

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

APPLICANT ORGANIZATION Champlain Housing Trust
CONTACT NAME Chris Donnelly
DAYTIME PHONE & E-MAIL 802 861-7305 / chris@champlainhousingtrust.org
NAME OF PROJECT CHT Capacity Funding Application
AMOUNT REQUESTED \$60,000
ESTIMATED CONSTRUCTION START DATE (FOR FEASIBILITY/PREDEVELOPMENT GRANTS) October 1, 2022 [FY Start]
ESTIMATED COMPLETION DATE September 30, 2023 (FY End)
TOTAL ESTIMATED PROJECT COST \$23.8M

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.):

Funding from the Housing Trust Fund directly supports CHT’s advocacy, fundraising and affordable housing awareness staffing and activities. These efforts deliver tens of millions of dollars annually of federal, state and charitable dollars to the City and region to advance affordable housing development and programs that support low-income residents.

Support from the Housing Trust Fund is particularly critical in this moment as CHT ramps up its development and management activity in the City, and as housing continues to command the attention of lawmakers in Montpelier and the citizens of our region. CHT’s ability to respond to the opportunity and to serve the community is directly related to our ability to:

- Promote the need for housing construction in and outside of Burlington to local and state officials as well as members of the general public. Our coordinated activity through the Building Homes Together campaign and other coalition work will result in more available resources and policy reforms that make building affordable housing possible.
- Secure federal and state dollars in support of affordable housing and programs that support low income households. CHT’s staff have become trusted advisors and leaders for State officials as decisions are made on how to prioritize the use of and allocate these resources.
- Address the needs of, and create a broader understanding of the needs of, unhoused residents. In addition to the management of the Elmwood Avenue Shelter Community, CHT operates Harbor Place and is increasing permanent housing options that provides a pathway out of homelessness.

The staffing to carry out this work is dependent on capacity funding from sources like the Housing Trust Fund – the HTF is one of just three remaining public capacity grants that CHT receives each year.

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

We have a lot of development activity in our real estate pipeline. These include:

- Redevelopment of the VFW site into 36 new apartments with co-located community services
- Collaborating with the developers of CityPlace to construct 85 new apartments downtown
- Working with the developer of Cambrian Rise to fulfill inclusionary zoning requirements, possibly with 40 new condominiums
- Supporting the work of Green Mountain Habitat for Humanity in developing several homes for sale at various sites around the City.
- Engaging with property owners to develop in Burlington’s South End.

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 1: 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 over the last several years in the Old North End refinancing and rehabbing BRHIP and ONE partnerships directly support this goal. Our stewardship of housing across the City ensures that properties will continue to serve low- and moderate income families and individuals well

into the future. We conduct ongoing evaluation of the buildings in our portfolio to understand rehab needs as well as developing capital needs plans that works well financially to ensure the housing will be permanently affordable.

2. Expanding the HTF. We supported and advocated for the expansion of the HTF.
4. Inclusionary Zoning. CHT is engaging with private developers in various sections of the City to provide our services to satisfy their IZ requirements.
5. Energy Efficiency. We invest significant resources each year in improving the energy efficiency of our properties.
7. South End Zoning Policies. We'll be working with the developers of the Hula site and possibly others to encourage changes in zoning that will allow for housing development in the South End.

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

1. Regional Housing Initiatives. We initiated and are staffing (with CCRPC and Evernorth) and providing leadership to the Building Homes Together campaign that has organized over 125 stakeholders in the county. We'll continue to engage individual communities with support to increase the production of housing – especially affordable housing – in the region.

Goal IV: New Approaches to Homelessness in Our Community

1. Housing First. CHT is fully on board with the Housing First strategy and we are an active participant in the Chittenden County Homeless Alliance.
2. Low-barrier shelter. We are managing the Elmwood Avenue Shelter Community as a stop gap measure for the significant increase in homelessness in our region. While we will operate this stopgap, the solution is always more housing options. Last year, over 86 formerly homeless households moved into a CHT apartment, and we're working to next month 38 people who are currently unhoused will move into new permanently supportive housing in Williston.

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

CHT's work directly supports many goals in the Consolidated Plan, including the following priorities list in the 2022 Annual Action Plan, though some of our activities are also supporting a regional approach to housing needs and challenges:

- DH 2.1 Acquire/Rehab - Rental or Owner Units
- DH 1.3 Create New Affordable Housing
- DH 1.4 Promote new homeownership buyer assistance
- DH 2.2 Protect the Vulnerable - Lead Hazard
- DH 1.1 Protect the Vulnerable - New Perm Supportive Housing
- DH1.2 Protect the Vulnerable - New Special Need Housing
- SL 1.3 Improve Public Facilities & Infrastructure
- SL 1.4 Remediation of Brownfields

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

Our organizational budget for FY23 is attached, broken down by line of business. There are multiple, complicated programs, grant sources, and revenue streams that are all supported by a small number of capacity grants, community fundraising, and earned real estate development fees. The margin is very thin with a positive balance at the end of the year projected to be about 1.5% of expenses – each capacity grant is critical to our operations.

Furthermore, CHT used to receive funding from the City's CDBG program that helped fund our operations initially through a capacity grant for development, and then as a development fee. This \$100,000 - \$150,000 grant is no longer available, adding stress on our budget.

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

As stated above, our organization has a complicated, multi-dimensional budget that depends on all sources to ensure that we keep our staffing levels at the necessary levels to effectively advocate for housing resources and to secure public support for affordable housing initiatives and development. The negative impact may result in not having state or federal resources available to develop as much new housing in the community, or win needed policy reforms.

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

The mission of the Champlain Housing Trust is to support underserved and vulnerable populations. Capacity funding from the Housing Trust Fund enables us to pursue this purpose. This funding supports our ability to create and preserve new housing for these populations, advances our work to ensure that there is a continued focus on creating 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

November 11, 2022

Date

CHT Overall 8/31/2022 2023 Budget	Version dated :								8/31/2022
	8/31/2022	8/31/2022	8/31/2022	8/31/2022	8/31/2022	8/31/2022	8/31/2022	8/31/2022	
	01	02	03	04	05 Owned Properties	06 Com	07 Dev	09 Res Svcs	CHT Total
Admin	COOP	HOC	PM						
Grant Revenue	251,196	0	858,899	0	0	246,000	0	147,000	1,503,095
Gain on Resale of Property									
Sale of Property	0	0	4,433,000	0	0	0	0	0	4,433,000
Cost of Property Sold	0	0	3,405,800	0	0	0	0	0	3,405,800
Additional Appreciation Subsidy	0	0	<u>857,200</u>	0	0	0	0	0	857,200
Total Gain on Resale of Property	<u>0</u>	<u>0</u>	<u>170,000</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	170,000
Rental Income and Related Items									
Tenant Rent	0	0	0	0	8,040,437			0	8,040,437
Vacancy	0	0	0	0	(584,261)	0	0	0	(584,261)
Commercial Rent	0	0	0	0	1,464,270	0	0	0	1,464,270
Other Rental Income	0	0	0	0	63,742	0	0	0	63,742
Total Rental Income and Related Items	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>8,984,188</u>	<u>0</u>	<u>0</u>	<u>0</u>	8,984,188
Revenue from Properties									
Fees for Maintenance	0	0	0	2,297,449	0	0	0	0	2,297,449
Admin Fees	0	0	0	633,014		0	0	0	633,014
Social Service Fees	0	0	0	0	0	0	0	775,727	775,727
Property and Asset Management Fees	0	0	0	4,270,748	0	0	0	340,000	4,610,748
Incentive Fees	0	0	0	382,100	0	0	0	0	382,100
Total Revenue from Properties	<u>0</u>	<u>0</u>	<u>0</u>	<u>7,583,311</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,115,727</u>	8,699,038
Coop Fees	0	116,051	0	0	0	0	0	0	116,051
Home Ownership Fees	0	0	482,044	0	0	0	0	0	482,044
Interest Income	0	0	12,000	0	0	0	310,587	0	322,587
Development Fees	0	0	144,000	0	0	0	2,087,000	0	2,231,000
Technical Assistance Fees	65,520	0	0	0	0	0	0	0	65,520
Miscellaneous Fees	219,102	0	200,000	0	0	120,000	0	466,668	1,005,770
Donations	0	0	1,000,000	0	0	400,000	0	0	1,400,000
Sponsorship								0	0
Total Revenue	535,818	116,051	2,866,943	7,583,311	8,984,188	766,000	2,397,587	1,729,395	24,979,294

CHT Overall 8/31/2022 2023 Budget	Version dated :								8/31/2022
	8/31/2022	8/31/2022	8/31/2022	8/31/2022	8/31/2022	8/31/2022	8/31/2022	8/31/2022	
	01	02	03	04	05 Owned Properties	06 Com	07 Dev	09 Res Svcs	CHT Total
Personnel and Consultants									
Salaries and Wages	1,880,046	52,741	937,517	4,005,739	0	295,113	334,546	1,008,127	8,513,829
Taxes and Benefits	707,593	19,850	352,853	1,507,640	0	111,072	125,913	379,429	3,204,350
Training Costs	117,574	2,500	29,620	51,925	0	7,850	6,700	33,620	249,789
Temp /Americor Services and Recruiting	24,900	0	19,180	5,000	0	0	0	0	49,080
Total Personnel and Consultants	<u>2,730,112</u>	<u>75,092</u>	<u>1,339,170</u>	<u>5,570,305</u>	<u>0</u>	<u>414,035</u>	<u>467,159</u>	<u>1,421,175</u>	<u>12,017,048</u>
Occupancy	109,737	7,723	115,845	267,623	0	30,892	30,892	15,446	578,158
Office Expenses									
Supplies and Non-Capital Equipment	43,982	0	2,000	5,505	0	600	600	1,080	53,767
Local Mileage and parking	1,800	300	9,100	53,550	0	3,000	3,600	12,900	84,250
Postage and Courier Service	28,380	0	300	0	0	900	0	0	29,580
Telephone	42,600	0	0	8,400	0	0	0	0	51,000
Printing and Copying	1,200	400	200	1,200	0	300	0	0	3,300
Dues & Subscriptions (and Lobbying)	22,260	200	5,325	2,800	0	11,350	5,000	0	46,935
Equipment Repair and Maintenance	0	0	0	0	0	0	0	0	0
Bank Fees/Finance Charges	14,800	0	8,400	240	0	6,000	0	0	29,440
Total Office Expenses	<u>155,022</u>	<u>900</u>	<u>25,325</u>	<u>71,695</u>	<u>0</u>	<u>22,150</u>	<u>9,200</u>	<u>13,980</u>	<u>298,272</u>
Technology Expenses									
Equipment Leases	30,084	0	0	0	0	0	0	0	30,084
Computer Equipment and Supplies	259,685	0	24,940	375	0	3,400	400	4,850	293,650
Technology Consulting	148,332	0	0	0	0	0	0	0	148,332
Internet access	18,840	0	300	2,508	0	0	0	0	21,648
Shared Expenses	(335,006)	2,663	47,345	202,290	0	14,903	16,895	50,910	0
Cell Phones	<u>10,500</u>	<u>480</u>	<u>7,080</u>	<u>33,080</u>		<u>1,920</u>	<u>1,560</u>	<u>8,880</u>	<u>63,500</u>
Total Technology Expenses	132,435	3,143	79,665	238,253	0	20,223	18,855	64,640	557,214
Allocated Administrative Costs	(2,733,119)	21,729	386,257	1,650,365	0	121,587	137,833	415,348	0
Property Management Expenses									
Truck Maintenance	0	0	0	22,800	0	0	0	0	22,800
Other	0	0	0	77,270	0	0	0	5,040	82,310
Total Property Management Expenses	<u>0</u>	<u>0</u>	<u>0</u>	<u>100,070</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>5,040</u>	<u>105,110</u>
Total Rental Property Expenses	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>8,182,804</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>8,182,804</u>

CHT Overall							Version dated :		8/31/2022	
8/31/2022	8/31/2022	8/31/2022	8/31/2022	8/31/2022	8/31/2022	8/31/2022	8/31/2022	8/31/2022		
2023 Budget	01	02	03	04	05	06	07	09		
	Admin	COOP	HOC	PM	Owned Properties	Com	Dev	Res Svcs	CHT Total	
Outreach										
Advertising/Public Relations	0	600	12,900	6,000	0	22,590	0	0	42,090	
Donor Cultivation	0	0	0	0	0	15,000	0	0	15,000	
Membership Expenses	0	0	0	0	0	36,200	0	1,000	37,200	
Special Events	0	0	0	0	0	0	0	0	0	
Organizing	0	0	0	0	0	0	0	30,115	30,115	
Communications	0	0	0	0	0	15,000	0	0	15,000	
Total Outreach	0	600	12,900	6,000	0	88,790	0	31,115	139,405	
Screening/HOC/Counseling Expenses										
Workshops	2,100	0	31,200	0	0	0	0	0	33,300	
Tenant Screening	0	0	14,275	360	0	0	0	0	14,635	
Lending	0	0	300	0	0	0	0	0	300	
Total Screening/HOC/Counseling Expenses	2,100	0	45,775	360	0	0	0	0	48,235	
Professional Services	110,400	4,400	66,875	9,000	0	29,600	42,750	91,250	354,275	
Board and Staff Expenses	74,875	810	350	4,700	0	0	400	1,200	82,335	
Other Sources (Uses) of Funds										
Insurance	140,000	0	0	21,600	0	0	0	0	161,600	
Project Expenses	0	0	19,200	0	0	0	30,000	0	49,200	
Interest Expense	20,625	0	0	5,688	0	0	391,962	0	418,275	
Other	5,400	1,400	800,000	2,400	0	1,200	0	0	810,400	
Total Other Sources (Uses) of Funds	166,025	1,400	819,200	29,688	0	1,200	421,962	0	1,439,475	
Total Expenses	747,588	115,797	2,891,361	7,948,058	8,182,804	728,477	1,129,050	2,059,195	0	23,802,331
Operating Income	(211,770)	253	(24,418)	(364,747)	801,384	37,523	1,268,537	(329,800)	0	1,176,964
** Less : Owned Property Operating Income **									801,384	
Net Available Operating Income									375,580	