

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

APPLICANT ORGANIZATION
Committee On Temporary Shelter (COTS)
CONTACT NAME
Tamira Martel, Corporate and Foundations Relationship Manager
DAYTIME PHONE & E-MAIL
(802) 540-3084 ext. 208 : tamiram@cotsonline.org
NAME OF PROJECT
COTS Housing Resource Center
AMOUNT REQUESTED
\$7,500
ESTIMATED CONSTRUCTION START DATE (FOR FEASIBILITY/PREDEVELOPMENT GRANTS)
N/A
ESTIMATED COMPLETION DATE
Ongoing program
TOTAL ESTIMATED PROJECT COST
\$726,394.35 annual budget

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.):

Please see Attachment A.: Project Narrative - COTS Housing Resource Center

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

Please see Attachment A.: Project Narrative - COTS Housing Resource Center

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

Please see Attachment A.: Project Narrative - COTS Housing Resource Center

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

Please see Attachment A.: Project Narrative - COTS Housing Resource Center

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

Please see Attachment A.: Project Narrative - COTS Housing Resource Center and also Attachment B.: FY21 COTS Housing Resource Center Budget.

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

Please see Attachment A.: Project Narrative - COTS Housing Resource Center

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

Please see Attachment A.: Project Narrative - COTS Housing Resource Center

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.

Tamira Martel, COTS Corporate & Foundations Relationship Director  
Print Name

*Tamira Martel*  
Applicant Signature

11.24.20  
Date

**Attachment A.: Project Narrative – COTS Housing Resource Center  
BURLINGTON HOUSING TRUST FUND FY21  
Capacity Grant Application**

*Submitted by the Committee on Temporary Shelter  
November 24, 2020*

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**Project description:** This application seeks funding for COTS Housing Resource Center to provide programming to prevent homelessness. The COTS Housing Resource Center (HRC), launched in July 2008, prevents at-risk households from losing their existing housing due to unforeseen circumstances and allows those who are without permanent shelter to move more rapidly into stable housing.

COTS Housing Resource Center (HRC) employs a variety of methods to help stabilize households in crisis; these include prevention grants, security deposit grants/loans/guaranties, and a risk-guarantee fund program. Funds will be used to provide homelessness prevention and re-housing programming to 350 - 400 households annually (approximately 900 people) who are at risk for becoming homeless or who need assistance getting into housing. In addition, funds will be used to offer comprehensive budget guidance and financial literacy training on- and off-site and provide referrals to connect clients to other mainstream services and benefits.

Funding received from the Burlington Housing Trust Fund will support staffing resources, as well as supervision, and overall organization operations, and administration for this program.

**Please describe how the organization is currently involved in the construction of new affordable housing:** COTS is currently in the planning stage of developing affordable housing for families coming out of homelessness. We anticipate the units will be available for occupancy within the next 24 months.

**Please describe how the application supports one or more of the priorities listed in the City's Housing Action Plan:** The first priority listed in the City's Housing Action Plan (CHAP) is to, "Take active steps to preserve affordable housing," COTS Housing Resource Center (HRC) is on the frontlines of this effort helping an average of 300 at-risk households each year through our prevention programming. Eviction is one of the leading causes of homelessness in the greater Burlington area. Helping at-risk individuals and families maintain their existing housing is critical to ensuring their self-sufficiency and long-term stability while measurably reducing the incidence of homelessness in our community. This is particularly true of those households that benefit from a housing voucher and are at risk of losing that vital resource if evicted. By proactively assisting people in this situation before they lose their housing, COTS reduces the number of households in our community who become homeless thus preserving housing.

The fourth priority listed in the CHAP highlights the need for, "New Approaches to Homelessness in Our Community". COTS' Housing Resource Center (HRC) nationally recognized for innovation and results, began as a 3-year privately funded demonstration project. Before the end of that three-year grant, the outcomes from HRC were so promising that COTS received public and private funding to sustain and expand the program. The same is true for COTS' Home Again project (master leasing on behalf of homeless families who would otherwise be locked out of the housing market, letting them establish a rental track record to take over the lease themselves after 12 months). It has become a fully, state-funded model that is now called the Family Supportive Housing Program.

COTS' risk guarantee program for landlords, the Pay it Forward Fund of bridge subsidies for housing, and countless other initiatives launched by COTS have become standard tools/resources in our community after we built the case with data and results.

The HRC serves about 350 to 400 households each year that are homeless or at-risk of becoming homeless. Through COTS' prevention services, households facing eviction or foreclosure can receive financial assistance and loans to cover back rent and mortgage payments; COTS also helps re-house people who have become homeless more quickly through security deposit assistance, loans, and guarantees. Our specific programs include the following:

- **Prevention Assistance:** provides help through grants or loans to cover back payments to clients facing eviction or foreclosure. COTS also provides small, one-time financial subsidies to help cover household gaps. Such assistance provides crucial support to help people stay housed, improve their credit and overall financial literacy.
- **Re-Housing Support:** Security deposit assistance and loans help clients struggling to move out of shelter or an unaffordable apartment enter stable housing sooner than on their own. We offer guaranties to landlords on behalf of clients who lack sufficient credit, savings, or rental references.
- **Opportunity Fund:** provides short-term rental subsidies to working households that risk losing their housing, but do not qualify for other assistance due to federal income limits. Clients receive supportive services including financial literacy training so they can create sustainable budgets and maintain credit.
- **COMPASS:** is a risk-guarantee program for households that, while able to pay rent, have a damaged rental or credit history that creates obstacles. Our risk guarantee pool ensures that if an owner does have eviction or damage expenses, COTS will cover costs up to an agreed upon limit. After successful completion of a brief tenancy, the resident will enter a standard landlord-tenant agreement and funds are used to assist another household.
- **Housing Navigation Services:** Housing Navigators (HN) offer one-on-one support services to households experiencing homelessness, to assess and overcome barriers to housing stability. Our HN's help households prepare for and locate sustainable housing. They provide direct housing assistance through the completion of housing and subsidy applications, addressing credit challenges, and connecting families to mainstream and available housing resources that will expedite housing. Early in the process they provide targeted referrals for guests to services and supports in the community in order to focus on housing. This approach helps ensure a timely transition back to housing and stabilization.
- **Family Supportive Housing:** is a transitional housing program for families. After a brief shelter stay, families move into apartments master leased by COTS, allowing them to begin restoring their housing and credit references. A licensed clinician works with families to teach critical life skills in addition to financial literacy training. This reduces shelter stays for families, and children to prevent intergenerational homelessness.

**Please describe how the application supports one or more of the priorities listed in the City's Consolidated Plan:** COTS Housing Resource Center helps the City of Burlington positively advance in some capacity all three of the statutory program purposes listed in the City's Consolidated Plan; decent housing, expanding economic opportunities and providing a suitable living environment for low- and moderate-income persons.

Through our prevention and rapid rehousing services COTS' HRC directly addresses bullets one and two under the CDBG purpose: Decent Housing.

- Assisting homeless persons obtain affordable housing.
- Assisting persons at risk of becoming homeless.

The primary objective of the HRC is to reduce the incidence and impact of homelessness in Chittenden County through targeted, limited, and strategic intervention. As a housing-focused organization, COTS' role is to provide the services, supports, and access to resources and tools that assist clients in stabilizing their housing situation or to secure sustainable, permanent housing as quickly and efficiently as possible.

Our housing-focused methodology is communicated to clients during the initial intake meeting and regularly thereafter. COTS staff foster active, sustained participation in supporting clients to self-resolve their housing needs. Staff work with households in need to create a series of sequential, strategic steps so they can acquire the knowledge and skills to ensure their long-term stability.

Our goal is to find the pivot points and develop approaches for individuals and families where we can intervene to positively alter their trajectories, preventing future upheaval and reducing their risk of homelessness. Our financial tools coupled with housing navigation and/or search assistance help us achieve these aims.

Through our customized budgeting and credit guidance as well as our targeted referrals to off-site financial literacy training COTS' HRC directly addresses bullet number seven under the CDBG purpose: Expanded Economic Opportunity.

- Empowerment and self-sufficiency for low-income persons to reduce generational poverty in federally assisted housing and public housing.

We aim to increase a client's financial stability and encourage their fiscal empowerment, by employing a layered approach to helping households develop their budgeting and savings skills as well as improve their credit worthiness. Program participants develop and hone critical life skills that help strengthen their family and create a long-term stable environment.

By helping people retain their housing and remain in their current neighborhood they deepen their connection and commitment to the community in which they live. As a result, COTS' HRC tangentially impacts bullet number one under the CDBG purpose: A Suitable Living Environment.

- Improving the safety and livability of neighborhoods.

When residents feel secure and are invested in their community they contribute positively to its social, economic, physical, and political institutions and act as a stabilizing force helping to stave off crime and blighting influences.

**Please describe the financial need of the requested activity (include a project budget with all sources and uses):** The Housing Resource Center (HRC) has an annual operating budget of \$726,394. COTS HRC is the largest homelessness prevention program in our area and serves as the centralized entry for more than 70% of all homeless prevention and re-housing requests in Chittenden County.

The \$7,500 requested in a capacity grant from the Burlington Housing Trust Fund would be used for staffing, operations, and client programs.

See Attachment B. – COTS FY21 HRC Approved Budget

**Please describe the negative impact to the community if the request is not funded:** The [2020 Out of Reach](#) report states that a Vermont worker would need to earn \$23.36 per hour to afford a two-bedroom apartment. This figure is known as the Housing Wage, the hourly wage a household must earn while working full time to afford a decent apartment at fair market rent, while spending no more than 30% of their income on housing expenses.

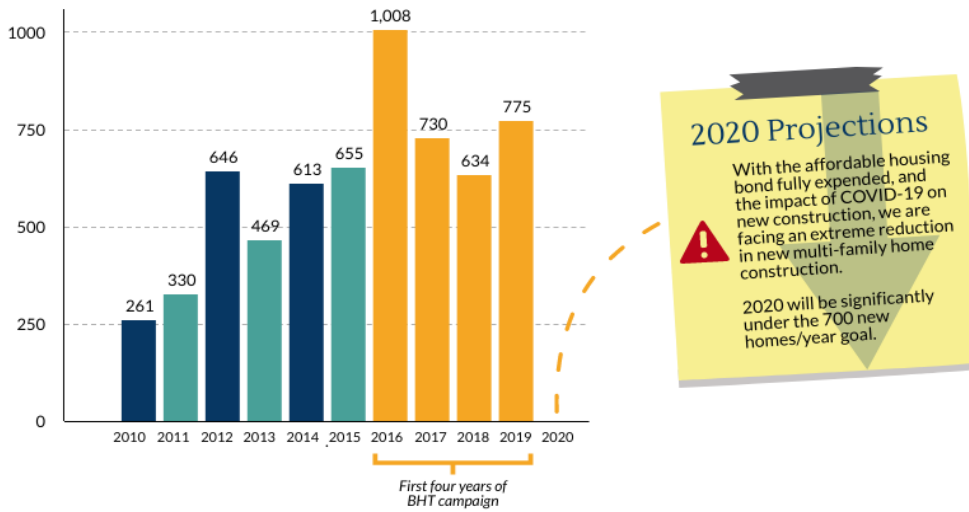
In the City of Burlington the housing wage is more than \$30 per hour. In the greater Burlington area, renters must work an average of 85 hours per week at Vermont's current minimum wage to afford a modest two-bedroom apartment. This data from 2019 highlights the already challenging environment for low income families trying to maintain safe and affordable housing.

The rise of COVID-19 and its economic instability have only intensified pre-existing financial issues. 54% of the US renter population are employed in the 5 industries hit hardest by COVID-19—restaurants, retail, personal services, service workers and entertainment. Within the northeast, specifically, low-income renters have been 15-80% more cost burdened by rent since March 2020.

In addition to the problems surrounding employment or underemployment because of the pandemic the number of new multi-family units scheduled to come online this year and next in the greater Burlington market has been severely impacted.

## Total New Home Construction

✓ Goal: Average of 700 new homes/year for five years. (Over the first four years, 3,147 new homes were built -- a 787 homes/year average.)



Source: Building Homes Together

The lack of supply in our area increases monthly rents creating a crisis of unsustainability where previously secure renters and homeowners alike teeter on the verge of homelessness. Each year, through private and public funding, COTS is able to help hundreds of households avert the crisis of homelessness through prevention. Last year, we helped 254 households avoid homelessness by providing financial assistance and services. Private support, like that requested through the City of Burlington is a critical and much-needed resource, as it specifically helps those at-risk, households who are often not eligible for homelessness prevention and rehousing assistance made possible through state and/or federal programs.

We know that the key to ending homelessness is intervening with people experiencing crises before they show up at the shelter door. For more than decade, COTS Housing Resource Center (HRC) has demonstrated the impact and benefits of homelessness prevention and rapid re-housing services. Interventions through this program are truly making a difference, as the following client experience demonstrates:

*“Angela” was working as a nurse at a large private medical practice when her hours were cut due to decreased patient visits across the organization during the pandemic. As a military veteran and single mother of three young girls, she began feverishly applying for other nursing positions as well as accessing local resources for veterans after the additional \$600 in unemployment insurance benefits ended earlier this summer. She was given small amounts of assistance here and there to keep her afloat, but she soon found her unemployment benefits were not enough to cover her mortgage and the monthly expenses for herself and her three girls. A HRC housing specialist met with Angela to assess her situation and determined that she was eligible for assistance through COTS HRC. COTS would subsidize half of Angela’s mortgage payment for the next three months while she secured new employment and developed a plan to get back on her feet. Angela met with a HRC housing specialist via the phone on a regular basis to help her set goals and improve her budgeting skills. Angela applied for dozens of jobs every week, but initially found it challenging to secure a new nursing position. By the end of October, she had achieved all her goals, including finding employment as a nurse in a doctor’s office in her own community. She and her three children continue to live comfortably in their home.*

Over the last few years, the HRC has served an average of 350 to 400 households per year that are homeless or at-risk of becoming homeless. With the mid- and long-term impacts on the economy of the COVID-19 pandemic yet unknown the number of households who become homeless or at risk of homelessness and seek COTS’ support could increase dramatically over the next 12 to 18 months. They could return to or exceed 2008 recession-era levels where we served approximately 500+ households annually. At this moment we have no way of predicting the number of households that will ultimately need assistance.

If COTS is unable to raise the full program budget, it could result in a reduction of services within this program or in other areas of our organization. A decrease in services could result in fewer households served overall and

potentially increased shelter stays or use of overflow motels particularly among families. We would aim to sustain the program through additional private contributions, foundation grants, and government grants, but in a more competitive fundraising climate due to the economic downturn, it may be impossible to provide the same level of service with reduced funds and it is likely that some services could be interrupted while trying to secure new funding.

**Please describe how the proposed project supports an underserved and vulnerable population:** The HRC serves a broad range of clients, including families, single adults, those struggling with mental illness, substance abuse, and/or domestic violence. Many households seeking services are on the brink of losing their housing due to loss of employment, a serious illness or medical issue, a family breakup, or a major car repair. Many clients assisted by the HRC have a monthly income of less than \$1,000, and they lack support from family and friends to access in a crisis. Nearly half of all COTS clients are residents of Burlington.

Some households are dealing with past trauma and abuse such as domestic violence (37%). They may also suffer from mental health issue (35%) or struggle with drug and alcohol addiction (15%). Chronic health condition (37%), physical disability (21%), and developmental disabilities (19%) are common among our clients. As the percentages bear out many clients struggle with multiple disabilities or conditions.

Our prevention work targets those who are already housed but have fallen behind on their rent or mortgage payments and risk becoming homeless. Many low-income working households in Chittenden County live close to the edge, paycheck to paycheck. Those households earning between 50 and 60 percent of the Area Median Income (AMI), as determined by the U.S. Department of Housing and Urban Development, are feeling the impact of this situation most acutely. They often have limited savings, or no savings at all. These families also often do not qualify for mainstream benefits, public support, and do not have social networks with means to help them in times of crisis. We offer rental or mortgage arrearages to keep these households in their homes and avert homelessness.

Our rapid re-housing programs are designed to assist households that are already homeless or those with housing that they can no longer reasonably afford. In these cases, we offer assistance with security deposits and moving expenses, enabling these households to move quickly into affordable, stable housing. We have helped with security deposits for households who are fleeing domestic violence. We also have assisted families affected by the “benefits cliff.”

During COTS fiscal year 2020 the following demographics represent individuals/households served by the HRC:

AGE: 44% aged 0-17; 15% aged 18-30; 20% aged 31-40; 9% aged 41-50; 8% aged 51-60; 3% aged 61-70; 1% 71+;

ETHNICITY: 3% Hispanic/Latino; 94% Not Latin; 3% unknown.

\*RACE: 4% American Indian or Alaskan Native; 3% Asian; 27% Black or African American; 73% Caucasian.

GENDER: 45% males; 55% females.

HOUSEHOLD INCOME: The average monthly income per household was \$1,118. The majority of households (82%) had regular income.

\*Percentages are of all respondents indicating association with a particular race. Some respondents indicated associations with multiple races. Denominator is all respondents who knew and chose to disclose their race. Percentages listed will not necessarily add up to 100%.

During COTS 2020 fiscal year we dispersed more than \$293,000 (see table below) in financial assistance to stabilize at-risk households residing in public, not-for-profit, and private housing in the greater Burlington area. Our strategy to leverage public money with private funds helps preserve access to housing and scarce housing subsidies in our area.

<b>Housing Authority/Landlord</b>	<b>Total Households</b>	<b>Total Amount Paid</b>	<b>Percent of Total Assistance Funds</b>
Champlain Housing Trust	63	\$71,710.00	24.4%
BHA	21	\$24,360.78	8.3%
Summit	17	\$34,583.17	11.8%
Bove Brothers	12	\$15,137.00	5.2%
Redstone	12	\$13,037.00	4.4%
Handy Brothers	4	\$5,000	1.7%
WHA	4	\$4,387.17	1.5%
Cathedral Square	3	\$1,624.00	0.6%
OTHER-Private	118	\$123,492.25	42.1%
<b>Total</b>	<b>254</b>	<b>\$293,331.37</b>	



## Attachment B.: FY21 COTS Housing Resource Center Budget

	Total HRC
	Oct '20 - Sep
	21
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
<b>United Way</b>	
Chittenden County UWay	
Other United Way	
<b>Total United Way</b>	
<b>General Public Support</b>	
Cookies	
Bequests and Planned Gifts	
Corporations	55,000.00
Foundations	150,000.00
General Contributions	244,447.35
Mailings	
Major Donor Campaign	
Other Special Events	
Phonathon	
Holiday	
Prospecting	
Walkathon	
<b>Total General Public Support</b>	449,447.35
<b>Federal Grants</b>	
HOP Supplemental	0.00
FEMA	
<b>Total Federal Grants</b>	0.00
<b>State Grants</b>	
Dept Bldgs & Grounds VT	
HOP	173,173.00
Family Supportive Housing	43,600.00
Family Savings Accounts	0.00
Dept of Children & Families-DCF	52,674.00
<b>Total State Grants</b>	269,447.00
<b>Municipalities</b>	
BHTF	7,500.00
Local Cities and Towns	
<b>Total Municipalities</b>	7,500.00
<b>Other</b>	
VT Children's Trust	
Veterans Per Diem Fees	
Program Revenue	
95 North Service Provider Fee	
Program Revenue - Other	

<b>Total Program Revenue</b>	
<b>Dividend and Interest Income</b>	
<b>Total Other</b>	
<b>Rental Income and Reimbursement</b>	
<b>Tenant Rent</b>	
<b>HAP Payments for Tenants</b>	
<b>Total Rental Income and Reimbursement</b>	
<b>Miscellaneous Income</b>	
<b>Carry Forward To/From Prior Yrs</b>	
<b>Total Income</b>	<u>726,394.35</u>
<b>Gross Profit</b>	726,394.35
<b>Expense</b>	
<b>Personnel</b>	
<b>Salaries &amp; Wages</b>	402,472.22
<b>FICA</b>	30,265.89
<b>SUI</b>	
<b>Life &amp; Disability Insurance</b>	3,059.04
<b>Health Insurance</b>	25,626.23
<b>Dental Insurance</b>	1,809.42
<b>Workers Compensation</b>	4,789.80
<b>S/125 Benefit</b>	3,288.00
<b>403B Employer Contribution</b>	6,513.15
<b>Emp Plan Mgmt</b>	999.85
<b>Personnel EAP &amp; COSTCO</b>	<u>967.55</u>
<b>Total Personnel</b>	479,791.15
<b>Operations</b>	
<b>Operating Leases Canal &amp; 95N</b>	
<b>Reserve Rent 95N</b>	0.00
<b>Operating Leases Canal &amp; 95N - Other</b>	<u>16,969.04</u>
<b>Total Operating Leases Canal &amp; 95N</b>	16,969.04
<b>Furnishings</b>	
<b>Infestation Avoidance</b>	
<b>Repairs and Maintenance</b>	1,464.72
<b>Capital Obligation</b>	
<b>Maintenance &amp; Cleaning Supplies</b>	684.00
<b>Property Management Fee</b>	
<b>Americorps</b>	9,330.00
<b>Life Safety &amp; Security</b>	500.04
<b>Insurance</b>	4,731.60
<b>Utilities</b>	
<b>Gas</b>	
<b>Water and Sewer</b>	
<b>Electric</b>	<u>3,543.74</u>
<b>Total Utilities</b>	3,543.74
<b>Telephone</b>	3,180.96
<b>Contract Janitorial</b>	3,637.08
<b>Contract Labor</b>	

Technology Supplies & Equipment	17,570.64
IT & Network Support	10,908.60
Office Supplies & Services	1,950.00
Printing and Reproduction	
Postage	720.00
Dues, Subscriptions, Permits	
Development Event Expenses	
Devo 30th Anniversary	
Volunteer Expense	
Hiring & HR	938.40
Kudos	
Travel	900.00
Interest Expense	
Training and Development	
Legal & Professional Fees	229.44
Board of Directors	
Accounting, Audit & Invsmt Fees	4,829.91
Miscellaneous Expense	
<b>Total Operations</b>	<b>82,088.17</b>
<b>Client</b>	
<b>Meals</b>	
<b>Prevention</b>	
Security Deposits	0.00
Housing Retention Svcs	0.00
Prevention - Other	135,000.00
<b>Total Prevention</b>	<b>135,000.00</b>
Rapid Rehousing	21,500.04
Telephone & Utilities	
Translation Service	4,500.00
Transportation	759.96
Rent	
Supplies & Activities	2,755.03
<b>Total Client</b>	<b>164,515.03</b>
<b>Total Expense</b>	<b>726,394.35</b>
<b>Net Ordinary Income</b>	<b>0.00</b>
<b>Net Income</b>	<b>0.00</b>