

**City of Burlington Housing Trust Fund (HTF)
Project Award Application**

APPLICANT ORGANIZATION Champlain Housing Trust
CONTACT NAME Miranda Lescaze
DAYTIME PHONE & E-MAIL Mlescaze@champlainhousingtrust.org ; 802-861-7376
NAME OF PROJECT 176 South Winooski Ave
AMOUNT REQUESTED \$50,000
ESTIMATED CONSTRUCTION START DATE August 2022
ESTIMATED COMPLETION DATE August 2023
TOTAL ESTIMATED PROJECT COST \$10,223,000
TOTAL NUMBER OF AFFORDABLE HOUSING UNITS 30
TOTAL ESTIMATED PROJECT COST / TOTAL NUMBER OF AFFORDABLE HOUSING UNITS (PER UNIT COST) \$340,766

Is the applicant a corporation, partnership or individual who is delinquent, at the time of application, in the payment of property taxes or impact fees to the City of Burlington, who have been convicted of arson, who have been convicted of discrimination in the sale or lease of housing under article IV of this chapter or under the fair housing laws of the State of Vermont, or who have pending violations of current city electrical, plumbing, building or housing codes or zoning ordinances?

- Yes
 No

Will the proposed housing project be perpetually affordable?

- Yes
 No

Will the proposed housing project be affordable for 10-40 years?

- Yes
 No

Project Narrative

Funding priority goes to projects which respond to requirements of the Housing Trust Fund and the City of Burlington's affordable housing priorities. The Housing Trust Fund Administrative Committee (HTFAC) uses the attached criteria to score projects. Scores are tallied and ranked high to low. The HTFAC funds projects at its discretion.

Please provide the information below in the space provided. It is important to complete all fields. If you need additional space, attach separate pages to your application and title them as indicated below.

Project Description (Please briefly describe your project. Attach a project budget including all sources and uses):

This June the VFW Post 782, a veteran service organization whose mission is to help combat veterans reintegrate back into society and collaborate with community partners to address unmet needs community-wide, is commemorating its 100th year. This anniversary marks a time of transition; the nonprofit seeks to launch a new era of growth and rejuvenation to advance its community-based work.

VFW Post 782 has approached the Champlain Housing Trust with the idea of build affordable housing above a new facility for the veteran service organization at its downtown Burlington property. VFW Post 782 was founded in June 1921, moved to its current site in 1980, and intends to expand its programs to veterans struggling to reintegrate back into the community after wartime missions.

The VFW Mission drives combat veterans to shift the fight from the battlefield to the communities where they live in efforts to adequately address issues within the veteran community – mental illness, civilian reintegration gaps and camaraderie – as well as establish or shore up existing partnerships to support strengthening the VFW’s presence as a community resource. The spaces needed include administrative offices, a computer lab for professional and personal development training, a multipurpose room that could also be available for community and business use, and therapeutic program spaces to support initiatives such as the Paper Making Project (<https://www.youtube.com/watch?v=xb3K-Sd4cPA>).

The VFW has ongoing collaborative partnerships with the Veterans Affairs Hospital and other agencies offering professional and personal development programs. VFW Post 782 has also begun collaborating with Burlington’s Community and Economic Development office to identify complementary commercial entities that would lease space, generating operating revenue for the VFW Post, as well as BIPOC community entities that the Veterans Center space could support through housing start up programs, use of a ghost commercial kitchen, and use of conference and event spaces.

CHT would serve as master developer, and has begun schematic design. We are planning a four or five story building; the Veteran Services Center and commercial space leased to community entities will reside on the first and second floors. Upper floors will house residential apartments, at least some number of which will be special purpose apartments targeted to veterans. The VFW will manage the service facility, and the Champlain Housing Trust will own and manage the apartments above.

This project is located in a low-income census tract, and will remediate an existing brownfield. Cleanup of site contamination contributes to the per unit cost of this project. BHTF funding will support the housing development, enabling low- to moderate-income Vermonters, including homeless veterans, to live in this ideal downtown location, close to services and connected to the program spaces of VFW Post 782.

Please describe how many households at or below 80% of AMI will be served by the project:

All 30 units would be restricted to 80% AMI or below, through funding from the Vermont Housing and Conservation Board, HOME, and Low Income Housing Tax Credits. We will also be pursuing City ARPA funding and project-based rental assistance to serve households experiencing homelessness. We plan to restrict the

30 units as follows:
8 units <80% AMI
6 units <60% AMI
16 units <50% AMI

Please describe how many households at or below 50% of AMI will be served by the project:

16 units paired with project-based rental assistance <50% AMI.

Please describe how the City has already demonstrated its interest and support through the investment of CDBG funds, the provision of technical assistance, and/or acquisition of site control for the proposed housing project:

The City has provided business development technical assistance to the VFW in planning this project and have indicated their support for the project and remediation of this important downtown site. This Housing Trust Fund application is the first application we have submitted to the City but we plan to also request City support through HOME and ARPA funding.

Please describe how the application supports one or more of the priorities listed in the City's Housing Action Plan:

This project supports the following Housing Action Plan priorities:

Goal I: Expand and Strategically Apply Municipal Resources to Support New Low- and Moderate-Income Housing Construction and Better Assist Those Ineligible for Subsidy but Unable to Compete in Burlington's Housing Market.

This project will produce 30 new construction housing units to serve low- and moderate-income households.

Goal IV: New Approaches to Homelessness in Our Community
"Building on the City's strong record of creating and preserving low-income housing, the City supports efforts to end homelessness in our community. The City supports the good work of our partner agencies in Burlington to achieve the goal of ending childhood and family homelessness by 2020.... The City would seek to support its outstanding non-profits including Spectrum, the Howard Center, COTS, Lund, BHA, CHT, Pathways, philanthropic entities, and others to increase the available housing stock and provide services for homeless individuals and families where possible."

This project will expand CHT's portfolio of apartments for households experiencing homelessness, and will specifically prioritize homeless veterans.

Please describe how the application supports one or more of the priorities listed in the City's Consolidated Plan:

The proposed project supports many goals in the Consolidated Plan including the following priorities in the 2020 Action Plan:

SP-10 Geographic Priorities

Strategy area – Downtown area

- “In the housing arena, there is need for rehabilitation of structures and the creation of new, in-fill housing to meet the needs of the low income residents.”
- “Public improvements, infrastructure projects and brownfield remediation are necessary to improve the quality of life and improve access to facilities and goods and services in the area.”

SP-25 Priority Needs

- 2. Increase Affordable Housing Opportunities
 - DH1.2 Protect the Vulnerable New Special Need housing
 - DH 1.3 Create New Affordable Housing
 - SL 1.4 Remediation of Brownfields
- 4. AFH – Increase Employment/Economic Opportunities
 - EO 1.1 Support Microenterprises
- 7. Improve Public Facilities or Infrastructure
 - SL 1.4 Remediation of Brownfields
- 10. Protect the Vulnerable

Please describe how the proposed project supports an underserved and vulnerable population:

This project will support low- and moderate-income households, households experiencing homelessness, and veteran households. The addition of 30 new perpetually affordable housing units serving these households in a downtown location will have a significant impact on housing availability and affordability for these underserved and vulnerable populations.

Please describe the experience of the development team:

In its 37 years of existence, the Champlain Housing Trust has developed, owns and manages over 2,500 apartments in northwestern Vermont, with the majority in Chittenden County and Burlington. CHT is an experienced developer, led by management team members Michael Monte, CEO, Amy Demetrowitz, COO, and Miranda Lescaze, Director of Real Estate Development. In addition to deep experience developing affordable housing, CHT has developed several community facilities including the Old North End Community Center.

Please describe other ancillary uses (community space, mixed use, etc.), if any, in the proposed project:

This project serves a dual purpose of creating desperately needed new affordable homes and revitalizing the VFW Post facility into a new Veterans Service Center which will help to secure the sustainability of this community nonprofit while also offering additional services and retail space to additional community groups. Though funded separately from the housing, likely through New Markets Tax Credit as well as other financing, the Veteran Services Center will share a site, parking,

and building with the affordable housing. The Veteran Services Center will include office and program spaces for the VFW as well as an event hall and community kitchen available for rent by community groups, and two commercial spaces for lease.

Please describe how the project addresses community need:

This project will address the critical need for new affordable housing units through the creation of 30 new permanently affordable homes in downtown Burlington for low- and moderate-income households.

Please describe how the project would impact the community:

This project will have a significant impact on the downtown community. Thirty low- and moderate-income households will have new housing opportunity in a downtown Burlington location close to jobs, services, and amenities. A Brownfields site will be cleaned up and redeveloped, contributing to the economic development of the City. The nonprofit VFW Post will be poised for a sustainable future with new space to effectively deliver programming, and revenue through its leasing of space to community groups. Community groups, particularly BIPOC and small business enterprises, will have new opportunities for kitchen and office space to develop their business endeavors.

Signature Page

Please check each box that applies:

- Good Standing:** I certify that I am in "good standing" with respect to, or in full compliance with a plan to pay any and all taxes due to the City of Burlington.
- Certification:** Under penalties of perjury, I declare that the information I have provided, to the best of my knowledge and belief, is true, correct, and complete.

Miranda Lescaze

Print Name


Applicant Signature

August 26, 2021

Date

**176 South Winooski Avenue
Burlington Housing Trust Fund FY22
Development Budget**

Uses

Acquisition	\$1,164,000
Construction Hard Costs	\$6,397,500
Soft Costs	\$2,661,500
TOTAL USES	\$10,223,000

Sources

Amortizing Permanent Debt	\$900,000
Burlington HTF	\$50,000
ARPA HOME/ARPA	\$1,220,000
HUD EDI	\$500,000
VHCB	\$750,000
National Housing Trust Fund	\$975,000
Energy Incentives	\$78,000
VHFA - Federal Tax Credit Equity	\$5,750,000
TOTAL SOURCES	\$10,223,000