

IX. HOUSING PLAN

Vision Statement

This Plan envisions Burlington as a city where...

...all people have access to safe, decent, and affordable housing. Burlington's housing needs are being met through rehabilitation and conservation of the existing stock, and creative high density infill. New construction is encouraged in the Downtown and in neighborhood activity centers, and focused on meeting gaps in affordability and design to enhance diversity of housing stock, family types and incomes throughout the city. The designs of new housing blends with the city's built and natural surroundings, are highly energy efficient, and are accessible to people with disabilities.

...Housing options include a wide range of living situations including single-room occupancy units, apartments, single detached homes, cooperatives, condominiums, group homes and co-housing – all of which have virtually eliminated the need for shelters for the homeless. Opportunities exist for low- and moderate-income people to own their own homes. The educational institutions offer a range of high quality housing options that have greatly reduced the pressure on the rental housing market. The region has been successful in balancing employment growth with growth in housing. Equitable solutions to providing affordable housing have been implemented across the region.

CITY POLICIES

THE CITY OF BURLINGTON WILL...

- **Encourage a healthier regional balance of affordable housing in each community, proximate to jobs and affording mobility and choice to low income residents.**
- **Support the development of additional housing opportunities within the city, with concentrations of higher-density housing within neighborhood activity centers, the downtown and institutional core campuses.**
- **Support and implement programs to preserve and upgrade the existing housing stock to ensure that residents do not live in substandard conditions.**
- **Enforce ordinances, such as inclusionary zoning and minimum housing, which promote housing opportunities, safety, and affordability.**

- **Increase the rate of homeownership within low and moderate-income neighborhoods to 25%.**
- **Support innovative ownership alternatives to fee-simple home ownership and for-profit rentals, such as community land trusts, limited-equity condominiums, and co-operatives .**
- **Encourage a wide range of housing options to meet different and changing needs of households with children, the elderly, people with disabilities, and moderate- and low-income households.**
- **Support housing models, organizations, and programs that insure perpetual affordability, fill gaps in the housing tenure ladder, and increase the overall supply of housing in the community.**
- **Ensure that no renters or buyers seeking housing are discriminated against on the grounds of race, religion, gender, sexual preference, or disability by enforcing laws protecting this right.**
- **Encourage the reversion to single family occupancy of properties, especially in areas with high concentrations of student rental housing, which have been converted to multi-unit dwellings.**
- **Encourage a healthier regional balance of affordable housing in each community in the greater Burlington region, proximate to jobs and affording mobility and choice to low income residents.**
- **Assist the City's neediest residents confront the various obstacles and problems they face in the housing market.**
- **Preserve existing affordable housing, whether subsidized or not.**

Introduction

In July 2003, the City of Burlington completed the *2005 Consolidated Plan for Housing and Community Development* (“Consolidated Plan”) as required by the US Department of Housing and Urban Development (HUD). Because of its size, Burlington is an “entitlement community” for HUD’s Community Development Block Grant (CDBG) Program and certain housing funds. Burlington is Vermont’s only HUD entitlement community. The Consolidated Plan outlines in some detail the city’s housing needs, opportunities, programs, and future strategies. Rather than duplicate all of this information here, the Consolidated Plan is adopted by reference as part of this Plan.

This section summarizes the housing needs of the city - including those of low- and moderate-income people. It advocates for stable neighborhoods, affordability and diversity in housing options, protection of the housing stock, and equality of opportunity. This section emphasizes the development of higher-density housing in the City’s development centers primarily, but not at the exclusion of additional housing in existing residential neighborhoods where compatible. Committed to the rights of all people to safe, decent, and affordable housing, Burlington has worked actively to implement these goals through a series of programs and policies including a housing preservation program, an inclusionary zoning ordinance, a security deposit ordinance, and fair housing legislation.

A Regional Issue

Housing is first a regional issue. The “commute” has become the norm for most working households. Thus, each community has a responsibility to consider the availability of housing within a larger region when planning for job growth. Where will the workers live? While it is preferable for housing and job creation to occur together and in close proximity to one another, the impact that the influx of new workers have on the availability and affordability of housing in the surrounding area must be evaluated.

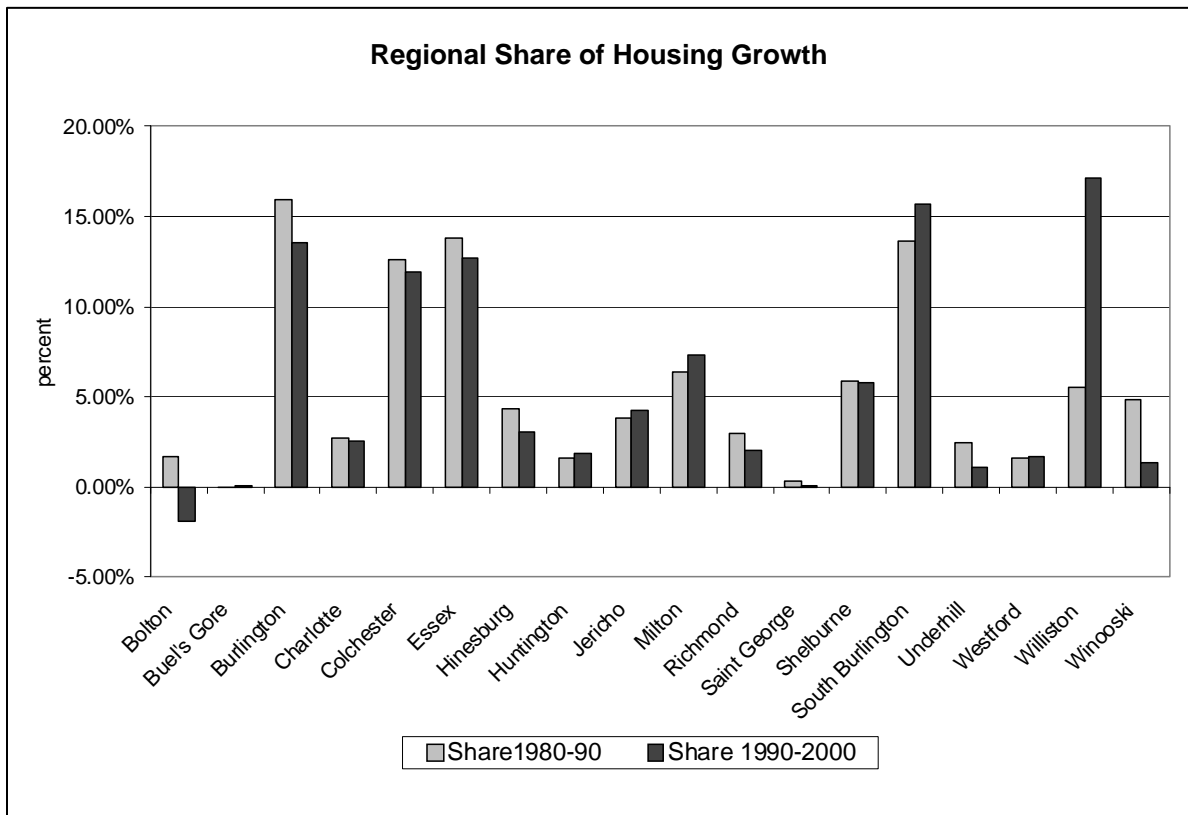
Burlington continues to carry more than its share of the responsibility for meeting the affordable housing needs of the region. Burlington, and adjacent Winooski, provide nearly 70 percent of all publicly assisted housing in the county, yet are home to only 30 percent of the population. All municipalities in the region must work together, and share in serving Chittenden County's housing needs for all income levels.

On the initiative of the City, Chittenden County local elected officials have adopted a position paper supporting the inclusion of fair-share housing in the *Chittenden County Regional Plan*. Burlington will continue to work with other communities in the region to develop strategies and projects that share fairly the provision of housing for the homeless, the disabled, low-income households with children, and renters of every income - classes of housing consumers that are frequently excluded from communities surrounding Burlington.

Trends in Housing

(A more comprehensive and up-to-date profile of housing data and trends can be found in the Appendix.)

The 2000 US Census indicated that Burlington had 16,395 units of housing, not including dormitory rooms and other group quarters. This represents a 5.9% increase from 1990 and less than half of the housing growth experienced between 1980 and 1990. Yet, the population of the city (according to the Census – a figure the City disputes) fell by -0.6% during the same period indicating a continued shift in the type and size of households. Like with population, Burlington continues to lose its historic share of the regional housing market to the faster growing suburbs. For the first time, Burlington’s share (in both absolute numbers and proportion of regional housing growth) in the production of new housing between 1990 and 2000 fell behind that of South Burlington and Williston. The result is a continued suburbanization of the region with isolated, low density residential development scattered in outlying communities.



The city's housing stock includes 6,590 owner-occupied units (41.5%) and 9,295 renter-occupied units (58.5%). While the total number of dwelling units increased nearly 6 percent from 1990 to 2000, between 1980 and 1990, the number of rental units rose more than 20 percent (compared to a 12.5% increase in total housing units) while between

1990 and 2000 the growth in rental housing matched the growth in total units, suggesting that the shift away from owner-occupied housing may be stabilizing.

However, Burlington, and the rest of Chittenden County, is in the midst of a housing crisis. An Allen & Cable study of the Chittenden County rental market released in September 2000 found only 6 vacant rental units of 1,639 surveyed in Burlington and Winooski, and none in the surrounding suburban communities. Allen & Cable found a vacancy rate of less than 1% for the past four years shrink to less than 0.25% today¹. The report also cites apartment rent inflation of 6-7% for 1 and 2 bedroom units and 11.6% for 3 bedroom apartments. Average rents without utilities range from \$562 for 1-bedroom units to \$971 for 3 bedroom units. These rents are 28-40% higher than in other areas of the state. A recent annual report issued by the National Low Income Housing Coalition found that Vermont is tied with New York as the least affordable state for renters when factoring in average wages.

Homeownership is also out of reach for many people with similar availability and affordability barriers. The median price of a home in Burlington has risen from \$110,000 in 1990 to \$134,250 in 1999 – a 22% increase. Prices in the surrounding area are even higher at \$140,000 for Chittenden County as a whole. It should be no surprise that the rate of individual homeownership in Burlington is well below county, state, and national averages.

A study, prepared jointly by the Chittenden County Regional Planning Commission and Metropolitan Planning Organization², attempts to forecast economic and demographic trends in the six counties comprising northwestern Vermont. These projections indicate a future housing demand³ of approximately 53,000 through 2035 for Chittenden County. This translates into a growth rate of between 1.8 and 2.0% per year across the county. This is roughly in-line with past trends in the annual growth rate for housing between 1980-1990 of 2.6%. This forecast data was not developed at the city level, but given that the population growth rate for Burlington, South Burlington, and Winooski is projected to be 1/3 of the rest of the county, the same may be said for housing demand. This would mean a future housing demand in the three city core of the region of approximately 17,500 through 2035.

If Burlington is indeed going to absorb a higher percentage of future population growth in the future, these trends illustrate the direction and priorities for housing in Burlington – to **increase the availability, quality, and affordability of housing in the City** in order to meet the needs of current and future populations.

¹ A “healthy” vacancy rate is around 5% according to the Allen and Cable Report.

² *Economic and Demographic Forecast: Northwest Vermont and Chittenden County – 2000 to 2035 and Beyond*, Economic & Policy Resources, Inc. for the Chittenden County Regional Planning Commission and Metropolitan Planning Organization, September 2000.

³ “Housing Demand” is roughly equivalent to the number of households, and should not be confused with “housing units” which is a more specific indicator.

Improving the Quality of the Housing Stock

Much of the housing in Burlington is quite old. Despite recent construction, almost half of the city's housing stock was built before 1940. Many units are not energy efficient, adding unnecessary costs for both the owner and renter - and on the environment. Based on City Minimum Housing Inspections, approximately 50% of the rental housing in the city is considered "substandard" based on the City's definition⁴. Many of these violations present serious safety risks, yet would not require a significant investment to correct. Approximately 10% of the city's rental units are in need of significant rehabilitation – requiring a reinvestment of more than \$5,000 per unit. Many more units, both rental and owner occupied, will need substantial rehabilitation over the course of the next ten years.

Less than ten buildings in the city are considered vacant. These buildings have gone unused in most cases for years, and it is the City's goal to see them brought back into productive use. Additionally, vacant buildings are considered a hazard and blight on the surrounding neighborhood, and can often be subject to arson, vandalism, and other illegal activities. The City has enacted a Vacant Building Ordinance that seeks to ensure that vacant buildings are properly secured, and hopes to encourage the owner to bring them back onto the market. This ordinance has resulted in the number of vacant buildings decreasing from nearly 30 to less than 10 in 18 months.

However, most of these buildings are in need of substantial rehabilitation, and some owners are choosing to tear them down instead. This result would not forward the City's goals of preserving and expanding the housing stock or preserving historic buildings. Efforts should be undertaken to prevent demolition whenever possible. Possible examples include tax credits or abatement programs for substantial rehabilitation, technical assistance programs, or grants and low interest loans. Any solution must seek to protect the historic character and integrity of these buildings as well as bringing them back into the market.

This older housing must be properly maintained so that it will be able to safely and comfortably meet the needs of current and future occupants. In an effort to help preserve the housing stock, the city-run Home Improvement Program (HIP), implemented in 1983, provides low-interest loans to repair and rehabilitate housing. Between 1995-2000, 252 owner-occupied units have benefited from emergency/small repair/ and rehab loans, paint and access grants, and down payment assistance. The city's Minimum Housing Inspection Program has been enforcing minimum rental housing standards since 1981.

The city's Minimum Housing Standards were revised several years ago and Energy Efficiency Standards were added in 1997, but they must be enforced aggressively if housing is to be safe and habitable. The overall improvement of the city's housing stock will continue to be a high priority over the next several years, and it will be a high priority use of the city's Community Development Block Grant allocation.

Much of the city's rental housing is found in older historic buildings throughout the downtown, old north end and south end neighborhoods. As noted in the *Historic Preservation* Section of this Plan, historic preservation can be a tool in facilitating the

⁴ Section 18-19(d) of the City Code of Ordinances.

rehabilitation of the housing stock. Property owners of income-producing properties can utilize the federal Reinvestment Tax Credits to help finance the cost of making major improvements to the buildings. Many non-profit housing providers couple historic preservation tax credits with Low Income Tax Credits to finance larger redevelopment projects. The City will continue to play an active role in informing and assisting property owners in the use of these and other incentives for rehabilitation in order to increase and improve housing in Burlington.

Housing as the Key to a Livable Community

All citizens of Burlington have the right to live and raise their families in homes that are safe and sound, and available to them at a cost that allows them to afford the other necessities of life. No community can be considered truly successful if people don't actually want to live there. When people live in a community, they become invested in its future success, and add vitality and spirit that encourages future economic development, deters crime, and sustains a higher quality of life.

Burlington's housing policy is shaped around the concept of a "housing ladder of tenure," which represents a community housing system. The "housing ladder of tenure" provides housing options that offer increasing amounts of security and equity as one moves "up" the ladder. This ranges from shelters for the homeless at the lowest "rung," to fee-simple home ownership at the top of the ladder. The ladder includes a wide range of housing options including basic shelter, group homes, single-room occupancy rentals, limited-equity cooperatives and condominiums, rental apartments, limited-equity home ownership, and fee-simple home ownership.

MIX OF HOUSING TYPES AND INCOMES

There is no single solution to any problem, or option that will fulfill everyone's needs. Burlington cannot, and must not, be a community that targets one population - either rich or poor. An essential element to the city's future vitality is its diversity - its diversity of housing stock and income ranges. A wide range of housing types and affordability to serve the needs of a diverse population will be supported within the city. This includes such options as single-room occupancy apartments (SRO) and single detached homes, co-housing and cooperatives, apartments and condominiums, group homes and boarding houses. In addition to various housing types, housing that serves a range of incomes must also be included and encouraged.



The City will continue to protect and enhance the livability of its low-density residential neighborhoods for primarily single-family housing. However, it will actively promote and encourage the development of multi-unit, higher-density housing in its neighborhood

activity centers, institutional core campuses and downtown as a means of providing greater housing opportunities that serve a wide range of housing needs.

ENCOURAGE HOUSING DOWNTOWN

Burlington's downtown must be more than a cultural, retail and commercial center - it must be a neighborhood. A neighborhood that enlivens the area beyond normal business hours, takes ownership and responsibility for public spaces, enhances the economic value of downtown properties, and sustains local neighborhood-oriented businesses.

To really become a neighborhood will require additional housing – especially mid-range market-rate housing in order to achieve a balance in the income levels served. Although the Urban Renewal Policy of the 1960's removed nearly all housing downtown, there remain more than 550 units of housing downtown including 160 in two elderly housing projects, 10 single family-detached, and 106 apartments located above commercial space. Approximately 80 percent of the downtown housing is renter-occupied, and much of it is publicly assisted in one form or another.

Within the last five years, expensive market-rate housing has been built on and near the waterfront, and more is being considered. While the market is driving demand for the high-range, and public subsidies are providing assistance for the lower-range, the middle-range is a gap that is not being adequately addressed. Housing models that serve the mid-range income level (80-100% of area median) might include affordable apartments for young professionals, townhouses for new families, or condominiums for recent retirees.

To sustain a vital downtown, City policy will encourage the further creation of housing throughout the Downtown Improvement District. This will include efforts to rehabilitate under-utilized buildings to provide housing on the upper floors, and redevelop vacant and under-utilized properties into higher density housing that, in some cases, can include mixed-uses.



Meeting the Needs of All

Burlington is home to a wide range of people. Family households and unrelated individuals sharing housing include both traditional and nontraditional families, with and without children. Elderly and those without cars choose to live in Burlington to be near jobs, services, and health care. People with disabilities live here, as do people from different cultural experiences and income levels. Over the next ten years, the median age of the population will continue to rise and Burlington will have more elderly residents. Burlington will also see an increasing number of single-parent families and two-income families. These trends will affect the demand for housing.

AFFORDABILITY

As noted above, housing remains scarce and costly for many Burlington residents. Housing sale prices and rents have grown twice as fast as household incomes in Burlington since 1980. According to the 1990 Census, 50% of all renter households and 20% of all homeowners are spending more than 30 percent of their gross income for rent. By definition, these households are living in housing that is not affordable. The proportion is even higher in the Old North End and neighborhoods surrounding the University.

However, Burlington is committed to affordable housing. 23% of the estimated 9,427 rental units in Burlington are occupied by families benefiting from Section 8 or an equivalent rental assistance program. Over 550 rental units have some form of rent restriction in place. Burlington addresses the need for affordable housing through numerous programs, including:

- One cent dedicated tax from the property tax to the Housing Trust Fund, which finances production and preservation of perpetually affordable housing for low- and moderate-income people.
- The Inclusionary Zoning Ordinance that requires new housing developments to create affordable units.
- Expansion of the stock of single-room-occupancy (SRO) housing.
- The condominium conversion and the housing replacement ordinances, which seek to preserve existing affordable housing.
- A Home Improvement Program (HIP) to repair and rehabilitate the existing housing stock.

Despite all of these well-intentioned efforts, a chronic lack of funding and available land remain significant barriers. Public funding is one of the greatest limiting factor in the capacity of nonprofits to create new units of affordable housing, and the private sector is often unable to serve low-income households without large amounts of public subsidy. It is not uncommon for Burlington's \$425,000 of federal HOME Funds that are available for affordable housing development and rehabilitation to be committed nearly one full year in advance.

Burlington will continue to advocate for more financial assistance from the state and federal government including increasing both the federal Low Income Housing Tax Credit and the Vermont Housing Tax Credit. Additionally, the City will continue to evaluate and improve the efficacy of its programs that seek to provide more affordable housing within the city including evaluating barriers and incentives in the local permitting process. Finally, the City will work with nonprofit and for profit developers on finding and developing sites to accommodate new opportunities for housing that include permanently affordable units.

Homeless

Some people have no homes at all. In 1995, the Committee on Temporary Shelter (COTS) served 73 homeless families. By 1999, that number had increased to 296 families

– a 400% increase in four years. The number of homeless single adults served has not shown as dramatic an increase – hovering close to 500, but emergency shelters remain at capacity. These numbers underestimate the homeless population in Burlington because many people choose not to, or cannot, stay in shelters for lack of room. Instead, they sleep on the street, in abandoned buildings, or in the woods. Homeless families may move in with friends, family, or stay in their cars. In Burlington, as elsewhere, homelessness remains a severe socio-economic problem.

Burlington’s homeless strategy is based on offering a “continuum of care” developed originally in 1984. Coordinated by the private, nonprofit COTS, non-profit housing and service providers collaborate with the City to provide a range of services that include:

- Prevention
- Outreach, Intake and Assessment
- Emergency Shelter and Shelter Services
- Supportive Services
- Transitional Housing
- Permanent and Semi-permanent Supportive Housing

The City will continue to work with non-profit housing and service providers to offer services and opportunities to meet the complex needs of the City’s homeless population. This is the most important ‘first-rung’ on the housing tenure ladder.

People with Disabilities

Approximately 5,000 people with disabilities live in Burlington. Of these, 25 percent have disabilities for which they use special equipment and household adaptations. Present law requires that a percentage of new or substantially rehabilitated rental and multi-unit projects be accessible. The City needs to ensure that this law is enforced and that these units are truly accessible. The City also needs to encourage developers to go beyond the minimums established by regulation and pursue innovative ways to enhance convenience and accessibility for all residents with disabilities. In addition, we must promote design standards that allow people with disabilities access to more housing.

However, providing access to persons with disabilities – especially in older buildings – requires creativity and sometimes a willingness to join forces with neighboring properties - sharing an elevator for example. Building codes and other city ordinances, combined with technical and financial assistance, must encourage all property owners to make their buildings accessible.

First-Time Homeowners

Many families need just a few more resources to become home owners, such as down-payment assistance or slightly lower mortgage rates. To supplement federal and state programs, it is important for local programs to help families and individuals become first-time buyers. Coupled with a fair paying job, home ownership can be the final step to economic independence.

Students

Burlington is home to three residential post-secondary schools; the University of Vermont, Champlain College, and four additional educational institutions with substantial student populations. The University of Vermont provides 4,090 on-campus beds. This represents housing for 47% of the University's degree students. According to a 1998 study of Burlington's rental housing market⁵, Burlington's off-campus student population was approximately 2,826 students occupying approximately 1,150 units – 16% of the city's market-rate rental units.

Students who live off campus create inflationary pressure on rents; attract absentee landlords; and contribute to noise, traffic, and parking problems. The 1998 Allen and Cable study found a direct relationship between student density and rental rates reporting that rents were 15-20% higher in the residential areas surrounding the University.

In negotiations between the University and the City, an informal goal that UVM would house no less than 50% of its degree students on campus was agreed to. A longer-range goal of 52% was also considered. Responding to City and neighborhood concerns, UVM has begun to attract students back to campus through policy changes, improvements to existing residence halls, and the construction of new student housing. In addition, the University's *Good Neighbor Program* is working to improve relations between students and neighborhood residents, and educate students about the responsibilities associated with off-campus living. In order to be successful, proposals for additional student housing several objectives must be addressed in the planning process. These include:

- Provide a range of housing types that meet the needs and interests of the student population. These should include apartments that give students an opportunity to get away from the typical dormitory living situation.
- Addressing parking and circulation. Every effort should be made to provide parking either underground or within a structure to minimize the amount of land dedicated to surface parking. Additionally, traffic circulation patterns within residential neighborhoods and through the University campus must be evaluated to minimize through traffic off campus, and the need to use cars all together.
- Include nearby residents in the planning process. Residents of adjacent residential neighborhoods have the greatest interest and stake in the outcome of these projects outside of the University community. They must be included as active participants in the planning process to ensure their specific issues are considered and addressed.

⁵ Prepared by Allen and Cable in August 1998 for the University of Vermont.

Housing Action Plan

Action Item	Lead Agency	Secondary Agencies
Monitor ratio of housing to commercial development growth within the City, and explore the creation of a linkage program for commercial development to ensure housing growth keeps pace.	CEDO	Planning & Zoning
Implement the Housing Affordability Strategy found in <i>2005 Consolidated Plan for Housing and Community Development</i> .	CEDO	
Continue to implement <i>Common Ground: A Strategic Plan for the Old North End Enterprise Community</i> .	CEDO	
Examine the feasibility of public bonding for housing preservation and, where appropriate, for housing construction.	CEDO	Treasurer
Underdeveloped and undeveloped properties located in residential zoning districts should be assessed for suitability of housing development.	CEDO	
Implement a system to investigate and act on claims under the city's anti-discrimination ordinance.	CEDO Attorney	
Participate with the University, and other institutions as applicable, to develop locations and designs for student on-campus housing.	CEDO	Planning & Zoning
Encourage the appropriate reuse of buildings for mixed -use including residential.	Planning & Zoning	CEDO
Expand local housing investments in the Burlington Employee Retirement Fund.	Treasurer	
Play a proactive role in establishing a regional affordable housing allocation plan.	Planning & Zoning	CEDO
Consider requiring a Certificate of Habitability for existing apartments for a change in occupancy.	Public Works	
Study the feasibility of allowing SRO's in low-density zones.	Planning & Zoning	
Develop housing on one or more of the following City-owned properties: Brown's Court parking lot, Elmwood Avenue parking lot, and the Depot Street Triangle site.	CEDO	
Support the creation of new rental and owner-occupied housing on every parcel of land in	CEDO	

Burlington that is zoned for residential development at the number of units allowed by zoning. Identify buildable sites for eventual housing construction/conversion.		
Convene an interdepartmental task force designed to remove barriers to creating more housing in the downtown core and on scattered "in-fill" sites throughout the City.	CEDO	Planning & Zoning
Implement the impact fee waiver ordinance for the construction of new, permanently affordable housing.	Planning & Zoning	CEDO
Work with housing advocates and the legislative delegation to secure additional state and federal funds for affordable housing.	CEDO	
Implement HomeOwnership 2000 (HOP 2000), a joint initiative of the Community & Economic Development Office and the NeighborWorks-Homeownership Center designed to increase the number of owner-occupied duplexes in the Old North End, King Street, Lakeside and other target areas.	CEDO	
Rehabilitate substandard housing through such tools as loans and grants provided by the City's Home Improvement Program to owner-occupants of 1 to 4 unit buildings and the RePAR Program.	CEDO	
Place chronically and seriously substandard rental properties in receivership.	Public Works CEDO	
Encourage increased funding for comprehensive code enforcement, and support the code enforcement ordinance that significantly increases the penalties for landlords who continue to violate livability standards.	CEDO	Planning & Zoning Public Works Treasurer
Develop a program to encourage employers to support efforts of their employees to purchase homes in the Old North End and neighborhoods adjacent to the University of Vermont.	CEDO	
Encourage banks, credit unions and mortgage companies to offer innovative in-house mortgage products that expand homeownership	CEDO	
Encourage the inclusion of strong fair-share housing language in the final version of the Year 2000 Chittenden County Regional Plan, and vigorously oppose attempts to weaken the commitment to fair-share housing.	CEDO Planning & Zoning	

