

**City of Burlington Housing Trust Fund (HTF)  
Capacity Grant Application**

APPLICANT ORGANIZATION Champlain Housing Trust
CONTACT NAME Chris Donnelly
DAYTIME PHONE & E-MAIL 861-7305; chris@champlainhousingtrust.org
NAME OF PROJECT Capacity Funding for Champlain Housing Trust
AMOUNT REQUESTED \$46,500
ESTIMATED CONSTRUCTION START DATE (FOR FEASIBILITY/PREDEVELOPMENT GRANTS) 10/1/17
ESTIMATED COMPLETION DATE 9/30/18
TOTAL ESTIMATED PROJECT COST \$12,042,837

Is the applicant a 501(c)(3) tax-exempt, nonprofit corporation organized and operated for the purpose of creating or preserving housing for very low, low and moderate income households?

- Yes  
 No

Would the requested grant support the staffing, training, planning, fundraising or on-going operations of a nonprofit corporation, thereby increasing that corporation's capacity to create or preserve housing for very low, low and moderate income households?

- Yes  
 No

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

**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. Specifically describe how Housing Trust Funds would: a) support your organization's ongoing operation and/or b) support the assessment of structural and financial feasibility of new affordable housing.):**

CHT requests capacity support for our staffing of operations, public education, outreach, fundraising and engaging public officials. Our \$12 million operating budget for FY18 has virtually no cushion – our net operating income is just \$126,367, or a 1% margin.

Support from the Housing Trust Fund will support our various efforts, including:

- Organizing monthly informational meetings for 10-20 people each month;
- Attending and presenting at a half dozen external meetings;
- Analyzing available market data from Brooks & Allen, housingdata.org and our own experiential data of applications and customers seeking service to understand conditions, ensure that the type of housing (rental vs. homeownership, number of bedrooms, location, etc) matches the need;
- Compiling data to best illustrate the community's housing need to various stakeholders;
- Staffing the Building Homes Together campaign, aimed at significantly increasing housing production in the county, and educating both the public at large and appointed and elected officials on the need for more housing.
- Attending NPA meetings to engage community leaders and members of the public about their concerns or biases, and educate the public on the needs of vulnerable citizens and underserved residents;
- Raising funds for our operations as well as to subsidize those programs that are in significant demand (such as credit counseling or eviction prevention), but have no dedicated funding source – which in turn ensures a stronger safety net supporting our residents when they move into our housing;
- Engaging with discussions around reforming the City's inclusionary zoning ordinance;
- Participating in the Mayor's Land Use Committee;
- Working to create an ordinance that allows homeless shelters; and
- Supporting and leading on efforts to eliminate chronic homelessness and make all homelessness brief and rare. Our work as both an advocate and as leader in the Chittenden County Homeless Alliance has contributed to great success in the last few years and we are committed to seeing the job through.

The work we do to ensure people in Burlington and across the region understand the need for more affordable housing directly contributes to our ability to move development projects through the permitting process, attract and secure resources to build it and ultimately makes the community more inclusive and diverse.

**Please describe how the organization is currently involved in the construction of new affordable housing:**

CHT will soon be underway in the construction of 76 permanently affordable apartments and up to 60 permanently affordable condominiums at Cambrian Rise. We just completed a 40-home housing co-op on Bright Street in the Old North End, and added eight apartments at the former Bel Aire Motel on Shelburne Street.

This year will also mark the beginning of rehab and preservation of several existing buildings in our portfolio in two partnerships. In addition, we steward several hundred permanently affordable homes throughout the City, including apartments, co-ops and owner-occupied homes.

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

This application for capacity support of CHT enables us to support the following 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.*

1. **Preservation.** Our work in the Old North End refinancing and rehabbing BRHIP and ONE partnerships directly support this goal. This work will make sure the properties will continue to serve low- and moderate income families and individuals well into the future. This work takes in consideration an evaluation of the buildings to understand rehab needs as well as creating a partnership that works well financially to ensure the housing will be permanently affordable.
4. **Inclusionary Zoning.** CHT staff have engaged the CDNR throughout this process and will continue to do so.
5. **Energy Efficiency.** We're conducting outreach with Efficiency Vermont to educate our residents at multi-family developments to reduce their energy usage.

*Goal II: Consider Regional Land Use Approaches and Reduce Regulatory Barriers and Disincentives to New Housing Production.*

1. **Regional Housing Initiatives.** We are staffing and with CCRPC and Housing Vermont, providing leadership to the Building Homes Together campaign that has organized over 100 stakeholders in the county. We'll continue to engage individual communities with support to increase the production of housing in the region. CHT participates in the Mayor's Land Use committee as well.

*Goal IV: New Approaches to Homelessness in Our Community*

1. **Housing First.** CHT is fully on board with the Housing First strategy. In analyzing our lease-ups in FY17, we counted 29% of all new tenants as coming out of homelessness. Our creation of apartments at the Bel Aire is another tangible example, one that brought new resources and partners. At The Laurentide, our new apartments at Cambrian Rise, we have committed to housing 14 formerly homeless households, and have an application in for 25 vouchers. We are on the right path; we need to keep pushing in this direction. A CHT staff member co-chairs the Chittenden County Homeless Alliance, and CHT senior staff are very engaged in local and state initiatives to reduce homelessness. None of this staffing has a dedicated funding source.
2. **Low-Barrier Shelter.** CHT owns the building and leases the space for the Low-Barrier Shelter. We are working on the possibility of a sale of the building that would allow for continued use, and have advocated to make the service available year round.

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

Our work supports the following priorities of the Consolidated Plan:

*SP-10: Geographic Priorities*

1. **Neighborhood Revitalization Strategy Area.** Our preservation work will rehab homes in Census tracts 3, 4, and 10.
2. **City-wide.** The new development at Cambrian Rise (both the apartments at The Laurentide and especially the new affordable homeownership) will address this geographic priority.

### *SP-25 Priority Needs*

Of the priority needs identified in the Consolidated Plan, CHT's work supports the following:

- Preserve and Upgrade Existing Housing
- Production of new affordable housing units
- Promote Homeownership
- Homeless Shelters - ES/TH
- Housing Special Needs
- Homeless Outreach and Prevention  
Rapid Re-housing
- Protect the Vulnerable

### *SP-40 Institutional Deliver System*

CHT is listed as one of the four entities responsible for carrying out the priorities in the plan, and CHT's staff serves as a co-chair of the Chittenden County Homeless Alliance, one of the others. Since the Consolidated Plan was drafted in 2013, CHT has taken a much more active role than only focusing on rentals and homeownership, and it is fair to say we've been a partner in a number of the other priorities listed above.

**Please describe the financial need of the requested activity (include a project budget with all sources and uses):**

An organizational budget for FY18 (ending 9/30/2018) is attached. As mentioned previously, our net income for the year is budgeted at 1% -- that's a very thin margin. Each year, we piece together several sources of funding to fill the last 10%-15% of our budget through fundraising, public capacity grants and program grants for our financial literacy programs (primarily in \$5,000 to \$10,000 awards from local banks and credit unions). Over 500 people in the community support our mission with a donation each year, so funding from the housing trust fund leverages those resources as well. There are no other known sources that we can turn to fill this last piece of our budget.

We believe that the activities described above add tremendous value to our City and make a lot of our other work possible. Housing Trust Fund support of these activities results in securing significant additional resources – including capital awards – for affordable housing programs in our region.

**Please describe the negative impact to the community if the request is not funded:**

We would need to assess and reevaluate our priorities. Staffing would be reduced for one or more of the activities that we have listed. There likely would be a "domino effect" as we could lose the leverage described in the previous question.

For example, lack of funding may mean pulling back from our leadership on the Building Homes Together campaign. Many credit this effort as contributing to the more positive public opinion around the need for more housing as well as the ability to attract new resources for affordable housing. Future opportunities to create or expand housing trust funds regionally could be at risk; likewise, the public and political support for investing existing resources such as the new \$35 million state housing bond into Chittenden County could erode without continued engagement with leaders.

It's possible that we pull back on our efforts around homelessness and involvement in the Chittenden County Homeless Alliance. That may lead to fewer people securing housing that had been homeless.

Another possibility would be reducing our community fundraising staffing, which we have recently expanded to support both growth and a new capital campaign for creating the Old North End Community Center at the former St. Joseph School. Reducing that staffing now may hamstring both operational and capital fundraising efforts, resulting in other needs for staffing or program cuts.

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

Capacity funding from the Housing Trust Fund enables CHT to carry out its mission. It supports our ability to create and preserve new housing for underserved and vulnerable populations. It supports our work with the Chittenden County Homeless Alliance to securing permanent supportive housing for people experiencing homelessness, and supports our advocacy to make Burlington and the region more affordable for all.

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.

Chris Donnelly

Print Name



Applicant Signature

11-14-17

Date



<b>CHT Overall</b>	
<b>Approved 9/13/17</b>	
<b>2018 Budget</b>	
Grant Revenue	1,022,000
Gain on Resale of Property	
Sale of Property	4,570,000
Cost of Property Sold	3,405,800
Additional Appreciation Subsidy	869,200
Total Gain on Resale of Property	295,000
Rental Income and Related Items	
Tenant Rent	3,289,942
Vacancy	(194,041)
Commercial Rent	926,112
Other Rental Income	210,474
Total Rental Income and Related Items	4,232,487
Revenue from Properties	
Fees for Maintenance	1,159,769
Admin Fees	112,076
Social Service Fees	289,716
Property and Asset Management Fees	2,500,288
Incentive Fees	579,756
Total Revenue from Properties	4,641,605
Coop Fees	61,500
Home Ownership Fees	367,174
Interest Income	27,600
Development Fees	988,900
Technical Assistance Fees	39,750
Miscellaneous Fees	160,321
Donations	205,000
Sponsorship	1,500
<b>Total Revenue</b>	<b><u>12,042,837</u></b>
Personnel and Consultants	
Salaries and Wages	4,484,470
Taxes and Benefits	1,829,595
Training Costs	138,560
Temp /Americor Services and Recruiting	35,340
Total Personnel and Consultants	<u>6,487,964</u>
Occupancy	439,578
Office Expenses	
Supplies and Non-Capital Equipment	42,230
Local Mileage and parking	68,710
Postage and Courier Service	31,985
Telephone	15,600
Printing and Copying	4,900
Dues & Subscriptions (and Lobbying)	38,100
Equipment Repair and Maintenance	4,740
Bank Fees/Finance Charges	5,430
Total Office Expenses	<u>211,695</u>
Technology Expenses	
Equipment Leases	69,104
Computer Equipment and Supplies	122,289
Technology Consulting	78,151
Internet access	26,892

<b>CHT Overall</b>	
<b>Approved 9/13/17</b>	
<b>2018 Budget</b>	
Cell Phones	<u>48,600</u>
Total Technology Expenses	345,036
Property Management Expenses	
Truck Maintenance	12,000
Other	39,240
Total Property Management Expenses	<u>51,240</u>
Rental Property Expenses (fund 05)	
Property Management Fees	320,816
Condo Fees	102,683
Utilities, Grounds, Repairs	1,161,989
Resident Services and Fees	52,080
Taxes and Insurance	562,366
Debt Service (P+i)	1,109,899
Contribution to Replacement Reserve	415,000
Other	103,991
Total Rental Property Expenses	<u>3,828,824</u>
Outreach	
Advertising/Public Relations	16,145
Donor Cultivation	7,000
Membership Expenses	31,600
Organizing	18,400
Communications	12,500
Total Outreach	<u>85,645</u>
Screening/Home Ownership/Counseling Expenses	
Workshops	18,000
Tenant Screening	11,268
Lending	300
Total Screening/Home Ownership/Counseling Expenses	<u>29,568</u>
Professional Services	297,743
Board and Staff Expenses	37,805
Other Sources (Uses) of Funds	
Insurance	57,432
Project Expenses	40,008
Interest Expense	34,170
Other	14,500
Total Other Sources (Uses) of Funds	<u>146,110</u>
<b>Total Expenses</b>	<b><u>11,961,208</u></b>
<b>Operating Income</b>	<b><u>81,628</u></b>
<b>** The operating income (\$44,739) remaining in Owned properties</b>	<b>(44,739)</b>
	<b><u>126,367</u></b>



## Todd Rawlings

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**From:** Todd Rawlings  
**Sent:** Tuesday, November 14, 2017 10:36 AM  
**To:** 'Chris Donnelly'  
**Subject:** RE: Housing Trust Fund Capacity application

Good morning Chris,

This is your confirmation that I have received your proposal prior to the Housing Trust Fund ("HTF") Request for Proposals deadline. The HTF Administrative Committee (HTFAC) will be examining all proposals and we hope to have final decisions about the awards by the middle of December. I will notify you as soon as possible regarding the HTFAC's decisions regarding awards. In the meantime, I may contact you if there are questions about your proposal.

Very Best,

Todd Rawlings  
CEDO Housing Program Manager  
652-4209

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**From:** Chris Donnelly [<mailto:Chris.Donnelly@champlainhousingtrust.org>]  
**Sent:** Tuesday, November 14, 2017 9:51 AM  
**To:** Todd Rawlings  
**Subject:** Housing Trust Fund Capacity application

Good morning, Todd – attached is our application to the Burlington Housing Trust Fund seeking capacity funding. Also attached is our organizational budget. Please let me know if there are any other materials you need to complete our application; I'm also always free to answer any questions or clarify any information included in our application that either you or the committee need.

Best,  
Chris

**Chris Donnelly**  
Director of Community Relations  
Champlain Housing Trust

(802) 861-7305 direct  
(802) 310-0623 cell  
(802) 862-6244 main

[Web](#) / [Facebook](#) / [Twitter](#)

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