

# Lamoille Housing Study & Needs Assessment

**Completed for:** Lamoille County Planning Commission  
Lamoille Housing Partnership  
Stowe Land Trust

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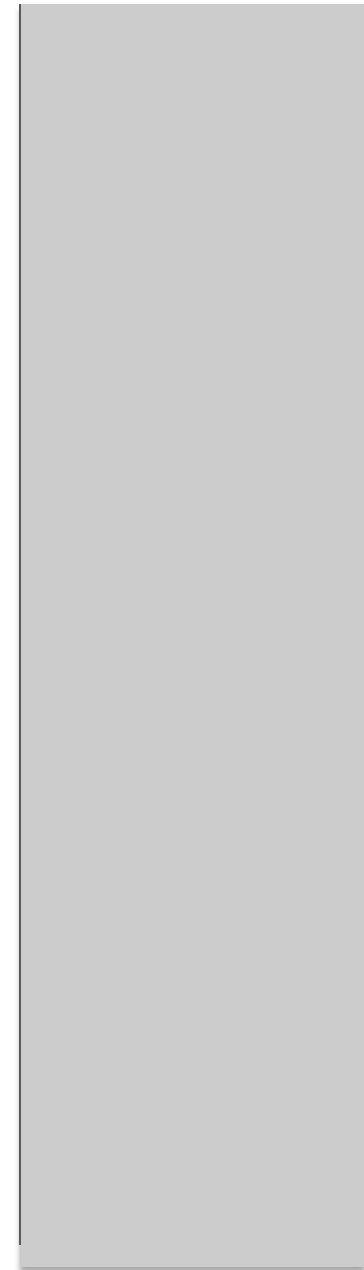


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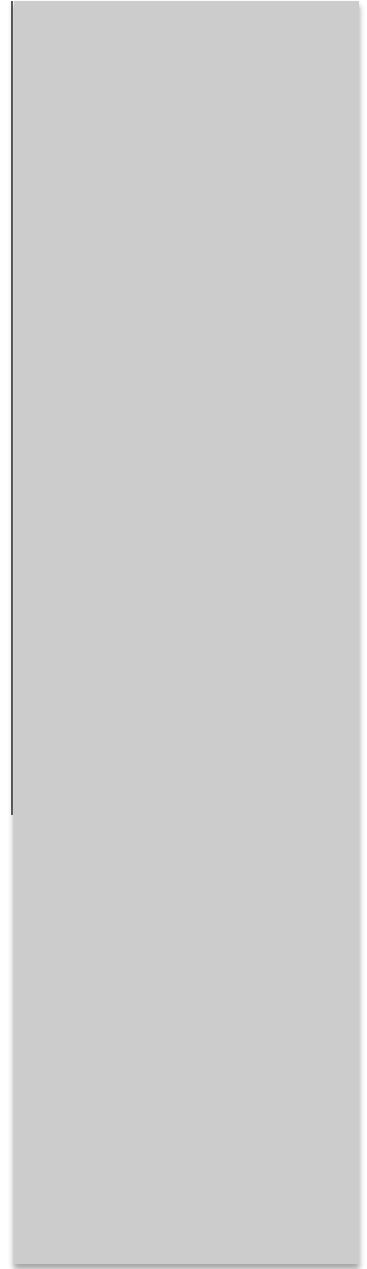
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## Executive Summary

- The following report provides a detailed summary of data collection and analysis effort designed to assess housing supply and demand factors in Lamoille County, Vermont. The study was co-sponsored by the Lamoille County Planning Commission, the Lamoille Housing Partnership and the Stowe Land Trust and was completed by Doug Kennedy Advisors of Norwich, Vermont. The study area includes all towns in Lamoille County and the adjacent Town of Hardwick.
- The study area's economy will not grow at a rapid rate in the coming years, the area's key industries have the potential to grow at above average rates, with resultant stronger demand for housing. Employment growth combined with dramatic demographic change will provide impetus for change in the housing sector.
- The study area's housing stock grew at a significantly higher rate than Vermont's housing stock in recent years. Above average growth is a response to both above average population/household growth and increases in seasonal/vacation housing. New residential development is occurring in the study area. However, the great majority of this growth is occurring in two towns – Morristown, Stowe – where pricing in both the for-sales and rental markets is sufficient to spur profitable development.
- Residential market activity in the study area has clearly increased in recent years. In the for-sale market, 2017 sales/total volume are at a level almost two times that experienced in 2010. Further, the vacancy rate for both market rate and subsidized/affordable rentals is at an extremely low point.
- The study area's population and households are growing at an above average rate for Vermont; this suggests that current stresses on the housing market will continue in the years to come. While growth is occurring in absolute terms, it is abundantly clear that the major dynamic in the region is growth *and* decline by age group as well as small households.

- While opinions and responses vary, there is a broad consensus currently that it is in the study area's interest to attract new, younger households and that a primary tool in this effort will be the creation of quality market rate rental units.
- Housing priorities, as identified by the analysis and contacts – and detailed in the text of the report – include the following:
  - There is a strong need for market rate rental housing both to serve existing demand and to further efforts to generate economic development in the region. While demand for 'starter' ownership housing is a likely second stage of this growth, market rate rental is the current need.
  - The overwhelming demographic of aging households is generating demand for senior-oriented housing with a particular emphasis on very low income households. However, the need for senior-oriented housing also extends to lower and moderate income households and in many instances will need to include a range of services. The analysis makes it clear that households with incomes of less than 30 percent of the AMI account for will account for a largest share of total need.



# Introduction

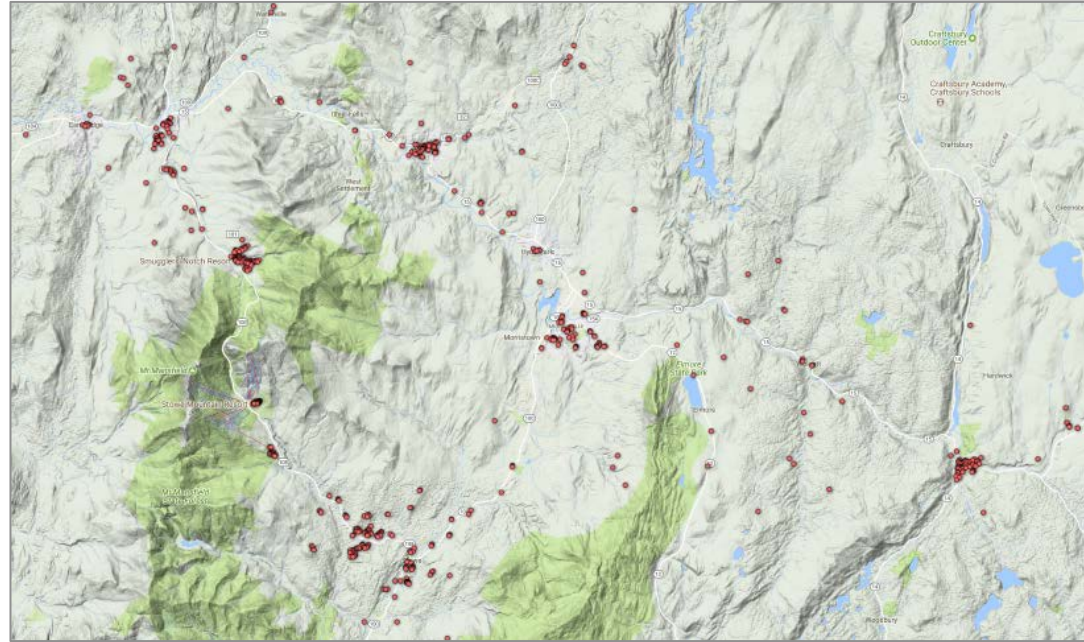
The following report provides a detailed summary of data collection and analysis effort designed to assess housing supply and demand factors in Lamoille County, Vermont. The study was co-sponsored by the Lamoille County Planning Commission, the Lamoille Housing Partnership and the Stowe Land Trust and was completed by Doug Kennedy Advisors of Norwich, Vermont.

The study sponsors noted two primary aims in their Request for Proposals:

1. A detailed inventory and assessment of the housing, and;
2. A strategic plan to improve the quality and range of housing options in order to serve a broad range of incomes and household sizes, and to foster re-investment in Designated Village Centers and Downtowns.

In addition, a number of other housing related concerns and data gathering tasks were outlined in the RFP, including:

- Identification of a number of special housing types, including: Subsidized; Age-Restricted; Handicap-Accessible; Special Needs; Mobile Homes & Mobile Home Parks; Unrestricted Market-Rate Units;
- To the limits of readily available data, provide detail regarding the study area's housing stock, including: Age; Condition; Accessibility to Public Transit; Access to Day-to-Day Services;



- Identify gaps in the 'housing continuum,' particularly entry level homeownership opportunities that are both affordable and appealing to middle income households and affordable 'step-down' housing for residents reaching retirement;
- Need, supply and demand for the region's homeless population.

Furthermore, the RFP focuses on identifying segments of the housing market in which supply and demand imbalances exist, with a focus on the changes that an aging population will bring to the market.

The following underlie the analysis:

- References to the *Study Area* in the text of the report refer to the area designated for study by the sponsors. This includes all of Lamoille County's 10 towns (Belvidere; Cambridge; Eden; Elmore; Hyde Park; Johnson; Morristown; Stowe; Waterville; Wolcott) and adjacent Hardwick, which is located in Caledonia County. In several instances, there is reference to the percent of housing stock located within designated villages; these references refer only to the designated areas for which data is available (See Note to right).
- Wherever possible, inventory data has been provided for each town and for the study area as a whole, both to provide base data and to provide comparisons between housing conditions in each community. Comparable data for Vermont as a whole has also been provided in a number of instances.
- In all instances, the inventory and analysis figures are based on the most recent data available. A broad range of data sources were used, as cited in the margins of the report. In addition, a number of persons were interviewed to provide more insight into the data.
- Much of the current housing stock data is based on year 2016 American Community Survey (ACS) data as provided by the U.S. Census Bureau. While the ACS is regarded as a valid data resource, the data is not based on a 100 percent sample, as provided by the decennial census (2000, 2010). As such, the data may vary from on-the-ground reality in some instances. However, the ACS

**Note:** There are several State Designated Village Centers and one Designated Downtown in the study area. These include: Waterville Village, Cambridge Village, Jeffersonville, Johnson Village, Village of Hyde Park, North Hyde Park, Wolcott Village and Lower Village of Stowe. Stowe Village is the single designated downtown. Among these designated areas, housing data is only available for Cambridge; Jeffersonville; Johnson; Hyde Park; Hardwick and Stowe.



provides a standardized data system that is particularly useful for making comparisons between the study area towns.

The report addresses the following topics:

- Regional Economic Trends;
- Housing Stock – Characteristics of Supply;
- Financial Characteristics;
- Housing Market Trends;
- Demographics of Demand – Households;
- Perspectives on Supply & Demand – Key Towns & Employers;
- Demand & Supply Analysis;
- Recommendations & Strategies.

*This report, including all background data, findings and recommendations, is based on market conditions as assessed by the analyst at the time of report preparation. In the event that there are any significant changes in a number of factors, including; macro-economic conditions, local/regional economic conditions, interest rates or other factors affecting the housing market, it is likely that the findings contained in the report will change.*

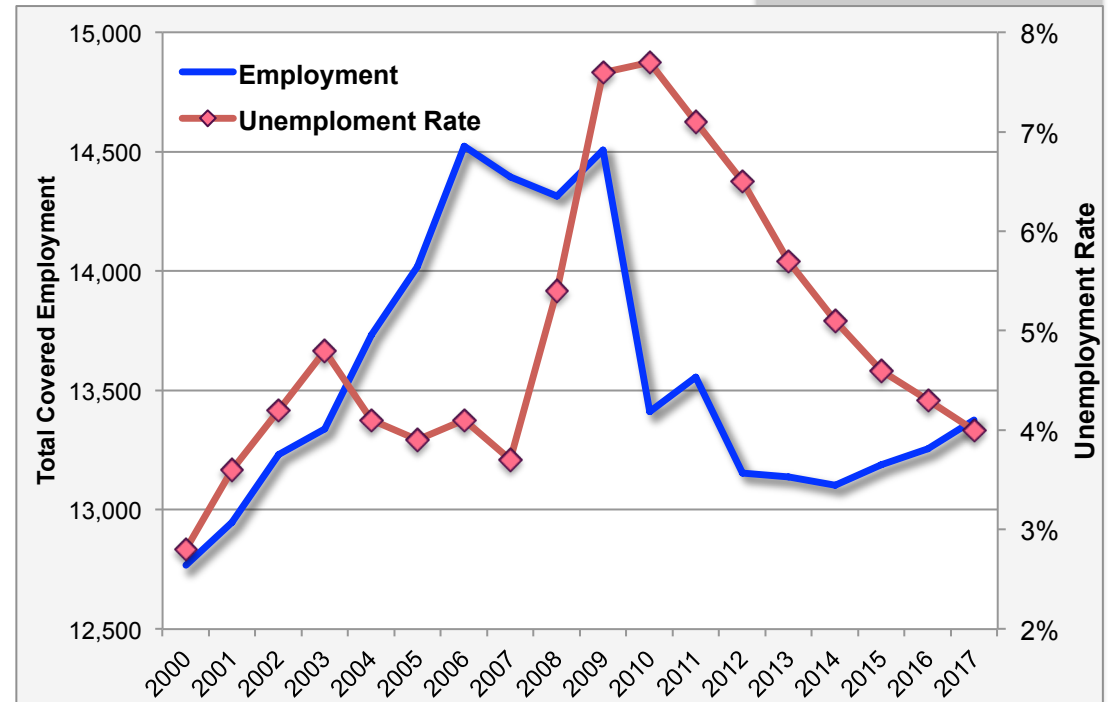
## The Economy – Major Regional Trends

The housing market responds to many factors, not the least of which is the economy. Demographics, finance, and retirement patterns are significant, but demand for housing will inevitably follow job creation. A summary of major economic trends and Vermont comparisons for the study follows:

The accompanying graphic shows trends in total covered employment as well as the unemployment rate for Lamoille County for the period 2000 through 2017. (Employment is shown on the left vertical axis and unemployment rate is shown on the right vertical axis).

The county experienced strong employment gains from 2000 to 2006, followed by significant losses from 2009 to 2014. After reaching a high of 7.7 percent in 2010, the unemployment rate fell steadily to its current rate of 4.0 percent. Notably, county employment increased in 2015, 2016 and 2017, to the point where the 2017 employment level was 105 percent of the year 2000 level. This compares to 104 percent of the year 2017 level for Vermont. The county's unemployment rate has held at 1.0 percent above the statewide rate in recent years.

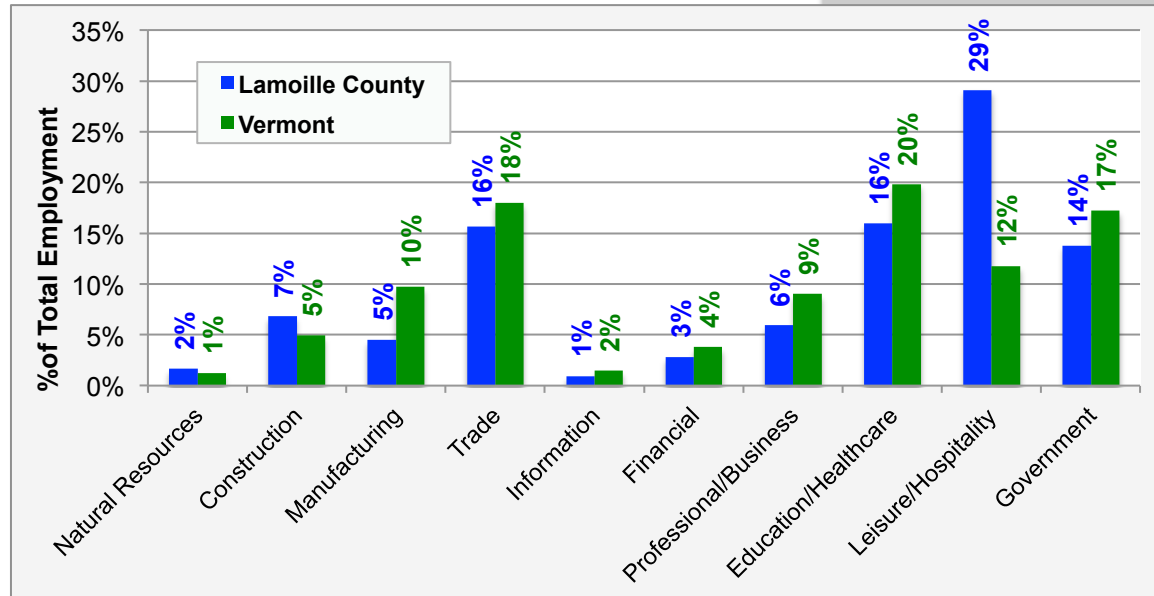
Falling unemployment rates combined with minimal or nonexistent employment growth is common throughout Vermont markets, with the exception of Chittenden County. The combination of workers aging out of the workforce and minimal in-migration is making it difficult for employers in many regions



**Sources:** Vermont Department of Labor.  
**Note:** Economic data is presented for Lamoille County towns alone. While Hardwick is not included in this data, the community's housing market responds to these trends.

to find qualified workers. Several of the employers interviewed for this study noted that they are having trouble filling all available positions.

The accompanying graphic compares Lamoille County's 2017 employment distribution by industry with the distribution for Vermont.



Trade, Education/Healthcare, Leisure/Hospitality and Government combined account for 74 percent of the county's employment. Both Construction and Leisure/Hospitality are significantly more important at the county level than at the statewide level. In particular, Leisure/Hospitality accounts for 29 percent of total employment in Lamoille County, versus 12 percent for the state. Much of this employment can be attributed to the presence of two significant mountain resorts and the ancillary businesses that resort visitors generate.

The table on the following page provides a view of the county's key industry employers, showing: Actual Employment, Percent of Total Employment and Average Wage for the county and: Percent of Total and Average Wage at the statewide level. Finally, a 2014 to 2024 Vermont projection of total employment growth by industry is shown.

**Sources:** Vermont Dept. of Labor, U.I. Covered Employment & Wages.; Economic & Labor Information. 2016 average annual data.

**Key Industry Employment, Wages & Projected Growth – Lamoille Cty. & Vermont (2016)**

	<i>Lamoille County</i>			<i>Vermont</i>		<i>Projected Statewide Growth in Industry 2014-'24</i>
	Employment	% of Total	Average Wage	% of Total	Average Wage	
Total Employment	11,829	100.0%	\$38,660	100.0%	\$45,054	4.5%
Construction	808	6.8%	\$44,055	5.0%	\$48,611	12.6%
Retail Trade	1,494	12.6%	\$27,780	12.4%	\$29,623	0.7%
Health Care	1,718	14.5%	\$43,645	16.5%	\$44,429	8.5%
Accommodation & Food Services	3,316	28.0%	\$26,695	10.4%	\$21,327	4.5%
Local Government	1,166	9.9%	\$43,476	9.6%	\$40,487	6.8%
<b>Key Industry Totals</b>	<b>8,502</b>	<b>71.9%</b>	<b>\$34,262</b>	<b>53.9%</b>	<b>\$36,254</b>	<b>5.5%</b>

More than 70 percent of the county’s employment is in five key industries: Construction; Retail Trade; Health Care; Accommodation & Food Services; Local Government. Several points are significant with respect to this distribution:

- Combined, these industries are projected to grow at a faster rate than overall employment in Vermont over the next few years.
- Lamoille County wages are typically less than statewide averages. However, Health Care wages in the county nearly equal the state level and Accommodation/Food Services wages exceed the state average by 25 percent.

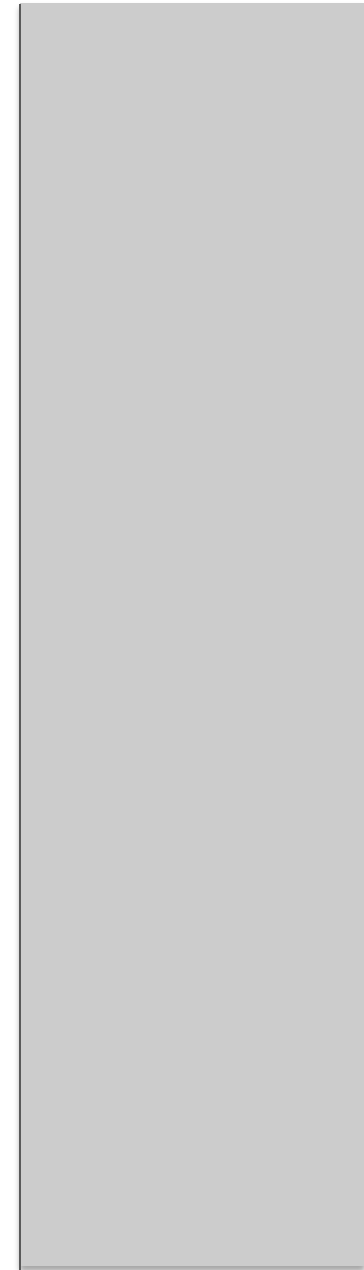
**Summary** – while the study area’s economy will not grow at a rapid rate in the coming years, the area’s key industries have the potential to grow at above average rates, with resultant stronger demand for housing. Employment growth combined with dramatic demographic change will provide impetus for change in the housing sector.

## Characteristics of Supply - Housing Stock

The following report section shows individual and grouped housing stock data for the study area's communities. Accompanying graphics highlight comparative differences between communities.

The tables and graphics cover:

- Total Housing Stock
- Housing Tenure
- Seasonal/Vacation Housing Stock
- Housing Structure by Type
- Access to Public Transit
- Units by Bedroom Size
- Age of Stock
- Housing Deficiencies
- New Development/Permits
- Subsidized/Affordable Housing Inventory
- Mobile Home Parks
- Homeless Resources
- *Summary*





**Total Housing Units** - The table below shows total housing units for years 2000, 2010 and 2016 along with absolute and percent change during the 2000 to 2016 period. For purposes of comparison, Vermont's total housing stock increased by 11 percent between 2000 and 2016.

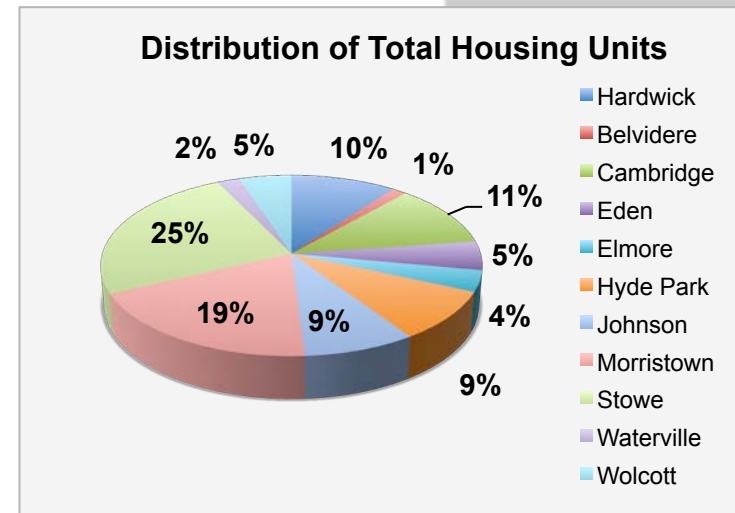
Sources: U.S. Census Bureau, American Community Survey.

**Total Housing Stock (2000, 2010, 2016)**

	Total Housing Units											
	Hardwick	Belvidere	Cambridge	Eden	Elmore	Hyde Park	Johnson	Morristown	Stowe	Waterville	Wolcott	Study Area
<b>2000</b>	1,407	194	1,363	582	458	1,220	1,263	2,271	2,728	264	646	12,396
<b>2010</b>	1,423	210	1,698	712	543	1,372	1,345	2,488	3,526	319	756	14,392
<b>2016</b>	1,495	205	1,658	758	556	1,309	1,238	2,794	3,653	321	743	14,730
<i>Absolute Change 2000 - '16</i>	88	11	295	176	98	89	-25	523	925	57	97	2,334
<i>% Change 2000 - '16</i>	6%	6%	22%	30%	21%	7%	(2%)	23%	34%	22%	15%	19%

Combined, Stowe and Morristown accounted for 62 percent of the study area's housing increase between 2000 and 2016. It is also significant to note that the study area's housing stock increased at a significantly higher rate than that for Vermont as a whole.

16 percent (2,335 Units) of the study area's total housing stock is located within the designated villages for which data is available.



**Housing Tenure** – The table below shows the distribution of occupied housing units in terms of tenure: Owner or Renter occupied. Owner and renter breakdowns are shown for years 2000, 2010 and 2016; absolute change for each is shown for the 2000 to 2016 period.

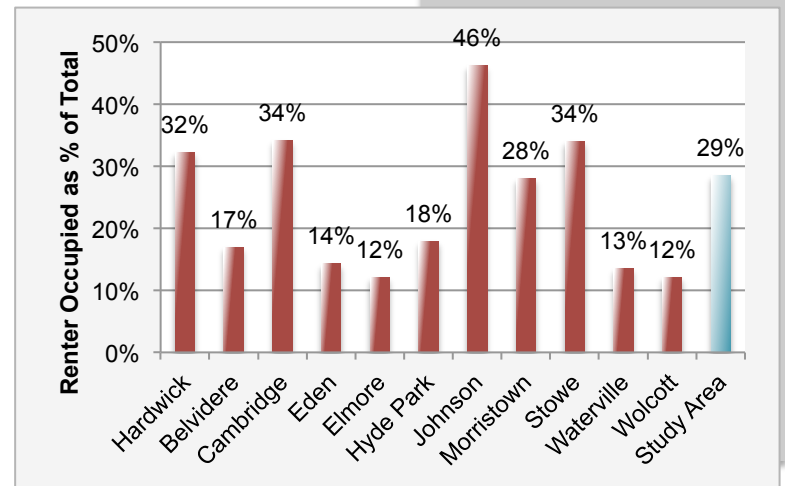
**Sources:** U.S. Census Bureau, American Community Survey.

**Occupied Housing: Owner and Renter (2000, 2010, 2016)**

		Occupied Housing Units											
		Hardwick	Belvidere	Cambridge	Eden	Elmore	Hyde Park	Johnson	Morristown	Stowe	Waterville	Wolcott	Study Area
2000	Owner	883	96	912	336	269	915	727	1,336	1,290	206	447	7,417
	Renter	333	18	354	73	37	223	443	765	615	54	105	3,020
	<b>Total</b>	1,216	114	1,266	409	306	1,138	1,170	2,101	1,905	260	552	10,437
2010	Owner	909	128	1,052	424	317	974	749	1,450	1,290	227	517	8,037
	Renter	330	25	458	77	49	240	461	747	658	47	124	3,216
	<b>Total</b>	1,239	153	1,510	501	366	1,214	1,210	2,197	1,948	274	641	11,253
2016	Owner	795	132	1,028	450	313	1,019	612	1,711	1,360	250	557	8,227
	Renter	378	27	533	75	43	222	528	667	699	39	77	3,288
	<b>Total</b>	1,173	159	1,561	525	356	1,241	1,140	2,378	2,059	289	634	11,515
Change 2000-'16	Owner	(88)	36	116	114	44	104	(115)	375	70	44	110	810
	Renter	45	9	179	2	6	(1)	85	(98)	84	(15)	(28)	268
	<b>Total</b>	(43)	45	295	116	50	103	(30)	277	154	29	82	1,078

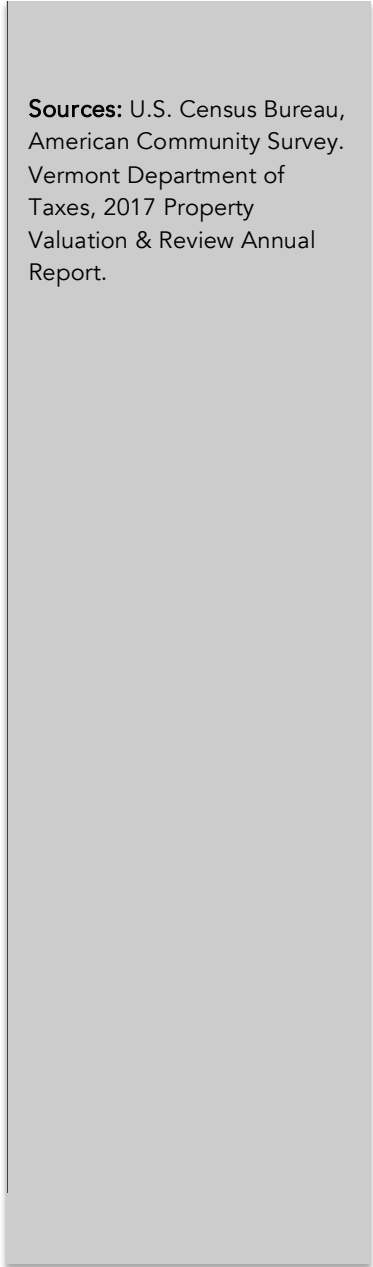
Morristown and Cambridge combined accounted for 53 percent of the total increase in study area occupied housing units between 2000 and 2016. As shown in the graphic, there is substantial town by town variation in the segment of units occupied on a rental basis.

Overall, 71 percent of the study area’s households are homeowners, while 29 percent are renters; this equals Vermont ratio of homeowners to renters. Not surprisingly, several of the towns that include urbanized villages show relatively higher rental rates; almost half of Johnson’s housing units are occupied on a rental basis.



**Seasonal/Vacation Housing** – a significant segment of Vermont’s total housing stock (15.9 percent) is composed of housing used for seasonal or occasional use. In mountain resort communities, this often takes the form of condominiums. However, seasonal housing units in other communities are often single family units in low density environments. The table below shows total number of seasonal units for years 2000, 2010 and 2016, as well as absolute/percent change between 2000 and 2016 and seasonal units as a percent of total units in 2016.

As noted by one area contact, ‘the Census doesn’t seem to do a very good job when it comes to seasonal housing.’ The final row of the table shows alternate seasonal/vacation housing unit totals as drawn from town grand list data, in this instance including S1, S2 and Other properties. A count of homestead versus non-homestead properties might be another alternative approach.



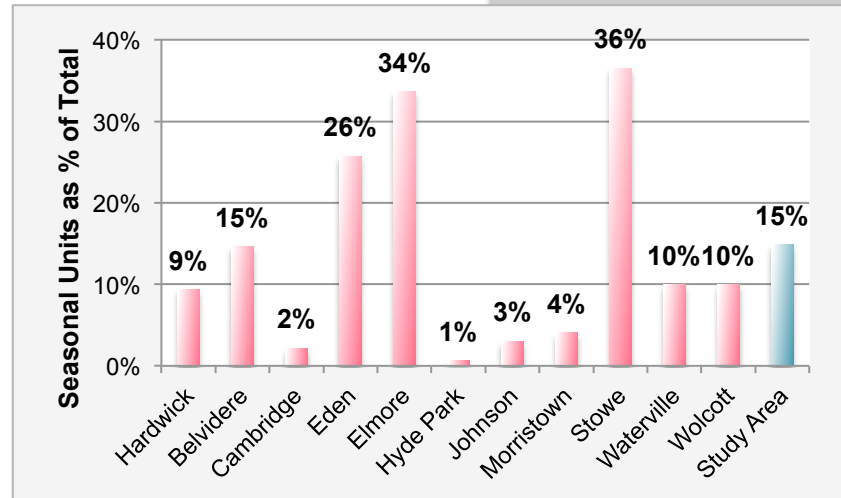
**Sources:** U.S. Census Bureau, American Community Survey. Vermont Department of Taxes, 2017 Property Valuation & Review Annual Report.

**Seasonal Units (2000, 2010, 2016)**

Seasonal Housing Units												
	Hardwick	Belvidere	Cambridge	Eden	Elmore	Hyde Park	Johnson	Morristown	Stowe	Waterville	Wolcott	Study Area
2000	72	68	59	151	145	50	50	101	736	19	52	1,503
2010	60	42	76	187	159	85	64	153	1,388	24	67	2,305
2016	140	30	36	195	187	8	37	113	1,333	32	74	2,185
Absolute Change 2000 - '16	68	(38)	(23)	44	42	(42)	(13)	12	597	13	22	682
% Change 2000 - '16	94%	(56%)	(39%)	29%	29%	(84%)	(26%)	12%	81%	68%	42%	45%
As % of Total Housing 2016	9%	15%	2%	26%	34%	1%	3%	4%	36%	10%	10%	15%
Grand List as Source	28	52	344	208	171	38	45	74	1,073	19	79	2,131

Based on Census data, seasonal housing accounts for 14.8 percent of the study area’s housing stock. Note that decreases occurred in several communities between 2000 and 2016. This is typically a factor of conversion in use – from seasonal use to year-round use by residents – rather than demolition of units. While seasonal housing is relatively insignificant in Hyde Park, Johnson and Morristown, Census data indicates that it accounts for 36 percent of the total in Stowe, clearly in response to the presence of the Stowe Mountain Resort.

Town grand list shows a similar study area-wide total to Census values. However, grand list values for several towns – Hardwick; Belvidere; Cambridge; Hyde Park; Waterville – vary substantially from the Census value in percentage terms. Differences are significant in absolute terms in Hardwick, Cambridge, and Stowe.



The Town of Stowe indicates that Census values for seasonal housing are *low*. Based on their assessment of Grand List data and Homestead declarations, the town indicates that seasonal housing accounts for *at least* 55 percent of the total housing stock.

In some instances the presence of a significant number of high value seasonal units can have indirect impacts on pricing of year-round owned and rented units.

**Sources:** Tom Jackman, Planning Director & Deputy Health Officer, Town of Stowe.

**Note:** Cambridge hosts Smuggler’s Notch Resort, yet has a small seasonal housing stock as enumerated by the Census. Many of the ‘vacation’ units at Smuggler’s are classified as lodging or timeshare, rather than as housing units.

**Housing Structure by Type** – the three tables below show breakdowns for *all* occupied units, *owner* occupied units and *renter* occupied units in terms of structure type. Structure categories shown are: 1) Single Family; 2) Multi-Family (2 or More Units) and 3) Mobile Home.

**Sources:** U.S. Census Bureau, American Community Survey.

**Structure Type – All Occupied Units (2016)**

		All Occupied Units											
		Hardwick	Belvidere	Cambridge	Eden	Elmore	Hyde Park	Johnson	Morristown	Stowe	Waterville	Wolcott	Study Area
Single Family	Units	1,033	162	1,175	637	519	907	654	1,852	2,567	271	623	10,400
	% of Total	68%	79%	69%	84%	92%	68%	52%	65%	57%	84%	83%	67%
Multi-Family (2+)	Units	278	2	401	22	15	77	360	811	1,061	19	12	3,058
	% of Total	19%	1%	27%	3%	4%	7%	30%	31%	42%	7%	3%	25%
Mobile Home	Units	184	41	82	99	18	325	224	131	25	31	105	1,265
	% of Total	12%	20%	5%	13%	3%	25%	18%	5%	1%	10%	14%	9%

Overall, 25 percent of the study area’s housing stock is in multi-family units while nine percent is in mobile home units. This compares to 25 percent and eight percent respectively for Vermont.

**Structure Type – Owner Occupied Units (2016)**

		Owner Occupied Units											
		Hardwick	Belvidere	Cambridge	Eden	Elmore	Hyde Park	Johnson	Morristown	Stowe	Waterville	Wolcott	Study Area
Single Family	Units	682	104	953	365	291	740	430	1,477	1,218	222	461	6,943
	% of Total	84%	79%	91%	81%	92%	71%	69%	84%	78%	88%	82%	81%
Multi-Family (2+)	Units	16	0	19	0	0	10	11	115	127	0	0	298
	% of Total	4%	0%	4%	0%	1%	2%	3%	9%	21%	1%	1%	7%
Mobile Home	Units	97	28	56	85	18	269	171	119	15	28	93	979
	% of Total	12%	21%	5%	19%	6%	26%	28%	7%	1%	11%	17%	12%



**Structure Type – Renter Occupied Units – (2016)**

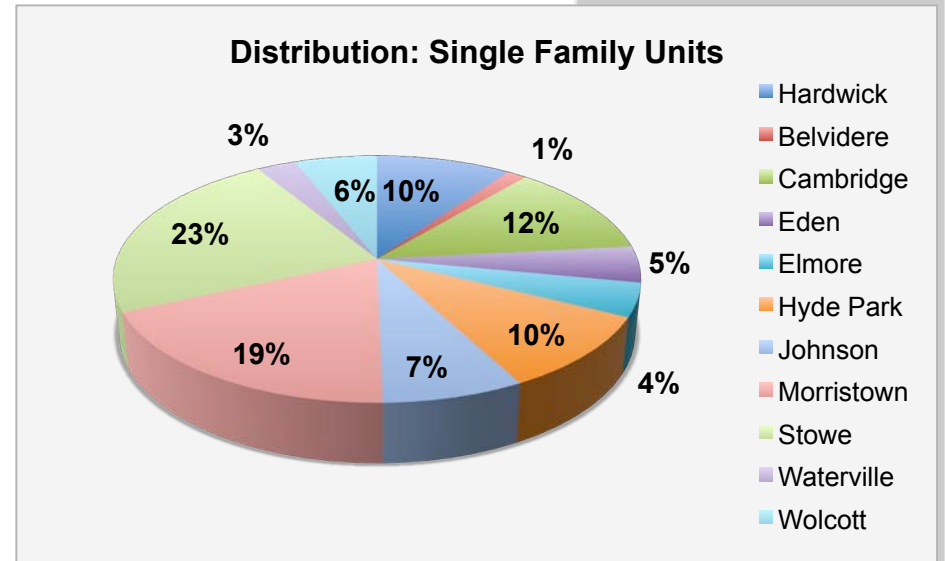
		Renter Occupied Units											
		Hardwick	Belvidere	Cambridge	Eden	Elmore	Hyde Park	Johnson	Morristown	Stowe	Waterville	Wolcott	Study Area
Single Family	Units	140	16	145	39	37	155	159	103	221	17	53	1,085
	% of Total	37%	59%	25%	52%	79%	70%	30%	15%	24%	44%	65%	31%
Multi-Family (2+)	Units	205	2	362	22	6	37	331	552	468	19	12	2,016
	% of Total	54%	7%	70%	29%	21%	17%	63%	83%	75%	49%	19%	64%
Mobile Home	Units	33	9	26	14	0	30	38	12	10	3	12	187
	% of Total	9%	33%	5%	19%	0%	14%	7%	2%	1%	8%	16%	6%

Sources: U.S. Census Bureau, American Community Survey.

Hyde Park has the study area’s most significant concentration of mobile homes, while Stowe has the most significant concentration of multi-family housing.

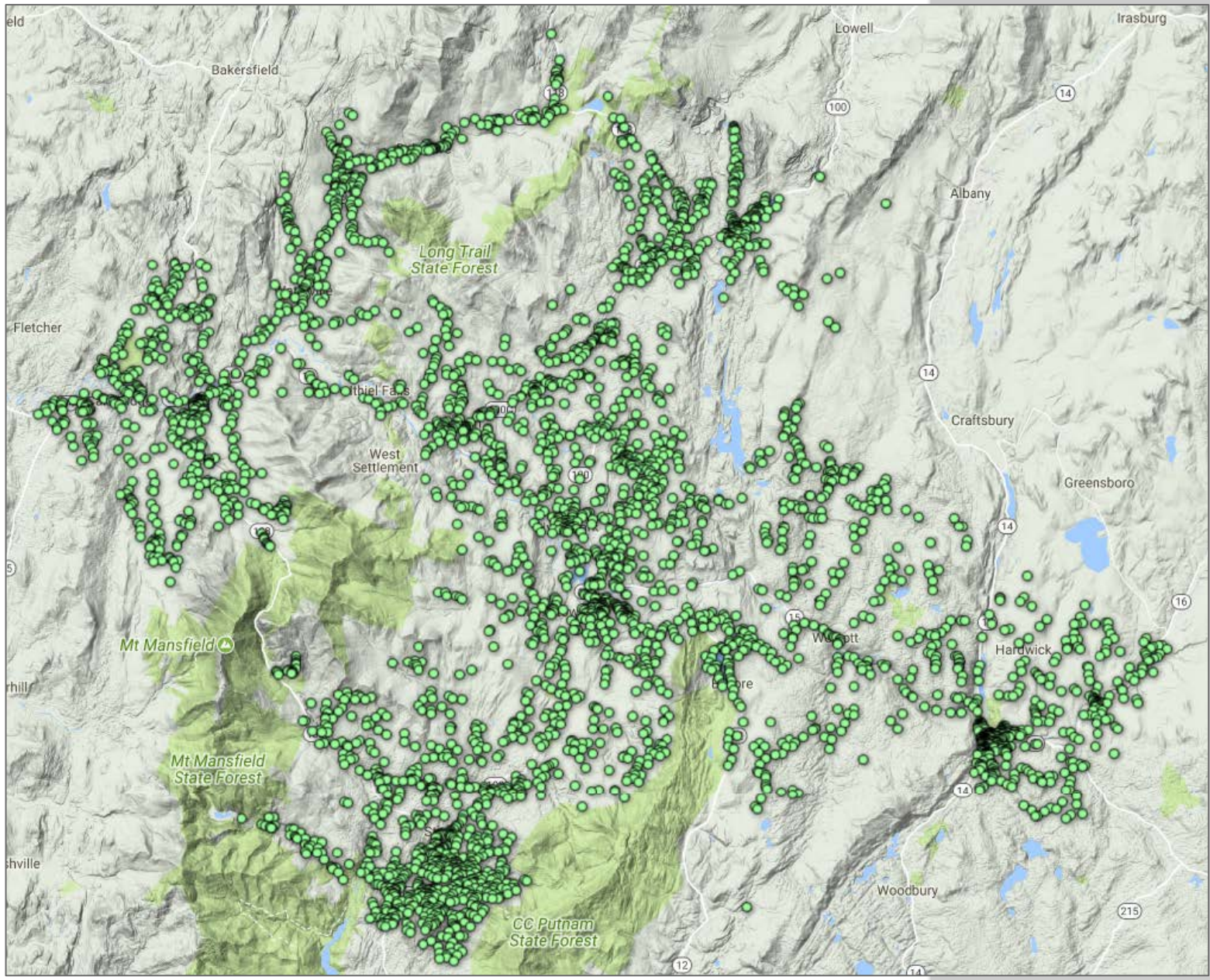
**Housing Stock by Type- Geographic Distribution** – Available Vermont ‘Open Geodata Portal’ data provides a view of the number and distribution of single family, mobile home and multi-family buildings throughout the study area; by count (by town) and location for each surveyed unit type.

The database indicates that there are 9,653 single family units in the study area. This compares to 10,400 occupied single family units enumerated in the Census. The breakdown by town is shown in the accompanying graphic. Stowe and Morristown combined account for 42 percent of the single family units in the study area.



**Sources:** Vermont Open Geodata Portal - e911 Dbase.  
**Note:** The database does not differentiate housing structures by use. Thus, unit and building totals include owned units, rented units and units held for seasonal-vacation use.

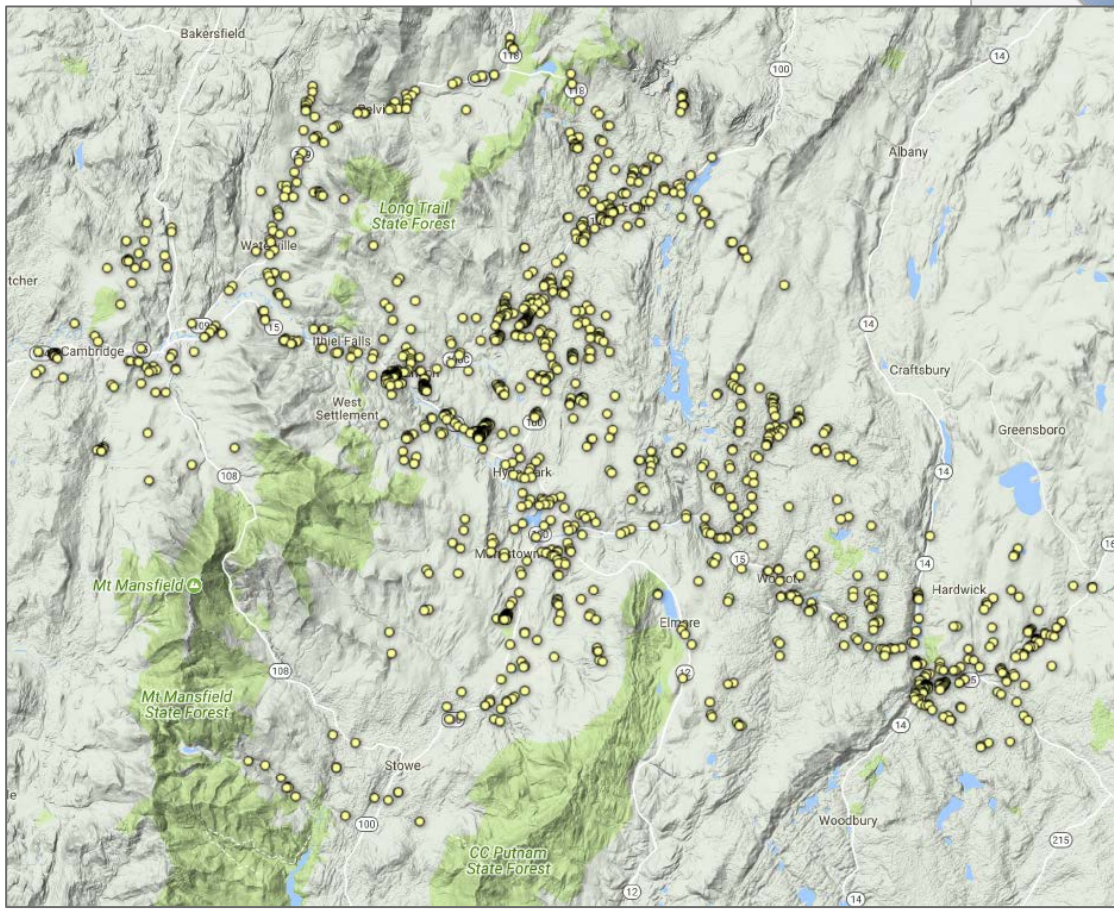
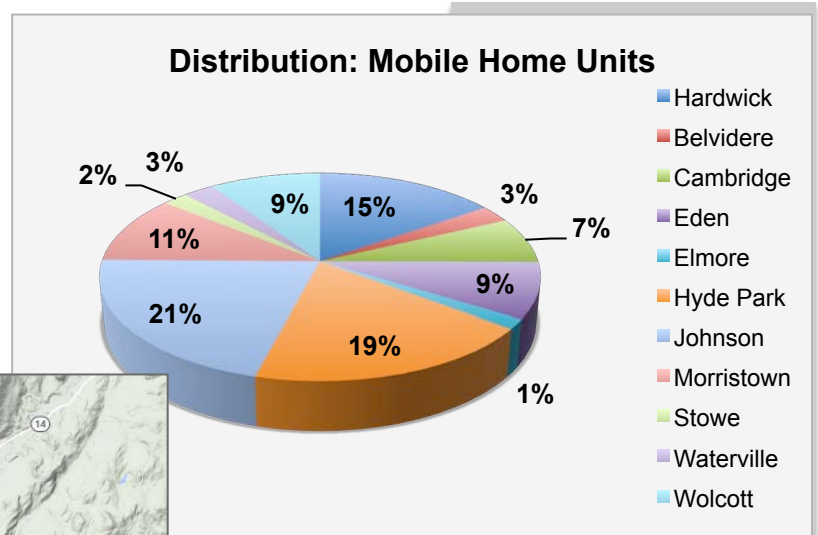
The graphic on the following page shows the geographic distribution of single family units. The study area’s single family units are clustered in urban concentrations and villages, as well as along major highway corridors.





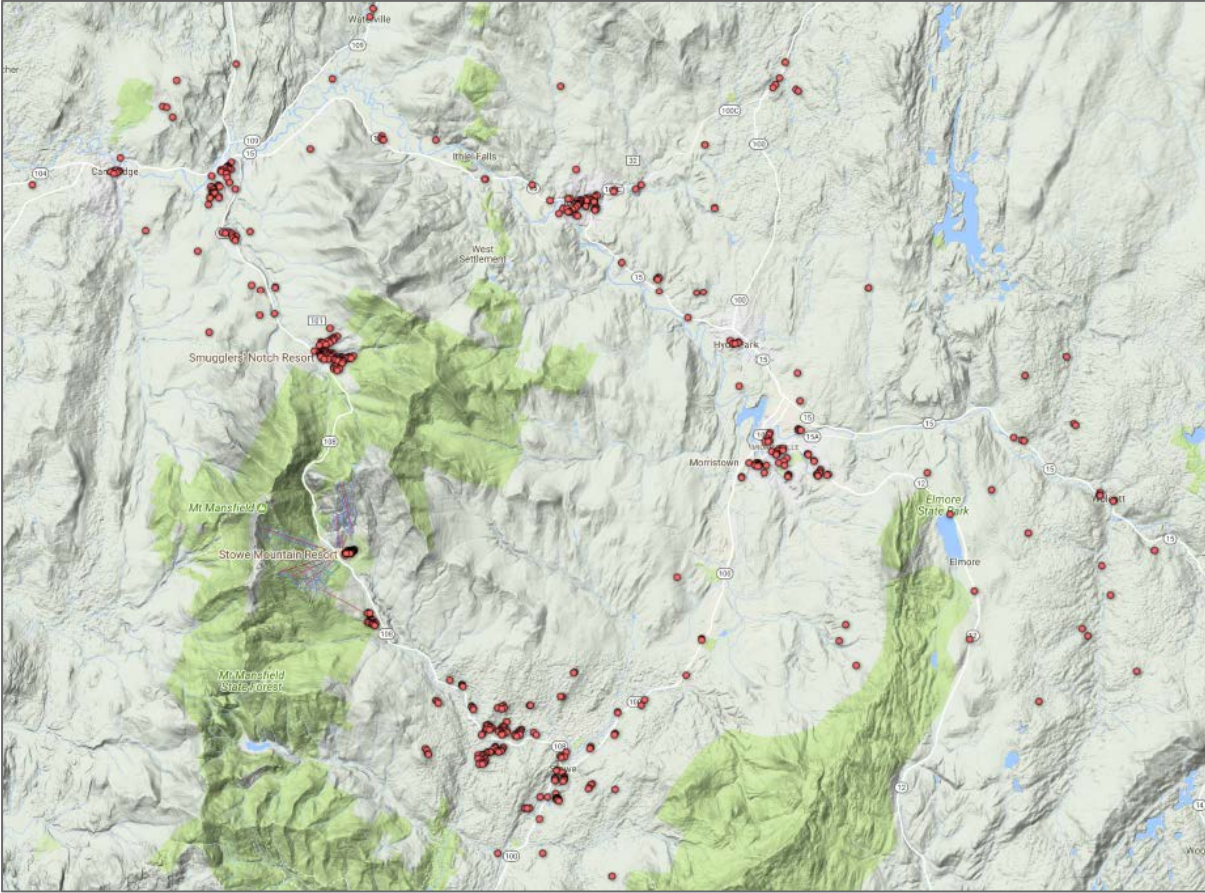
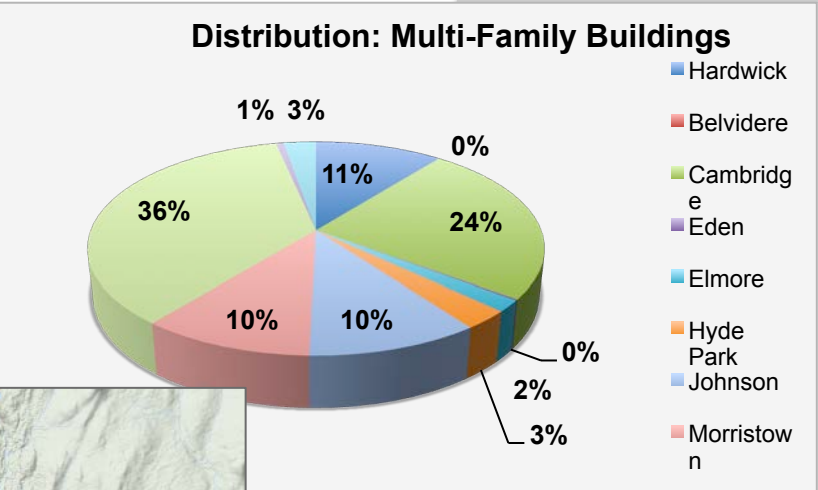
The database indicates that there are 1,503 mobile home units in the study area. This compares to 1,265 *occupied* mobile home units enumerated by the Census. The breakdown by town is shown in the accompanying graphic. Hyde Park and Johnson combined account for 41 percent of the study area's mobile home units.

The graphic below shows the geographic distribution of mobile home units.



The database indicates that there are 631 multi-family *buildings* in the study area. This total includes a number of buildings intended for seasonal/vacation use, including multi-unit condominium buildings in Stowe and Cambridge.

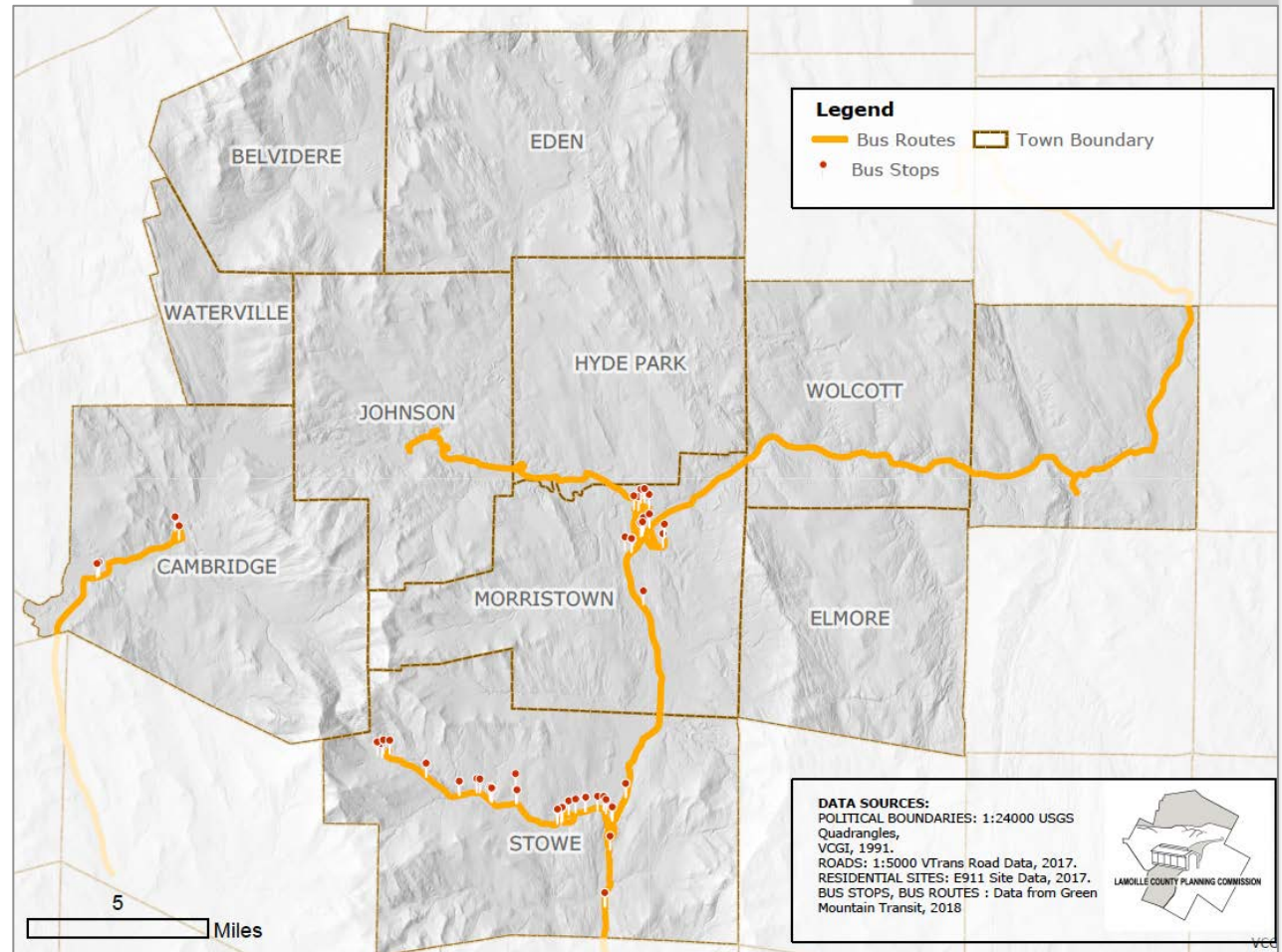
The graphic below shows the geographic distribution of multi-family buildings.





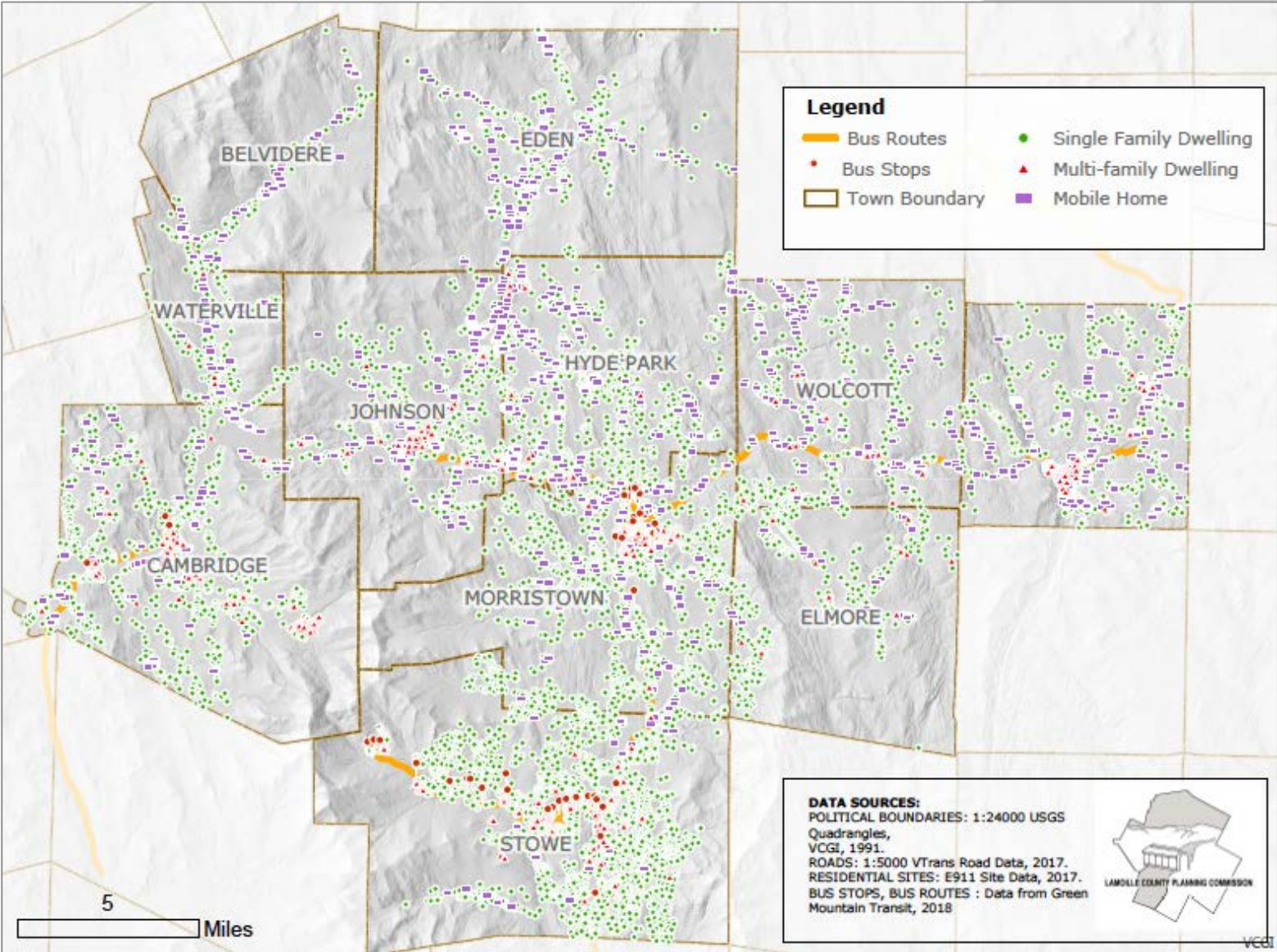
**Access to Public Transit** – seven of the study area’s communities are served by public transit, as shown in the accompanying graphic.

Bus routes serve the major state highways and urbanized communities in the study area, including service along Vermont Routes 100; 15; and 108. Johnson, Hyde Park, Morristown/Morrisville, Wolcott, Hardwick and Stowe/Stowe Mt. Resort are all interconnected. While a bus route originating from the south along Route 15 serves Cambridge, the community is not directly linked with other Lamoille County communities.



**Sources:** Vermont Open Geodata Portal - e911 Dbase; VTrans Road Data; Green Mt. Transit; LCPC.

The accompanying graphic superimposes the locations of the Study Area's housing stock (Single Family; Mobile Home; Multi-Family Buildings) over the bus route map, providing some insight into the level of service public transit provides to area households.





**Units by Bedroom Size** – the tables below show owner and renter occupied units broken down by bedroom size.

**Sources:** U.S. Census Bureau, American Community Survey.

**Units by Bedroom Size – Owner Occupied Units (2016)**

Percent of Owner Occupied Units by Bedrooms												
	Hardwick	Belvidere	Cambridge	Eden	Elmore	Hyde Park	Johnson	Morristown	Stowe	Waterville	Wolcott	Study Area
No bedroom	0%	2%	0%	0%	1%	0%	0%	0%	0%	0%	0%	0%
1 bedroom	2%	5%	2%	4%	4%	2%	4%	3%	8%	10%	7%	4%
2 bedrooms	22%	42%	23%	29%	21%	28%	21%	20%	12%	24%	27%	22%
3 bedrooms	46%	42%	55%	47%	50%	59%	61%	50%	50%	38%	46%	51%
4 bedrooms	28%	7%	14%	17%	21%	10%	10%	18%	20%	22%	14%	17%
5+ bedrooms	3%	1%	5%	3%	2%	1%	4%	9%	10%	6%	5%	6%
Mean BRs	3.1	2.5	3.0	2.9	2.9	2.8	2.9	3.1	3.1	2.9	2.8	3.0

**Units by Bedroom Size – Renter Occupied Units (2016)**

Percent of Renter Occupied Units by Bedrooms												
	Hardwick	Belvidere	Cambridge	Eden	Elmore	Hyde Park	Johnson	Morristown	Stowe	Waterville	Wolcott	Study Area
No bedroom	12%	0%	12%	0%	0%	3%	0%	8%	8%	0%	0%	7%
1 bedroom	45%	11%	17%	29%	26%	15%	25%	35%	28%	5%	23%	28%
2 bedrooms	23%	59%	52%	19%	47%	18%	57%	34%	36%	64%	13%	39%
3 bedrooms	9%	30%	16%	31%	28%	60%	10%	14%	27%	18%	60%	21%
4 bedrooms	0%	0%	1%	21%	0%	3%	9%	10%	0%	8%	0%	4%
5+ bedrooms	11%	0%	2%	0%	0%	0%	0%	0%	2%	5%	4%	2%
% Units 0-1 BRs	57%	11%	29%	29%	26%	18%	25%	43%	35%	5%	23%	34%

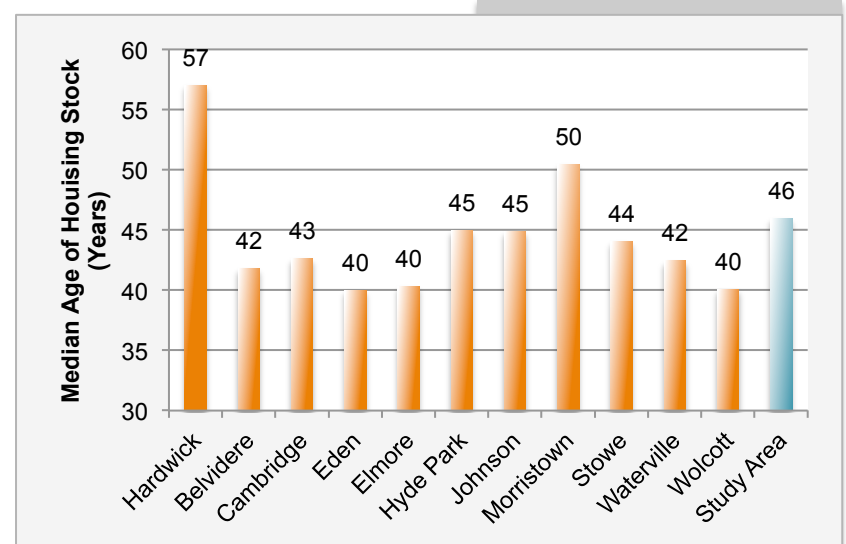
Overall, the typical owner occupied unit includes 3.0 bedrooms, with town-to-town variation from 2.5 bedrooms in Belvidere to 3.1 bedrooms in Hardwick, Morristown and Stowe.

Not surprisingly, rental occupied units tend to be smaller, with an overall average of 1.9 bedrooms for the study area. Note that 34 percent of all renter occupied units include zero or one bedroom. This is a key statistic, particularly when compared with the distribution of renter households by household size. Statewide, 36 percent of all rental units are in zero or one bedroom configurations.



**Age of Stock** – overall, the average housing unit in the study area (Total Units) was constructed approximately 46 years ago. 25 percent of the total stock was constructed more than 77 years ago. The following table shows the distribution of total housing stock by age, for each community.

Hardwick’s housing stock is notably ‘older,’ at an average of 57 years. Eden, Elmore and Wolcott’s housing stocks are relatively ‘new’ by comparison, at an average of 40 years. For purposes of comparison, the median age of housing stock for Vermont is 55 years.



**Age Of Housing Stock (2016)**

	Percent of Total Housing Stock by Age											
	Hardwick	Belvidere	Cambridge	Eden	Elmore	Hyde Park	Johnson	Morristown	Stowe	Waterville	Wolcott	Study Area
2 or Less Years	0%	0%	0%	1%	0%	0%	0%	0%	1%	0%	0%	0%
3 - 6 Years	0%	2%	2%	0%	1%	1%	3%	2%	0%	5%	2%	1%
7 - 16 Years	17%	14%	16%	18%	21%	14%	14%	10%	12%	15%	20%	14%
17 - 26 Years	7%	14%	17%	15%	22%	15%	11%	17%	16%	16%	23%	15%
27 - 36 Years	12%	18%	20%	17%	12%	23%	23%	15%	18%	22%	12%	18%
37 - 46 Years	11%	25%	15%	16%	14%	12%	15%	12%	18%	14%	14%	15%
47 - 56 Years	5%	6%	4%	13%	4%	7%	7%	3%	11%	3%	6%	7%
57 - 66 Years	1%	2%	3%	4%	4%	3%	3%	4%	3%	1%	2%	3%
67 - 76 Years	5%	1%	0%	1%	3%	1%	2%	4%	1%	0%	3%	2%
77 or More Years	43%	18%	22%	15%	19%	24%	23%	31%	20%	25%	19%	25%
Estimated Median (Years)	57.0	41.8	42.6	40.0	40.3	44.9	44.9	50.5	44.0	42.4	40.1	45.9

Sources: U.S. Census Bureau, American Community Survey.

**Housing Deficiencies** – The table below shows the percent of all occupied housing units with deficiencies (as defined by the U.S. Census Bureau), including:

- Lacking complete plumbing and/or kitchen;
- Occupied by more than 1.0 person per room (overcrowding).

**Sources:** U.S. Census Bureau, American Community Survey.

**Housing Deficiencies – As Percent of Occupied Units (2016)**

	As Percent of All Occupied Units											
	Hardwick	Belvidere	Cambridge	Eden	Elmore	Hyde Park	Johnson	Morristown	Stowe	Waterville	Wolcott	Study Area
Lacking Complete Plumbing/Kitchen	0.0%	1.3%	0.6%	3.8%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.9%	0.4%
More than 1.0 Person Per Rooms	7.3%	6.3%	1.5%	5.0%	0.0%	1.5%	3.1%	3.0%	1.0%	2.8%	3.6%	2.8%
All Deficiencies	7.3%	7.5%	2.2%	8.8%	0.0%	1.5%	3.1%	3.0%	1.0%	2.8%	5.5%	3.2%

Units lacking plumbing and/or kitchens account for a miniscule percent of the total. However, 238 units (2.8 percent of total) are occupied by more than 1.0 person per room.

While the published statistics show a relatively small segment of the study area’s housing stock with deficiencies, interviews with area contacts make it clear that there are a significant number of multi-unit and single family buildings that have deferred maintenance, have obvious physical issues or that are simply ‘run-down.’

**New Development/Permits** – the table below shows residential permits granted for single family and multi-family units for the period 2010 through 2017, on a town-by town basis. Note that a number of towns had zero permitting activity during that period.

**Residential Building Permits (2010 – 2017)**

	<i>Hardwick</i>			<i>Belvidere</i>			<i>Cambridge</i>			<i>Eden</i>			<i>Elmore</i>			<i>Hyde Park</i>		
	Single Family	Multi-Family	Total	Single Family	Multi-Family	Total	Single Family	Multi-Family	Total	Single Family	Multi-Family	Total	Single Family	Multi-Family	Total	Single Family	Multi-Family	Total
<b>2010</b>	1	0	1	0	0	0	0	0	0	0	0	0	2	0	2	20	0	20
<b>2011</b>	1	0	1	0	0	0	0	0	0	0	0	0	3	0	3	9	0	9
<b>2012</b>	6	0	6	0	0	0	0	0	0	0	0	0	2	0	2	5	0	5
<b>2013</b>	6	0	6	0	0	0	0	0	0	0	0	0	1	0	1	6	0	6
<b>2014</b>	6	0	6	0	0	0	0	0	0	0	0	0	5	0	5	3	2	5
<b>2015</b>	3	0	3	0	0	0	0	0	0	0	0	0	4	0	4	6	0	6
<b>2016</b>	7	0	7	0	0	0	0	0	0	0	0	0	4	0	4	6	0	6
<b>2017</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Totals</b>	30	0	30	0	0	0	0	0	0	0	0	0	21	0	21	55	2	57

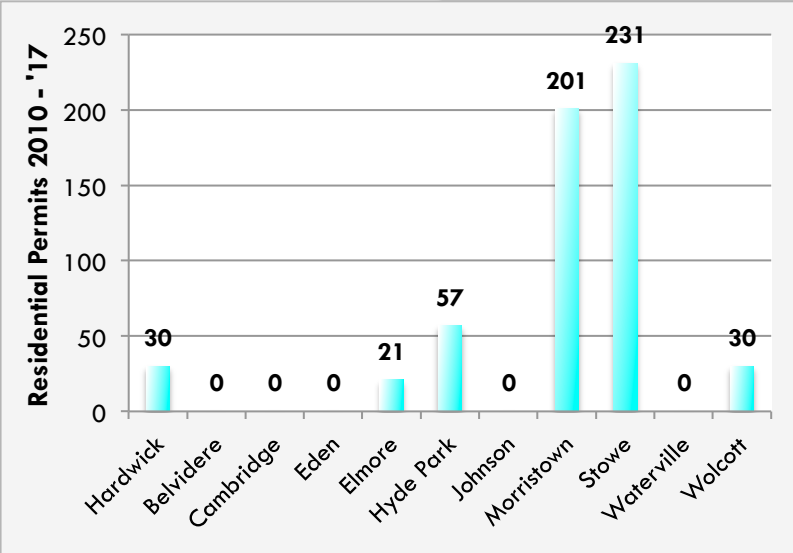
  

	<i>Johnson</i>			<i>Morristown</i>			<i>Stowe</i>			<i>Waterville</i>			<i>Wolcott</i>			<i>Study Area</i>		
	Single Family	Multi-Family	Total	Single Family	Multi-Family	Total	Single Family	Multi-Family	Total	Single Family	Multi-Family	Total	Single Family	Multi-Family	Total	Single Family	Multi-Family	Total
<b>2010</b>	0	0	0	18	4	22	18	0	18	0	0	0	11	0	11	70	4	74
<b>2011</b>	0	0	0	11	2	13	14	0	14	0	0	0	4	0	4	42	2	44
<b>2012</b>	0	0	0	12	18	30	9	4	13	0	0	0	3	0	3	37	22	59
<b>2013</b>	0	0	0	13	4	17	15	0	15	0	0	0	2	0	2	43	4	47
<b>2014</b>	0	0	0	17	9	26	20	7	27	0	0	0	3	0	3	54	18	72
<b>2015</b>	0	0	0	10	10	20	18	4	22	0	0	0	4	0	4	45	14	59
<b>2016</b>	0	0	0	24	8	32	36	72	108	0	0	0	3	0	3	80	80	160
<b>2017</b>	0	0	0	39	2	41	14	0	14	0	0	0	0	0	0	53	2	55
<b>Totals</b>	0	0	0	144	57	201	144	87	231	0	0	0	30	0	30	424	146	570

**Sources:** HUD Office of Policy Development and Research, State of the Cities Data System. Figures include all housing units, including those intended for seasonal use.

Combined, Stowe and Morristown accounted for 76 percent of all residential permits granted in the study area between 2010 and 2017. 74 percent of all study area permits were for single family structures.

Overall, study area building permits between 2010 and 2017 represent a 4.0 percent increase to total housing stock; this compares to a 3.7 percent increase at the statewide level during the same time period.



**Subsidized & Affordable Rental Housing** – a range of federal, state and local programs have been promulgated to address the rental housing needs of low and moderate income households. Available programs range from those that provide a ‘subsidized’ rent that will not exceed 30 percent of a households’ income, no matter how low the income, to those that provide rents that are slightly discounted or commensurate with market rents. The table on the following two pages provides an inventory of projects currently in operation in the study area, showing: Bedroom Mix; Total Units; Deep Subsidy Units; Affordable/Tax Credit Units; Unrestricted (Market) Units; Units Restricted to Elderly/Disabled; Units Restricted to Homeless; Accessible Units; and Funding Sources. The table includes projects that are targeted to a range of income levels, ranging from extremely low, to households with incomes at or near 100 percent of the county median.

**Sources:** HUD Office of Policy Development and Research; Center on Budget and Policy Priorities. Vermont Housing Data – Directory of Affordable Housing; BatchGeo.

**Notes:** Extremely low income households have incomes that do not exceed 30 percent of the county median income level. At the state level, this is the equivalent of an income of \$18,950 for a family of three.



## Subsidized/Affordable Rental Project Inventory

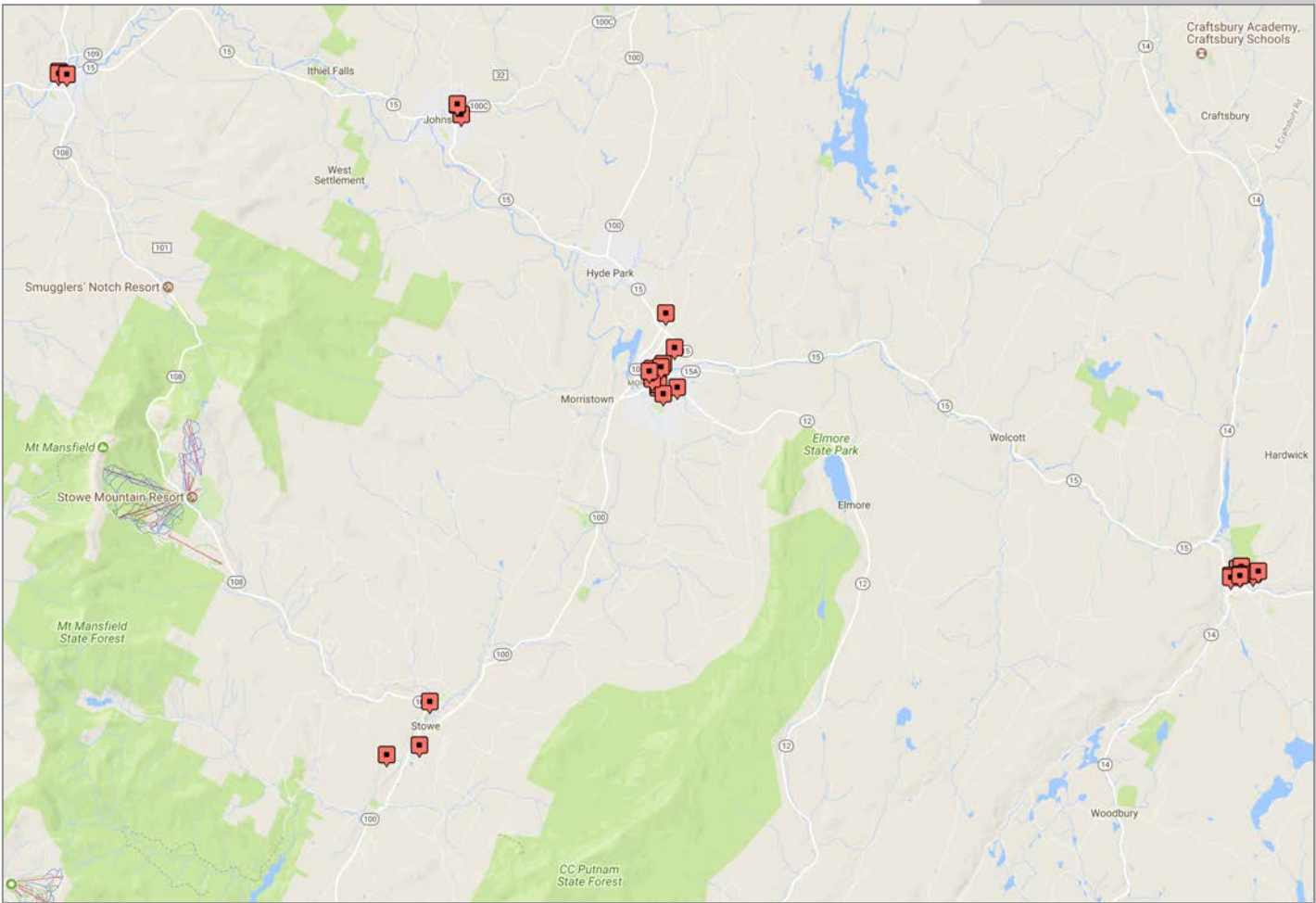
Project Name	Street Address	City/Town	Unit Mix					Total Units	Deep Subsidy Units	Affordable/ LIHTC Units	Unrestricted Units	Restricted: Elderly	Restricted: Disabled	Restricted: Elderly/ Disabled	Restricted: Homeless	Accessible/ Adaptable Units	Initial Year	Funding Sources	
			SRO	0 BR	1 BR	2 BR	3 BR												4+ BR
Arthur's Main Street Housing	53 Lower Main Street	Morrisville			14	4			18	4	10	4	15	1		1	4	2014	LIHTC; HOME; PBRA
Brewster River Housing	70 Main Street	Jeffersonville			6		1		7		5	2					4	1997	HOME
Colonial Mano Apartments		Morrisville			1	7	12		20	20							1	1971	PBRA; RD Sec 515; RD Sec 521
Congress & Park	95 Park Street and 23 Clark Street	Morrisville	1	5	4	2			12		8	4					2	1995	LIHTC; HOME
Copley House	379 Washington Highway	Morristown	20			2			22	22				22			22	1999	CDBG; FHLB; VHCB; VHFA
Copley Terrace	579 Washington Highway, Suite 314	Morristown			36	2			38	38			36	2			38	1983	HUD New Const/Sub Rehab; PBRA; Sec 202 Elderly
Jeffersonville Allocated - Family	100 & 150 Mann's Meadow	Jeffersonville				10			10		10						2	2002	LIHTC; VHFA
Jeffersonville Bond - Senior	115 Mann's Meadow	Jeffersonville			18	4			22		18	4	22				2	2001	LIHTC; HOME; VHFA
Johnson Community Housing	144 & 182 School Street; 71 MacMudgett Drive and 334 Lower Main	Johnson			12	15	1		28		28		10				3	2010	LIHTC; HOME
Johnson Group Home (Lamoille House)	PO Box 406	Johnson			9				9	7	2			7				1983	PBRA; Sec 202 Elderly; Sec 8 Proj Based
Saint Johns Knoll	69 Saint Johns Street	Johnson			20				20		20				20		1	1995	LIHTC; RD Sec 515
Lamoille View Apartments	165 & 167 Park Street	Morrisville			23	2			25	25							25	1979	LIHTC; HOME; PBRA; Sec 8 Proj Based; VHCB; VHFA
Morrisville Community Housing	61 Cherry Avenue; 81 & 93 Summer Street; 75 George Street, 1621 Pucker Street (Stowe)	Morrisville			4	8	4		16		16						3	2011	LIHTC; HOME

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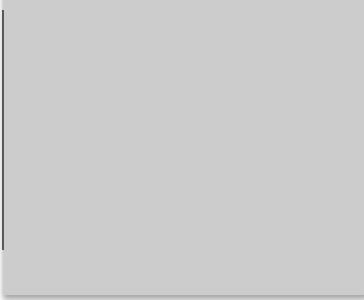
Project Name	Street Address	City/Town	Unit Mix					Total Units	Deep Subsidy Units	Affordable/LIHTC Units	Unrestricted Units	Restricted: Elderly	Restricted: Disabled	Restricted: Elderly/Disabled	Restricted: Homeless	Accessible/Adaptable Units	Initial Year	Funding Sources
			SRO	0 BR	1 BR	2 BR	3 BR											
Portland Street Apartments	16 Portland Street	Morrisville	2	6				8	8						2	2000	LIHTC; PBRA; RD Sec 515; RD Sec 521	
Sunset Apartments	129 Sunset Drive	Morristown				5	3	8	8								Mod Rehab; PBRA	
River Road Apartments	194, 250, 300 Holmes Lane	Stowe		2	12	5		19	19						1	1982	PBRA; Sec 8 Proj Based	
Sylvan Woods Housing	66, 85, 86, 96, 98, 99, 108, 118, 120, 132, 144, 146 & 154 Sylvan Woods Drive	Stowe		5	21	2		28		22	6				2	2007	LIHTC; HOME	
West Branch Apartments	276 Mountain Road	Stowe	25	20	3			48	48					48	6	1979	PBRA; Sec 8 Proj Based	
Bemis Block Housing	41 South Main Street	Hardwick		14				14	14					14	1	2008	LIHTC; HOME; New Const/Sub Rehab; PBRA; Sect 202 Elderly; VHFA	
Cherry Street Housing	40 & 58 Lower Cherry Street and 61 & 73 Dale Street	Hardwick			2	6		8	8						1	1984	LIHTC; Sec 236; New Const/Sub Rehab; PBRA; RD Sec 515	
Hardwick Housing Limited Partnership	9 South Main Street	Hardwick			2	6		8		8					4	1994	LIHTC; HOME	
Highland Hill Housing Limited Partnership	38 Slapp Hill; 84 Church Street and 143 Highland Avenue	Hardwick		3	4	6	1	14		12	2				2	1999	LIHTC; HOME	
Maple Street Apartments	36 Maple Street	Hardwick		14	2			16	16					16	2	1980	LIHTC; Sec 236; New Const/Sub Rehab; PBRA; Sec 202 Elderly; Sec 8 Proj Based; VHCB; VHFA	
<b>Totals -</b>			20	28	212	109	48	1	418	237	159	22	83	32	123	1	105	
<b>Percent of Total Units -</b>			5%	7%	51%	26%	11%	0%	100%	57%	38%	5%	20%	8%	29%	0%	25%	

In total, there are 418 subsidized/affordable units in the study area, 57 percent of which provide deeply subsidized rents to tenants. Reflecting the typically small size of renter households, units with two bedrooms or less account for 89 percent of the total.

The geographic distribution of subsidized/affordable projects is shown in the accompanying graphic.



The study area's subsidized/affordable projects are clustered in the study area's more urbanized communities, including: Morrisville; Hardwick; Stowe; Johnson; and Jeffersonville. While the siting of multi-unit housing in urbanized communities makes sense from a planning perspective, the available housing choices leave residents of rural communities fewer options for remaining in their home community.



It is also important to note that the subsidized/affordable projects that have units restricted to senior households are only located in five of the study area's 11 towns: Morristown; Cambridge (Jeffersonville); Johnson; Stowe; and Hardwick. The siting of senior housing can present conflicts:

- Typical standards call for the siting of senior units in a village/town setting, where residents can have walking access to in-town retail and services – as well as interaction with the surrounding community. However, this approach obligates residents of outlying rural towns (Belvidere; Eden; Waterville; Elmore; Wolcott) to move out of their home community if they seek affordable/subsidized housing;
- The development of small-scale senior projects has the potential to allow residents of rural towns to age-in-place in their town of residence. However, small-scale projects often don't have economies of scale and may be unprofitable both from development and management perspectives.

According to a recent report, over 13,000 Vermonters use federal rental assistance to rent housing at an affordable cost; approximately 59 percent of these renters have extremely low incomes (ELI). These so-called 'deep subsidies' include a number of programs – a summary of programs and households using those programs in Vermont is as follows:

- Sec. 8 Housing Choice Vouchers – 6,500+/- Households;
- Public Housing – 1,300+/- Households;
- Sec. 8 Project Based Vouchers - 3,300+/- Households;
- Elderly & Disable Subsidies - 300+/- Households;
- USDA (Rural Development) – 1,400+/- Households.

**Sources:** Urban Institute.

A recent study compared derived a ratio of 'Extremely Low Income Renter Households' to available units for 'ELI' households, on county-by-county basis for Vermont. The results are shown in the table below.

**Units Available to Extremely Low Income Households (2017)**

County	Extremely Low Income Households	Available Units	Unit/Household Ratio
Addison	780	515	0.66
Rutland	1,890	1,201	0.64
Bennington	1,010	666	0.66
Windham	1,373	752	0.55
Windsor	1,810	1,058	0.58
Orange	641	333	0.52
Washington	1,824	1,116	0.61
Chittenden	5,477	3,304	0.60
Lamoille	845	451	0.53
Caledonia	1,154	606	0.53
Grand isle			
Essex			
Orleans	775	396	0.51
Franklin	1,105	716	0.65
<b>Vermont</b>	<b>18,684</b>	<b>11,114</b>	<b>0.59</b>

Overall, Vermont supplies 59 available units for every 100 extremely low income households. The ratio is lower in Lamoille County, where there are 53 available units for every 100 extremely low income households.

**Section 8 Housing Choice Vouchers** – as noted above, there are approximately 6,500 Vermont households currently using the Sec. 8 Housing Choice Voucher program to secure affordable housing. Local housing authorities in nine of the state’s larger communities administer 45 percent of these vouchers, while the Vermont State Housing Authority administers the remaining 55 percent of the vouchers (3,580 Vouchers) in areas not served by local housing authorities. Lamoille County households account for a small segment of the 3,580 vouchers administered by VSHA. According to VSHA, they, “currently offer assistance to 132 households throughout Lamoille County via five different programs (rental assistance).”

Sources: Vermont State Housing Authority.

**Mobile Home Parks** - the table below summarizes registered mobile home parks (MHP) within the study area. Mobile homes, both owned and leased, can serve as source of affordable housing for low to moderate income households, who either rent or own.

**Sources:** Vermont Registry of Mobile Home Parks – data as of 12/17.

**Registered Mobile Home Parks (MHPs)**

Name	Address	Town	(Year) Established	Total Lots	Leased	Vacant	MHs Leased by Park Owner	MHs Owned by Leasees	2017 Lot Rent
BCP MHP	Route 16	Hardwick	na	7	6	0	0	6	\$135
Evergreen Manor	Mackville Rd.	Hardwick	1970	32	31	1	13	18	\$290
Strong's MHP	52 Molleur Dr.	Hardwick	1970	3	3	0	1	2	\$250
Harvey MHP	Winter Lane	Eden	1998	6	6	0	0	6	\$282
Sterling View MHP	Route 15	Hyde Park	1988	111	110	1	14	96	\$257
Highland Heights MHP	Wescom Rd.	Johnson	1965	33	29	3	4	25	\$240
Johnson MHP	Route 15	Johnson	1965	33	29	3	4	25	\$240
Katy Win MHP	Katy Win Rd.	Johnson	1967	47	45	2	8	37	\$250
Mountain View MHP	Wilson Rd.	Johnson	1963	31	29	1	1	29	\$293
Pinecrest MHP	Cochran Rd.	Morristown	1969	53	44	9	1	43	\$334
<b>Totals -</b>				356	332	20	46	287	
<b>% of Total -</b>				100%	93%	6%	13%	81%	

The 332 occupied mobile home lots in registered parks account for only 26 percent of the study area’s total occupied mobile homes (Total occupied mobile homes – 1,265 – see page 17). 71 percent of the study area’s mobile home lots are located in five MHPs in Hyde Park and Johnson. The great majority of lots are occupied by mobile homes that are owned by residents. Finally, the average lot rent (Monthly) is \$268.

**Homeless Resources** – a listing of homeless resources – compiled by the Vermont Coalition to End Homelessness – is shown in the table below.

**Homeless Housing Resources**

<b>Sponsor Organization</b>	<b>Project Name/ Type</b>	<b>Total Beds</b>	<b>Year-Round Beds</b>
Clarina Howard Nichols Center	Emergency Shelter	9	9
Clarina Howard Nichols Center	Transitional Housing	4	4
Lamoille Family Center	VCRHYP-BCP Shelter	1	1
VT AHS-Dept. of Children & Families	GA Motel Vouchers (Lamoille Cty.)	36	0
VT AHS-Dept. of Children & Families	VT Rental Subsidy Program (Lamoille Cty.)	6	6
<b>Totals -</b>		<b>56</b>	<b>20</b>

Until recently, there were no true emergency shelters in the study area. The Clarina Howard Nichols Center is specifically directed to woman and children at risk. The Center, “works to end domestic and sexual violence in Lamoille County. Clarina provides advocacy programs, emergency shelter, support and direct services to survivors of domestic and sexual violence as well as community outreach programs to affect social change.” VT AHS programs provide funding to place homeless persons in motels on short-term bases.

Homelessness in Lamoille County is distinguished by the relatively high percentage of households with children that are in homeless or at-risk of homelessness situations. In a number of instances, these families face multiple barriers to finding a sustainable housing situation. Contacts note that a number of households get ‘shut-out’ of the rental market because a problem with one landlord may be quickly communicated to other landlords in the local community. Further, there are a number of households that face multiple, long-term barriers to finding housing. This points to a need for housing that can provide long-term supportive services.

Until recently then, the closest shelters were located in Burlington and Vergennes. A Lamoille County shelter program has been initiated recently:

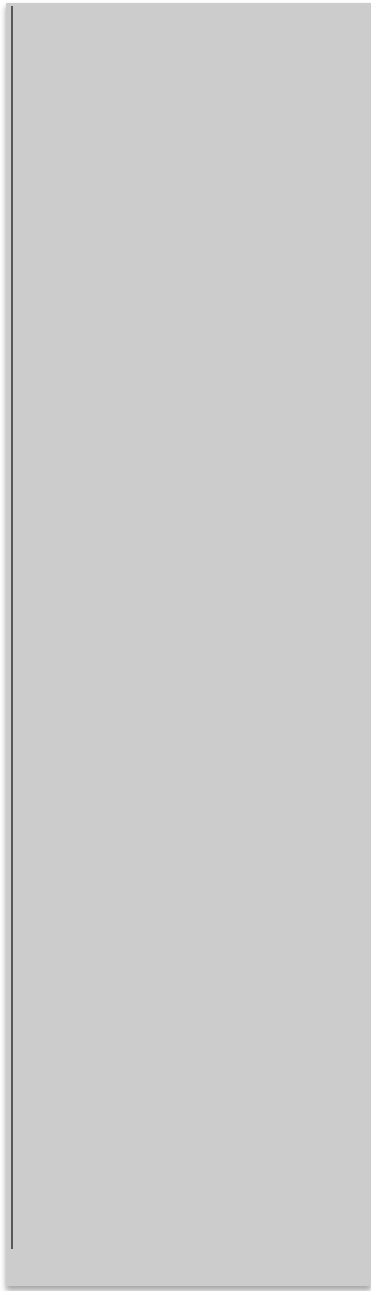
**Sources:** Vermont Coalition to End Homelessness (2017 Inventory); Clarina Howard Nichols Center; Interview with Dawn Butterfield, CAPSTONE; Seven Days; Interview with Will Eberle, Vermont Agency of Human Services Field Services for Lamoille County.



- The Yellow House – a community effort has made this Hyde Park property available as a temporary shelter. The county’s first true homeless shelter started operations in February of 2018 and is being operated by a mix of religious leaders, law enforcement officials and other volunteers, without any public funding. Initially, the shelter has been conceived as a winter-only operation.

The effort to start-up a shelter originated among area religious leaders, who began by using their buildings as temporary, ‘moveable’ shelters. The originators then reached out to the Lamoille County Sheriff’s office, which offered up the Yellow House, part of a complex of abandoned buildings across the street from the Lamoille County Sheriff’s Department in Hyde Park Village. The operation has no formal town permitting in place; with current operations based on a temporary verbal approval from the Hyde Park Planning & Zoning office.

Social services contacts note that the services offered by a shelter like the Yellow House are significantly superior to providing rooms in area motels.



### **Summary: Supply – Housing Stock**

- The study area's housing stock grew at a significantly higher rate than Vermont's housing stock in recent years. Above average growth is a response to both above average population/household growth and increases in seasonal/vacation housing. Housing stock in several towns grew at more than twice the statewide rate: including Eden; Morristown; and Stowe. In absolute terms, Morristown and Stowe accounted for 62 percent of the study area's housing stock growth between 2000 and 2016;
- Mobile homes are a significant source of housing in the study area; this is particularly true in absolute terms in Hyde Park and Johnson;
- Although Cambridge and Stowe are centers of recreational and seasonal activity, seasonal housing accounts for 14.8 percent of total housing stock in the study area, as compared to Vermont as a whole, where seasonal housing accounts for 15.9 percent of the total; Alternatively, the Town of Stowe indicates that Census data significantly undercounts the number of seasonal housing units in the community;
- New residential development is occurring in the study area. However, the great majority of this growth is occurring in two towns – Morristown, Stowe – where pricing in both the for-sales and rental markets is sufficient to spur profitable development. Limited activity is occurring in the study area's other communities.

## Financial Characteristics - Housing

The tabular data and graphics that follow address the financial components of the study area's housing stock, based both on published data sources and reviews of current market data from available databases.

The tables and graphics address:

- Owner Occupied Housing Values;
- Owner Occupied Housing with Mortgages;
- Owner Housing Costs as a Percent of Household Income;
- Renter Occupied Housing – Gross Rental Rates;
- Rent as a Percent of Household Income.

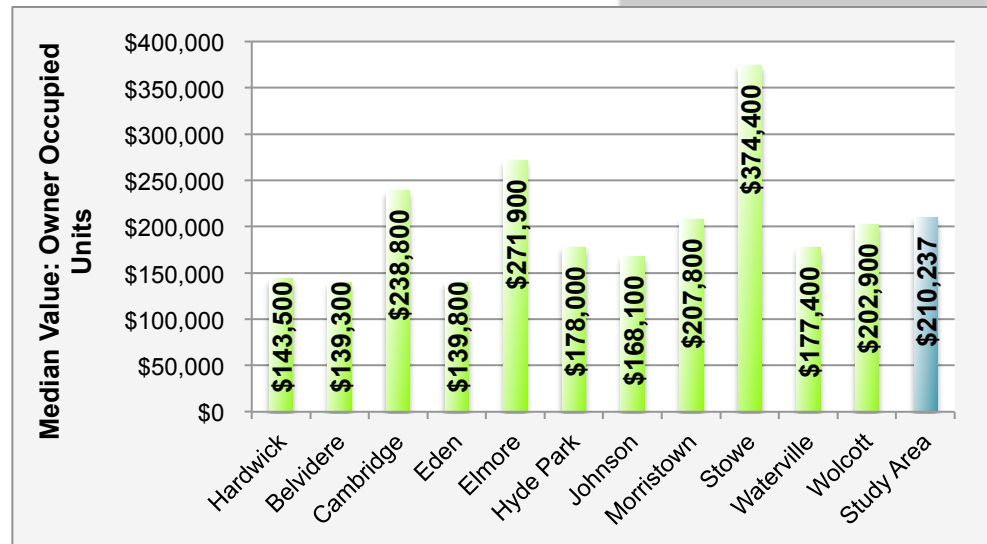
**Owner Occupied Housing Values** – the table below shows the distribution of owner occupied units by value, on a town-by-town basis.

Sources: U.S. Census Bureau, American Community Survey.

**Value Distribution: Owner Occupied Units (2016)**

	Distribution of Owner Occupied Units by Value Range											
	Hardwick	Belvidere	Cambridge	Eden	Elmore	Hyde Park	Johnson	Morristown	Stowe	Waterville	Wolcott	Study Area
< \$50,000	4%	12%	1%	7%	4%	8%	14%	7%	1%	0%	6%	5%
\$50,000 - \$99,999	23%	11%	3%	29%	4%	13%	12%	2%	2%	10%	9%	9%
\$100,000 - \$149,999	28%	33%	11%	18%	5%	16%	14%	15%	1%	22%	14%	14%
\$150,000 - \$199,999	19%	21%	13%	20%	12%	27%	24%	24%	3%	25%	20%	18%
\$200,000 - \$299,999	20%	10%	41%	15%	32%	25%	31%	21%	29%	24%	31%	27%
\$300,000 - \$499,999	7%	7%	28%	8%	30%	9%	5%	27%	33%	10%	16%	20%
\$500,000 - \$999,999	0%	5%	2%	0%	11%	1%	1%	3%	23%	9%	2%	6%
\$1,000,000+	0%	0%	0%	2%	2%	1%	0%	2%	8%	0%	2%	2%

Median owner occupied values by town show substantial variation from the study area median (\$210,237), with a low of \$139,300 in Belvidere to a high of \$374,400 in Stowe. The median value at the study area level (\$210,237) compares to a statewide median of \$218,900.



**Owner Occupied Units with Mortgages** – the table below shows owner occupied units with and without mortgages on town-by-town and study area bases.

**Sources:** U.S. Census Bureau, American Community Survey.

**Mortgage Status – Owner Occupied Units (2016)**

	Owner Occupied Units											
	Hardwick	Belvidere	Cambridge	Eden	Elmore	Hyde Park	Johnson	Morristown	Stowe	Waterville	Wolcott	Study Area
Units with Mortgage	448	82	662	255	188	704	298	1,057	888	176	413	5,171
Units without Mortgage	347	50	366	195	125	315	314	654	472	74	144	3,056
<b>% with Mortgage</b>	56%	62%	64%	57%	60%	69%	49%	62%	65%	70%	74%	63%

Overall, 63 percent of the owner occupied housing units in the study area carry mortgages, ranging from a low of 49 percent in Johnson to a high of 74 percent in Wolcott.

**Owner Housing (with Mortgage) Costs – As a Percent of Household Income** – the table below shows owner costs (Mortgage, Taxes, etc.) as a percent of household income, on a town-by-town basis.

**Sources:** U.S. Census Bureau, American Community Survey.

**Owner Costs as Percent of Household Income (2016)**

Housing Costs as % of HH Income (Owner Occupied Units with Mortgage)												
	Hardwick	Belvidere	Cambridge	Eden	Elmore	Hyde Park	Johnson	Morristown	Stowe	Waterville	Wolcott	Study Area
< 20.0%	166	38	266	125	61	225	92	399	292	65	107	1,836
20.0 to 24.9%	56	16	153	25	23	119	26	124	110	27	66	745
25.0 to 29.9%	80	8	58	19	12	48	32	140	113	19	46	575
30.0 to 34.9%	21	3	60	22	21	81	36	77	34	14	53	422
35.0%+	125	17	121	54	71	231	112	317	339	51	141	1,579
Segment with Housing Costs More than 35% of HH Income	28%	21%	18%	22%	38%	33%	38%	30%	38%	29%	34%	31%

Overall owner costs exceed 35 percent of household income for 31 percent of all owner households in the study area. This ranges from a high of 38 percent in Stowe to a low of 18 percent in Cambridge.

**Renter Occupied Housing – Gross Rentals** – the table below shows the distribution of units by gross rental level, on a town-by-town basis.

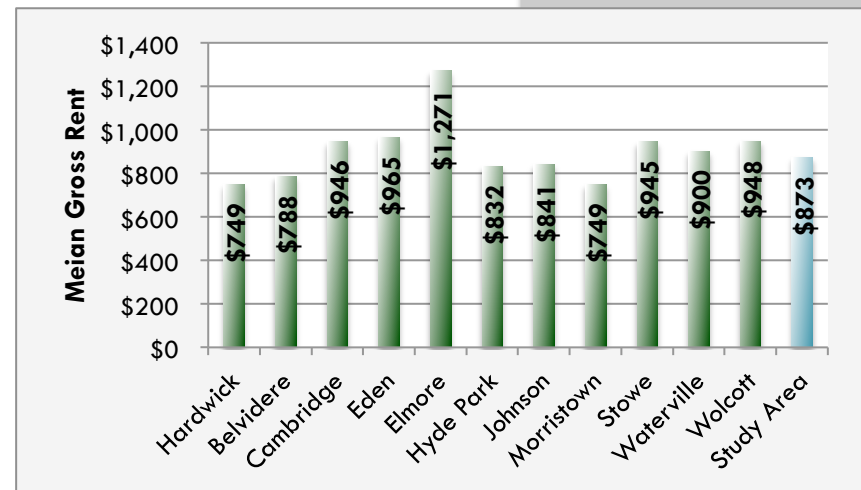
**Distribution: Gross Rental Level (2016)**

Distribution of Renter Occupied Units by Gross Rental Range												
	Hardwick	Belvidere	Cambridge	Eden	Elmore	Hyde Park	Johnson	Morristown	Stowe	Waterville	Wolcott	Study Area
Less than \$500	14%	15%	0%	0%	0%	0%	10%	28%	12%	0%	0%	12%
\$500 to \$999	71%	75%	61%	55%	43%	93%	77%	65%	44%	71%	67%	64%
\$1,000 to \$1,499	3%	10%	28%	36%	23%	6%	6%	6%	30%	15%	33%	16%
\$1,500 to \$1,999	12%	0%	4%	0%	14%	1%	7%	1%	10%	15%	0%	6%
\$2,000 to \$2,499	0%	0%	7%	9%	20%	0%	0%	0%	3%	0%	0%	2%
\$2,500 to \$2,999	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
\$3,000 or more	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

**Sources:** U.S. Census Bureau, American Community Survey.  
**Note:** The Elmore figure may be influence (higher) by seasonal lakefront rentals.

The majority (64 percent) of rental units have gross rents in the \$500 to \$999 per month range.

Median rental values by town show substantial variation from the study area median (\$873), with a low of \$749 per month in Hardwick and Morristown and a high of \$1,271 per month in Elmore. The study area median rent (\$873) compares to a statewide median rent of \$913.





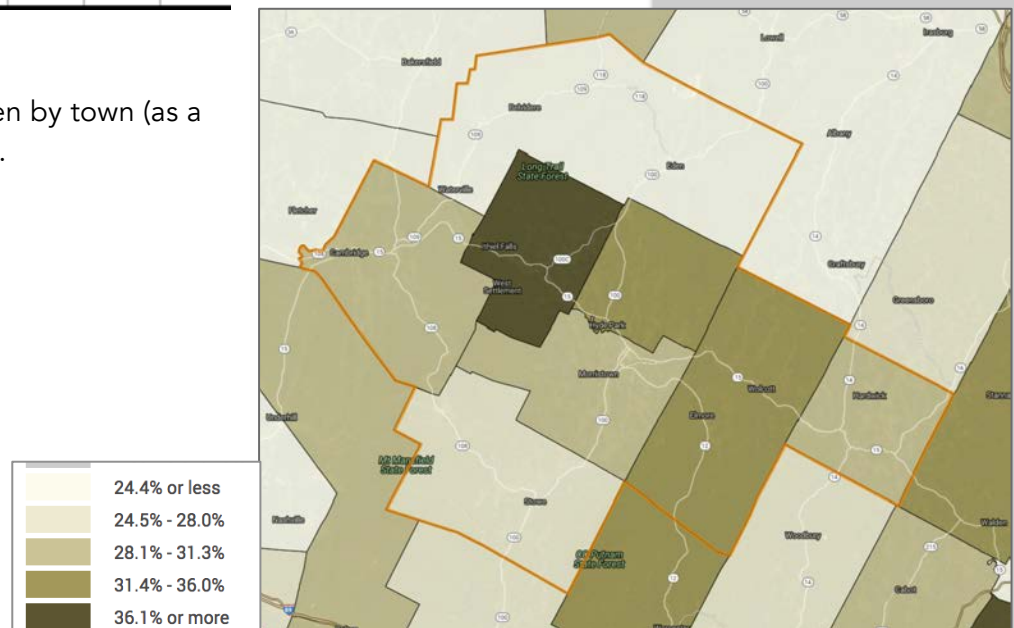
**Rent as Percent of Household Income** - the table below shows gross monthly rent as a percent of household income, on a town-by-town basis.

**Sources:** U.S. Census Bureau, American Community Survey; Policy Maps.

**Gross Rental as Percent of Household Income (2016)**

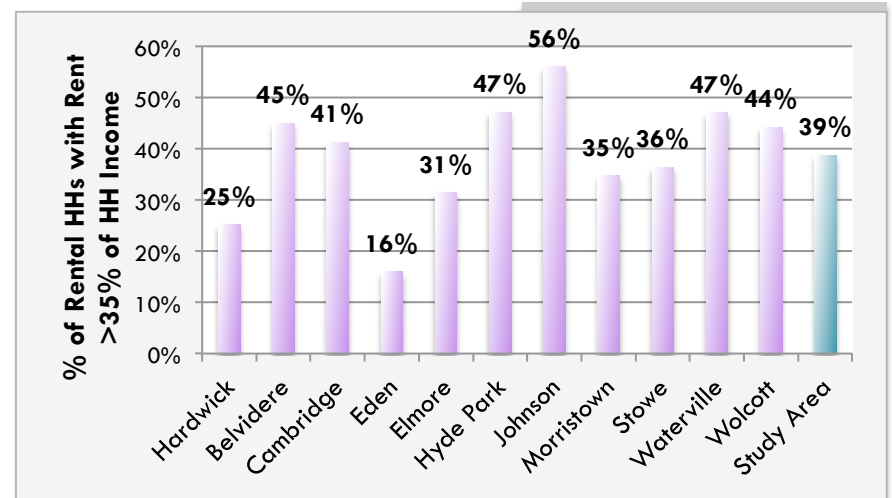
	Gross Rental as % of HH Income (Renter Occupied Units)									
	Hardwick	Belvidere	Cambridge	Eden	Elmore	Hyde Park	Johnson	Morristown	Stowe	Waterville
< 15.0%	73	0	83	0	15	11	26	25	68	5
15.0 - 19.9%	0	3	60	30	0	10	49	134	46	4
20.0 - 24.9%	60	4	46	12	9	16	63	61	140	7
25.0 - 29.9%	13	2	73	10	0	0	25	172	54	2
30.0 - 34.9%	119	2	34	6	0	45	19	43	45	0
35.0%+	89	9	208	11	11	73	232	232	202	16
Gross Rent More Than 35% of HH Income	25%	45%	41%	16%	31%	47%	56%	35%	36%	47%

The accompanying graphic shows typical renter cost burden by town (as a percent of household income) for the period 2012 to 2016.



Overall, gross rental exceeds 35 percent of household income for 39 percent of renters in the study area, as show in the accompanying graphic. This ranges from a high of 56 percent of renter households in Johnson to a low of 16 percent of renter households in Eden. For Vermont as a whole, gross rent accounts for more than 35 percent of household income for 38 percent of all renter households.

The town by town figures suggest that renter households in several towns are under stress. Among the study area’s larger towns, both Johnson and Hyde Park have a substantial number of households for whom rent is accounting for too high a segment of household income.

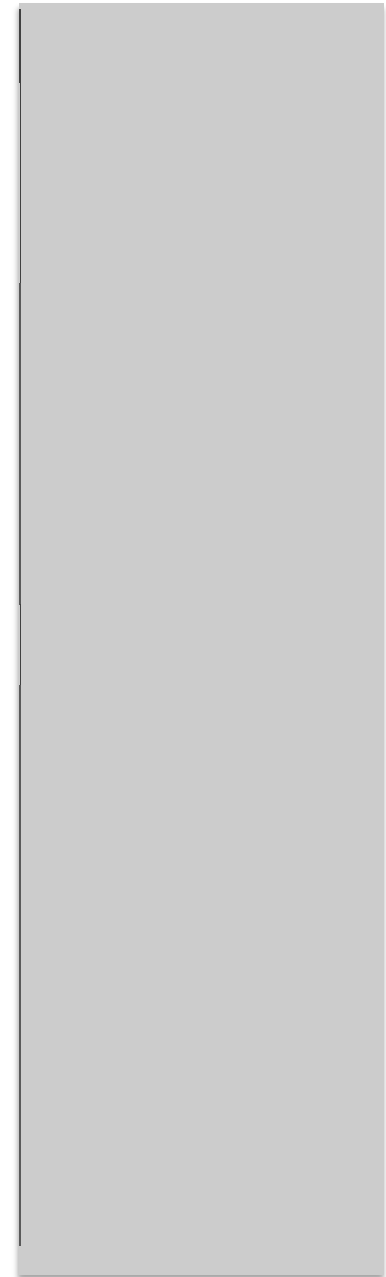


# Housing – Market Trends

The tables and graphics below summarize recent trends and current values in the study area housing market. The data addresses both the for-sales and rental markets, including statistical summaries/distributions as well as transactional data.

The tables and graphics address:

- For-Sale Market – Market Transaction & Volume Trends;
- For-Sale Market – Current Listings;
- Fair Market Rentals;
- Rental Market – Listings;
- Rental Market – Vacancy;
- Subsidized/Affordable Rentals – Vacancy & Waitlists.



**For-Sale Market – Market Transactions, Volume & Median Price Trends** – the table below summarizes recent (2010 to 2017) trends in the for-sale market, for each study area community. Table data includes:

- Number of Sales;
- Total Sales Volume (in \$Millions);
- Median Sale Value.

**For Sale Residential Units – Market Trends (2010 – 2017)**

		Market Sales Activity - Year-Round Categories Only								Totals
		2010	2011	2012	2013	2014	2015	2016	2017	2010-'17
<b>Hardwick</b>	Sales	30	27	35	30	38	48	32	37	277
	Volume (\$Millions)	\$3.17	\$2.65	\$3.72	\$2.68	\$4.35	\$4.80	\$4.91	\$4.11	\$30.38
	Median	\$119,653	\$94,806	\$95,626	\$84,150	\$106,132	\$88,199	\$119,334	\$116,914	\$103,102
<b>Belvidere</b>	Sales	2	4	6	2	6	6	5	8	39
	Volume (\$Millions)	\$0.23	\$0.33	\$0.78	\$0.22	\$0.62	\$0.94	\$0.79	\$1.09	\$4.99
	Median	\$115,250	\$83,250	\$120,417	\$108,500	\$116,083	\$156,833	\$161,326	\$123,500	\$123,145
<b>Cambridge</b>	Sales	25	40	53	45	59	51	57	55	385
	Volume (\$Millions)	\$4.71	\$7.17	\$9.77	\$9.13	\$11.46	\$10.43	\$12.72	\$6.31	\$71.69
	Median	\$199,770	\$191,398	\$195,102	\$210,800	\$194,471	\$200,665	\$241,649	\$223,218	\$207,134
<b>Eden</b>	Sales	17	6	4	14	15	14	14	7	91
	Volume (\$Millions)	\$2.58	\$0.72	\$0.38	\$1.83	\$1.84	\$1.53	\$2.12	\$0.61	\$11.62
	Median	\$151,935	\$127,863	\$95,375	\$112,821	\$91,642	\$116,338	\$133,393	\$111,101	\$117,559
<b>Elmore</b>	Sales	5	9	10	11	15	11	8	14	83
	Volume (\$Millions)	\$0.68	\$1.34	\$2.51	\$4.23	\$3.05	\$4.23	\$1.58	\$2.59	\$20.21
	Median	\$135,900	\$125,212	\$218,000	\$238,386	\$237,790	\$297,727	\$219,875	\$161,861	\$204,344
<b>Hyde Park</b>	Sales	36	37	47	52	43	56	47	65	383
	Volume (\$Millions)	\$4.65	\$6.02	\$6.12	\$7.33	\$5.90	\$8.25	\$6.65	\$12.69	\$57.60
	Median	\$141,083	\$158,027	\$134,202	\$138,423	\$130,198	\$137,460	\$136,952	\$170,500	\$143,356

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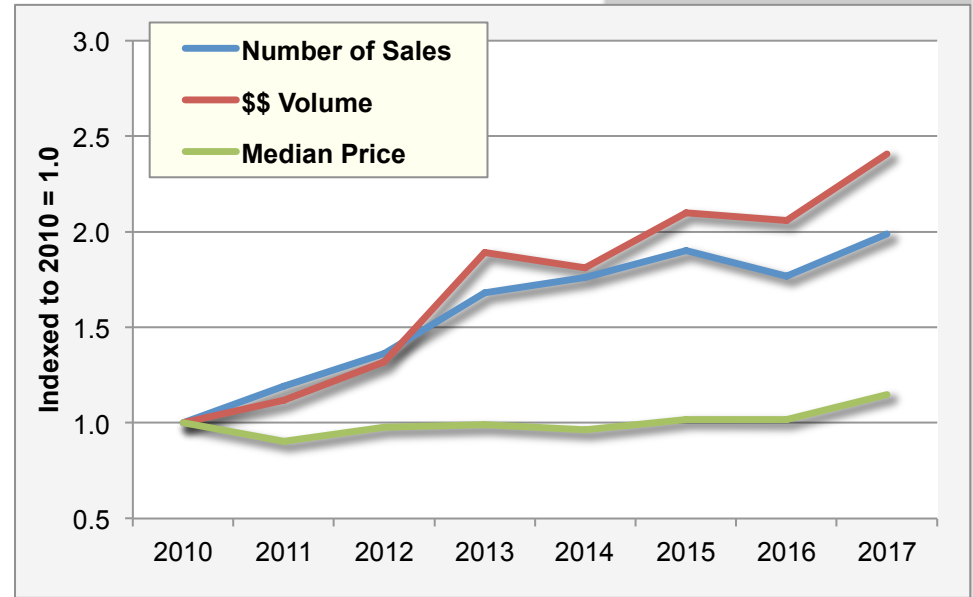
**Sources:** Vermont Dept. of Taxes; Vermont Real Estate Sales & Real Estate Appraisal Data.

**Notes:** Table data only reflects 'Market' sales of properties in year-round residential categories – Residential Under 6 Acres; Residential 6 or more Acres; Mobile Home no land; Mobile Home with land.

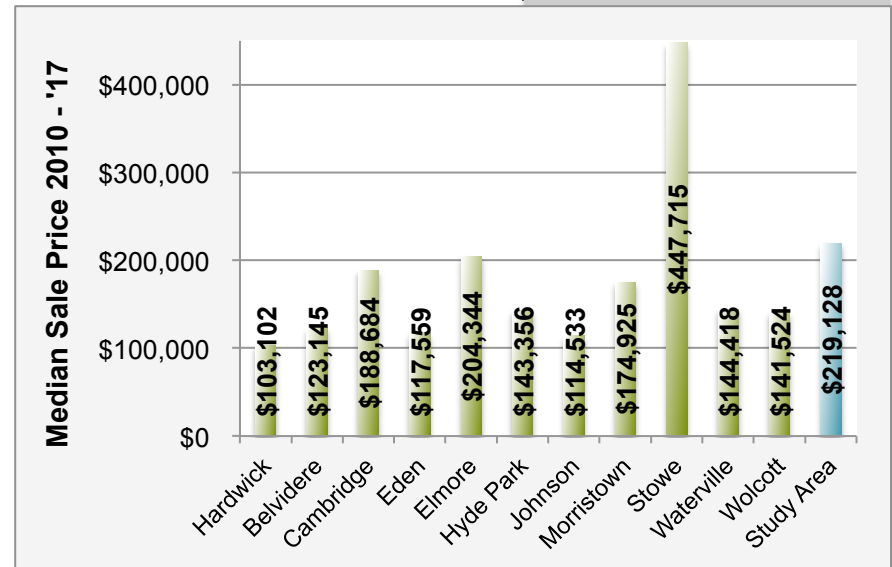
		Market Sales Activity - Year-Round Categories Only								Totals
		2010	2011	2012	2013	2014	2015	2016	2017	2010-'17
<b>Johnson</b>	Sales	22	33	29	44	46	39	37	59	309
	(\$Millions)	\$2.15	\$3.32	\$2.96	\$4.87	\$6.08	\$3.40	\$4.50	\$8.97	\$36.25
	Median	\$105,892	\$98,267	\$103,621	\$124,805	\$119,293	\$89,067	\$126,378	\$148,944	\$114,533
<b>Morristown</b>	Sales	36	52	59	74	90	97	96	89	593
	Volume (\$Millions)	\$5.95	\$9.47	\$8.15	\$12.93	\$18.46	\$17.99	\$18.42	\$19.45	\$110.81
	Median	\$161,774	\$173,610	\$147,500	\$170,393	\$172,556	\$191,072	\$177,943	\$204,555	\$174,925
<b>Stowe</b>	Sales	51	60	66	108	91	99	101	118	694
	Volume (\$Millions)	\$28.32	\$27.07	\$34.73	\$56.41	\$44.43	\$56.86	\$56.80	\$71.01	\$375.64
	Median	\$507,475	\$389,558	\$501,121	\$396,806	\$429,538	\$463,788	\$403,292	\$490,144	\$447,715
<b>Waterville</b>	Sales	3	8	3	8	4	12	5	7	50
	Volume (\$Millions)	\$0.46	\$1.20	\$0.52	\$0.92	\$0.48	\$2.33	\$0.54	\$1.20	\$7.65
	Median	\$154,000	\$133,286	\$171,600	\$110,625	\$121,500	\$197,917	\$77,700	\$188,714	\$144,418
<b>Wolcott</b>	Sales	14	11	16	17	17	25	24	20	144
	Volume (\$Millions)	\$1.66	\$1.71	\$2.29	\$2.73	\$2.17	\$3.83	\$3.25	\$3.36	\$21.00
	Median	\$91,267	\$169,204	\$114,213	\$152,059	\$134,701	\$167,539	\$158,663	\$144,550	\$141,524
<b>Study Area</b>	Sales	241	287	328	405	424	458	426	452	3,021
	Volume (\$Millions)	\$54.57	\$61.01	\$71.91	\$103.28	\$98.83	\$114.57	\$112.29	\$127.41	\$743.88
	Median	\$219,627	\$198,123	\$214,642	\$217,414	\$211,379	\$223,791	\$223,357	\$244,689	\$219,128

Stowe, Morristown and Cambridge collectively accounted for 75 percent of the residential real estate dollar volume in the study area between 2010 and 2017. However, the three towns accounted for only 55 percent of all transactions.

The accompanying graphic shows indexed trends for the study area: Number of Sales; Sales Volume (\$); and median sale price. The data is indexed to 2010 levels = 1.0. While number of sales and sales volume increased significantly since 2010, the median transaction price increased relatively little during that period.

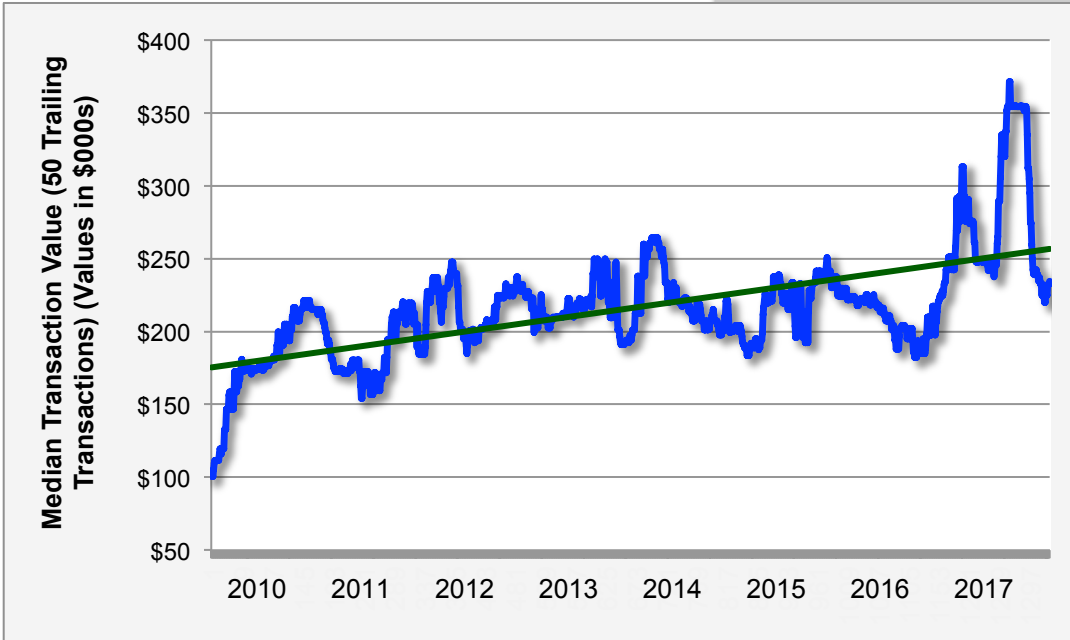


Between 2010 and 2017, the study area-wide median transaction price was approximately \$219,000. Not surprisingly, there was variation from town to town, as shown in the accompanying graphic.

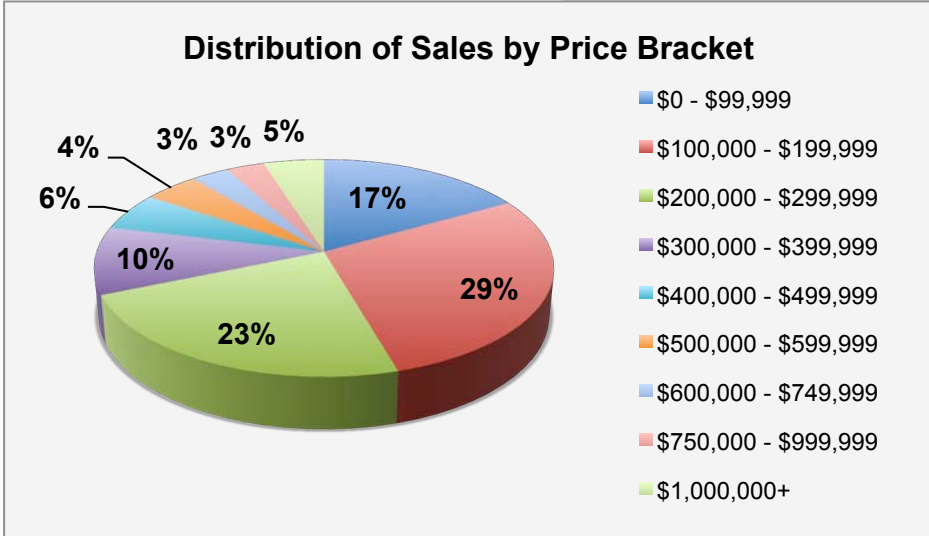




An alternative view of median transaction value – for the entirety of the study area - is shown in the accompanying graphic; the graphic shows the median transaction value over the 2010 – 2017 period, based on 50 trailing transactions. The analysis suggests that the median transaction value *has* increased over the past few years and that there was a ‘burst’ of higher value transactions during the past 18 months.



Finally, study area wide transactions have been broken down by price bracket in the accompanying graphic.



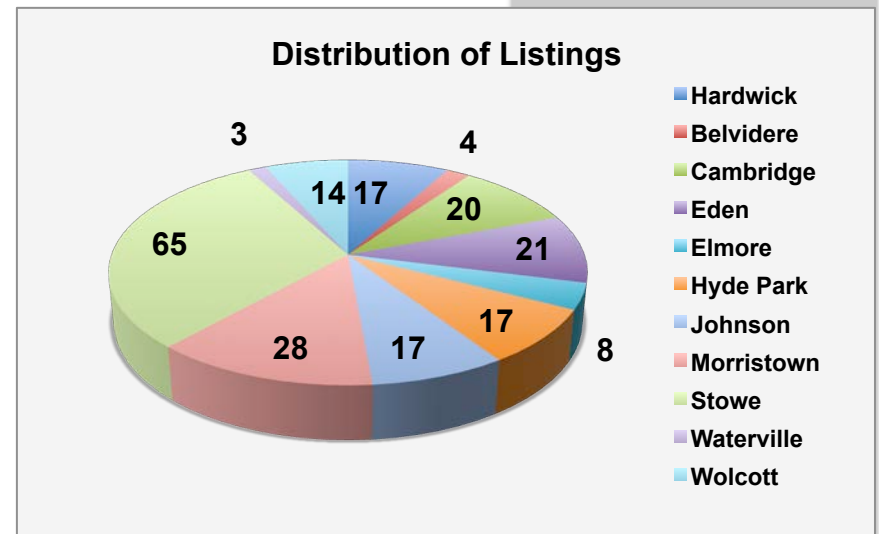
**For-Sale Market – Listings** – the table below reflects current (February 2018) listings of for-sale residential properties in the study area, showing (on a town-by-town basis): Number of Listings; Mean Bedrooms; Mean Baths; Mean Livable Square Feet; Median Listing Price and Median Listing price Per Square Foot.

**Current Residential Listing Data**

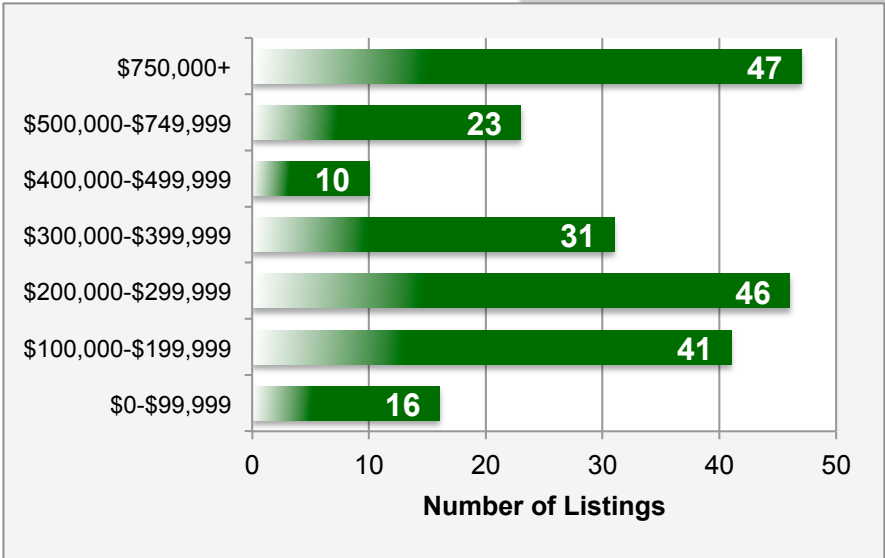
	Listing Data											
	Hardwick	Belvidere	Cambridge	Eden	Elmore	Hyde Park	Johnson	Morristown	Stowe	Waterville	Wolcott	Study Area
Number of Listings	17	4	20	21	8	17	17	28	65	3	14	214
Mean BRs	3.3	3.3	3.1	3.0	3.4	3.2	3.3	3.6	4.1	3.3	3.2	3.5
Mean Baths	1.9	1.8	2.5	2.0	2.5	2.3	2.3	2.8	4.3	2.7	2.6	3.0
Mean Sq. Ft.	1,659	1,604	2,336	2,027	2,200	2,035	2,364	2,512	4,099	2,175	2,367	2,770
Median Price	\$135,000	\$182,400	\$269,900	\$250,000	\$324,500	\$242,000	\$145,000	\$314,500	\$829,000	\$290,000	\$269,000	\$323,500
Median Per Sq. Ft.	\$87	\$125	\$121	\$116	\$143	\$115	\$89	\$132	\$203	\$126	\$111	\$144

**Sources:** NNEREN  
**Notes:** Table data does not include 'Condominiums,' as this category is dominated by properties oriented toward the seasonal/vacation market. Nevertheless, a number of single family seasonal housing listings are included in the data.

Stowe is clearly the biggest market among study area towns, accounting for 30 percent of all listings and having the highest median listing value (\$829,000). Overall, the median listing in the study area is \$323,500.



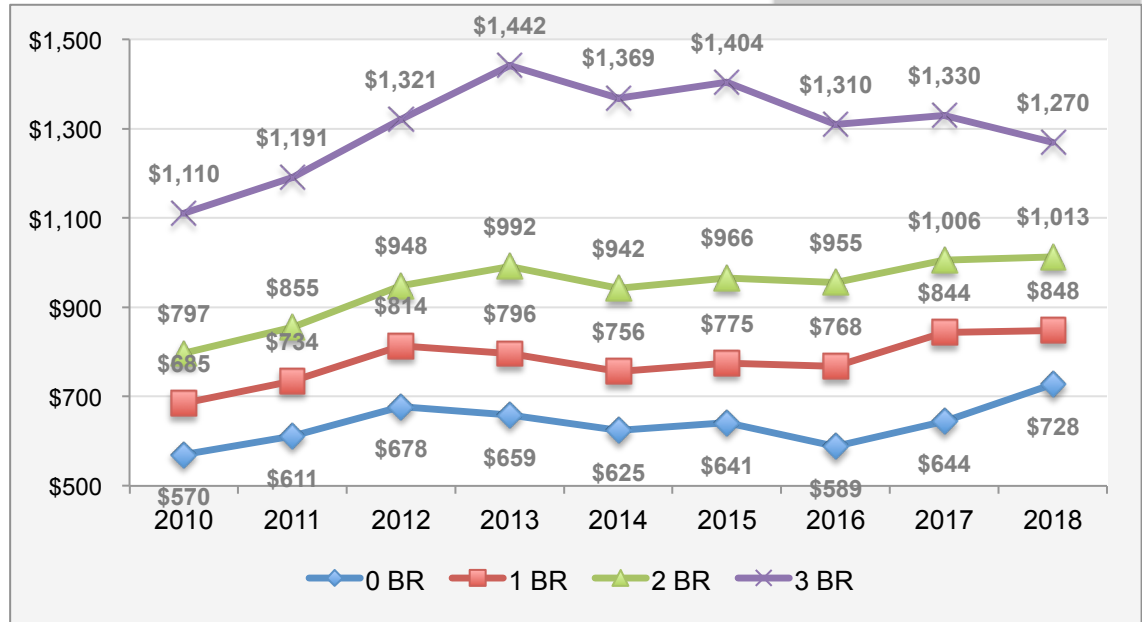
The distribution of study area listings by price bracket is shown in the accompanying graphic. The median for all listings was \$323,500.



**Fair Market Rents** – HUD’s documented ‘Fair Market Rents’ (FMRs) have moved closer to ‘on-the-ground’

market conditions in recent years and provide a good summary view of rents by bedroom size as well as rental trends over time. The accompanying graphic shows trends in FMRs for Lamoille County from 2010 through 2018 for Zero, One, Two, Three and Four bedroom units.

Overall, FMRs increased at an average annual rate of 2.4 percent between 2010 and 2018, a period during which the Consumer Price Index advanced at an annual rate of 1.7 percent. Between 2014 and 2018, FMRs increased at an annual rate of 0.8 percent, a period during which the Consumer Price Index advanced at an annual rate of 1.7 percent. However, it is essential to note that FMRs for smaller units (Zero, One and Two Bedrooms) increased at an overall rate of 3.0 percent annually between 2010 and 2018 and 2.9 percent annually between 2014 and 2018. Small households (particularly among renters) are far more numerous, resulting in more demand for small rental units.



**Sources:** HUD Office of Policy Development and Research.  
**Notes:** FMRs shown are for Lamoille County towns. Although Hardwick is located in Orleans County, the FMRs accurately reflect ongoing trends for the community.

**Rental Market – Listings** – consistent with extremely low rental vacancy rates, there are relatively few listings for rentals in the study area. In fact, a point-in-time rental listing survey found only 38 published rental listings in all of the study area communities. The table below provides a summary of the listings found on the day of the survey.

**Rental Listings – Study Area (1/18/18)**

	Rental Listings					Totals
	0BR	1 BR	2 BR	3 BR	4+ BR	
Number of Listings	1	19	10	7	1	38
Median Gross Rent (Monthly)	\$628	\$770	\$1,070	\$1,600	\$1,350	\$905
Net Rent Per Sq. Ft. (Annual)		\$18.55	\$15.31	\$13.30		\$16.00

**Sources:** Craigslist, Stowe Reporter; Trulia; Zillow.  
**Note:** It is reasonable to assume that a segment of the units available for rent are never listed in any publically available media. A segment of rental transactions typically occur via 'word-of-mouth.' 'Gross Monthly Rents include an allocation for utility costs in instances where these costs are not included in the stated rent.

Among towns that had sufficient listings to make estimates, the survey found the following with respect to median gross monthly rents:

- Hardwick - \$700;
- Belvidere – na;
- Cambridge - \$660;
- Eden - \$1,270;
- Elmore – na;
- Hyde Park - \$1,205;
- Johnson - \$883;
- Morristown - \$870;
- Stowe - \$1,618;
- Waterville - \$890;
- Wolcott – na.

It is significant to note that the economics of the rental housing market has reached a level that makes the development of private market-rate rental units possible in Morristown and Stowe. Profitable development of new rental housing is typically dependent on a number of factors, including:

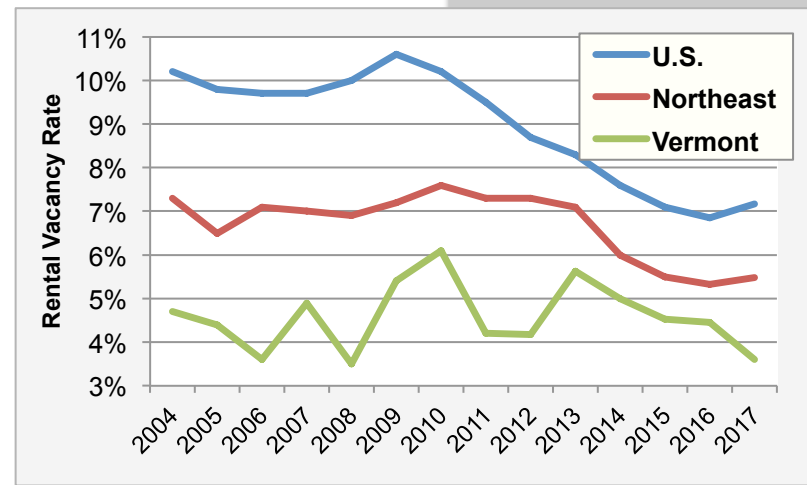
- The cost of developable land;
  - The presence of adequate infrastructure – primarily water and sewer;
  - The cost of money – terms and interest rates;
  - Square foot cost of construction;
  - Market rental rates.
- In Morristown, a significant segment of the residential permits granted in the past two years has been for units intended for the rental market. The Pinsky Manor and Pope Meadow projects both include a number of duplex structures that are being made available to renters with rents in the \$1,200 to \$1,400 per month range. In both instances, the developers are holding the units in their own portfolios. Although the market for higher density units is primarily for renters, it is reasonable to project that these units could be converted to condominium ownership if the market shifts toward ownership. Contacts indicate that the units are typically occupied by households that live and work in Morristown.

Strong demand for rentals, along with higher market rental rates in Morristown are also spurring the purchase and rehabilitation of a number of 'run-down' multi-family buildings for rental purposes.

- Mountain Haus, Stowe – this two phase project will eventually include 72 rental apartment units in two multi-unit buildings off the mountain access road in Stowe. The first phase was completed in late 2017 and includes 12 one bedroom and 24 two bedroom units. Rents range from \$1,465 to \$1,990 per month and include heat. The developer is reportedly considering increasing the number of one bedroom units in the second phase, as demand has been heavier for the smaller units.
- Acquisition and rehabilitation of 'run-down' multi-family buildings is also occurring on a smaller scale in Cambridge (Jeffersonville). A number of units in these rehabilitation projects are being rented by Smuggler's Notch full-time seasonal employees.



**Market Rental Vacancy** – market rental vacancy rates have been trending downward since 2009 at the local, regional and national levels, as shown in the graphic. Note that Vermont’s rental vacancy rate has maintained a lower level than the northeast or U.S. during the period shown in the graphic (2004 – 2017). Recent media reports indicate that rental housing is difficult to find. While this is particularly true in urbanized areas, it is also apparent that rural areas suffer from a lack of rental housing availability.



The table below shows: Vacant Rental Units; Rented Not Occupied Units and Rental Occupied units on a town-by-town basis – along with the imputed vacancy rate. The statistics are drawn from Census data, which should be regarded as an approximation of the actual vacancy rate for each town.

**Rental Units & Vacancy (2016)**

	Renter Units & Vacancy											
	Hardwick	Belvidere	Cambridge	Eden	Elmore	Hyde Park	Johnson	Morristown	Stowe	Waterville	Wolcott	Study Area
Vacant	0	0	4	9	8	5	9	26	0	0	0	61
Rented-Not Occupied	29	0	7	0	0	0	15	0	0	0	0	51
Rented	378	27	533	75	43	222	528	667	699	39	77	3,288
Rental Vacancy Rate	0.0%	0.0%	0.7%	10.7%	15.7%	2.2%	1.6%	3.8%	0.0%	0.0%	0.0%	1.8%

Overall, the data indicates that the study area had a rental vacancy rate of 1.8 percent in 2016. This is an extremely low figure, indicative of a situation in which demand far outweighs supply.

Sources: U.S. Census Bureau, CPS/HVS.

**Subsidized/Affordable Rental Vacancy & Waitlists** – vacancy data is available for 15 of the 23 listed subsidized/affordable housing projects in the study area. The data covers the period from March 9, 2016 to March 9, 2018. The 15 projects had a combined vacancy rate of 2.8 percent during this two year period, ranging from a high of 8.9 percent at Highland Hill HLP in Hardwick, to a low of 0.7 percent at Sylvan Woods Housing in Stowe. Overall, a 2.8 percent vacancy rate points to an excess of demand over supply and suggests that additional subsidized housing would meet with solid demand in the study area.

Waitlist data is also available for the five of the study area’s deeply subsidized projects (Bemis Block; Cherry Street; Lamoille View; Maple Street; Portland & Main), with a combined 71 units. The current (3/12/18) combined waitlist for these projects includes 152 households, suggesting that long wait periods are the rule for these subsidized units.

- The 25 unit Lamoille View (Elderly Restricted) project in Morrisville currently has a waitlist that includes 77 households – indicative of a huge surplus of demand over supply;
- Similarly, the eight unit Portland Street project in Morrisville currently has a waitlist of 43 households – resulting in *lengthy* waiting periods to secure a unit.

**Sources:** Lamoille Housing Partnership; Shawna Hanley, Director of Property Management, Alliance Property Management, Inc.

### **Summary: The Market**

- Market activity in the study area has clearly increased in recent years. In the for-sale market, 2017 sales/total volume are at a level almost two times that experienced in 2010. Notably, median pricing has not changed substantially during that period, although it appears to be trending up in the past couple of years. The median listed for-sale property is currently priced at \$325,000. As noted in a later section of this report, the current range of affordability for households with incomes in the 100 to 120 percent of median bracket only extends to \$250,000.
- While there are no indices of market velocity in the rental market, currently *low* vacancy rates point to a situation in which demand well outpaces supply. Notably, rents for smaller units have been increasing at a stronger rate than those for large units. This is consistent with a market in which one and two person households are in the majority.
- Similar to the private rental market, vacancies in subsidized and affordable rental project are very low and are typically accompanied by lengthy waiting lists.

# Demographics – Household Characteristics & Demand

The tabular data and graphics that follow address the ‘who, what & where’ of the study area’s households. The data presents study area population and households from the perspectives of income, household size, tenure, migration patterns and commuting. Essentially, this data and assessment forms the basis for estimating housing demand within the study area. Note that the focus of the analysis is on year-round residents and does not include households that own or rent seasonal homes.

The tables and graphics address:

- Population & Households;
- Household Size Distribution;
- Household Median Income;
- Household Tenure by Income;
- Household Tenure by Age;
- Poverty Status;
- Mobility and Migration;
- Commuting;
- Homeless Population.

**Population and Households** – the table below shows recent and projected population change for each of the study area towns, including calculations of percent change from 2000 to 2016 and *projected* change from 2016 to 2030.

**Population – Recent and Projected Change (2000 – 2030)**

Population Change - Recent, Current, Projected												
	Hardwick	Belvidere	Cambridge	Eden	Elmore	Hyde Park	Johnson	Morristown	Stowe	Waterville	Wolcott	Study Area
<b>Population</b>												
2000	3,174	294	3,186	1,152	849	2,847	3,274	5,139	4,339	697	1,456	26,407
2010	3,071	378	3,544	1,140	745	2,915	3,386	5,166	4,273	774	1,719	27,111
2016	2,933	403	3,776	1,327	871	3,040	3,534	5,393	4,392	705	1,695	28,069
2020	2,940	411	4,171	1,566	976	3,219	3,629	5,475	4,661	726	1,908	29,680
2030	2,864	464	4,597	1,767	1,069	3,434	3,795	5,699	4,937	766	2,103	31,493
<b>% Change</b>												
2000 - '16	(8%)	37%	19%	15%	3%	7%	8%	5%	1%	1%	16%	6%
2016 - '30	(2%)	15%	22%	33%	23%	13%	7%	6%	12%	9%	24%	12%

**Sources:** U.S. Census Bureau – American Community Survey; Vermont Housing Data; Vermont Population Projections – 2010 – 2030, Vermont Agency of Commerce & Community Development.

Overall, the study area’s population grew by 6.3 percent between 2000 and 2016 and is projected to grow by 12.2 percent between 2016 and 2030. Several towns are projected to experience population increases in excess of 20 percent during that period, including: Cambridge; Eden; Elmore; and Wolcott.

The study area is experiencing relatively solid growth in a state that is growing a slow rate. The study area’s population growth rate between 2000 and 2016 (6.3 percent) compares to a Vermont growth rate of only 2.6 percent.

Households are a solid indicator of housing demand. The table below shows recent household change for each of the study area towns.

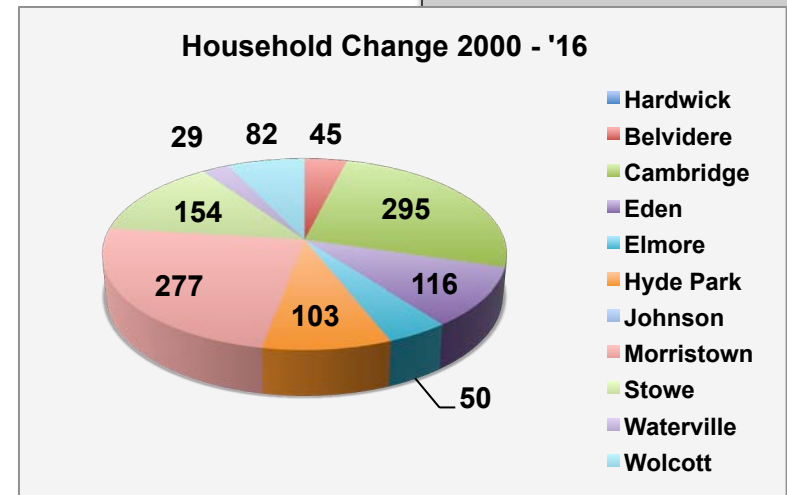
## Households – Recent Change (2000 – 2016)

Household Change - Recent, Current												
	Hardwick	Belvidere	Cambridge	Eden	Elmore	Hyde Park	Johnson	Morristown	Stowe	Waterville	Wolcott	Study Area
<b>Households</b>												
2000	1,216	114	1,266	409	306	1,138	1,170	2,101	1,905	260	552	10,437
2010	1,172	159	1,466	482	364	1,212	1,298	2,427	1,872	348	717	11,517
2016	1,173	159	1,561	525	356	1,241	1,140	2,378	2,059	289	634	11,515
<b>% Change</b>												
2000 - '16	(4%)	39%	23%	28%	16%	9%	(3%)	13%	8%	11%	15%	10%

While estimates show virtually no change between 2010 and 2016, the study area as a whole absorbed 1,078 new households between 2000 and 2016. Together, Cambridge and Morristown accounted for 53 percent of the study area’s total household increase. Johnson and Hardwick experienced slight decreases in total households.

A household projection indicates that over the period from 2017 to 2022, the number of households in the combined study area towns will increase by 600, an increase of approximately 120 households annually. This suggest that, at a minimum, the study area’s housing stock will need to increase by 600+/- units over the next five years.

Again, the study area is experiencing relatively strong growth when compared to the state as a whole. Study area households increased by 10.3 percent between 2000 and 2016, compared to Vermont rate of 6.8 percent.

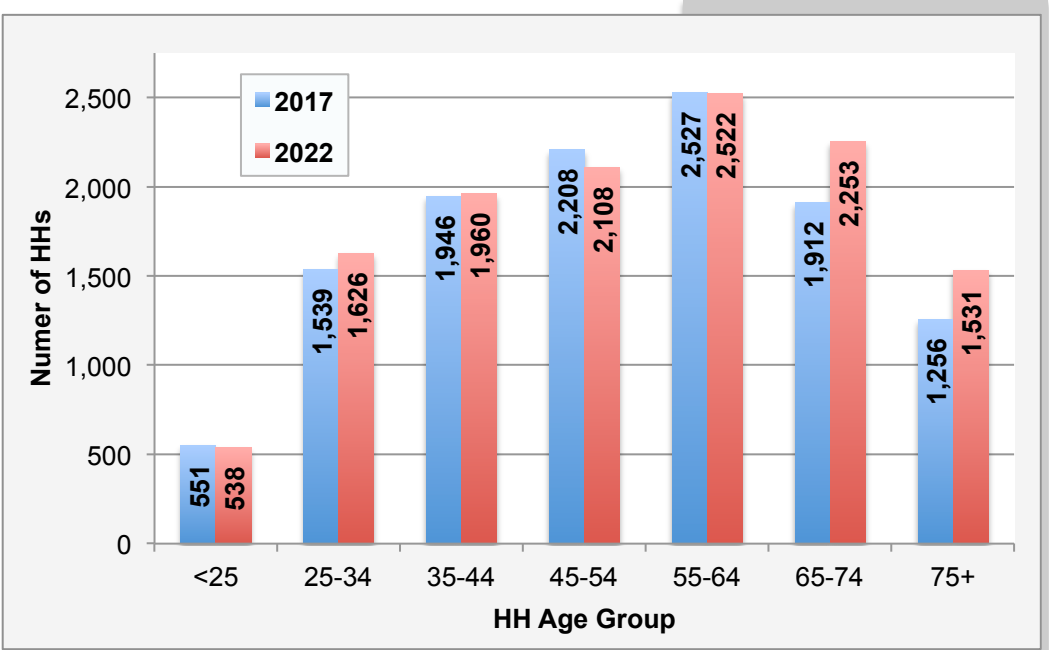


Source: ESRI.



Finally, it is essential to be cognizant of the significance of an aging population in the study area. The accompanying graphic compares the distribution of study area households by age group for 2017 with the projected distribution by household age in 2022.

Households aged 65 or more years will increase by 19.4 percent over the next five years – compared to 5.0 percent growth for all households. Between 2017 and 2022, the number of households aged 65 or more years will increase by more than 600. While these aging households will continue to have diverse housing needs, a significant segment will be seeking a change to housing that more closely fits their household size, household budget, need for services and desires regarding location.



**Household Size Distribution** – household size and composition are major factors in the housing market.

The ‘typical’ U.S. household has strayed from the ‘Two Parents/Two Kids’ norm, and is now far smaller and less traditional than that of the past. The table below shows the distribution of study area households by size – along with a median household size statistic for each community.

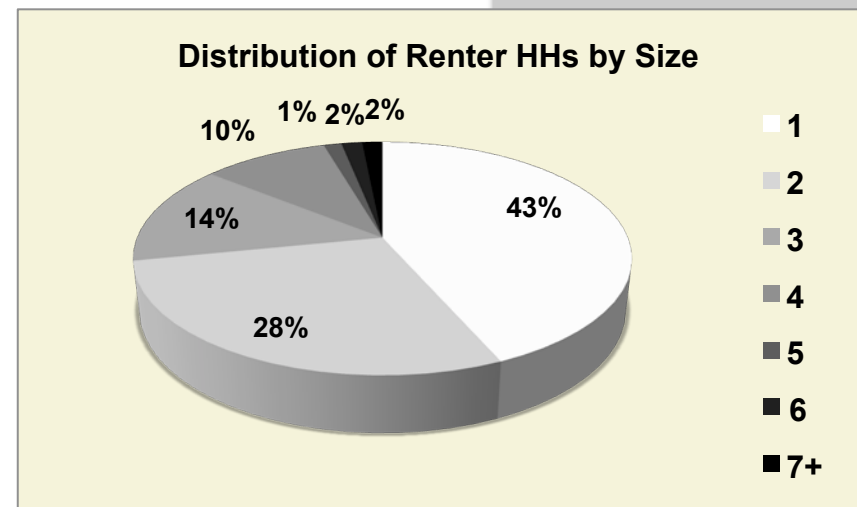
**Sources:** U.S. Census Bureau – American Community Survey; ESRI.

**Household Distribution by Size/Median Size (2016)**

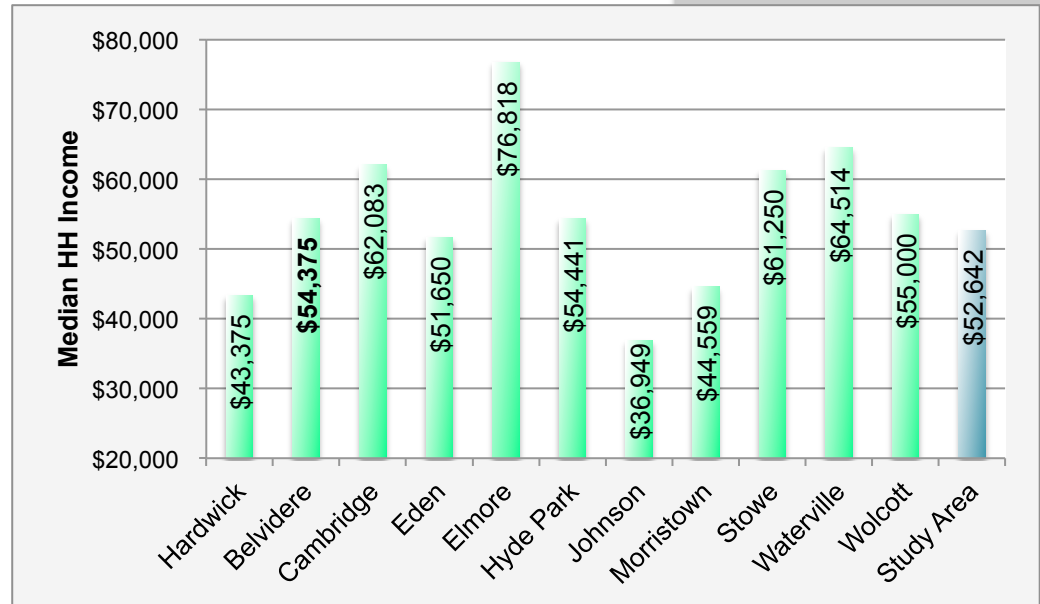
Households - Distribution by HH Size (Persons) & Median												
	Hardwick	Belvidere	Cambridge	Eden	Elmore	Hyde Park	Johnson	Morristown	Stowe	Waterville	Wolcott	Study Area
<b>HH Size</b>												
1	34%	19%	30%	23%	18%	33%	30%	35%	41%	11%	23%	32%
2	37%	46%	35%	42%	44%	30%	30%	34%	32%	55%	33%	35%
3	17%	19%	16%	13%	20%	16%	13%	15%	14%	18%	16%	15%
4	6%	11%	14%	13%	12%	13%	19%	10%	9%	10%	19%	12%
5	4%	4%	3%	6%	3%	4%	6%	4%	3%	6%	5%	4%
6	0%	0%	1%	2%	3%	3%	2%	2%	2%	0%	3%	2%
7+	3%	1%	1%	0%	0%	0%	1%	0%	0%	0%	1%	1%
<b>Median</b>	2.25	2.38	2.35	2.45	2.46	2.37	2.50	2.20	2.05	2.45	2.62	2.30

67 percent of the study area’s households include only one or two persons. Less than one in five households include four or more persons. One and two person households account for more than 70 percent of the total in Hardwick and Stowe.

The focus on small households is even more dramatic among renters. Households with only one or two persons account for 71 percent of the total among study area renters.



**Household Median Income** – overall, the median household income in the study area is \$52,642, compared to a statewide median of \$56,104. Household median incomes vary significantly among the individual towns, from a low of \$36,949 in Hardwick to a high of \$76,818 in Elmore. While other financial factors play a role, household income is clearly a major determinate in the ability to afford housing in both the rental and ownership markets.



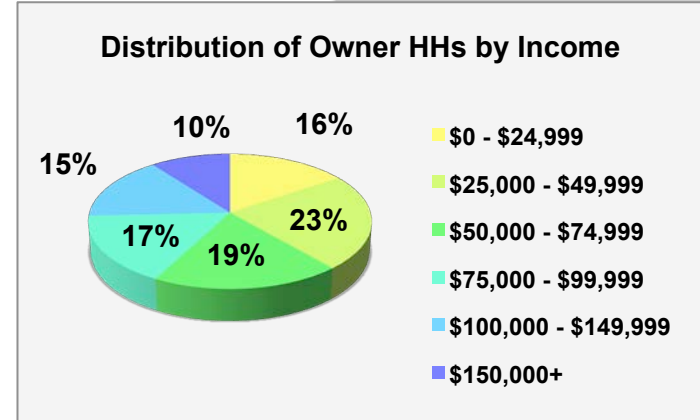
**Household Tenure by Income** – the table below show the distribution of study area households by tenure and income, while the graphics that follow show these distributions from a study area-wide perspective.

**Sources:** U.S. Census Bureau, American Community Survey.

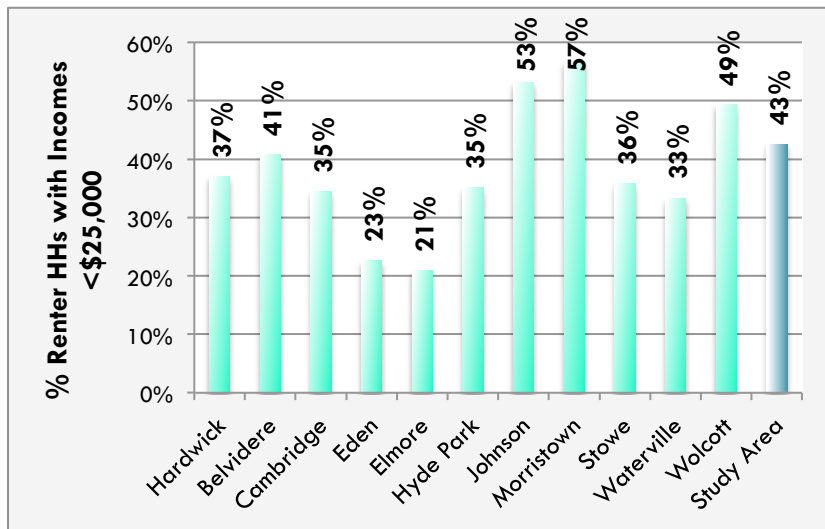
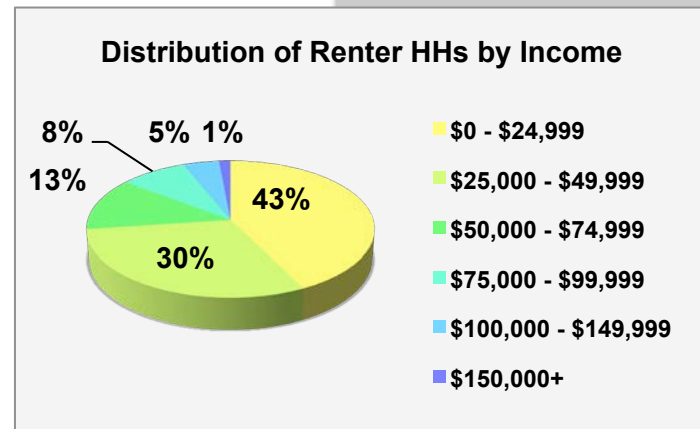
**Household Distribution by Tenure and Income (2016)**

Households - Distribution by Tenure/Income												
	Hardwick	Belvidere	Cambridge	Eden	Elmore	Hyde Park	Johnson	Morristown	Stowe	Waterville	Wolcott	Study Area
<b>Owner Occupied</b>												
Less than \$5,000	0	5	4	10	4	6	6	33	30	6	0	104
\$5,000 to \$9,999	10	0	11	18	0	38	0	81	32	0	13	203
\$10,000 to \$14,999	41	6	32	9	17	42	18	40	28	5	18	256
\$15,000 to \$19,999	46	10	10	16	10	54	45	78	14	11	5	299
\$20,000 to \$24,999	63	10	32	24	17	75	69	24	64	19	19	416
\$25,000 to \$34,999	82	7	63	38	16	44	45	268	164	14	65	806
\$35,000 to \$49,999	132	8	82	100	36	170	117	214	97	21	115	1,092
\$50,000 to \$74,999	141	33	266	85	45	209	128	272	196	73	126	1,574
\$75,000 to \$99,999	89	35	275	84	61	140	92	230	215	43	95	1,359
\$100,000 to \$149,999	133	16	156	47	59	184	44	273	241	46	66	1,265
\$150,000 or more	58	2	97	19	48	57	48	198	279	12	35	853
<b>Renter Occupied</b>												
Less than \$5,000	0	0	20	3	3	4	18	0	78	0	0	126
\$5,000 to \$9,999	0	4	6	3	3	0	92	80	24	2	7	221
\$10,000 to \$14,999	26	2	70	0	0	26	42	138	25	6	17	352
\$15,000 to \$19,999	114	0	67	11	3	5	66	125	53	3	10	457
\$20,000 to \$24,999	0	5	21	0	0	43	63	36	70	2	4	244
\$25,000 to \$34,999	82	10	86	4	8	46	60	96	59	5	6	462
\$35,000 to \$49,999	42	6	87	10	6	23	72	75	194	5	13	533
\$50,000 to \$74,999	22	0	61	27	2	24	101	91	61	11	14	414
\$75,000 to \$99,999	92	0	62	17	3	49	14	21	16	5	0	279
\$100,000 to \$149,999	0	0	46	0	3	2	0	5	90	0	6	152
\$150,000 or more	0	0	7	0	12	0	0	0	29	0	0	48

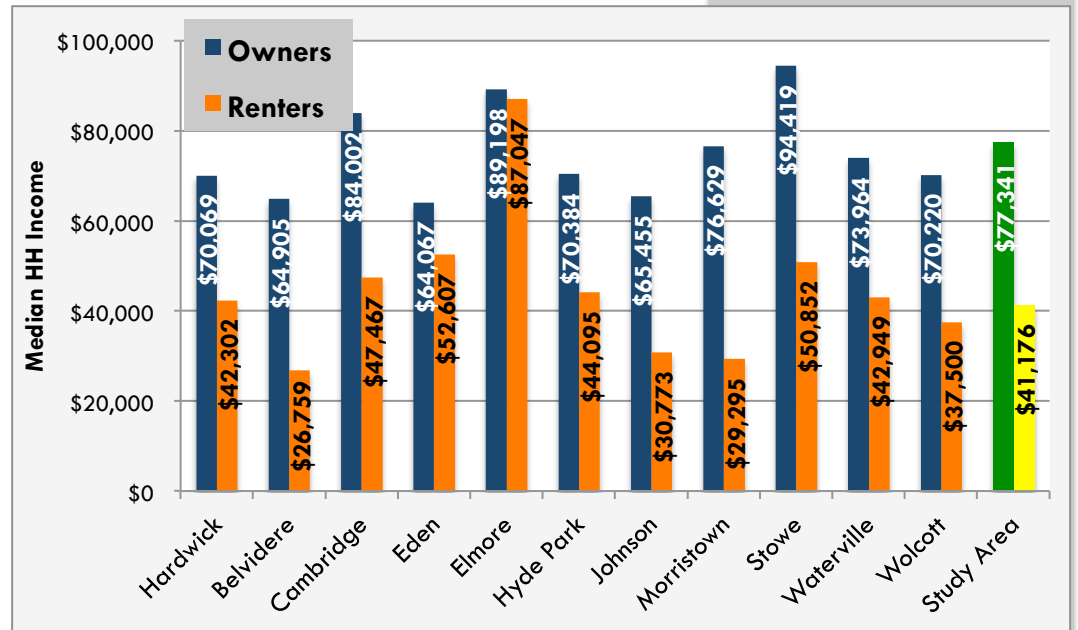
Overall, 16 percent of study area's *owner-occupied* units are occupied by households with incomes less than \$25,000. This ranges from a high of 23 percent of the total in Belvidere and Johnson to a low of 10 percent of the total in Wolcott. Lower income homeowners are often upper age bracket households that have enjoyed many years of tenure and have long since discharged their home mortgages.



Overall, 43 percent of the study area's *renter-occupied* units are occupied by households with incomes less than \$25,000. This ranges from a high of 57 percent of the total in Morristown to a low of 21 percent of the total in Elmore. The segment of renter households with incomes less than \$25,000 are shown in the accompanying graphic.



Finally, median household incomes for owner and renter households in each study area town are shown in the accompanying graphic.



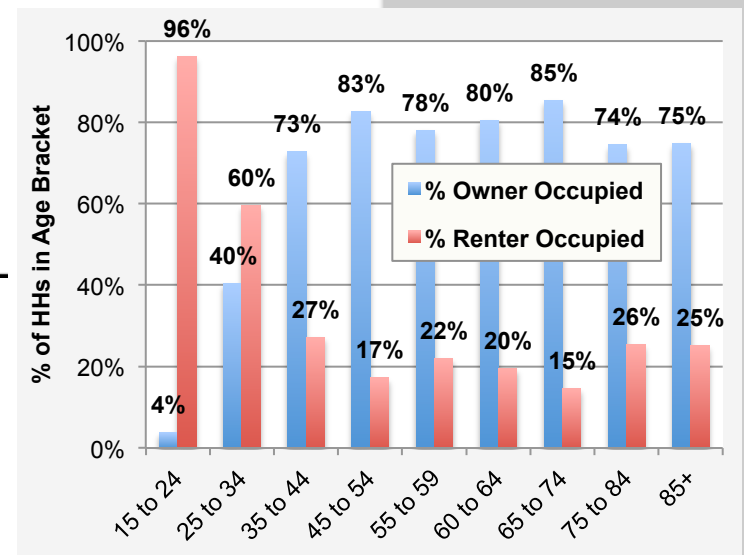
**Household Tenure by Age** – the table below shows the distribution – by age bracket - of owner and renter households in each study area community. The accompanying graphic shows that percent distribution – Owner<>Renter – for each age bracket.

Sources: U.S. Census Bureau, American Community Survey.

**Household Distribution by Age/Tenure (2016)**

	Distribution by Owner/Renter Occupied and Age Bracket											
	Hardwick	Belvidere	Cambridge	Eden	Elmore	Hyde Park	Johnson	Morristown	Stowe	Waterville	Wolcott	Study Area
<b>Owner Occupied</b>												
Householder 15 to 24 years	0	1	0	13	2	0	0	0	0	0	0	16
Householder 25 to 34 years	71	9	67	40	1	81	42	167	52	21	77	628
Householder 35 to 44 years	46	18	199	97	48	158	158	246	132	37	110	1249
Householder 45 to 54 years	160	37	233	84	92	212	176	387	375	70	149	1975
Householder 55 to 59 years	113	19	151	70	50	95	50	227	103	32	71	981
Householder 60 to 64 years	156	20	188	29	22	149	39	191	141	51	30	1016
Householder 65 to 74 years	166	9	153	65	71	200	97	273	299	33	79	1445
Householder 75 to 84 years	56	19	31	46	24	87	27	174	155	6	37	662
Householder 85+ years	27	0	6	6	3	37	23	46	103	0	4	255
<b>Renter Occupied</b>												
Householder 15 to 24 years	41	6	89	7	2	7	170	48	18	7	6	401
Householder 25 to 34 years	67	9	235	17	13	88	108	154	205	6	22	924
Householder 35 to 44 years	48	5	61	13	10	5	51	85	157	10	22	467
Householder 45 to 54 years	78	2	45	21	3	0	52	115	69	11	16	412
Householder 55 to 59 years	19	0	58	0	12	58	22	32	77	0	0	278
Householder 60 to 64 years	63	4	19	13	3	27	30	7	70	0	11	247
Householder 65 to 74 years	49	1	5	0	0	21	49	108	11	2	0	246
Householder 75 to 84 years	13	0	7	4	0	14	5	104	80	0	0	227
Householder 85+ years	0	0	14	0	0	2	41	14	12	3	0	86

The majority of younger households are renters, while mid-aged study area households are more likely to be homeowners. Note that the propensity to rent increases in the uppermost age brackets, a result of 'downsizing,' limited financial capability, death of spouse or a number of other factors.





Cross-tabulations of household data provide more insight into the ‘whom’ of owner and renter households in Lamoille County. The tables below show cross tabulations of household Age, Income and Size for the entirety of Lamoille County.

**Household Age (15 – 61) X Income X Size – Lamoille County (2015)**

		Owners Aged 15-61						Renters Aged 15-61						
		HH Size					Totals	HH Size					Totals	
		1	2	3	4	5+		1	2	3	4	5+		
HH Income Bracket	Less than \$9,999	45	30	40	15	10	135	135	75	15	0	0	225	
	\$10,000 - \$14,999	70	4	4	15	0	90	75	75	25	10	0	185	
	\$15,000 - \$19,999	30	30	4	4	4	75	130	75	15	4	20	245	
	\$20,000 - \$24,999	70	45	25	0	15	155	30	35	4	25	10	105	
	\$25,000 - \$29,999	115	80	15	4	10	225	75	65	4	35	15	195	
	\$30,000 - \$34,999	130	55	4	60	4	255	75	30	0	15	4	125	
	\$35,000 - \$39,999	35	25	60	20	20	155	105	70	10	10	4	195	
	\$40,000 - \$44,999	45	60	20	25	4	160	70	25	4	30	40	170	
	\$45,000 - \$49,999	30	90	35	65	35	255	15	25	20	15	15	90	
	\$50,000 - \$59,999	120	185	85	55	35	480	15	40	15	40	0	105	
	\$60,000 - \$74,999	95	205	130	200	80	710	10	115	135	20	0	275	
	\$75,000 - \$99,999	65	335	275	210	65	950	10	65	50	10	4	135	
	\$100,000 - \$124,999	30	130	195	120	80	560	\$100,000 - \$124,999	4	40	0	10	4	55
	\$125,000 - \$149,999	0	80	20	50	80	235	\$125,000 - \$149,999	0	4	45	0	4	50
	\$150,000 - \$199,999	10	80	25	65	25	205	\$150,000 - \$199,999	0	0	0	0	0	0
	\$200,000 or more	4	70	55	70	45	240	\$200,000 or more	0	0	25	15	0	40
<b>Totals</b>	<b>890</b>	<b>1,500</b>	<b>1,005</b>	<b>980</b>	<b>505</b>	<b>4,880</b>	<b>Totals</b>	<b>755</b>	<b>730</b>	<b>360</b>	<b>230</b>	<b>125</b>	<b>2,200</b>	

Among owner households aged 15 to 61 years, the greatest concentration is found among those with incomes in the \$60,000 to \$99,999 bracket, ranging in size from two to four persons. Among renters in this age bracket, 34 percent have incomes less than \$25,000 and 67 percent are composed of only one or two persons.

**Sources:** HUD – Special Tabulations of Households by income, tenure, age and household size. Table figures are for Lamoille County towns combined; breakout data not available for Hardwick. 2015 data.

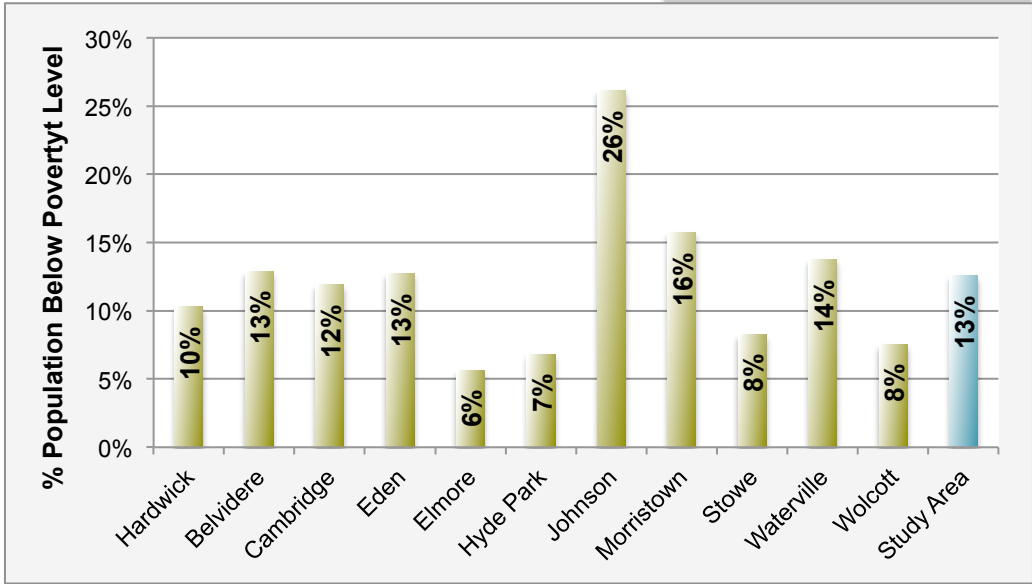
Household Age (62+) X Income X Size – Lamoille County (2015)

		Owners Aged 62+						Renters Aged 62+					
		HH Size					Totals	HH Size					Totals
		1	2	3	4	5+		1	2	3	4	5+	
HH Income Bracket	Less than \$9,999	140	15	4	0	0	155	110	0	0	0	0	110
	\$10,000 - \$14,999	130	15	0	0	0	145	175	4	0	0	0	180
	\$15,000 - \$19,999	145	65	0	0	0	210	45	15	0	0	0	60
	\$20,000 - \$24,999	175	30	4	0	0	205	100	15	0	0	0	115
	\$25,000 - \$29,999	75	50	10	0	0	140	30	10	0	0	0	40
	\$30,000 - \$34,999	85	70	15	0	0	165	20	0	0	0	0	20
	\$35,000 - \$39,999	50	105	0	0	0	155	0	20	0	0	0	20
	\$40,000 - \$44,999	25	90	30	0	0	145	4	0	0	0	0	4
	\$45,000 - \$49,999	10	50	4	0	4	70	15	0	0	0	0	15
	\$50,000 - \$59,999	25	85	4	0	4	120	10	20	0	0	0	30
	\$60,000 - \$74,999	55	205	4	0	0	265	0	15	0	0	0	15
	\$75,000 - \$99,999	90	165	25	4	0	280	0	4	0	0	0	4
	\$100,000 - \$124,999	30	100	15	0	4	150	10	0	0	0	0	10
	\$125,000 - \$149,999	0	65	0	30	4	95	0	0	0	0	0	0
	\$150,000 - \$199,999	10	45	15	0	0	70	0	0	0	0	0	0
	\$200,000 or more	0	90	4	10	10	115	0	0	0	0	0	0
<b>Totals</b>	<b>1,050</b>	<b>1,240</b>	<b>130</b>	<b>40</b>	<b>20</b>	<b>2,480</b>	<b>515</b>	<b>105</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>620</b>

Among owner households aged 62+ years, the greatest concentration is again found among those with incomes in the \$60,000 to \$99,999 bracket, in two person households. 83 percent of all renters aged 62+ years are in one person households, with 75 percent having incomes less than \$25,000.

**Poverty Status** – the accompanying graphic shows the percentage of the population – of each study area town – for whom poverty status has been determined. Overall, 13 percent of the population has poverty status. However, this varies significantly from town to town, ranging from a low of six percent in Elmore to a high of 26 percent in Johnson. Again, the figures point to income stress in Johnson.

**Sources:** HUD, U.S. Census Bureau.



**Mobility and Migration** – the table below provides a snapshot of mobility, detailing the percent of the population that lived in the same housing unit versus the segment that lived in a different housing unit one year prior. In addition, for ‘movers,’ the segments moving from: 1) within the study area; 2) a different Vermont county; 3) a different state; and 4) abroad are shown.

**Sources:** U.S. Census Bureau, American Community Survey.

**Mobility and Sources of Migrants to Study Area (2016)**

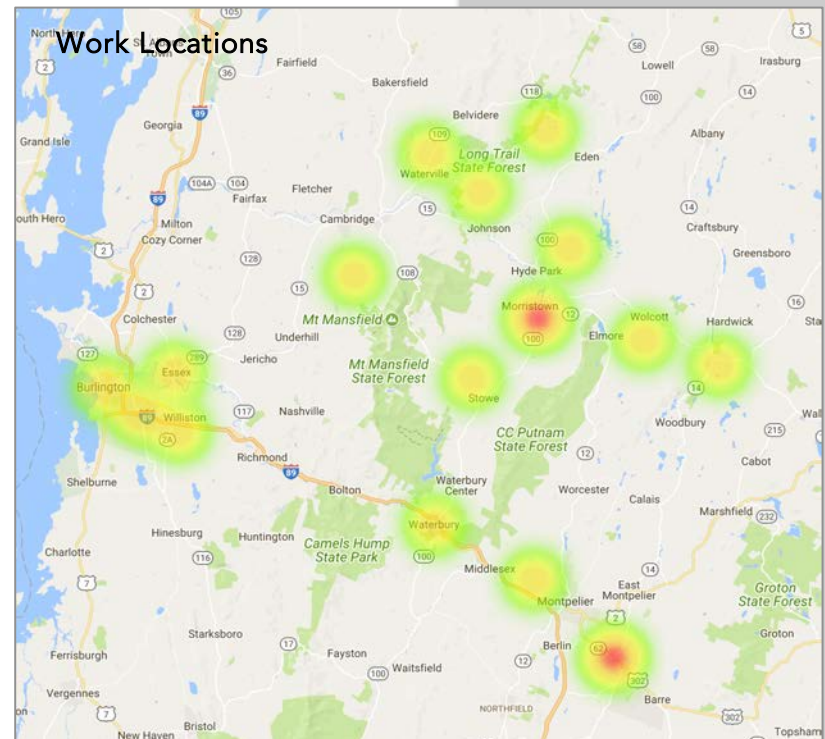
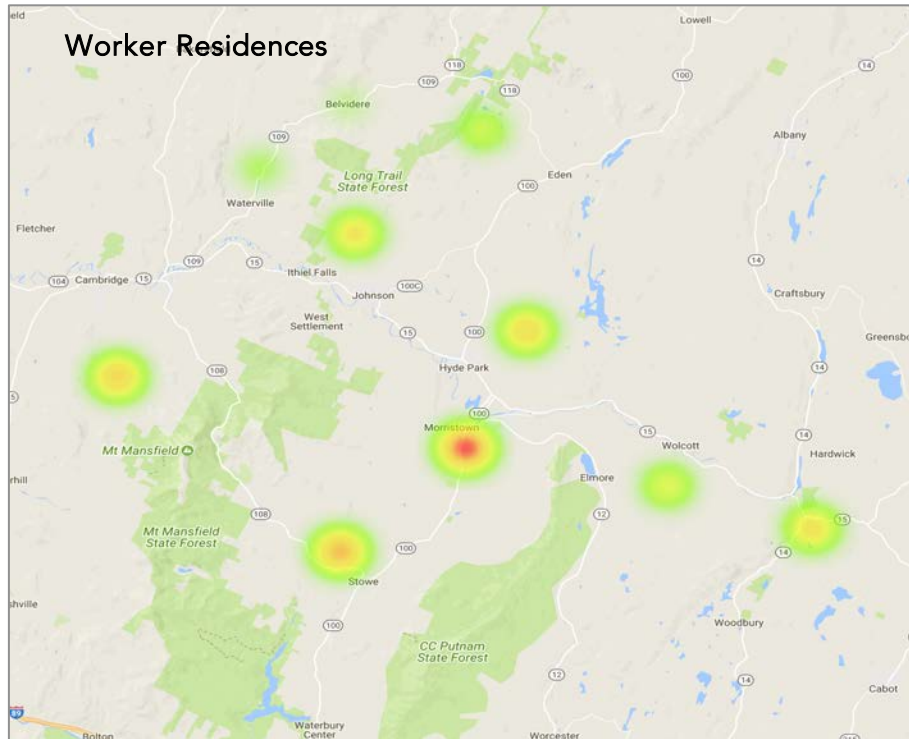
	Percent of Population											
	Hardwick	Belvidere	Cambridge	Eden	Elmore	Hyde Park	Johnson	Morristown	Stowe	Waterville	Wolcott	Study Area
<b>1 Year Ago:</b>												
In Same House:	87%	95%	83%	87%	95%	92%	77%	90%	79%	94%	88%	86%
Different House:	13%	5%	17%	13%	5%	8%	23%	10%	21%	6%	12%	14%
<b>Among 'Movers':</b>												
% from Study Area	27%	11%	28%	26%	-19%	61%	46%	28%	41%	8%	25%	36%
% from Different VT County	65%	61%	48%	58%	64%	19%	39%	45%	32%	62%	56%	43%
% from Different State	8%	28%	23%	16%	55%	4%	15%	27%	22%	26%	19%	19%
% from Abroad	0%	0%	0%	0%	0%	15%	1%	0%	5%	5%	0%	2%

Overall, 14 percent of the study area’s population moved within the year previous to 2016; this equals the statewide mobility rate. Again, there is variation by town; more than 20 percent of Johnson and Stowe’s population moved during that period. In contrast, only five percent of Belvidere and Elmore’s population moved during the previous year.

Among those who moved, 79 percent originated from within the study area or another Vermont county. Washington, Franklin, Caledonia and Chittenden Counties accounted for the most migrants to the study area.

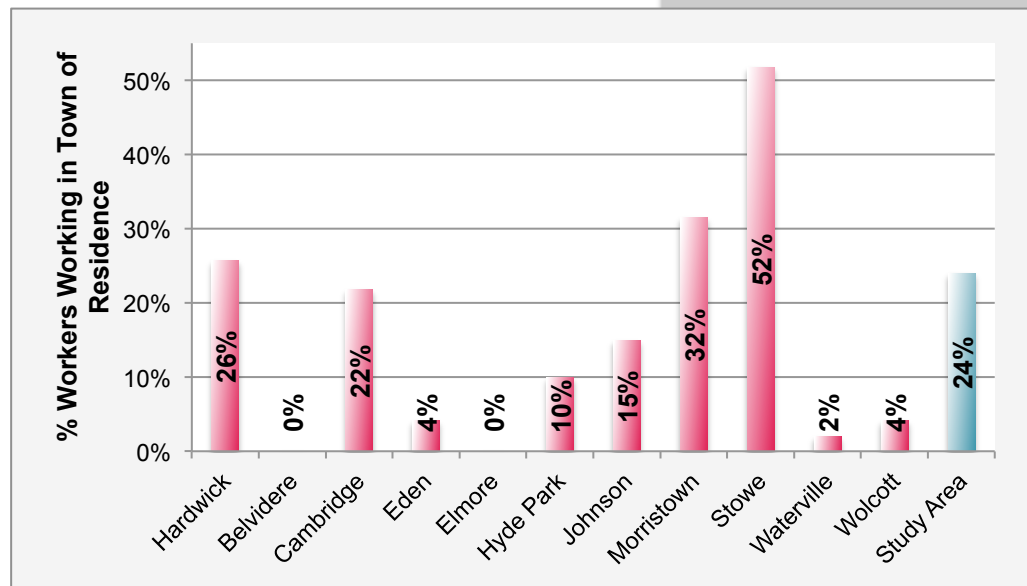
**Commuting** – 24 percent of the study area’s workers live and work in the same town, while the remainder commute to other communities within the study area, or remote locations. The accompanying graphics provide a visual representation of the distribution of worker residences by study area town and the distribution of their places of work.

**Sources:** U.S. Census Bureau, On the Map; Google Fusion Tables.

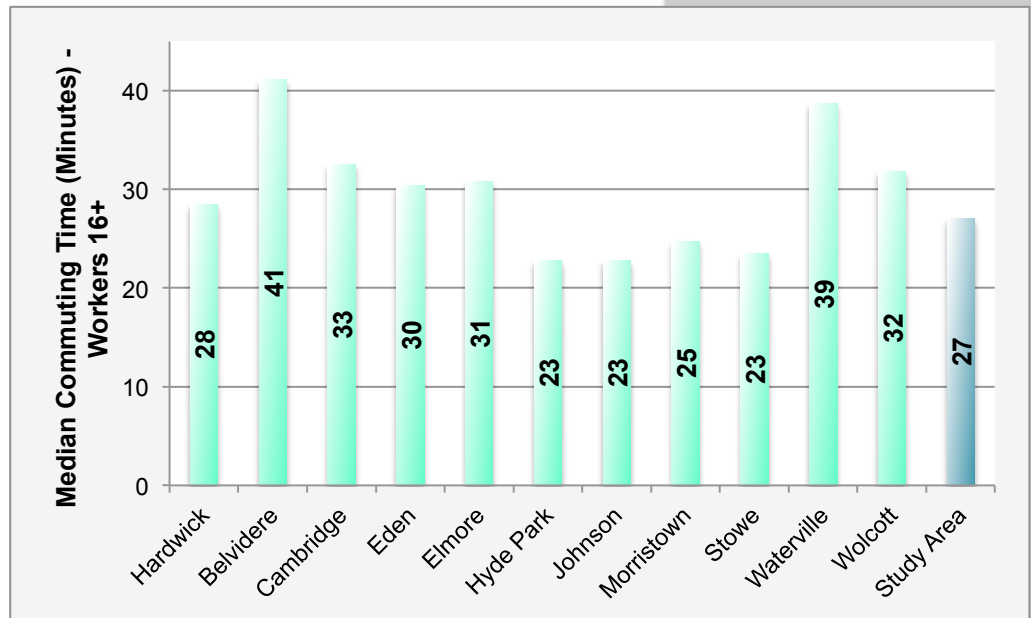


For study area workers commuting outside the study area, core Burlington/S. Burlington metro towns (Burlington, S. Burlington, Essex, Williston) and the Barre/Montpelier area are frequent commuting destinations. However, almost 85 percent of the study area’s workers work within the confines of the study area, with Morristown and Stowe capturing a significant segment of this commuting activity.

Because Morristown and Stowe account for a major segment of the study area’s jobs, many of the towns’ workers are able to live and work in the community (32 and 52 percent respectively). However, the great majority of workers living in study area towns that supply little employment commute outside their town of residence for employment.



The accompanying graphic shows median commuting times (in minutes) among study area workers aged 16 or more years. The median commuting time among all study area workers is approximately 27 minutes; comparing to a statewide median of 28 minutes. Not surprisingly, commuting times are shorter among workers in towns that host significant employment, such as Johnson, Morristown and Stowe. Workers in rural communities in the northerly portion of the county have relatively long commutes.





**Homeless Population** – the table below shows ‘Point-in-Time’ counts of homeless persons in Vermont over the period 2013 to 2017, showing Vermont totals, Lamoille County totals and – for purposes of comparison – Chittenden County totals. Point-in-Time surveys are completed annually and are useful in tracking trends in numbers of homeless persons. While the counts can be regarded as reasonably accurate, it is very likely that a segment of this population is missed by surveyers.

**Homeless Populations (2013 – 2017)**

		2013	2014	2015	2016	2017	% Change 2013-'17
<b>Vermont</b>	Number	1,454	1,450	1,423	1,102	1,225	(15.7%)
	% Change		(0.3%)	(1.9%)	(22.6%)	11.2%	
<b>Chittenden County</b>	Number	483	423	471	332	291	(39.8%)
	% Change		(12.4%)	11.3%	(29.5%)	(12.3%)	
<b>Lamoille County</b>	Number	36	38	30	22	64	77.8%
	% Change		5.6%	(21.1%)	(26.7%)	190.9%	

Vermont-wide and Chittenden County counts have decreased in recent years. This is consistent with regional trends and likely reflects efforts to combat homelessness. Lamoille County has only accounted for two to three percent of the state’s homelessness in recent years and showed a decrease from 2013 to 2016. The apparent increase in 2017 is noted as an anomaly, as the county experienced particularly cold weather on the evening of the count, resulting in “an increase in usage of GA Motel Program.”

Also note that following regarding homeless populations:

- Only 11 percent of the homeless population is ‘unsheltered.’ The remainder finds shelter in: Emergency Shelters; Motels Paid by AHS or other Organizations; Transitional Housing. 18 percent of Lamoille County’s homeless were unsheltered in 2016; 36 percent in 2017.
- 79 percent of Vermont’s 2016 homeless were in households *without* children. However, as of the 2016 count, 58 percent of Lamoille County’s homeless were in households *with* children.

**Sources:** 2017 Point in Time Count Report, Vermont’s Annual Statewide Count of the Homeless, Vermont Coalition to End Homelessness.

**Note:** HUD reported in January of 2018 that the U.S. homeless population count was up for the first time since 2010.



Contacts that work directly with the study area's very low income population make it clear that point-in-time counts are useful, but that they do not capture the full extent of the region's homeless or at-risk-of-homelessness population. Most significantly, a segment of the homeless population avoids contact with public or non-profit entities, and is not captured in surveys. As noted in a recent publication, "the homeless in Lamoille County tend to live out of sight in an unheated camp in the woods, or in cars, so residents don't appreciate the size of the population. On the coldest nights, they rely on Vermont's emergency housing voucher system, which pays for overnight stays at participating motels and hotels. But empty rooms are in short supply, especially during peak ski season, and the program makes it difficult for children to stay enrolled in the same school for any length of time."

CAPSTONE, the community action agency that includes Lamoille County (and Hardwick) in its service area, reports that, during 2017, they provided services to 67 Lamoille County households (119 total persons) who were either homeless or at-risk-of-homelessness. The total included 59 children aged less than 18 years and four persons aged 62+ years.

Contacts further point out that there is a 'gray' area between those who might be regarded as homeless and those who are at risk of homelessness:

- CAPSTONE provides service to a number of households and individuals who are housed but whom are under the constant risk of homelessness because of their inability to meet rental obligations. A number of factors frequently contribute to this situation, including: Loss of a Job; Irregular Employment/income; Health Issues; Family Crisis. While counseling can stave off homelessness, those whom are unable to meet their obligations can fall into homelessness.

Contacts make it clear that there is a need for a permanent homeless shelter in Lamoille County.

**Sources:** Interview with Dawn Butterfield, Coordinated Entry Leader, CAPSTONE Community Action; Seven Days.

### **Summary: Households and Demand**

- The study area's population and households are growing at an above average rate for Vermont; this suggests that current stresses on the housing market will continue in the years to come.
- While growth *is* occurring in absolute terms, it is abundantly clear that the major dynamic in the region is growth *and* decline by age group. Households aged 65+ years will increase substantially in coming years, while all other age groups (with the exception of 25 to 34 years) will decrease in absolute terms. Without question, a significant segment of the 65+ years population undergoes a period of transition, part of which is a change in housing need.
- An aging household population in combination with smaller households generally, is and will continue to push demand for smaller housing units, both in the rental and ownership markets.

# Perspectives on Supply & Demand – Key Study Area

## Towns and Employers

Several study area towns contain urbanized villages/downtowns that are served by municipal sewer/water systems and which can support higher density housing activity. The following summarizes several of the key issues and perspectives regarding housing needs for each of these communities. The comments reflected in this report section reflect both expertise in components of the regional housing market and personal opinions regarding housing issues and solutions.

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### Key Communities

**Morristown** – Morristown/Morrisville’s location and highway connections make it the study area’s central community. The downtown and adjacent commercial areas include a range of retail and services that serve local and regional residents. As a growing employment center, the town offers many households an opportunity to live and work in the same community. In addition, Morristown’s location directly north of Stowe – the region’s other major employment center - results in significant commuter flow between the two towns. Although the community is central to Lamoille County, the location is not highly convenient for commuting to external employment centers, such as Chittenden County or the Montpelier/Barre market.

- The town’s sewer/water systems are in good shape, and have ‘plenty’ of capacity to handle additional growth in and adjacent to Morrisville. The recent completion of the Route 100 bypass to the west of the downtown has also opened up new developable areas.
- Morristown’s policy is generally positive toward growth and the community has completed a number of policy and regulatory actions oriented toward encouraging new/expanded employers and is supportive of residential growth. From a residential perspective, *current market demands make the development of new, market-rate rental housing in and adjacent to the downtown a priority.*

**Sources:** Interview with Todd Thomas, Morristown Planning Director.

- The town's major employers indicate that current and potential employees are having trouble finding housing in the community both because of extremely low rental vacancy rates and a lack of new housing. Current market demands are focused on market-rate rentals.
- The economics of the local rental market are sufficient to support the new development of rental housing. Town officials cite several ongoing projects that are intended for the market-rate rental market and indicate that local market rents are approximately: One Bedroom - \$1,000; Two Bedroom - \$1,400; and Three/Four Bedroom - \$1,600 to \$1,800. The demand for these units is being driven by 'young professionals.' It should also be noted that the local economics of the rental market are pushing some investors to acquire and rehabilitate formerly 'run-down' multi-family properties to make available to the market.
- AirBnB and other 'online' rental programs are having an impact on Morristown's housing market. Contacts indicate that a number of apartments and single family units that might otherwise be available for use by year-round residents are being held for short-term rentals, typically associated with visitors to the Stowe Mountain Resort. The town is working toward regulation that will limit this activity.

**Stowe** – Stowe hosts the Stowe Mountain Resort, a major regional employer in its own right and a generator of substantial adjunct hospitality, retail, service and seasonal home activity. The town's location in the southernmost portion of Lamoille and relatively good access to I-89 make commuting to both the Chittenden County and Montpelier/Barre employment centers relatively convenient. The combination of resort activity, local employment, 'lifestyle' and access to external employment centers has resulted in relatively high housing pricing in Stowe. The median value of owner-occupied units is 75+ percent higher than the study area average. Moreover, new seasonal/vacation oriented properties at the resort currently sell for per square pricing that far exceeds that found at other mountain resorts in the northeast. The recent purchase of the resort by Vail Resorts has had an impact on the real estate market and has raised expectations regarding the future of the resort and community.

- Stowe's support infrastructure can support new development, with officials indicating that there is "plenty of capacity" in both the water and sewer systems. The sewer district extends from the village area, up Route 108 and includes the resort area.

**Sources:** Interview with Tom Jackman, Stowe Planning Director.

**Note:** The exception to Stowe's infrastructure capacity situation is the 'Lower Village,' where the storage tank and water lines are too small to support sprinklers in new construction.

- The town has put significant thought into affordable housing needs and offers a 50 percent density bonus for projects in which 50 percent of the planned housing is affordable to those at 100 percent or lower of the AMI. However, the town also indicates that developers have generally ignored this incentive. (See Appendix)
- AirBnB and other online rental programs are a significant factor in Stowe; a number of older – and some relatively new – condominium owners have realized the opportunity to capture short-term rental dollars. According to town officials, many of these owners/units are ‘technically’ non-compliant. The town intends to address this issue in the near future. Although online rentals are a clear market factor in the town, contacts indicate that the great majority of properties involved in these programs would likely be seasonal/vacation units anyhow and that online rental is unlikely to be taking units away from potential year-round residents.
- Market rents for year-round rentals have reached a level that makes possible *new* development of multi-unit rental properties economically feasible, as evidenced by the ongoing Mountain Haus project.
- Older/outdated motel properties along the Route 108 corridor have typically been re-purposed or are currently in the process of re-purposing. A number of these older properties are now under the control of the resort, and are being used as housing for seasonal workers. Housing for seasonal – rather than year-round - workers has been a focus for the resort. In addition, several properties are being converted to conventional market-rate rentals. Contacts also note that several of the older ‘resort-type’ properties along the Route 108 corridor are being marketed.
- Overall, the town indicates that the primary market-based need in the community is for market-rate rental units oriented toward moderate income households.

**Johnson** – the state college is a major driver in this community, directly creating jobs and generating supportive employment. Further, the presence of the college results in a relatively transient renter population. Johnson’s location in the north-central portion of Lamoille County provides for a relatively easy commute to employment in Morristown, but makes it a less convenient location for commutes to external employment centers. Finally, Johnson’s median household income is the lowest in the study area

**Sources:** Interview with Doug Molde, Johnson Selectboard.

and the segment of the population living below poverty level is high at 26 percent. Moreover, 53 percent of the town's renters pay more than 35 percent of their household income toward rental costs. These factors, when combined, point to significant housing stress in the local market.

- The town indicates that sewer/water systems in the village area are in good shape and that they can support new residential development. However, internet service in the village is only adequate, with service limited to cable.
- While the college draws students to the town – reportedly accounting for 50+/- percent of the rental market – contacts feel that the institution's high level employees tend *not* to live in the community.
- Contacts note that there is a small, but solid arts community in the town; small apartments with studio space appear to be a niche market.
- The town's housing priority is to diversify the community's household income mix, with a focus on moderate income families.

A review of available data indicates that there are approximately 350 Johnson State students living off-campus , potentially accounting for as much as 25 percent of the rental population in the town.

**Cambridge** – two notable factors affect Cambridge's housing market: 1) the presence of Smugglers Notch Resort; and 2) the town's location on the westernmost edge of Lamoille County places it within range of the housing supply/demand situation in the Burlington area. Chittenden County and its many employers are within commuting range for Cambridge residents; this connection is amplified by a transit bus that provides service to town residents.

- Jeffersonville's sewer system is in good shape and has adequate capacity to handle new residential development. However, the village water system is currently at capacity and the Vermont Agency of Natural Resources has placed a moratorium on new connections until a new water source can be found.

**Sources:** Interview with Michael Moser, Cambridge Planning Commission.

- While there are concerns about workers' need to commute relatively long distances for employment at Smuggler's Notch, contacts generally feel that the resort's impact on local housing pricing is not as significant as that experienced in Stowe. Rather, they feel that pricing in Cambridge is more closely related to the excess of demand over supply in the Chittenden County market, with higher pricing moving out in concentric circles from Burlington.

Smugglers Notch efforts with respect to housing are primarily focused on securing rentals for seasonal workers; several arrangements with local landlords are in place for this purpose. Full-time employees are typically 'on their own' with respect to securing housing. Because contacts feel that Cambridge-based pricing is high, a number of these employees are reported to have sought housing outside the town. At \$238,800, the median price in Cambridge is the third highest in the study area.

- AirBnB and other online, short-term rental systems do not appear to have a significant impact in the Cambridge market.
- The town has two priorities with respect to housing:
  - Provide housing that will allow more Cambridge elders to age-in-place in a village setting. The emphasis on senior housing was a major priority during the community's visioning process and is under continuing discussion. The preference for this housing include: 1) Location in a village setting to provide easy access to village services; and 2) Availability of supportive services to allow seniors to age-in-place;
  - Identify strategies to make home ownership more affordable in the town so that Cambridge-based workers don't need to commute long distances to their jobs.



## Key Employers

**Stowe Mountain Resort (SMR)** – SMR is a major regional employer, with approximately 850 full-time employees and up to 2,000 employees during seasonal peaks. Significantly, the resort’s levels of activity are high in both winter and summer. There are three entities that create employment at the resort: 1) Stowe Mountain Resort – ski and recreation operation and management, now owned by Vail Resorts; 2) Two Roads – management of the Stowe Management Lodge and Mountain Club; and 3) Spruce Peak Realty – development entity for Spruce Peak Village.

- The resort’s housing focus has been primarily on finding/securing housing for seasonal workers, which often include workers from outside the U.S. On-resort sources include: the 25 room dormitory and the repurchase of all condominiums at the Inn at the Mountain (Toll House) for seasonal housing. In addition, the resort has secured the use of several older motel complexes along the Route 108 corridor for workers; with the provision of bus transit to the resort.
- An early Spruce Peak development agreement obligates Spruce Peak Realty to pay into an affordable housing fund each time a new unit is completed within the village. The payments are made to the Vermont Housing Conservation Board (VHCB) and are currently: \$848 per housing unit and \$170 per hotel unit; per unit payments are subject to annual increases. Overall, Spruce Peak has paid almost \$250,000 into this fund.

**Smuggler’s Notch Resort** – the resort employs approximately 200 persons on a year-round basis and experiences seasonal employment peaks in both winter and summer; employment peaks at approximately 1,000 workers in winter and 800 employees in summer. While there are fluctuations, employment has remained relatively steady over the past five years. Smuggler’s is more self-contained than Stowe Mountain Resort, with the great majority of the resort visitor accommodation located within the immediate resort area. Resort housing is a mix of whole ownership vacation units, timeshare and interval ownerships. Like Stowe Mountain Resort, Smugglers has made contributions to regional affordable housing funds during periods of active resort development. The last period of active development was in 2014/15.

**Sources:** Interview with Mark Delaney, Chief Mountain & Corporate Matters Officer, Smugglers’ Notch Resort.

- Finding seasonal workers to fill all positions continues to be a significant challenge for the resort. The combination of a low regional unemployment rate, demographic shifts and a limited number of workers willing to take on lower level resort jobs have combined to make recruiting a major challenge. Moreover, housing seasonal employees is an ongoing challenge. While the resort has not become directly involved in housing provision, local solutions have included:
  - Conversion of the Three Mountain Lodge (Access Road) to apartments and the construction of a second multi-unit building adjacent to the original lodge. This complex is often used by international workers.
  - A local developer has renovated/rehabilitated a number of multi-unit properties in Jeffersonville and has made the units available to seasonal workers.
- Based on data made available by the resort, 66 percent of Smugglers' year-round, full-time employees live in Cambridge or one of the adjacent towns. More than 40 percent live in Cambridge. In contrast, only 46 percent of all full-time *seasonal* employees live in either Cambridge or one of the adjacent towns. Finally, 48 percent of the resort's part-time seasonal employees live in Cambridge and adjacent towns.
- AirBnB and other short-term rental programs have had an impact in the community:
  - A number of rentals that might otherwise be available to seasonal workers are now held for short-term rentals.
  - Investors have purchased and renovated a number of 'run-down' properties specifically for the purpose of short-term rentals.
- In instances where the resort has recruited new, full-time, year-round employees, the households have typically rented in the short-term and then moved toward purchase of a home within the commuting area. The majority of these employees live in Cambridge, Johnson and Belvidere. The resort notes that there is limited availability in the market, and that finding a property that suits the employees' needs and budget typically takes some time.

**Sources:** Adjacent towns include: Waterville; Johnson; Fletcher; Fairfax; Westford; Underhill. Stowe and Morristown are 'adjacent' but are not directly connected by road during winter months. Seasonal statistics *do not* include International workers, who account for 22 percent of the full-time seasonal staff.

- From the resort’s perspective, local housing solutions would include more rentals available to full-time, seasonal employees; to include both ‘affordable’ and market-rate units.

**Manufacturing Solutions, Inc. (MSI)** – MSI is a 23 year old company with its primary base off Route 100 in Morrisville. MSI’s primary business is assembly and sub-assembly operations for other manufacturers. The current ‘mid-level’ employment is 200 workers with a range from 175 to 225 dependent on workload. MSI has grown at a strong pace in recent years and projects that it will continue to grow in the coming years, resulting in a projected need for additional workers. MSI makes it clear that the availability of quality, affordable housing for all income levels is critical to continued business success and the company’s ability to increase employment.

- MSI has not been able to find sufficient ‘line workers’ in the area market. As such, a segment of their workforce lives in Chittenden County and uses van transportation to and from work each day – an approximate two hour round trip. Nevertheless, roughly 70 percent of MSI’s workforce lives within 30 to 45 minutes drive-time of the facility in Morrisville.
- While MSI employment ranges from entry-level line workers to high level professionals, the company feels that rental housing is the major area of demand among its workers. While entry level workers might qualify for tax credit rents, most workers are searching for quality, market rate rentals. The company feels that Morristown and surrounding communities are ‘behind the curve’ in terms of producing this housing type.
- MSI ownership has been involved in the purchase and rehabilitation of a number of neglected multi-family properties in Morristown. In each instance, the buildings are completely renovated to produce a high quality rental product. The units are then rented at market rates. Units are not reserved for MSI employees, but are available to the open market.

**Sources:** Interview with Keith Koehler, Business Development Manager, Manufacturing Solutions, Inc.

**Johnson State College** – the college provides on-campus dormitories, but does not directly facilitate off-campus housing for students. Rather, students are referred to a number of rental listing sources, including: Frontporch Forum, an online, community-based listserv; Flyers on bulletin boards around campus; Bulletin board outside of Office of Student Life in Dewey Hall; Craigslist; Johnson Rentals – Trulia.

**Sources:** Johnson State College website.

## Analysis – Demand & Supply

The preceding report sections provide a detailed profile of the study area's housing supply and an assessment of the demographics of households that occupy that housing. In short, the major elements of supply and demand that form the underpinnings of the housing market. The following report sections provide a more analytical assessment of the data:

- What is the current level of housing demand and how will it change in the coming years?
  - How is demand differentiated in terms of household age and income levels?
- Is the study area's housing supply well matched to current levels of demand and will changing demographics result in imbalances?
- If there are imbalances between demand and supply, what do those imbalances suggest in terms of need for new housing, rehabilitation of existing housing or other programs that might address those imbalances?

**Demographic-Based Demand – Big Picture** – households’ behavior with respect to need and demand for housing can be closely tied to the combination of age and income. While an individual household may make a move at any point, household *age by income* data is by far the best predictor of broad-based household decision-making/behavior with respect to frequency of moves and housing preferences. Not surprisingly, young, relatively low income household’s housing needs are different than that for upper age, upper income bracket households. (It should also be noted that lower income households have significantly fewer housing choices than do upper income households). Further, young/lower income households move much more frequently than do older/upper income households.

**Sources:** ESRI.  
**Notes:** data is for entire study area. 2022 projections are in current dollars and reflect real increases in household income over and above inflation.

Given the strong relationship between age/income and housing needs, the tables below and on the following page show current (2017) and projected (2022) study area households cross-tabulated by age and income. In both instances, the age/income groups with the most households have been highlighted.

**Current Household Age X Income Cross-Tabulations (2017)**

2017	HH Age Bracket							Totals
	<25	25-34	35-44	45-54	55-64	65-74	75+	
HH Income Bracket								
<\$15,000	130	124	126	147	272	229	210	1,239
\$15,000-\$24,999	95	155	152	148	192	240	278	1,260
\$25,000-\$34,999	68	187	173	171	222	252	235	1,307
\$35,000-\$49,999	103	298	309	291	354	303	231	1,888
\$50,000-\$74,999	61	283	383	429	478	324	157	2,114
\$75,000-\$99,999	54	217	288	385	384	211	56	1,595
\$100,000-\$149,999	27	175	347	329	346	212	53	1,488
\$150,000-\$199,999	3	63	56	158	79	79	19	458
\$200,000+	9	39	112	149	200	62	17	589
<b>Totals</b>	551	1,539	1,946	2,208	2,527	1,912	1,256	<b>11,939</b>

**Projected Household Age X Income Cross-Tabulations (2022)**

2022	HH Age Bracket							Totals
	<25	25-34	35-44	45-54	55-64	65-74	75+	
<b>HH Income Bracket</b>								
<\$15,000	123	130	127	126	253	256	253	1,268
\$15,000-\$24,999	86	145	132	123	169	255	325	1,236
\$25,000-\$34,999	61	179	153	135	193	269	270	1,260
\$35,000-\$49,999	97	289	276	247	312	331	276	1,828
\$50,000-\$74,999	60	288	357	379	451	374	189	2,098
\$75,000-\$99,999	62	248	306	394	420	282	79	1,791
\$100,000-\$149,999	32	203	396	349	387	278	78	1,723
\$150,000-\$199,999	4	84	70	182	98	113	31	583
\$200,000+	12	58	143	173	239	95	29	750
<b>Totals</b>	<b>538</b>	<b>1,626</b>	<b>1,960</b>	<b>2,108</b>	<b>2,522</b>	<b>2,253</b>	<b>1,531</b>	<b>12,537</b>

In 2017, households aged 55 to 64 years, with incomes ranging from \$50,000 to \$74,999 were the largest single age/income group; this will remain the case in 2022. However, the most significant increases over the five year projection period will occur among households aged 65 to 74 years with incomes in the \$50,000 to \$74,999 bracket. The tabular data on the following page shows the detailed and summarized projected change in the number of households by age/income cross-tabulation. In addition, shading provides simplified grouping of households by:

- Younger Households (18 to 34 Years) – Lower Income (\$0 - \$34,999), Moderate Income (\$35,000 - \$99,999) and Higher Income (\$100,000+);
- Middle-Aged Households (35 to 64 Years) – Lower Income (\$0 - \$34,999), Moderate Income (\$35,000 - \$99,999) and Higher Income (\$100,000+);
- Older Households (65+ Years) – Lower Income (\$0 - \$34,999), Moderate Income (\$35,000 - \$99,999) and Higher Income (\$100,000+).



**Projected Change in Number of Households by Age/Income (2017 – 2022)**

Change 2017-'22	HH Age Bracket							Totals
	<25	25-34	35-44	45-54	55-64	65-74	75+	
<b>HH Income Bracket</b>								
<\$15,000	(7)	+6	+1	(21)	(19)	+27	+43	+30
\$15,000-\$24,999	(9)	(9)	(20)	(25)	(23)	+15	+47	(24)
\$25,000-\$34,999	(7)	(7)	(20)	(36)	(29)	+17	+35	(47)
\$35,000-\$49,999	(6)	(8)	(33)	(44)	(42)	+28	+45	(60)
\$50,000-\$74,999	(1)	+6	(26)	(50)	(27)	+50	+32	(16)
\$75,000-\$99,999	+8	+32	+18	+9	+36	+70	+23	+196
\$100,000-\$149,999	+5	+28	+49	+20	+41	+66	+25	+235
\$150,000-\$199,999	+1	+21	+14	+23	+19	+34	+12	+124
\$200,000+	+3	+19	+31	+24	+39	+33	+12	+161
<b>Totals</b>	<b>(13)</b>	<b>+87</b>	<b>+14</b>	<b>(101)</b>	<b>(5)</b>	<b>+341</b>	<b>+275</b>	<b>+598</b>

**Projected Change in Number of Households by Age/Income (Summarized) (2017 – 2022)**

<b>Young/ Lower Income</b>	<b>Middle-Aged/ Lower Income</b>	<b>Older/ Lower Income</b>
Absolute Change 2017-'22	Absolute Change 2017-'22	Absolute Change 2017-'22
<b>(33)</b>	<b>(193)</b>	<b>+184</b>
<b>Young/ Moderate Income</b>	<b>Middle-Aged/ Moderate Income</b>	<b>Older/ Moderate Income</b>
Absolute Change 2017-'22	Absolute Change 2017-'22	Absolute Change 2017-'22
<b>+31</b>	<b>(160)</b>	<b>+249</b>
<b>Young/ Higher Income</b>	<b>Middle-Aged/ Higher Income</b>	<b>Older/ Higher Income</b>
Absolute Change 2017-'22	Absolute Change 2017-'22	Absolute Change 2017-'22
<b>+77</b>	<b>+261</b>	<b>+183</b>

The data makes several points clear:

- Older households will increase in all income categories;
- Among younger and middle-aged households, the number of lower and moderate income households will decrease;
- Significant increases will occur in higher income households in all age brackets.

The age/income data can be used as a basis for estimating annual activity in the housing market – the number of households that will be seeking a housing change in a given year - broken down by age/income bracket. The analysis uses ‘propensity to move’ factors for each age/income group as a basis for estimating the number of households that will be seeking new housing. A relatively small segment of households will seek a change in housing at any given time. As such, it is helpful to assess the ‘propensity to move’ within household age/income groupings in order to estimate the number of housing changes likely to occur in any given year.

Households in various age and income groupings display markedly varied propensities to move within the course of a year. Most significantly, the propensity to move declines with increased age and income. Thus, younger, lower income households are most likely to move, while older, higher income households are least likely to move. In addition, households in rental housing have a higher propensity to move than do homeowners.

The 2022 age/income cross-tabulations have been applied to propensity to move factors specific to each age/income group, based upon a variety of available data. The result of these calculations is an estimate of the number of study area households – by age/income group - likely to be moving within the course of one year. Note that these figures include moves to all types of housing. Again, shading has been used to group the data by broad age/income category.

**Sources:** American Demographics; U.S. Census Bureau – American Housing Survey; Forbes.

**Notes:** Propensity to move factors based on mean of regional (Northeast) factors and Lamoille factors.

**Projected 'Movers' by Age/Income Group (2022)**

Number of Households Expected to Move During One Year								
HH Income Bracket	HH Age Bracket							Totals
	<25	25-34	35-44	45-54	55-64	65-74	75+	
<\$15,000	19	24	18	16	29	25	26	158
\$15,000-\$24,999	12	23	15	11	15	18	24	117
\$25,000-\$34,999	8	27	16	12	16	18	19	116
\$35,000-\$49,999	14	48	33	25	30	26	23	200
\$50,000-\$74,999	8	47	42	37	41	28	15	218
\$75,000-\$99,999	8	38	33	36	35	19	6	175
\$100,000-\$149,999	4	30	41	30	30	17	5	157
\$150,000-\$199,999	1	13	8	18	9	8	2	59
\$200,000+	2	9	15	14	18	6	2	65
<b>Totals</b>	<b>75</b>	<b>260</b>	<b>221</b>	<b>199</b>	<b>223</b>	<b>165</b>	<b>123</b>	<b>1,266</b>

Overall, the analysis predicts that 1,265+/- study area households will seek to move in year 2022. Summarized findings, by broader age/income groupings, are shown in the table on the following page.



**Projected 'Movers' by Summary (2022)**

<i>Young/ Lower Income</i>		<i>Middle-Aged/ Lower Income</i>		<i>Older/ Lower Income</i>	
Movers	% of Market	Movers	% of Market	Movers	% of Market
113	9%	148	12%	130	10%
<i>Young/ Moderate Income</i>		<i>Middle-Aged/ Moderate Income</i>		<i>Older/ Moderate Income</i>	
Movers	% of Market	Movers	% of Market	Movers	% of Market
164	13%	313	25%	117	9%
<i>Young/ Higher Income</i>		<i>Middle-Aged/ Higher Income</i>		<i>Older/ Higher Income</i>	
Movers	% of Market	Movers	% of Market	Movers	% of Market
58	5%	182	14%	41	3%

Although the number of middle-aged, moderate income households will decrease in absolute terms, this group will continue to account for the largest share of the housing market in 2022. Generally, two components of the transactional movers' market will grow over the next five years: 1) Older households at all income levels; and 2) Higher income households of all ages.

**Rental Demand and Supply by Market Segment**– a finer-grained assessment of rental housing need by low to moderate income rental market segment is summarized in the tables below. In this instance, the study area’s households have been broken down by age and income as follows:

- Incomes less than 30 percent of the Lamoille Area Median Income (AMI). For an average study area renter household (2.08 persons), the income limit is \$15,696. Households in this extremely low income bracket may qualify for ‘deeply subsidized’ housing assistance, if available;
- Incomes ranging from 30 to 50 percent of the AMI. For an average renter household, the income range is \$15,696 to \$26,160. Households in this income bracket might qualify for deeply subsidized housing or Low Income Housing Tax Credit rents, if available;
- Incomes ranging from 50 to 60 percent of the AMI. For an average renter household, the income range is \$26,160 to \$31,392. Households in this income bracket might qualify for Low Income Housing Tax Credit rents, if available;
- Incomes ranging from 60 to 80 percent of the AMI. For an average renter household, the income range is \$31,392 to \$41,856. Households in this income bracket may qualify for ‘unrestricted’ or so-called ‘market rate’ units that have been discounted from private market rates in the area;
- Incomes ranging from 80 to 100 percent of the AMI. For an average renter household, the income range is \$41,856 to \$52,320. Households in this income bracket may qualify for ‘unrestricted’ or so-called ‘market rate’ units that have been discounted from private market rates in the area;
- Incomes ranging from 100 to 120 percent of the AMI. For an average renter household, the income range is \$52,320 to \$62,784. Households in this income bracket can often afford private market rate apartments or, in the instance of younger or middle-aged households, may be seeking to enter the ownership market.

**Sources:** HUD Income Limits;; U.S, Census Bureau; ESRI; American Demographics; Forbes.

The analysis measures housing need in each segment by estimating the following:

- Projected 2017 to 2022 change in the number of households in each segment;

- Households currently living in deficient housing unit both in terms of: 1) Lacking complete plumbing and/or kitchen; or 2) Occupied by more than 1.0 person per room (overcrowding);
- Households for whom the gross monthly rental cost accounts for more than 35 percent of total household income.

Estimates of housing 'need' for each sub-market, at each age level are shown in the tables below. Values are for the entire study area.

**Housing Need – Young Households (< 35 years)**

	Households < 35 Years						Totals
	HH Income Level						
	< 30% AMI	30-50% AMI	50-60% AMI	60-80% AMI	80-100% AMI	100-120% AMI	
Total HHs (2017)	270	262	133	275	249	144	1,333
Change 2017 - 2022	(10)	(9)	(4)	(9)	(8)	(4)	(45)
Living in Deficient Housing	27	26	12	24	22	12	123
Rent > 35% of HH Income	111	69	28	44	32	16	300
<b>Totals</b>	128	85	35	59	46	23	<b>378</b>

**Housing Need – Mid-Aged Households (35 - 64 years)**

	Households 35 - 64 Years						Totals
	HH Income Level						
	< 30% AMI	30-50% AMI	50-60% AMI	60-80% AMI	80-100% AMI	100-120% AMI	
Total HHs (2017)	580	524	296	640	637	540	3,217
Change 2017 - 2022	(88)	(72)	(33)	(65)	(65)	(41)	(364)
Living in Deficient Housing	37	31	14	28	28	17	155
Rent > 35% of HH Income	157	86	33	52	42	24	393
<b>Totals</b>	107	44	14	14	4	0	<b>184</b>

**Housing Need – Older Households (65+ Years)**

	Households 35 - 64 Years						Totals
	HH Income Level						
	< 30% AMI	30-50% AMI	50-60% AMI	60-80% AMI	80-100% AMI	100-120% AMI	
Total HHs (2017)	474	560	255	420	335	201	2,245
Change 2017 - 2022	127	90	31	25	15	11	299
Living in Deficient Housing	38	27	9	8	4	3	90
Rent > 35% of HH Income	152	72	21	13	6	4	268
<b>Totals</b>	316	189	60	46	25	19	<b>657</b>



## Housing Need – All Households

	All Households						Totals
	HH Income Level						
	< 30% AMI	30-50% AMI	50-60% AMI	60-80% AMI	80-100% AMI	100-120% AMI	
Total HHs (2017)	1,324	1,346	684	1,335	1,221	885	6,795
Change 2017 - 2022	29	8	(36)	(349)	(358)	(334)	(3110)
Living in Deficient Housing	103	84	35	60	54	33	368
Rent > 35% of HH Income	420	227	81	109	80	44	960
<b>Totals</b>	<b>551</b>	<b>319</b>	<b>110</b>	<b>120</b>	<b>76</b>	<b>43</b>	<b>1,218</b>

The estimates show a housing need for approximately 1,200 households, with older households accounting for 54 percent of the total and younger households accounting for 31 percent. While older households with incomes ranging from zero to 120 percent of the AMI will increase substantially, the *combined* number of households in the zero to 120 percent income range will decrease between 2017 and 2022.

While household increases and households living in deficient housing represent pressing needs, it is less clear that *all* households paying gross rents that exceed 35 percent of household income have a pressing need for a change. At the upper end – when rent exceeds 50 percent of more of household income – the need becomes acute. However, there are households for whom rent at more than 35 percent of income is a sustainable situation.

As such, housing need might be more realistically expressed in terms of the segment of households shown in the preceding tables that can be expected to move during a 12 month period. These values were estimated using ‘propensity to move’ factors adjusted to account for higher moving rates among those who face a housing difficulty, such as a housing deficiency or a rental level that is not sustainable. While these ‘movers’ may find satisfactory housing in the private market, a significant portion would benefit from housing assistance.

The table below shows the number of households likely to move in each age and income segment.

**Households Expected to Move (12 Months) Among Those With Housing Need**

	Households Expected to Seek Housing Change						Totals
	HH Income Level						
	< 30% AMI	30-50% AMI	50-60% AMI	60-80% AMI	80-100% AMI	100-120% AMI	
HHs <35 Years	25	14	6	10	8	4	67
HHs 35 - 64 Years	25	14	6	10	8	4	67
HHs 65+ Years	37	16	5	4	2	2	66
<b>Totals</b>	<b>87</b>	<b>44</b>	<b>16</b>	<b>24</b>	<b>19</b>	<b>10</b>	<b>200</b>

Ongoing rental housing needs are evenly distributed among age groups, but are clearly weighted toward the lower end of the income scale, with 85 to 90 very low income households likely to be seeking housing on an annual basis.

At 30 percent of AMI, a typical rental household (2.08 persons) can afford gross monthly rental costs of approximately \$460; and households with incomes less than 30 percent of AMI are able to afford less than \$460. With the current Fair Market Rental level for a one bedroom unit at \$848 and a two bedroom at \$1,013, it is apparent that very low income households will not find quality housing in the private sector, and frequently end up in lower quality/poorly maintained units, sharing housing or in other arrangements. Deeply subsidized housing units (Project-Based) and housing choice vouchers (household base) are opportunities for very low income households to find quality housing. However, there are currently 646 study area renter households with incomes less than 30 percent of AMI and a total of 369 project-based and household based subsidies in Lamoille County. Perhaps more significantly, vacancy rates are very low in subsidized projects and there are long wait lists for subsidized units and housing choice vouchers. As such, these housing options are unlikely to satisfy the needs of the 85 to 90 very low income households seeking a housing change every year.

**Sources:** HUD Income Limits; U.S. Census Bureau; ESRI; PUMS Microdata Sample.

**Note:** Deeply housing subsidies allow a household to pay no more than 30 percent of its income toward housing costs. Study area housing 'deep subsidy' units include: 68 deeply subsidized family units; 169 deeply subsidized senior units; and 132 housing choice vouchers.

A typical renter household with an income at 50 percent of AMI can afford a gross monthly rent of \$765, while a household with an income at 60 percent of AMI can afford a gross monthly rent of \$916. As such, the majority of households in the 30 to 60 percent of AMI range cannot afford market rents in the study area. 'Tax Credit' projects are targeted to this income bracket and provide a set rental amount that typically falls below the market level and which is affordable to the tenant. However, qualified tenants must pay the set amount, which places an income 'floor' on tenant qualification. There are currently 750 study area renter households in this income bracket, versus a total of 159 tax credit units (99 – Family; 60 Senior).

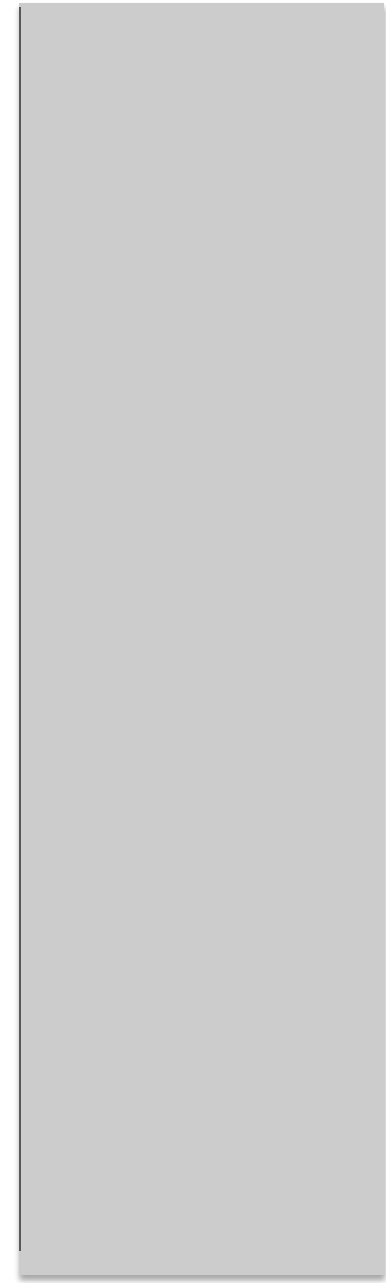
The table below takes a broad look at supply and demand by comparing the number of rental households in each bracket (<30% AMI, etc.) with the number of study area units with rents within the affordable range for the households income bracket.

**Comparison: Renter Households by Income Bracket and Affordable Rental Units**

	Household Income Bracket					
	<30% AMI	30-50% AMI	50-60% AMI	60-80% AMI	80-100% AMI	100-120% AMI
Affordable Rental Limit (HH Size - 2.08 Persons)	\$458	\$763	\$916	\$1,221	\$1,526	\$1,831
<b>Total Renter Households</b>						
Young	171	161	76	153	139	75
Middle	242	200	90	180	179	113
Older	233	166	57	47	27	21
<b>Totals</b>	646	527	222	380	346	209
Units with Rents in Affordable Range	331	743	573	530	277	88
<i>Unit Surplus (Deficit)</i>	<i>(315)</i>	<i>216</i>	<i>351</i>	<i>150</i>	<i>(68)</i>	<i>(121)</i>

The comparison indicates the following:

- There is a clear shortage of rents that are affordable to households at the low end of the income spectrum. In many instances, households with incomes less than 30 percent of the AMI are forced to live in rentals that exceed their affordability level.
- The figures suggest that there may be sufficient study area rents to accommodate households with incomes ranging from 50 to 80 percent of the AMI.
- The estimates show a shortage of rentals that might be attractive to renters with incomes ranging from 80 to 120 percent of the AMI. This is consistent with the comments from a number of contacts that make it clear that there is a shortage of market-rate rentals in the study area.



**Opportunities for First-Time Homeowners** – study area households with incomes in the 100 to 120 percent of AMI range typically find private market rents to be affordable. However, households in this middle-income group may also be seeking to enter the homeownership market. An assessment of the financial parameters of homeownership for this group and an assessment of available supply follows.

The assessment focuses on Young (< 25 Years) and Mid-Aged (25 – 64 Years) households:

- While standards vary by household size, households in the 100 to 120 of AMI bracket typically have incomes ranging from \$54,855 to \$65,826.
- There are currently (2017) 144 Young study area households and 540 Middle-aged study area households with incomes in the 100 to 120 AMI bracket.
- Only 27 percent of the target group’s households are currently renters (Total – 188). However, 52 percent of the Young households are renters.
- Using propensity to move factors specific to Lamoille County, it estimated that approximately 25 Young and Middle-Aged *renter* households with incomes in the 100 to 120 percent of AMI range will seek to change housing within a 12 month period.

Based on the calculations summarized in the table on the following page, households in the 100 to 120 of AMI range could typically afford a home with a market value in the \$150,000 to \$250,000 range. The calculations assume that total monthly housing costs (Mortgage, Real Estate Taxes, Home Insurance) will not exceed 35 percent of the household’s income.

**Sources:** HUD Income Limits; U.S. Census Bureau; ESRI; VSHA; Google Finance; Vermont Dept. of Taxes; QuoteWizard; PUMS Microdata Sample.

**Note:** the stated income range for 100 to 120 AMI corresponds to an average owner household size of 2.47 persons in Lamoille County.

- Down-payment – 5.0%;
- Terms – 30 Years at 4.24% Fixed Rate;
- Real Estate Taxes calculated using average total Homestead rate for all Lamoille Cty. Towns (2017);
- Insurance cost based on typical annual costs for Vermont homes.

### Affordable Housing Payment Calculation

	100% AMI	120% AMI
HH Income	\$54,855	\$65,826
Upper Affordable Monthly Housing Payment @ 35%	\$1,486	\$1,783
Home Value	\$150,000	\$250,000
Downpayment @ 7.5%	\$11,250	\$18,750
Mortgage Amount	\$138,750	\$231,250
Monthly Payments		
Principi/Interest	\$701	\$1,168
Real Estate Taxes	\$259	\$432
Home Insurance	\$75	\$83
<b>Total Montly Payment</b>	<b>\$1,035</b>	<b>\$1,684</b>

**Sources:** PUMS Microdata Sample; NNEREN; BatchGeo.  
**Note:** NNEREN listings do not account for 100 percent of available units.

The monthly housing cost for a \$150,000 home would be approximately \$1,035 (22 percent of 100% AMI Household’s income), while the monthly housing cost for a \$250,000 home would be approximately \$1,685 (31 percent of 120% AMI Household’s income). In sum, the analysis indicates that there is an annual demand for approximately 25 homes priced from \$150,000 to \$250,000 among first time buyers with incomes ranging from 100 to 120 percent of the county AMI.

**Available Supply** – detailed data for the region indicates that approximately 40 percent of the study area’s housing is valued between \$150,000 and \$250,000; this translates to 3,255 ownership units. A small segment of these units are available on the market at any given time. A snapshot of the for-sale market in January of 2018 (See p. 52) indicated that:

- There were a total of 312 for sale listings, 62 of which (20 percent) were in the \$150,000 to \$250,000 price range;

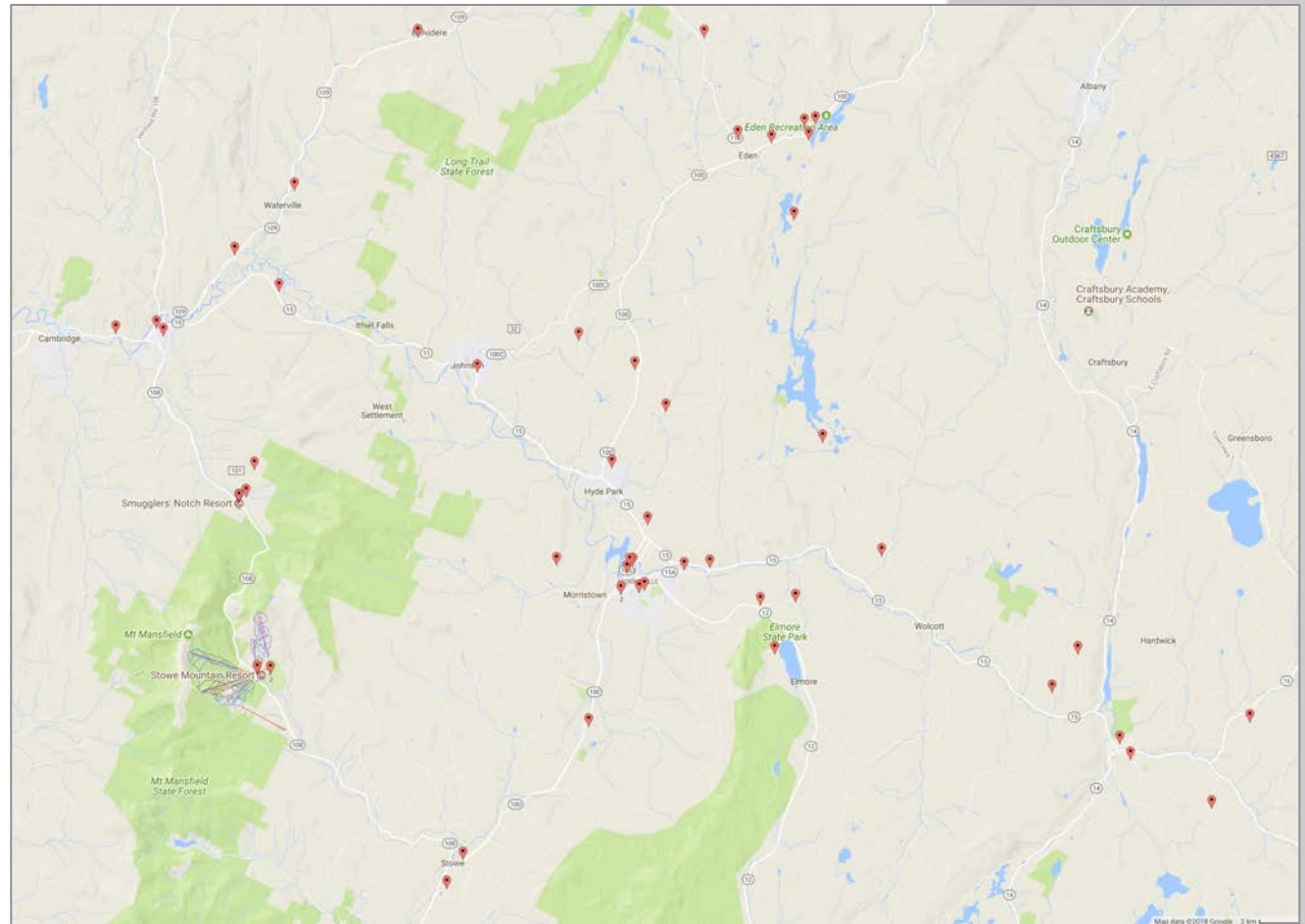
- Among non-condominium units, there were a total of 214 listings 43 of which (20 percent) were in the \$150,000 to \$250,000 price range.

Current listings were checked again in early April of 2018, with the following results:

- All residential listings – 322 Listings; Listings between \$150,000 and \$250,000 – 72 (22 percent);
- Single Family/Mobile Home Listings Only – 214 Listings; Listings between \$150,000 and \$250,000 – 41 (19 percent).

In the current listing market, there are a total of 65 to 70 available for-sale units with pricing that could be affordable for 100 to 120 percent AMI households. Approximately 25 of these listings are condominium units.

The accompanying graphic shows the geographic distribution of listed units with pricing in the \$150,000 to \$250,000 range (based on January 2018 listings).





Among all listings (Single Family, Mobile Home, Condo) Cambridge, Stowe and Morristown combined account for 57 percent of the listings in the targeted price bracket. However, if condominium listings are excluded, Morristown, Eden, Hardwick, Cambridge and Hyde Park combined account for 77 percent of the targeted properties. All of Stowe's \$150,000 to \$250,000 property listings are condominium units.



The Sylvan Woods project in Stowe offers several ownership units oriented toward first-time buyers. Qualified owners have access to favorable down-payment and mortgage terms and are able to purchase the homes for a below-market price. There is typically a cap on realization of market gains in pricing. A recent listing for a two bedroom Sylvan Woods condominium showed a 'buyer's price' of \$145,000 and a 'market price' of \$200,000, with Downstreet Investment covering the \$55,000 differential.

The Vermont Housing Finance Agency (VHFA) recently announced a down payment assistance program to help households with one of the barriers to becoming homeowners. The use of an ASSIST loan with a VHFA loan can help Vermonters buying their first home clear the down payment hurdle by providing up to \$5,000 to help with down payment and closing costs. An ASSIST loan is a 0%, no-monthly-payment second mortgage that is paid back only if the household refinances or sells the home.

Similarly, VHFA's MOVE program offers homebuyers VHFA's lowest interest rate, low down payment costs and potential savings on the Vermont Property Transfer Tax. The program imposes income limits on eligible households and limits the purchase price limit.

**Sources:** Downstreet Housing & Community Development; VHFA.

# Findings & Recommendations

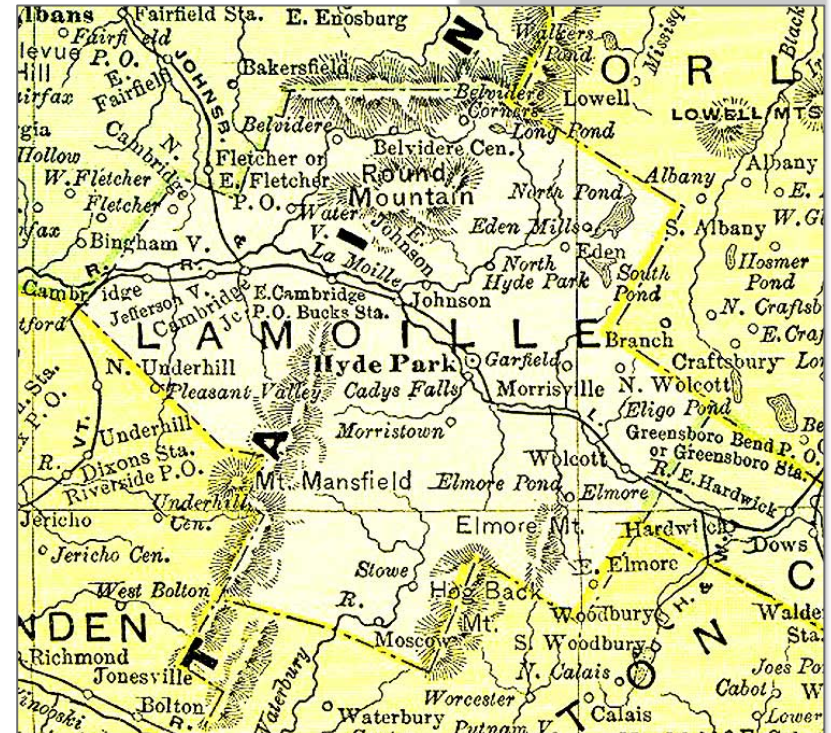
The following summarizes the significant findings and recommendations generated by the housing research and analyses.

## Findings

- The study area is growing at a faster pace than Vermont as a whole. The study area's population grew by 6.3 percent between 2000 and 2016, compared to a 2.6 percent growth rate at the statewide level. Perhaps more importantly, study area households increased by 10.3 percent between 2000 and 2016, compared to that statewide increase of 6.8 percent. It is also important to note that the study area's population/household absolute growth has been concentrated in several communities, including: Cambridge; Johnson; Morristown; and Wolcott. Together these communities accounted for 81 percent of the study area's year-round population growth.

Several factors appear to be playing a role in the study area's above average growth:

- *The Economy* – Lamoille County's employment is focused in industries that are showing above average growth. Employment has increased in recent years, running counter to the trend in many Vermont counties.
- *Internal and external Employment Opportunities* - Several study area communities (Cambridge, Stowe, Morristown, Johnson) generate a significant number of jobs, while residents of a number of study area towns enjoy relatively easy commuting access to external job centers such as Burlington/Chittenden County; Barre/Montpelier and Waterbury;



- *Chittenden County* – while the study area is growing at an above average rate, adjacent Chittenden County is growing at a *well* above average rate. Contacts in towns that enjoy relatively easy commuting access to Chittenden County indicate that the excess demand for housing in Chittenden is a significant driver of housing costs in those Lamoille County towns.
- *Lifestyle* – with a combination of high and low intensity recreational opportunities, resort amenities, lakes, ponds, mountains and other opportunities, the study area embodies much of the lifestyle elements households seek in Vermont.
- *Relative Affordability* – while Stowe, Cambridge and Elmore might be regarded an ‘expensive’ towns, housing in most of the study area towns is relatively affordable when compared to Chittenden County or southerly parts of the state, and highly affordable to persons moving from major northeastern markets. Relative affordability combined with access to employment is a strong inducement for growth.

Slow population growth does not necessarily translate into decreased housing demand. While the average person today lives longer and more independently than in past generations, a house deteriorates with time, so new housing must be built or existing housing rehabilitated.

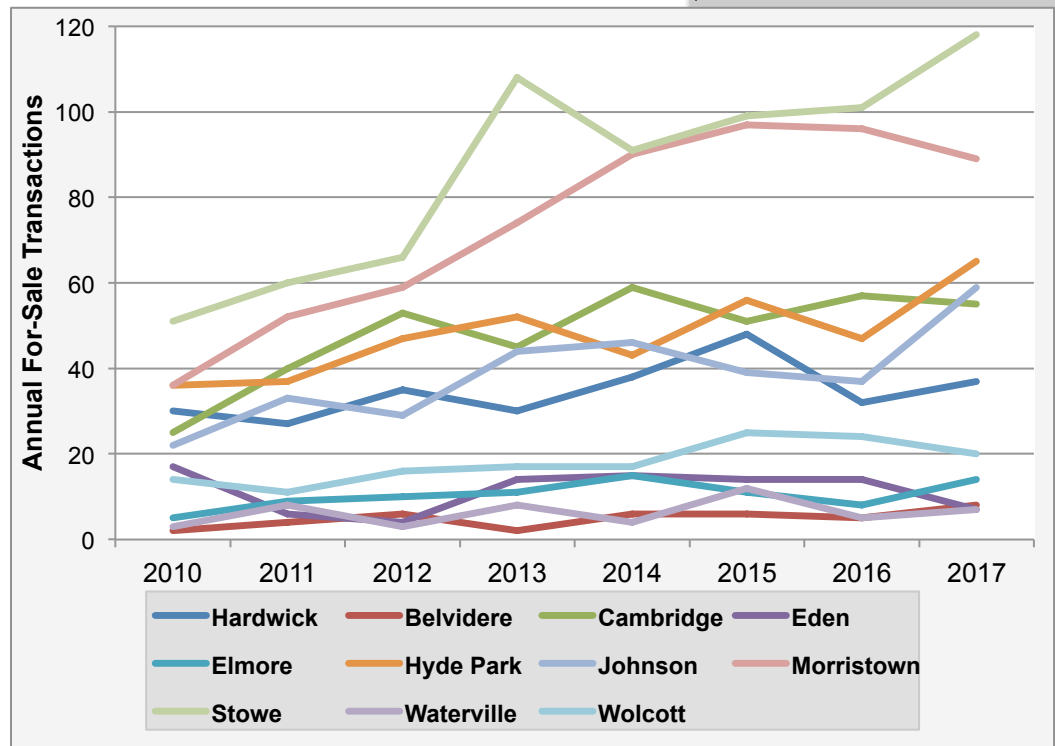
- Growth combined with dramatic shifts in household age groups will be a significant dynamic for the study area’s housing market in coming years. While the total number of study area households will grow by five percent between 2017 and 2022, the number of households aged 65 or more years will grow by 19.4 percent. The only other household age bracket that is projected to show any appreciable growth is the 25 to 34 years bracket.
  - 30 percent of the growth among households aged 65 or more years will occur among households with incomes less than \$35,000, while 40 percent will occur among households with incomes in the \$35,000 to \$99,999 bracket. While the majority (66 Percent) of upper age bracket/lower income households currently own homes and will be able to use that equity should a housing change occur, many in this group have limited resources for their next step.

- As noted, a moderate amount of growth is projected among households aged 25 to 34 years. Moreover, this growth is likely to occur among households of moderate or higher income. Area contacts make it clear that this age group is a 'targeted' market segment, and that they are hopeful that expanding employment, lifestyle and other factors can combine to make the study area attractive to this group. Moreover, contacts also recognize that quality affordable housing availability is a crucial component of attracting this group. Assuming 'recruitment' of this group to be a policy priority, there will be a need for both market rate rental and 'starter' ownership housing.

- The study area housing market appears to be strong and growing as evidenced by:

- Steadily increasing transactions and dollar volume as well as recent pricing increases in the for-sale market. There is a clear hierarchy in the for-sale market, with: Stowe and Morrystown operating at relative high transaction velocities; Hyde Park, Cambridge, Johnson and Hardwick operating at moderate transaction levels; and Belvidere, Eden, Elmore and Wolcott operating at low volumes.

- Extremely low rental vacancy rates and above inflation increases in rental rates for smaller units.



- Household composition is also a factor in assessing the balance of demand and supply. Most importantly, small households (One or Two Persons) account for 66 percent of all households in the study area, yet only 39 percent of the study area's housing units contain zero, one or two

bedrooms. The historic orientation toward multi-bedroom single family units no longer fits the demographic reality. The subdivision of larger single family units into rental apartments is an ongoing reality in the region, and the pressure to continue this practice will continue.

- Core infrastructure (Sewer, Water) appears to have adequate capacity to handle new residential development in all of the study area's major village areas: Morrisville; Stowe Village; Johnson Village; Jeffersonville; and Cambridge. A variety of conditions are in place with respect to internet access.
- There are several housing related stress points made evident by the analysis:
  - Housing needs range up and down the scale, but the excess of demand over supply in the deep subsidy market remains a constant in Lamoille County. While Vermont as a whole supplies only 59 deep subsidies for every 100 extremely low income households, Lamoille County's supply is relatively lower at 53 deep subsidies for every 100 extremely low income households. This excess of demand of supply is evident in lengthy waitlists for the study area's deep subsidy projects. Moreover, excess demand exists for both younger and older households.
  - Lamoille County's homeless and at-risk-of-homelessness population is small in relative terms, accounting for only two to three percent of Vermont's homeless population. However, contacts make it clear that annual surveys undercount homelessness in the county and that the *real* number is larger when households that are at-risk are taken into account. Perhaps most importantly, the county has not had a true homeless shelter until very recently; the 'Yellow House' is an ad hoc effort that was conceived as a seasonal effort.
  - The Town of Johnson's household median income – at \$36,949 – is well below the study area median. Further, 26 percent of the population has poverty status, compared to a study area average of 13 percent. Also note that 46 percent of Johnson households are renters (Study Area Median – 29 percent) and that mobile homes account for 28 percent of owner occupied units (Study Area Median – 12 percent.). Finally, rental costs account for

**Note:** Jeffersonville's (Cambridge) water system cannot expand until a new water source is identified.





more than 35 percent of household income for 56 percent of Johnson’s renter households (Study Area Median – 39 percent).

While Johnson’s significant college-age population accounts in part for the town’s housing issues, it is also apparent that there is a concentration of poverty and a notable segment of the community facing housing stress.

- The Town of Cambridge experienced well above average population and household growth between 2000 and 2016, yet permit data shows that virtually no net new residential development took place in the community between 2010 and 2016. The combination of a town with significant local employment (as well as seasonal peaks) and a location that is within commuting range of Chittenden has resulted in pressure on both the rental and for-sale markets. Median for-sale pricing has increased at a significantly faster rate than that for the entire study area.



- The Town of Stowe is one of the strongest employment centers in the study area and offers a relatively easy commute to external job centers. Further, it hosts a prominent mountain resort that has attracted substantial ownership by non-residents. Not surprisingly then, home ownership pricing has increased to a level that is out of the realm of affordability for many prospective residents. The town has been proactive in promulgating regulations that are designed to encourage new affordable development, but with limited response from the development community. On the positive side, the market has moved to a level that has made it possible to develop market rate rental units – a focal point of need for the community.



- In recent years, the Town of Morristown has adapted a positive approach to growth, both from non-residential and residential perspectives. While 2017 study area employment stood at 104.8 percent of its year 2000 level, Morristown's employment stood at 108.5 percent of its year 2000 level. Between 2010 and 2017, Morristown accounted for 35 percent of the study area's housing permits. Given this well above average level of growth, the town is facing inevitable housing market pressure. Although the median housing sale remained below the study area median, Morristown's median transaction price increased by 26 percent between 2010 and 2016, compared to an increase of only 15 percent at the study area level. Moreover, contacts from the public and private sectors make it clear that the supply of market rate rental housing is insufficient to handle the number of households seeking rental housing in the community.



## **Recommendations**

Several major priorities and themes emerge from the analysis and conversations with area housing experts:

- There is a strong need for market rate rental housing both to serve existing demand and to further efforts to generate economic development in the region. While demand for 'starter' ownership housing is a likely second stage of this growth, market rate rental is the current need.



- The overwhelming demographic of aging households is generating demand for senior-oriented housing with a particular emphasis on very low income households. However, the need for senior-oriented housing also extends to lower and moderate income households and in many instances will need to include a range of services.
- A number of Federal, state and local programs and tools are already in place to assist with housing; however, these tools cannot overturn market forces.
  - Federal housing programs and tax credits can intervene in markets, but program funding is typically insufficient – and declining – to meet all needs.
  - Even in situations where Vermont village/downtown designations are in place and towns have enacted housing regulations designed to foster affordable unit creation, the development community’s response has been limited.

**Priorities**

- ❖ **Senior Housing** - As noted, demographics point to strong demand for expanded senior housing options:
  - The overwhelming majority of rural seniors desire to age in place. Unfortunately, aging in place can prove difficult in rural regions where low density settlement patterns and a lack of public transportation make accessing required supportive services and amenities difficult. Home retrofits are often necessary for many seniors as their homes may become less accessible as they age, although these can be cost-prohibitive. Furthermore, seniors’ incomes do not always match their housing costs, decreasing their ability to remain in their homes.
  - Federal assisted housing programs for seniors, like HUD Section 202, USDA Section 515, and USDA Section 504 have been critical housing options for low- income rural seniors. Funding for Section 202 and Section 515 has experienced significant cuts over the past decade. Long wait lists for these housing programs show the need for increased funding to help house a growing senior population in the coming years. Further, the Low Income Housing Tax Credit program has been used

**Sources:** Housing Assistance Council; American Community Survey.

effectively throughout Vermont; this program is quite competitive, with multiple applicants for limited credits.

Going forward, options include the following:

- Continue to pursue Federal and state funding programs that can be leveraged to generate additional housing for seniors, at subsidized, affordable and market rate levels.
- Seek other solutions to creating effective housing for seniors, including:
  - *Modular Units* - A number of recent Vermont projects (including the Evergreen Manor MHP in Hardwick) have incorporated new home designs such as the Vermod modular unit. These highly efficient units have extremely low utility costs and may appeal to seniors who resist living in a project or multi-unit building. This is a particularly good option in instances where existing mobile homes have deteriorated;
  - *Co-Housing/Shared Housing* – co-housing and shared housing are alternative approaches that allow seniors to live independently and age in place. Projects bring together home providers and seniors seeking a place to live, especially those that would otherwise be living alone. Share homes offer private bedrooms with shared living spaces, and homes typically have around six or seven seniors residing therein. Senior share homes in rural and small town regions are often located in communities that have better access to amenities and supportive services. Roommates are also able to help with daily chores, like grocery shopping, cooking, laundry, gardening and other routine chores that can become difficult with increased age. Shared housing also provides seniors an opportunity to socialize with peers, remain active, and experience an increased sense of safety by not having to live alone while still remaining independent. Shared housing can be a creative option for rehabilitating older, large single family homes that do not appeal to the conventional market.
  - *Availability of Supportive Services* – while seniors strive to be independent for as long as possible, the availability of supportive services can be critical to allowing households to age-in-place. Services can be provided on a ‘built-in’ basis or available via an ‘a la carte’ menu. The

Support and Services at Home (SASH) program in Vermont helps seniors stay in their homes by promoting greater collaboration among housing and health providers and forging new organizational partnerships. A demonstration program, SASH is funded by Medicare under the Centers for Medicare and Medicaid Services, part of the U.S. Department of Health and Human Services. The SASH program changes the role of housing providers to include increased emphasis on providing health services. Through the program, housing organizations maintain accurate and timely information on their residents' needs, broaden their focus beyond traditional property management to include residents' social service needs, and collaborate with primary care providers, acute care organizations, and long-term care agencies. The SASH program relies on already existing infrastructure in states through federal funding and housing programs.

Transportation is also a critical component of a service program. Access to transportation is vital for seniors who wish to age in place and is especially critical for rural seniors who must travel long distances to access services. While the study area's major villages and highway corridors are served by public transit, there is no scheduled transportation service in outlying rural sections of the area.

- *Mixed Age Housing* – just as many seniors resist living in multi-unit apartment buildings, a segment also resist living in a situation that is segregated by age. As such, it is appropriate to plan projects and communities that allow seniors and younger households to live and socialize together.
- Siting of senior housing options will be dependent on site (or rehabilitation) opportunities and other considerations. However, the following study area towns have the largest absolute number of households aged 65 or more years *and* incomes of less than \$25,000.
  - Morristown – 330 HHs – 29 percent of study area total;
  - Stowe – 206 HHs – 18 percent of study area total;
  - Hardwick – 167 HHs – 15 percent of study area total;
  - Johnson – 120 HHs – 11 percent of study area total;
  - Hyde Park – 117 HHs – 10 percent of study area total.

- ❖ **Market Rate Rental Housing** - Employers, town officials and others involved in the housing market concur that there is a shortage of market rate rental housing in the study area. This shortage is most acute in communities that serve as employment centers, such as Morristown, Stowe and Cambridge. As noted above, new market rate rental development is occurring in Stowe and Morristown and some acquisition and rehabilitation work is taking place in Cambridge. However, it does not appear that the new units being created by this activity are sufficient to fill demand.

Contacts note that 'young professionals' are the primary demographic group seeking rental housing. In many instances, these are single or two person households that have recently moved to the area as a result of a new job. While home ownership could be a future goal for segment of these households, most have more interest in a good quality rental. This is consistent with patterns throughout the northeast, where more frequent job changes and reduced faith in the value of a homeownership as a solid investment have generally pushed this demographic to defer home ownership to later years.

Creation of market rate rental housing will not occur unless the right conditions are in place. On the supply side, land pricing/building acquisition, construction costs, interest rates and availability of financing must all fit the financial model to produce a reasonable expectation of return. On the supply side, rental rates must be sufficient to make the model work.

Although market rate rental development is primarily the 'job' of the private sector, there are several steps or strategies that the public sector can take to encourage new housing:

- Identify potential new development sites that meet the town's regulatory criteria for multi-family construction;
- Similarly, identify multi-buildings or other residential units that have potential for acquisition and rehabilitation. Contacts make it clear that there are a significant number of rental buildings in the study area that are in poor condition and which are 'ripe' for renovation. Contacts also note that there are a number of buildings and units that are currently unoccupied because of deferred maintenance;

- Ensure that infrastructure is in place to support multi-family development. Town officials indicate that most of the study area’s towns and villages have sufficient water and sewer capacity to handle new development. It is also important to note that *high-speed* internet access is essential to attracting younger renters.
- Ensure that the town regulatory environment is accepting of multi-family development and that prospective developers can count on a known timeframe for moving through a permitting process.
- Density Bonus - The density bonus is the most common form of incentive used by inclusionary housing programs – and encourages the inclusion of affordable units in a given project. A density bonus provides an increase in allowed dwelling units per acre (DU/A), Floor Area Ratio (FAR) or height that generally means that more housing units can be built on any given site. Typically programs in the U.S. allow increases of between 10 percent and 20 percent over baseline permitted density in exchange for the provision of affordable housing.
  - Stowe’s density bonus program provides for a bonus of up to 50 percent (See Appendix).
  - Morristown notes that, “town zoning is very supportive of new multi-family housing in the downtown. For example, downtown Morrisville is the only place in the county where multi-family dwellings can be approved administratively. The town also offers tax stabilization when developers are converting old buildings in the downtown.”
- Siting of market rental projects will be dependent on site (or rehabilitation) opportunities and other considerations. However, the following study area towns have the largest absolute number of households aged 25 to 44 years *and* incomes ranging from \$35,000 to \$60,000:
  - Stowe – 164 HHs – 17 percent of study area total;
  - Cambridge – 162 HHs – 17 percent of study area total;
  - Morristown – 151 HHs – 15 percent of study area total;
  - Johnson – 132 HHs – 13 percent of study area total;
  - Wolcott – 118 HHs – 12 percent of study area total.

**Note:** Jeffersonville’s water system is currently at capacity and will not be able to accept new connections until a new water source is found.

❖ **Subsidized Housing** – the summaries of housing need (See pp. 102 and 103) make it clear that, among households with incomes up to 120 percent of the AMI, households with incomes of less than 30 percent of the AMI will account for a largest share of total need. The estimates on page 103 indicate that between 85 and 90 annually of the lowest income study area households will be seeking a new housing situation during the next few years. Given extremely low vacancies and long waitlists in existing subsidized programs, it is apparent that demand far outweighs supply.

Housing subsidies have not fared well in recent years. HUD currently provides housing subsidies to about 4.7 million very low income households. Such subsidies make up about 80 percent of HUD's total budget. The White House's recently released Fiscal Year 2019 budget proposal calls for work requirements for those who receive public housing subsidies and slashes funding for the HUD by \$8.8 billion. The budget outline also zeroes out the Public Housing Capital Fund, dedicated to rehabilitating and modernizing public housing developments, and eliminates the Community Development Block Grant which local governments can use at their discretion to address a variety of community and infrastructure needs.

❖ **Homeless Resources** – high rates of utilization during the short period in which the Yellow House has operated make it clear that there is a need for a permanent homeless shelter in the study area. The research and interviews indicate that homeless and at-risk-of-homelessness issues need to be addressed with two forms of shelter:

- A short-term, emergency shelter – like that offered by the Yellow House – that can offer respite for individuals and families for short stays, or until other arrangements can be put in place;
- Longer-term, supportive housing that can assist individuals and families with developing the skills and providing the means to reintegrate into the community and to be independent. Contacts make it clear a significant segment of this targeted population lack these skills at present.

# Appendix

## A. Stowe Density Bonus Regulations

### 3.14 Affordable Housing Density Bonus

#### A. Density Bonus:

In the VC-10, VC-30, LVC, MRV, MRC and for a Planned Unit Development, the DRB may, in the instance of a proposed development creating affordable dwelling units, increase the number of dwelling units permitted up to an additional fifty (50%) percent, beyond the maximum number which could be permitted in the DRB's judgment, if the land were to be developed in conformance with the underlying zoning regulations for the district(s) in which such land is situated. Prior to granting a density bonus, the DRB must give due consideration to site conditions which otherwise limit development, such as shallow depth of soil, wetness or steep slopes. The DRB shall only grant a Density Bonus in instances where at least fifty (50%) percent of the total number of dwelling units in the project are to be perpetually Affordable Housing (as defined by these regulations). The DRB may not impose upon, nor require a landowner to apply for or accept, a density bonus.

#### B. Conditions of Approval:

As a condition of approval, the DRB shall require the applicant to file an affidavit indicating which of the proposed dwelling units are to be perpetually affordable and stating the legal mechanism to be used to assure affordability in perpetuity. The affidavit shall be submitted, reviewed and approved by the DRB and recorded in the Town of Stowe Land Records prior to the issuance of a Zoning Permit for construction.

16.1 Affordable Housing: Any Dwelling Unit that is; 1) Renting for a monthly rent not more than thirty (30%) percent of the total monthly household income of low to moderate income households; or 2) Housing that may be purchased with monthly payments including: principal, interest, taxes, insurance, homeowners association fees, and

Source: Town of Stowe,  
Planning Office.



assessments that do not add up to more than thirty (30%) percent of the total monthly household income of low to moderate income households. Low to moderate-income households shall be defined to be a household earning income(s) equal to or less than the median annual income adjusted for household size, as determined by the United States Department of Housing and Urban Development.

