-60%	60-80%	80-100%	100-120%	120-140%
AMI								
Household Income 2 Person		\$18,900	\$31,500	\$37,800	\$50,400	\$63,000	\$75,600	\$88,200
Age Bracket	35>	27	19	8	20	14	12	
	35-64	36	20	26	23	19	16	
	65+	69	34	8	8	4	5	
	Total	132	73	42	51	37	33	
Affordable House \$		\$66,000	\$110,000	\$134,500	\$179,500	\$225,000	\$271,000	\$326,500
# of Single Family Homes Sold, 2019		1	2	2	5	7	16	27



(MRV Housing Demand & Market Analysis, 2020)

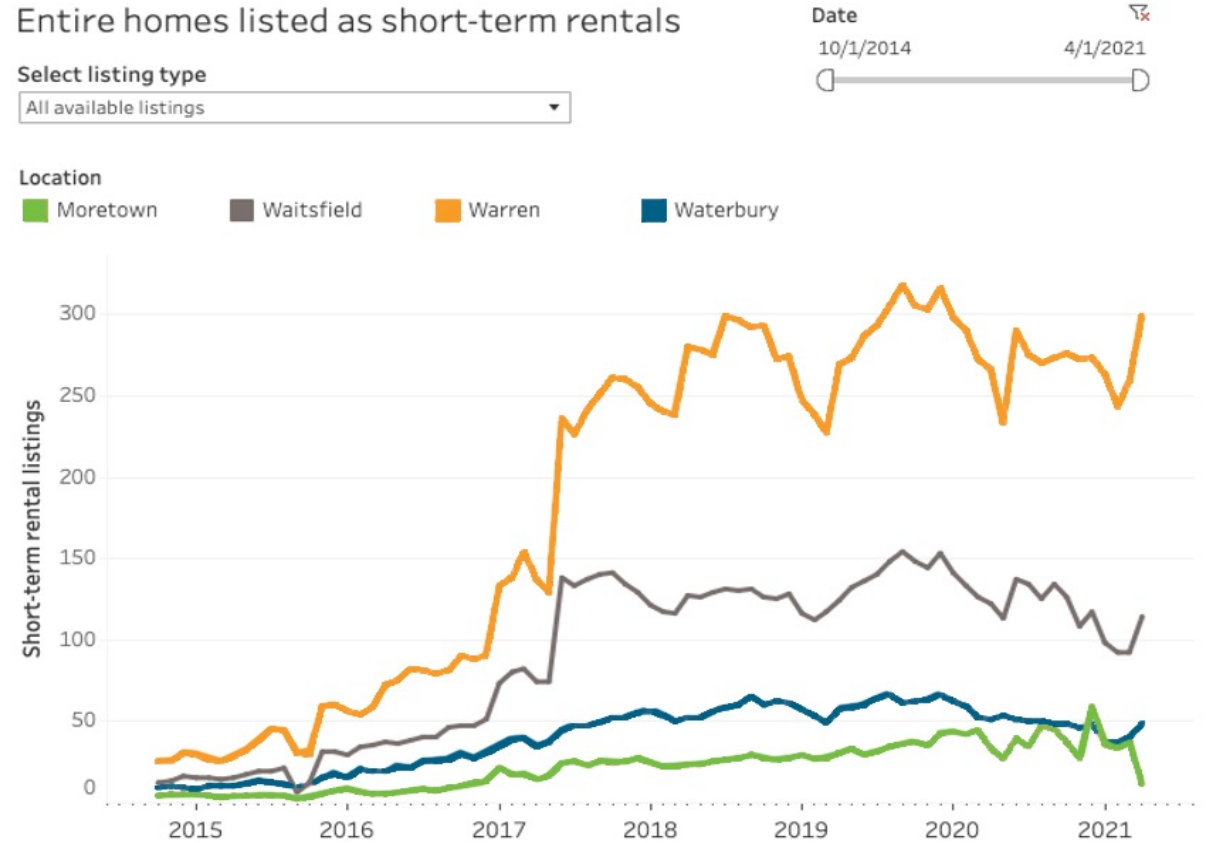
LACK OF AVAILABILITY

MRV Housing Units, 2019



(American Community Survey; AirDNA/Housingdata.org, 2020)

Entire homes listed as short-term rentals



Source: AirDNA short-term rental listings

IMPACTS ON HOUSING \$

Why is available housing supply so low?

- Conversion of year-round to part-time homes
- Lack of water & wastewater infrastructure increases cost to build or add units
- Lack of appropriate land to build
- Historic zoning barriers, including preferences for single-family homes and large lot sizes
- Increasing cost of building materials and limited labor
- Desire to retain rural “community character” presents challenges
- Older homes are costlier to renovate



Why is Affordable Housing Important?

Stable, affordable housing directly affects other aspects of a person's life, often extending beyond the individual to affect the health of the community. It can be an indicator of:

- Physical Health and Mental Wellbeing
- Academic Performance
- Upward Economic Mobility
- The Local Economy
- Community Health and Connection



Why is Affordable Housing Important?

Physical Health and Mental Wellbeing:



Housing is one of the most influential determinants of mental and physical health.

Quality housing limits exposure to environmental toxins and poor air quality. It frees up resources to spend on healthy food and health enrichment activities, improving health and decreasing healthcare costs.

Affordability equates with stability. Limiting frequent moves has the benefit of allowing a person the time and space to address other life challenges. Reducing stressors in a person's life has been proven to better their mental wellbeing.

Why is Affordable Housing Important?

Academic Performance:



Housing affordability directly affects children's academic performance.

Children living in rent burdened households are more likely to have behavioral problems and be held back in school. Housing stability creates a reliable environment for children to learn, grow and feel safe. This reduces the likelihood of chronic absenteeism, toxic stress and trauma.

Why is Affordable Housing Important?

Economic Mobility:



Lack of affordable housing exacerbates inequity and blocks access to opportunities for upward mobility.

Rent burdened households have little opportunity to save and often have difficulty qualifying for a mortgage. This diminishes prospects for personal wealth building.

The integration of affordable housing in economically prosperous communities with greater resources to spend on schools, parks and public amenities is directly correlated with upward mobility in future income distribution.

Why is Affordable Housing Important?

Economy:



The creation of housing close to jobs stimulates the economy. In 2005 the VHFA conducted a study that estimated building 25 single family homes in Vermont would return \$6.3 million in additional income for Vermont businesses and 61 jobs.

Locally, the 2020 Mad River Valley Housing Demand & Market Analysis listed lack of affordable housing as the number one impediment to employer's ability to fill positions. 79% of businesses claimed a lack of affordable housing choices are having a negative effect on area businesses.

Why is Affordable Housing Important?

Community Health and Connection:



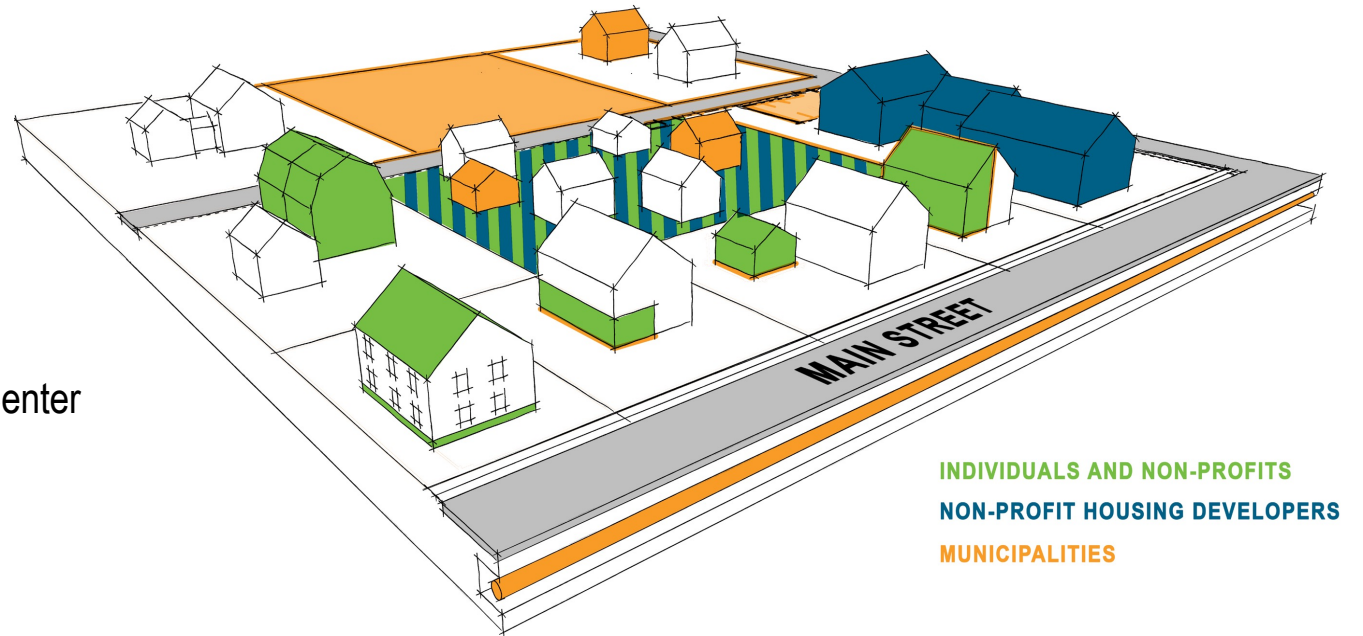
Affordable housing options at all income levels help to ensure that those who work in the Mad River Valley can live here; in turn, a diverse and stable population has the potential of increasing local school enrollment, town revenues, and business support.

Housing that is affordable for households of all ages supports the community by helping to ensure that young adults and families can stay or move into town, and older residents can age in place.

What Is Happening Now?

Timeline:

- Long Term Solutions
 - Municipal Water and Wastewater systems
 - Support Work of Affordable Housing Developers
 - Promote Creation of Shared Equity Models
- Immediate Action for Incremental Change
 - Reform Land Use Regulation
 - Establish Designated Growth Centers & for Village Center Designation
 - Support Creation of Housing Through Incentives
 - Create a Housing Trust Fund
 - Create Employer Assisted Housing Programs
- Short Term Solutions
 - Accessory Dwelling Units, Homeshare VT & Infill for Smart Growth
 - Adaptive Reuse of Existing Buildings and Weatherization
 - Organize Volunteers



What Is Happening Now?

MRV Housing Coalition:

- ADU Program
- Housing Trust Fund – suggested implementation plan
- Work with Towns to Suggest Bylaw Revisions that promote a more diverse range of housing types
- Assistance to Small Scale Developers
- Assist Housing Related Efforts with Partner Organizations (MRVPD, Downstreet, Efficiency Vermont).



MAD RIVER VALLEY
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What Is Happening Now?



MRV ADU Program:

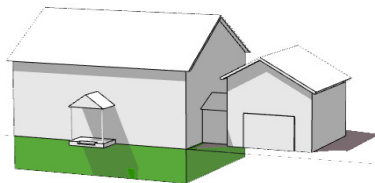
MRV ADUP offers up to a \$10,000 construction grant and free professional assistance with basic design decisions as well as guidance on the process of permitting and construction for homeowners interested in creating an Accessory Dwelling Unit* on their property. In return, the homeowner must rent the unit at the Fair Market Rate (a rental rate that is established by the Department of Housing and Urban Development annually) for a period of 5 years to a person who makes 80% of the area median income or below (\$45,000 for a single person household).

Contact mrvhousing@gmavt.net if you are interested in learning more.

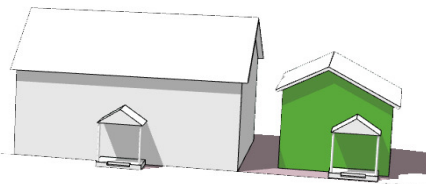
** An accessory dwelling unit, often referred to as an ADU or in-law apartment, is a separate living unit contained within, attached to, or detached from a larger single-family home on the same residential lot. An ADU has living and sleeping quarters, a place to cook, and a bathroom private from the main home.*



ATTACHED ADU



INTERIOR ADU



DETACHED ADU

What Is Happening Now?

Affordable Housing Trust Fund:

Definition: Housing trust funds are a flexible source of funding that can be used to support a variety of affordable housing activities. Because they are created and administered at the city, county, or state level, housing trust funds are not subject to the restrictions of federal subsidy programs and therefore can be designed specifically to address local priorities and needs.

Proposed MRV Housing Trust Fund:

Purpose: *Promote access to affordable housing for income eligible households and create new ownership and rental housing opportunities through preservation, construction, or rehabilitation of units.*

Objectives:

Leverage private and public funds to increase affordable housing opportunities in the Mad River Valley.

Make grants or loans to assist prospective developers, buyers, owners, and tenants to access, occupy and create affordable housing units.

Assist income eligible households to secure and occupy an affordable housing unit.

Act as repository for land donations.

What Can You do?

Immediate Efforts You Can Make as an Individual:

- Consider Building an Affordably Priced, Year-Round ADU Rental
- Consider Participating in Homeshare VT
- Consider turning you home into a Duplex and renting or selling the other half affordably
- Consider Breaking off a piece of your land to dedicate to Affordable Homeownership
- Advocate for Planning Policies and Bylaw Revisions that support a diverse range of housing options at public meetings
- Attend community discussions, and feedback sessions and participate in community surveys

Efforts You Can Make As A Board:

- Make statement as a board regarding link between lack of affordable housing and healthy schools
- Follow potential regulation changes in the Towns and advocate for those publicly