

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

APPLICANT ORGANIZATION Green Mountain Habitat for Humanity
CONTACT NAME Alison Johnson
DAYTIME PHONE & E-MAIL (802) 872-8726, ext. 3; ajohnson@vermonthabit.org
NAME OF PROJECT Building 4 Habitat homes for low-income families in Burlington
AMOUNT REQUESTED \$100,000
ESTIMATED CONSTRUCTION START DATE April 2023
ESTIMATED COMPLETION DATE December 2023
TOTAL ESTIMATED PROJECT COST \$1,109,000
TOTAL NUMBER OF AFFORDABLE HOUSING UNITS 4
TOTAL ESTIMATED PROJECT COST / TOTAL NUMBER OF AFFORDABLE HOUSING UNITS (PER UNIT COST)

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):

Green Mountain Habitat for Humanity is one of 1,100 affiliates in the United States, and of the seven affiliates in Vermont, we are the largest, building approximately five homes each year. Although we are an affiliate of Habitat for Humanity International, we receive no funding from them and must raise all funds locally. To this end, we have worked hard to build relationships throughout Northwest Vermont with city and town administrators, community and family foundations, local organizations and banks, and individual donors to raise needed funds to build these homes. Additionally, we receive some funding from Vermont Housing Conservation Board as well as federal and state tax credits to lower the cost of the home for the family. We take great care in stewarding the financial support we receive, with 92% of donations going directly to building Habitat homes.

Green Mountain Habitat for Humanity (GMHfH) is applying for grant funds for two affordable home projects taking place simultaneously within the City of Burlington. These projects will enable us to build four (4) new, affordable, and energy-efficient homes. Because these homes will remain perpetually affordable, the investment that Burlington Housing Trust Fund makes in these projects will help to make these homes affordable for our partner families now, and will also allow us to leverage these funds for the next Habitat homes we build in the future.

### **72 Temple Street**

GMHfH purchased an approximately 1-acre parcel of land in the New North End that, after some extensive excavating, a side-by-side, 2-unit, energy-efficient duplex will be constructed that will house two low-income Habitat families. This lot is located in an established neighborhood that is close to schools, shopping, and public transportation.

### **483 Manhattan Drive**

GMHfH purchased the lot with a current dwelling. The house will be torn down and will be replaced with a new 2-unit stacked, duplex that will house two families. This lot



is also located in a well-established neighborhood close to schools, shopping, and public transportation.

One of the biggest challenges to building affordable homes for home ownership in Burlington is the scarcity and cost of land. For 72 Temple Street, we purchased land for \$204,000 and for 483 Manhattan Drive, we purchased the current dwelling and land for \$155,000. These are the costs before any demolition, excavation, or construction begins. We anticipate a pass-through grant of \$70,000 - \$80,000 per unit for both of these projects from Vermont Housing Conservation Board, which we will be able to pass on to the families to make these homes even more affordable. Support from the Burlington Housing Trust Fund is critical for this project to offset the cost of the land, as well as aid us in purchasing building material costs, which has seen a significant increase in the past year due to Covid.

We work closely with Efficiency Vermont to ensure our homes are highly rated through HERS. We are proud that our last project on North Avenue in Burlington finished with a 44-47 HERS rating, one of the highest and most energy efficient ratings given in new construction. We applaud the City of Burlington in their goal of using highly energy-efficient and renewable energy sources in all new construction. All four of these new homes will be heated with energy-efficient electric heat pumps that will not only decrease the carbon footprint from these units, but will make these homes economical to run for our partner families.

All of these new energy-efficient, affordable homes will permanently house four (4) low-income, hardworking Vermont families. We look forward to the diversity these Habitat families will bring to their communities.

**Please describe how many households at or below 80% of AMI will be served by the project:**  
100% of Habitat homeowners are at or below 80% of HUD Burlington MSA median household income.

**Please describe how many households at or below 50% of AMI will be served by the project:**  
We are currently reviewing applications so it's difficult to say who may be at or below 50% AMI. All Habitat partner families are at least at or below 80% of 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:**  
Not applicable for this project.

**Please describe how the application supports one or more of the priorities listed in the City's Housing Action Plan:**  
The City's 2021 Action Plan for Housing & Community Development states that: "Affordable housing continues to be the City's highest overall priority under this Consolidated Plan," and "affordable housing development is an economic engine," and, "All the Citizens of Burlington

have the right to live and raise their families in homes that are safe and sound, at a cost that allows them to afford the other necessities of life. The free market for housing is not a fair market for low-income residents.”

Green Mountain Habitat for Humanity supports these priorities with our mission to make home ownership safe, perpetually affordable, and energy-efficient homes a reality for low-income working families. The families we serve often work in low-paying jobs work in the fields of healthcare, manufacturing, food service, education, and other needed workforce positions which do not pay enough for families to either find a decent and affordable apartment or to achieve the dream of owning their own home. Of the hundreds of family members we have partnered with, nearly 30% have come from diverse backgrounds, who face additional challenges beyond their incomes.

The low vacancy rate in Burlington and the high demand “encourages some landlords to allow the quality of their housing units to deteriorate.” Many of our Habitat homeowners have lived in apartments with unsafe electrical, poorly working plumbing and heating, leaks, mold, vermin and other unhealthy and intolerable conditions. Or, they haven’t been able to find an apartment and are technically homeless, forced to live with family or friends. We know that families who are forced into this unsecure living situation are often faced with added stress which may exacerbate mental health and wellbeing, children often falter in school when home insecurity is prevalent, and families must often choose between paying high rent and taking themselves or their children to medical appointments.

The Habitat philosophy is to give families a “hand up” instead of a “hand out,” which is underscored by the fact that our partner families contribute hundreds of hours of sweat equity into building their home. The unique Habitat model of having volunteers help build the homes (trained and supervised by experienced builders), alongside our partner families, make it possible for us to build affordable homes because we do not incur as many labor costs as a market rate builder does, allowing us to pass this savings onto the family.

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

The City’s priority of “increasing affordable, permanent housing in standard condition for low-income families, particularly to members of disadvantaged communities,” matches Green Mountain Habitat for Humanity’s mission with two additions – the decent and perpetually affordable homes are also highly energy-efficient (which meets the City’s priority to conserve the City’s energy resources) and the families who partner with us purchase the homes, rather than renting. Home ownership is life-changing for Habitat families with the following benefits:

- Improved health outcomes include reduced stress, clean air, no toxic materials or asthma-promoting conditions, and cessation of overcrowding



- Increase financial stability with a perpetually affordable home, low utility costs, ability to build equity and increase net wealth especially for low-income and minority families.
- Better test scores for children, a higher rate of graduation from high school and a higher rate of post-secondary education.

Both our home projects on Temple Street and Manhattan Drive are within walking distance to public transportation, grocery stores, schools, and healthcare, which is critical to both the well-being of the family, but also lessens the stress to get to jobs as many of our Habitat families depend on public transportation to get to work.

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

The need for affordable housing, and specifically affordable homeownership, is critical within Chittenden County. With 1 in 7 households spending half or more of their income on housing, the time is now to help our low-income, hardworking Vermont families. With so much of their income going towards housing, and often for substandard and unsafe dwellings, our partner families are often forced to choose between paying their rent or going to medical appointments or putting food on the table for their families.

The families we serve are at or below 80% of the median income in Vermont, and 30% of those families are Black, Indigenous, and people of color. What this means is that families who are working hard to create a better future for their families can realize their dream of homeownership. Our partner families are provided support throughout the process from our volunteer family support committee to help them understand what owning a home means and the responsibilities that come with it. We provide a structure of support for all of our partner families to give them a “hand up” instead of a “hand out” to help them become stable, secure, and independent families.

Once these families have a safe and affordable place to live, the mental and physical health of the family improves, children do better in school, the family becomes more engaged in their community, and through the shared equity model, families can begin to build their own generational wealth.

Green Mountain Habitat’s shared equity model is especially important to note as it allows new homeowners build generational wealth throughout the time they are living and paying for this home. If and when these homeowners decide to move up and out of a Habitat home and into a market rate home, they received approximately 90% of the equity of the home. These homes stay perpetually affordable so a new Habitat family will have the ability to move into this home and it will never become a market rate home.

**Please describe the experience of the development team:**

Since 1984 Green Mountain Habitat for Humanity has built 102 homes alongside our partner families and volunteers. The organization has grown significantly over the past 30 years, and

we have developed a strong and engaged leadership team and board of directors. We have cultivated and stewarded several hundred volunteers and donors, and have established a solid retention rate with our donors of close to 70%.

David Mullin, CEO of Green Mountain Habitat for 22 years, is well versed in construction and permitting, and oversees all home construction projects. Additionally, Habitat for Humanity's model of success focuses on the generosity of community volunteers coming together to help us build homes, and because of this support from our community, we are able to build these homes without incurring large labor costs. Many of our volunteers have been a part of this building model for many years and understand the importance of being efficient and effective in using building and construction materials, and are trained and overseen by experienced construction supervisors. Two of our construction project managers (one paid staff and one longtime volunteer) have each developed a core team of experienced volunteers who work at least one day a week on our home sites.

Green Mountain Habitat for Humanity has a solid and well respected reputation in the community. We have helped over 100 families realize the dream of homeownership. We have solidly been building at least 5 homes per year Northwest Vermont for over 30 years. In 2012, we opened our first ReStore location in Williston and in 2017, we opened our second store in Milton. These stores receive gently used goods that the community donates, and we resell to purchase supplies to build Habitat homes.

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

Does not apply to this project.

**Please describe how the project addresses community need:**

The City of Burlington has long identified the need for affordable housing and the challenge to solve the problem. The primary focus has been rental units, which are obviously needed, but there has been acknowledgement that affordable home ownership is of benefit to the community. With the high costs of land and building materials, and the need to make a profit, it is impossible for commercial builds to build affordable homes in all of Chittenden County. Often "affordable homes" will be built and sold for over \$300,000 an impossible amount for many of the county's workforce to afford. That is exactly why Green Mountain Habitat for Humanity exists.

Low-income working families have great difficulty finding safe and affordable apartments and can't begin to afford, or qualify for, a conventional mortgage for a market rate home. Our unique and proven model of building homes and selling them at cost provides much needed workforce housing. Families who work in Burlington would like to live in the City with the ability to take public transportation to work, lessening their dependence on purchasing a vehicle, and the costs associated with that purchase. This means they can get to their jobs more easily, providing more reliable employees for local businesses.



Whether we are building on an empty lot or tearing down a run-down and unsafe home, we are helping low-income families take the step up out of poverty and begin a more financially stable future. In addition, the homes we build help to revitalize and diversify neighborhoods.

**Please describe how the project would impact the community:**

Improving affordable homeownership leads to numerous outcomes that extend beyond the house, such as great economic stability, access to quality education, increased civic and social engagement, better health, and a reduced environmental footprint. Habitat homeowners are more likely to vote in local elections than renters in comparable neighborhoods, and this likely increased with the degree of neighborhood disadvantage in low-income urban areas. Regardless of the length of time they have owned a home, Habitat homeowners are 1.3 times more likely to become involved in a neighborhood group and to join a civic association than renters. The increased participation in neighborhood groups holds true in low-income neighborhoods as well. Low- and moderate-income homeowners have more social capital resources such as a larger social network within their community, than to renters at similar income levels.

The Habitat model for homeownership includes partnering with families who are willing to contribute “sweat equity” by volunteering a certain number of hours on a build site. This investment by families in both their home and often times a fellow Habitat family’s home, helps contribute to the sense of community among homeowners. Support programs for our partner families such as financial education classes, also help build networks among Habitat homeowners, and volunteer engagement that can strengthen relationships with the local community. Additionally, Habitat families, volunteers, and community members take part in civic decision-making through advocacy for policies and resources that help more people access a quality place to live in a thriving community.

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.

Alison Johnson, Development Director

Print Name



Applicant Signature



Date

**Green Mountain Habitat for Humanity  
Development Budget: Sources to Uses**

72 Temple Street, Burlington

	VHCB	Fundraising	BHTF- Grant	Debt	Other	TOTAL
Acquisition						
Land	160,000	44,000				204,000
Property Appraisal		500				500
Legal - Title and Recording		1,500				1,500
<b>Total Acquisition</b>	<b>160,000</b>	<b>46,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>206,000</b>
Construction Hard Cost						
Rehabilitation/New Construction	20,000	280,000	50,000			350,000
Sitework		10,200				10,200
Construction Contingency		500				500
Furnishings, Fixtures, & Equipment		2,000				2,000
Other						-
<b>Total Construction</b>	<b>20,000</b>	<b>292,700</b>	<b>50,000</b>	<b>-</b>	<b>-</b>	<b>362,700</b>
Soft Costs						
Architectural		-				-
Legal/Accounting		2,500				2,500
Permits/Fees		3,800				3,800
Taxes During Construction		1,500				1,500
Soft Cost Contingency		500				500
Other						-
<b>Total Soft Costs</b>	<b>-</b>	<b>8,300</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,300</b>
<b>TOTAL DEVELOPMENT COSTS</b>	<b>180,000</b>	<b>347,000</b>	<b>50,000</b>	<b>-</b>	<b>-</b>	<b>577,000</b>



**Green Mountain Habitat for Humanity  
Development Budget: Sources to Uses**

483 Manhattan Drive, Burlington

	VHCB	Fundraising	BHTF- Grant	Debt	Other	TOTAL
Acquisition						
Land	150,000	5,000				155,000
Demolition		17,000				17,000
Property Appraisal		500				500
Legal - Title and Recording		1,500				1,500
<b>Total Acquisition</b>	<b>150,000</b>	<b>24,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>174,000</b>
Construction Hard Cost						
Rehabilitation/New Construction	30,000	252,500	50,000			332,500
Sitework		10,200				10,200
Construction Contingency		1,000				1,000
Furnishings, Fixtures, & Equipment		2,000				2,000
Other						-
<b>Total Construction</b>	<b>30,000</b>	<b>265,700</b>	<b>50,000</b>	<b>-</b>	<b>-</b>	<b>345,700</b>
Soft Costs						
Architectural		2,300				2,300
Legal/Accounting		2,500				2,500
Permits/Fees		3,000				3,000
Taxes During Construction		3,500				3,500
Soft Cost Contingency		1,000				1,000
Other						-
<b>Total Soft Costs</b>	<b>-</b>	<b>12,300</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,300</b>
<b>TOTAL DEVELOPMENT COSTS</b>	<b>180,000</b>	<b>302,000</b>	<b>50,000</b>	<b>-</b>	<b>-</b>	<b>532,000</b>