STATE OF VERMONT

HUD Consolidated Plan
for
Housing and Community Development Programs

2012 Action Plan

Department of Economic, Housing and Community Development
Agency of Commerce and Community Development

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Department of Economic, Housing and Community Development

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Vermont HUD Consolidated Plan 2012 Action Plan

1. Executive Summary

Introduction

The State of Vermont's 2012 Action Plan is the annual update to the state's 2010-2015 Consolidated Plan ("Consolidated Plan"). The Consolidated Plan was developed as the nation's economy was just beginning to recover from the worst economic recession in many years. In 2012, the recovery continues but is incomplete. Vermont's unemployment rate has dropped to 5% (adjusted) but foreclosure rates are on the rise and 3.8% of Vermont's home mortgages were in foreclosure at the end of 2011. Wage growth has been slow and the state's rental vacancy rates fell to 4.2%, the second lowest in the U.S. (Sources: Vt. Labor Market Information, Mortgage Bankers Association, U.S. Census Bureau). These trends put continuing pressure on Vermonters and their communities.

The Consolidated Plan constitutes the application for, and proposed priorities for use of, funds provided to the State of Vermont from the CPD formula grant programs which are Community Development Block Grants (CDBG), HOME Investment Partnerships (HOME), Emergency Solutions Grant (ESG), and Housing Opportunities for Persons with AIDS (HOPWA). The broad goals for these programs as articulated by Congress and HUD are to provide decent housing, provide a suitable living environment, and expand economic opportunities.

Vermont is also recovering from the worst natural disaster it has experienced since 1927. On August 28, 2011, Tropical Storm Irene caused widespread damage to homes, businesses and communities. Every county in the state received a presidential disaster declaration. More than 200 municipalities were impacted, 45 severely. Estimates of the cost to recovery range from $700 million to $1 billion. (Source: Vermont Irene Recovery Office). The state anticipates receiving $21,660,211 in Community Development Block Grant Disaster Recovery funds. Consistent with its Citizen Participation Plan, the state will amend the Consolidated Plan to provide for the use of the additional allocation.

The State of Vermont's highest priorities as identified in the 2010-2015 Consolidated Plan are to create housing and employment opportunities, with preference for facilitating development and growth in Designated Downtowns and Village Centers and other areas which incorporate "Smart Growth". The overarching priority that drives all of Vermont's efforts in affordable housing is to strive to achieve perpetual affordability through the use of mechanisms which produce housing resources that remain affordable over time. Due to the devastation of Tropical Storm Irene and the likelihood of an increased frequency of natural disasters in the future, the state also places an emphasis on community resiliency.

The activities and actions described in the 2012 Action Plan are designed to further these goals, and benefit extremely-low, low, and moderate income persons as defined by HUD ("lower income"), and persons with disabilities or other special needs. Extremely-low income means a household income less than 30% of median, low-income means between 30%-50%, and moderate income means between 50-80%. The format of this Consolidated Plan is intended to meet the requirements of the Office of Community Planning and Development Program (CPD), U.S. Department of Housing and Urban Development (HUD), while providing accessible and useful information about the proposed uses of funds to Vermont's citizens.

How the Plan is Organized

This document meets HUD's requirements for the Consolidated Plan and consists of several major components; an Executive Summary, Housing and Homeless Needs Assessment, Housing Market Analysis, 2010-2015 Strategic Plan, 2012 Action Plan, Program Specific Requirements, Monitoring and, Certifications, plus several appendices and a glossary of terminology. The 2010-2015 Strategic Plan outlines what the State hopes to accomplish over the five year period covered by the 2010-2015 Consolidated Plan. The 2012 Action Plan describes the specific goals and activities the State plans in the next year toward achieving those 5 year goals. In keeping with the same format as the 2010-2015 Consolidated Plan, many Action Plan steps are provided in context below each of the corresponding Strategic Plan priorities. This makes it easier for the reader to understand the State's overall priorities and objectives, as well as the specific activities and outcomes that will be undertaken to achieve them.

The 2010 Vermont Housing Needs Assessment, which is referenced often, was presented as a stand-alone document consisting of eight Fact Sheets and two appendices with the 2010-2015 Consolidated Plan.

General Questions

The lead agency in charge of Consolidated Planning for Vermont is the Department of Economic, Housing and Community Development (DEHCD or the "Department"), in the Agency of Commerce and Community Development. It includes the Vermont Community Development Program (VCDP) which administers CDBG funds, a Grants Management Division, and a Housing Division.

The required HUD tables were completed using HUD data and the 2010 Vermont Housing Needs Assessment with assistance from VHFA. Agencies that administer HOME, ESG, and lead paint funds were asked to update their respective Program Specific requirements.

Additionally, the Department utilized its Consolidated Plan Advisory Group to ensure representation geographically throughout the state, and a balance of housing and economic development interests, and social services agencies.

Summary of Citizen Participation

The Consolidated Plan is developed with public input as per the State of Vermont Citizen Participation Plan adopted in April 2005.

Consolidated Plan Citizen Advisory Group

The Consolidated Plan Citizen Advisory Group was formed to guide the development and priorities of the State's Consolidated Plan. The Citizen Advisory Group encompasses a broad range of constituents including representation from organizations that are faith-based, serve homeless and persons with disabilities, seniors, public housing tenants, economic development and other non-housing community development needs. Citizen Advisory Group members are encouraged to distribute information about the consolidated planning process to their constituents and people they serve. Members of this group assist in stimulating involvement from a wide constituency of people, especially participation from low and moderate income people, people living in slum and blighted areas and in areas where CDBG, HOME and ESG funds are used. In 2012, the Department added representatives of the Continuum of Care and the Vermont Affordable Housing Coalition to the advisory group.

See Appendix A for list of the Citizen Advisory Group members.

The group met on February 13, 2012 and on April 2, 2012.

Public Hearings

In accordance with the State of Vermont Citizen Participation Plan, two Public hearings are legally warned and publicized two weeks in advance in all major newspapers and by postings, email, and online.

More than 30 people attended the first of two public hearings on the 2012 Action Plan on February 13, 2012. To maximize public interest the Department conducted a joint hearing on the 2012 Action Plan, Analysis of Impediments to Fair Housing Choice, and Emergency Solutions Grant Substantial Amendment to the 2011 Action Plan.

A second public hearing to receive comments on the draft 2012 Action Plan held on April 2, 2012 was attended by 10 people.

Legal Notice of Draft Consolidated Plan and Availability of Plan

DEHCD released the draft 2011 Action Plan for public comment on March 16, 2012 and conducted a public hearing on April 2, 2012. The 30 day period for written comment ended on May 2, 2012. Notice of the draft 2012 Action Plan was published in newspapers throughout the State, on the Department's website, and through various email distribution lists. The draft was posted on DEHCD's website and was made available at the Department's office.

Summary of Public Comments Including Comments or Views Not Accepted and DEHCD Responses to Comments

Written comments were submitted by;

Peter Gregory, Two Rivers Ottauquechee Regional Commission
Maryellen Griffin & Jessica Radbord, Vermont Legal Aid
Kenn Sassorossi & Erhard Mahnke, Vermont Housing and Conservation Coalition & Vermont Affordable Housing Coalition

Comments were received suggesting that communities applying for CDBG funding be required to have an adopted Town Plan and not accept "Community Development Plans" in lieu of a municipal plan.

The Department agrees. Thorough planning will help municipalities identify needs, prioritize activities for VCDP funding, and enhance public participation. Resources are available through the department and our partner organizations to help municipalities through the municipal planning process. To be eligible for VCDP funding, a municipality must have a municipal plan adopted in accordance with 24 VSA Ch.117.

A comment was received suggesting that the VCDP require communities with "inactive" revolving loan funds (RLF) to pledge 35% of their RLF to a current project proposal rather than the 20% as proposed.

As the funding level for CDBG declines, it is critical that municipalities use their RLFs to the greatest extent possible to meet their community development needs before seeking scarce new funds. The VCDP will continue to require communities with inactive RLFs to commit funds to current projects. However, because communities face a broad range of needs, particularly following the natural disasters of 2011, the department has decided not to change the requirement from 20% to 35%.

A comment was received suggesting that the VCDP give the lowest priority to applications for new business revolving loan funds for the next two to three years to encourage the use of Economic Development Administration (EDA) funds.

The only two priorities in the Consolidated Plan are creating housing and employment opportunities. Beyond these, the plan does not assign levels of priority. However, the department agrees that all other available sources of funding, including EDA, should be explored before committing VCDP funds. The department will continue to emphasize this through its technical assistance to municipalities and the application review process.

A comment was received suggesting that the VCDP require documentation for all economic development CDBG applications showing that the applicant has investigated the feasibility of using EDA Disaster or regular EDA funds.

As mentioned above, the department agrees that all other potential sources of funding should be explored before committing VCDP funds. It will continue its practice of addressing this through the application process but does not agree with making documentation of one particular source a threshold requirement.

A comment was received encouraging additional funding for the Champlain Valley Office of Economic Opportunity Mobile Home Project to support their program assisting residents affected by flooding.

The department agrees that additional resources should be made available to CVOEO for its work with mobile home park residents. It secured $10,000 in increased funding through its annual budget for the Mobile Home Park Project and an additional appropriation of $50,000 for work related to mobile home law enacted in 2012. The department is also seeking a FEMA grant that would allow it to partner with CVOEO to improve the disaster resilience of mobile home parks and the safety of residents. However, given the many demands on the funding governed by the Consolidated Plan, the department has not included new funding for the Mobile Home Project from these programs in the 2012 Action Plan.

Comments were received encouraging the State to prioritize the preservation and development of safe and healthy affordable housing by developing standardized statewide rental housing standards and enforcement including the Vermont Lead Poisoning Law, and creating a rental housing registry to track substandard rental housing including units violating the Vermont Lead Poisoning Law.

The comments on this topic urged the department to support proposed legislation and collect data to be used in a rental housing registry. However, advocating for legislation is not an eligible use of the funds governed by the Consolidated Plan. Collecting rental housing data is potentially eligible but only if accompanied by a program or mechanism for addressing the identified deficiencies. The department is not including the creation of such a program in the 2012 Action Plan as the existing demand on these funds is so substantial.

In addition, these comments also suggested that the State prioritize development of affordable housing in areas affected by Tropical Storm Irene, and develop a strategy to address the vulnerability of affordable housing, including mobile home parks, to flood damage.

The department agrees with these recommendations and working to address these concerns with funding outside of the programs governed by this action plan. The state will be receiving $21.7 million in CDBG Disaster Recovery funds that will be used, in part, to develop affordable housing in areas affected by Tropical Storm Irene. It has also secured additional state general funds and has applied for a FEMA grant to develop a plan for addressing the vulnerability of mobile home parks to flood damage.

Comments were received encouraging the State to continue following the long-standing priorities established in the Consolidated Plan for use of HUD funds to include CDBG Disaster Recovery funds, e.g.: creation and retention of affordable housing and jobs; priority to provide permanent affordable housing; to serve households at or below 30% of median income and people with special needs; to maintain historic settlement patterns by facilitating development in downtowns and village centers; allocating at least 45 to 55 percent of CDBG funds to affordable housing projects.

The department agrees with the longstanding priorities, which are included in the 2012 Action Plan, of creating housing and employment opportunities. It also concurs with the importance of the other uses outlined above and maintaining a balance between the housing and employment priorities in projects funded through its annual allocation of CDBG funding. However, in accordance with congressional intent and HUD's requirements, CDBG Disaster Recovery funds

will directed to severe unmet needs in the areas of housing, economic recovery and municipal infrastructure. The uses of the CDBG-DR funds will be governed by the state's Disaster Recovery Action Plan, which is currently under development.

Summary of Objectives & Outcomes

The four general priorities for use of HUD funds under the 2010-2015 HUD Consolidated Plan remain unchanged in the 2012 Action Plan: affordable housing, employment opportunities, public facilities and public services. Affordable housing and employment opportunities are Vermont's highest priorities and correspond directly to the Department of Housing and Urban Development (HUD) National Objectives to Provide Decent Housing and to Expand Economic Opportunity. Although not the highest priorities, public facilities and public services are considered crucial and correspond directly to the HUD National Objective to provide a Suitable Living Environment. The State also supports the use of CDBG funds through the Vermont Community Development Program (VCDP) to address barriers to housing and economic opportunity.

These priorities are further guided by the State's preference for development and growth in designated downtowns and village centers and in other areas which incorporate "Smart Growth" principles. The State also retains the longstanding overarching priority of achieving perpetual affordability in all affordable housing projects that use public funds.

As stated, the three Objectives are; Provide Decent Housing, Create Economic Opportunity, and Create Suitable Living Environment. The desired Outcomes are Availability/Accessibility, Affordability, and Sustainability. For example, one desired objective/outcome could be affordability of decent housing with a corresponding strategy being to develop or rehabilitate rental units for lower income families and individuals.

Objective – Provide Decent Housing
To accomplish the objective of providing decent housing the Department has established goals and will continue to encourage activities that retain the existing affordable housing stock; increase the supply of permanently affordable housing that is affordable to lower income families and individuals without discrimination; assist homeless persons to obtain appropriate housing and assisting persons at risk of homelessness; increase supported housing for persons with special needs; and provide affordable housing accessible to job opportunities.

Under this objective, the State of Vermont's central priorities respecting the use of federal dollars for affordable housing are: preservation of existing units and development of new projects or programs that contribute new units to the housing inventory; are cost effective, sustainable and will provide long term affordability, and meet local or regional housing needs as demonstrated by a market study. The State's goals under the Objective of Providing Decent Housing are to:

* **Increase the Supply of Rental Housing**
* **Preserve and Rehabilitate the Existing Housing Stock**
* **Provide Housing for People with Disabilities**
* **Provide Housing for Elders**
* **Support Homeownership**

Objective – Expand Economic Opportunity
To accomplish the objective of expanding economic opportunity, the state of Vermont has developed strategies to encourage activities which create or retain jobs accessible to lower income persons; provide access to credit for community development projects that promote long-term economic and social viability; and empower lower income persons to achieve self-sufficiency. The Department's top priority related to economic opportunity is job retention and creation and the Consolidated Plans' goals, strategies and actions are consistent with the Department's principles.

The State is committed to providing Vermonters with the best possible mix of employment opportunities in order to increase the average wage in Vermont, maintain the relatively low unemployment rate and to provide job opportunities to young Vermonters entering the workforce. The State's goal under the objective of Expanding Economic Development is:

* **Job Creation and Retention**

Objective – Suitable Living Environment
While not the highest priority of the Consolidated Plan, The State of Vermont encourages activities which improve the safety and livability of neighborhoods and communities; increase access to quality facilities and services; reduce the isolation of income groups by providing housing opportunities in mixed income settings; revitalize communities; and restore, enhance, and preserve natural and physical features of special value for historic, architectural or aesthetic reasons; and conserve energy resources. The State's goals under the Objective of Creating a Suitable Living Environment are:

* **Downtown Preservation and Revitalization**

* **Remediate and Reuse Brownfields**

* **Increase Access to Public Facilities**

* **Increase Access to Public Services**

See Appendix D for HUD Table 3A Summary of Annual Objectives and page 38 for Specific Priorities, Strategies and Actions. Also see page 56 for additional information on Non-Housing Community Development Needs.

Evaluation of Past Performance

Thousands of Vermonters have received services and assistance, job opportunities and affordable housing with the support of HUD funding through CDBG, HOME and ESG.

The State's goals for 2011 with all HUD funding were to assist 280 units of affordable rental housing and 130 units of affordable home owner units. The VCDP received 40 applications and funded 31. Nine housing projects were funded supporting 339 of units of affordable housing and five economic development projects were funded supporting the creation and retention of 117 jobs with CDBG funding. HOME funds assisted 88 multi-family units serving households at or below 80% of area median income and 157 units met Energy Star Rating. Forty-six of those households, had incomes at or below 30% of median income. In addition, VCDP funded three planning grants in support of Affordable Housing and one planning grant in support of Economic Development.

The State Neighborhood Stabilization Program (NSP1 and NSP3) proposed to acquire and resell 65 foreclosed single family homes; preserve 54 affordable housing units; and create 57 new units of affordable housing units. The goal of preserving 54 housing units has been met and the State NSP is on track to accomplish its goals by the fall of 2012. As of February, 2012 54 single family homes had been acquired and 34 resold with affordability covenants, and 34 new units of affordable housing were completed and leased with 24 more on track for completion by April 2012.

The following information is a brief summary of the accomplishments achieved with CDBG funding through projects approved by the Vermont Community Development Program.

Year	Housing Units Assisted	Jobs Created or Retained	Pubic Facility Projects Assisted	Public Service Projects - Individuals Assisted	Urgent Need Assistance to Communities	Community Planning Projects Assisted
2011	339	117	11	67	0	6
2005 - 2010	2148	653	31	2338	5	52

HUD staff conducted a Performance Monitoring and Audit of Vermont's three formula grant programs (CDBG, HOME and ESG) in August 2011. The monitoring of all three programs by HUD concluded that these programs were well run, in compliance with applicable regulations and achieved expected results. The complete report is pending.

New or Changed Priorities and Program Specific Changes

Priorities and Specific Objectives:

No changes to the State's priorities or objectives are being proposed.

VCDP/CDBG Program Specific Changes:

VCDP has taken several steps in the last year to encourage voluntary compliance with the Americans with Disabilities Act (ADA). Last year, the program increased the funding maximum for municipal Access Modification grants to $75,000 and lowered the match requirement to 25%. In addition, staff has been working with the New England ADA Center and Vermont Center for Independent Living to identify existing resources that are available to municipalities and non-profit organizations that would like to improve access to their buildings and programs. In the coming year VCDP will continue to work with partners and stakeholders to develop resources, technical assistance, and best practices to assist communities wishing to voluntarily comply with ADA standards.

VCDP will require communities applying for funding to have an adopted Town Plan and will no longer accept "Community Development Plans" to satisfy this requirement.

VCDP will take into consideration, a community's voluntary adoption of, stream corridor protection/flood hazard zoning by-laws or regulations that are consistent with VT Agency of Natural Resources Flood Hazard Model Regulations when reviewing and recommending projects for funding.

2. Institutional Structure

Introduction

Vermont's structure for the delivery of community development and affordable housing ranks among the best in the country for timely, effective disbursal of CDBG and HOME funds. The structure depends heavily on local and regional partners and decision-making for its success.

CDBG funds received by the State are administered by the Vermont Community Development Program of the Department of Economic, Housing and Community Development (DEHCD). The State agencies responsible for administration of the HOME program are the DEHCD, and its sub-contractor, the Vermont Housing and Conservation Board. Emergency Solutions Grant funds received by the State and are administered by the Office of Economic Opportunity of the Agency of Human Services.

Affordable housing proposals are developed by communities with support from a network of local, nonprofit housing providers throughout the state. These partners with the State strive to achieve permanent affordability in Vermont's affordable housing projects which been the long-standing priority and fundamental objective in the State's use of CDBG funds for all affordable housing.

1. Vermont Institutions Involved in Housing and Community Development

A. Public Institutions

Department of Economic, Housing and Community Development

By statute, the Department is created within the Agency of Commerce and Community Development. It is the central state agency to coordinate and operate, to the extent possible, all public housing programs enacted after 1969 by the General Assembly or created by executive order. Other functions of the Department are the administration of federally supported community development and housing programs and the provision of assistance to municipalities in the area of local planning.

The mission of the Department of Economic, Housing and Community Development (DEHCD) is to enhance the capacity of local governments and regions to improve the economic, physical and social development of Vermont's communities. As a part of that mission, the Department helps to provide safe and affordable housing for all Vermonters.

The Department has three major functions:

- it administers grant programs and provides technical assistance;
- it implements State policies; and
- it implements State and federal statute.

Within these functions, it has responsibility for community development, housing, historic preservation and local and regional planning, and is the lead agency for coordinating and updating the HUD Consolidated Plan.

The Secretary of the Agency or his/her designee is an ex-officio member of the Vermont Housing Finance Agency Board.

Housing and Community Development

Since 1983, the Department has been responsible for administering the Vermont Community Development Program. The Secretary of the Agency provides overall policy direction for the program, reviews Community Development Board recommendations and makes the final award of grants. The Vermont Community Development Board (CD Board) consists of nine citizen members appointed by the Governor and is responsible for application review and for making recommendations to the Secretary of ACCD for awarding funds.

The Department's Housing staff coordinates and oversees the implementation of state's housing policy, facilitates collaboration among state housing agencies, serves a resource to housing providers and supports the production and preservation of housing that is affordable to all. It accomplishes this through its programs, staff activities and leadership of the Vermont Housing Council.

The Division of Community Planning and Revitalization supports local and regional land use planning efforts through grants to communities and regional planning commissions, technical assistance, training and publications; encourages comprehensive plans and implementation programs that address a wide variety of subjects including community development and housing; incorporates smart growth policies in its project funding and land use policy work; administers tax credits for historic properties throughout the state; and manages the Designation programs and financial incentives for Designated Downtowns, Villages, New Town Centers, Growth Centers and Vermont Neighborhoods.

The Division for Historic Preservation supports the rehabilitation and continued use of historic buildings through a variety of programs. The Division provides information, public information and planning assistance, and is responsible for the Vermont Historic Sites and Structures Survey which identifies historically valuable structures. The Division provides materials and technical assistance to developers who want to qualify for federal Historic Preservation Investment Tax Credits for the rehabilitation of income-producing historic buildings. The Division also administers the State Historic Preservation Grants, available to municipalities and nonprofit organizations to repair historic buildings that meet the criteria for listing on the National Register.

Economic Development

The Department's top priority is job retention and creation. The **Recruitment** division provides customized and confidential assistance to out-of-state companies that are interested in expanding or relocating to Vermont. Large and small businesses alike receive individualized attention on matters such as site location, finance options, training programs, incentives, and more. The Department coordinates in-state site visits and serves as a liaison with other state offices.

The business **Retention & Expansion** division acts as a liaison to the Department for the business community. Teaming with Regional Development Corporations in a Business Visitation Program provides the basis for achieving the core goals of the Retention & Expansion division; working towards sustaining business retention, encouraging business expansion, providing rapid support to communities and businesses in need, and positively impacting the

business environment. The division is also committed to the long-term development of value-added natural products in our state, and provides technical and business assistance to businesses in the primary and secondary wood industries, as well as marble, granite, slate and calcium carbonate producers.

The department's **Vermont Training Program**, **Vermont Employment Growth Incentive program, Global Trade Alliance** and **Procurement Technical Assistance Center** all provide business assistance positively impacting job retention and creation working closely with nonprofit organizations and public institutions throughout the state to carry out its mission.

The Vermont Department of Labor

The Vermont Department of Labor is dedicated to helping develop and maintain the economic health and safety of Vermont businesses and workers by providing labor market information and various programs supporting safety and health, workforce development, wage and other compensation protection.

The Vermont Department of Labor (VDOL) comprises the following divisions and initiatives:

- Unemployment Insurance – VDOL identifies businesses that must participate in the unemployment insurance program, collects employer contributions, takes applications for unemployment benefits, resolves disputed claims, pays weekly claims, audits performance and enforces the program.
- Workforce Development – Services include matching open jobs to available workers, providing employment counseling, indentifying and meeting the training needs of individuals and Vermont employers. Special emphasis is placed on assisting unemployed and economically disadvantaged individuals. It also operates a youth program designed to assist in and out-of-school disadvantaged youth to complete their education, gain occupational skills and transition to the workforce. In addition to providing these services directly, VDOL provides grants to employers, schools and non-profits to training the workforce. Programs under this function include:
    - Workforce Education and Training Fund
    - Workforce Investment Act.
    - Employment Service
    - Registered Apprenticeship
    - Reach Up
    - Adult Technical Education Grants.
    - Work Opportunity Tax Credit
    - Veterans Employment & Training

- Workers' Compensation Services provided include resolving disputed workers compensation claims through both informal and formal processes, enforcing the requirement of businesses to have workers' compensation insurance and investigating allegations of fraud.
- Vermont Occupational Safety & Health Act (VOSHA) enforces occupational health and safety regulations and works with larger employers to reduce accidents.
- Project WorkSafe provides consulting services to smaller employers to improve occupational health and safety.
- Project Roadsafe provide consulting services to employers to improve road safety for employees who are on the road for their job duties.

- Labor Statistics- In cooperation with the US Bureau of Labor Statistics the department develops monthly labor forces, job and unemployment statistics. It also produces short and long term occupational projections.
- Wage & Hour enforces Vermont's wage and hour laws, primarily related to minimum wage requirements.
- Workforce Development Council brings together representatives of business, government and the non-profit sectors to inform and guide workforce development needs and to help coordinate workforce development programs.

VDOL collaborates with multiple state and federal agencies and departments, nonprofit and for profit entities, employers, workers, labor unions, and other to accomplish the various objectives of our work.

In particular, VDOL works closely with the Agency of Commerce and Community Development to retain and attract new jobs to the state and assist new and expanding businesses. Collaboration includes working with the Department of Economic, Housing and Community Development, to assist in implementing appropriate Community Development Block Grant programs, the development and implementation of customized training programs, education and outreach to Vermont employers and workers, and other areas.

Next Generation Initiative: Since 2007 VDOL has implemented new and expanded training programs under the Next Generation Initiative developed in collaboration with the Vermont Legislature. The Next Generation Initiative programs include expanding customized training programs, a new internship program targeted at high school and college students, a new grant program to regional technical centers to implement adult technical education programs targeted at regional economic development needs, and formerly career exploration and alternative education programs. (Note: The career exploration and alternative education programs existed for two years. Due to lack of funding they are no longer active.)

Agency of Human Services

Agency of Human Services (AHS) administers numerous programs and services related to housing, emergency shelter, and the prevention of homelessness. The Agency administers U.S. Department of Housing and Urban Development, Emergency Solutions Grant (ESG) funding. The Agency's shelter and housing initiatives are coordinated by the recently-created Director of Housing position, located in the AHS Secretary's Office. This position also chairs Vermont's Council on Homelessness which was reconstituted by the Governor in January of 2012.

Department for Children and Families through the **Office of Economic Opportunity (OEO)** administers a number of programs which address the housing needs of low income and homeless Vermonters including: the Emergency Solutions Grant Program, and the Emergency Food and Shelter Program from the Department of Homeland Security. OEO administers the Federal Community Services Block Grant through five Community Action Agencies that provide direct services to over 50,000 low-income Vermonters, including emergency food shelves, emergency housing assistance, employment counseling and search, and health and nutrition services. The Weatherization Assistance Program (Department of Energy and Vermont Weatherization Trust Fund) provides funding for insulation, heating system repair and replacements and other energy-related work which reduce the impact of energy costs on low income people.

The **Department for Children and Families** through the **Economic Services Division** provides basic income maintenance and self-sufficiency programs for low-income people. In addition, the state funded General Assistance program is available to homeless individuals or families, or those at risk, for basic needs such as food, shelter, fuel and utilities, and emergency medical treatment. The Emergency Assistance back rent program assists families with children who are threatened with homelessness because of overdue rent or mortgage payments.

The **Department of Aging and Independent Living (DAIL)** plans, implements, and administers a wide range of services to older individuals, younger adults, and children living with physical disabilities, developmental disabilities, dementia, or frailty associated with old age. The Department regulates licensed special needs housing (in which housing, meals and personal care or other long-term care services are provided), specifically Vermont's assisted living residences, residential care homes, homes for the terminally ill and nursing homes.

The **Department of Health** encompasses a wide range of programs and services considered essential to keep our population healthy. One of these programs is the Childhood Lead Poisoning Prevention Program (CLPPP). The CLPPP works with housing providers to educate tenants on the risks of lead poisoning and basic lead hazard reduction strategies.

The **Department of Mental Health** serves as the State mental health authority, administering services for children experiencing severe emotional disturbance, adults with mental illness, and persons with mental disabilities. The Department's Community Rehabilitation and Treatment Program strives to prevent homelessness by providing comprehensive community support services, including help in finding and maintaining affordable housing, and financially supporting Transitional Housing as well as Shelter Plus Care match requirements.

Community Action Agencies

Vermont's five Community Action Agencies are: BROC – Community Action in Southwestern Vermont; Central Vermont Community Action Council; Champlain Valley Office of Economic Opportunity; Northeast Kingdom Community Action; and Southeastern Vermont Community Action.

The Champlain Valley Office of Economic Opportunity operates a Statewide Housing Services program with; the Fair Housing Project, Vermont Tenants Inc., and the Mobile Home Project.

Continuums of Care

The Vermont Balance of State Continuum of Care (VT BoS CoC) and the Chittenden CoC are the two federally-recognized CoCs in Vermont. The Vermont Coalition to End Homelessness (VCEH) is the governing body of the VT BoS CoC which encompasses all counties in Vermont, with the exception of Chittenden County. As its own CoC, Chittenden County is governed by the Chittenden Homeless Alliance.

While the two continua collaborate on the annual homeless Point-in-Time count, advocacy and other activities, each is responsible for applying separately for HUD McKinney-Vento Homeless Assistance (Supportive Housing and Shelter Plus Care Programs) on a yearly basis through their respective lead agencies. Several organizations within each CoC are also recipients of HUD Emergency Solutions Grants funding which supports shelter operations, staffing, as well as homelessness prevention and rapid re-housing activities.

Each CoC is a partnership of: local service providers (Community Action Agencies, mental health providers, homeless health care providers, homeless shelters and domestic violence shelters, education and youth services, veteran providers, etc); local resource providers (Department for Children and Families, private lenders, etc.); nonprofit and private housing providers; people who are or were homeless; and other key local partners in the homelessness or low-income service or housing system. This collection of partners meets to monitor the needs in their region and works to streamline local services and housing.

Vermont Council on Homelessness

The Vermont Council on Homelessness (VCH) includes representatives from several state agencies and quasi state agencies, as well as appointed representatives from both the Vermont BoS CoC and Chittenden CoC, shelter providers, housing providers, and formerly homeless members. The purpose of the VCH is to:

A. Develop Vermont's Ten Year Plan to End Homelessness which shall include annual targets for reducing the number of homeless people in Vermont and shall set forth plans to implement specific initiatives, including those developed at Governor Shumlin's June 2011 Summit on Homelessness;

B. Monitor and revise the Ten Year Plan to End Homelessness as necessary; and

C. Report to the Governor on July 1 of each calendar year regarding:
(1) recommendations to the Administration regarding resource, policy, and regulatory changes necessary to accomplish the goals of the Plan, and (2) progress made under the Plan.

Agency of Natural Resources

The **Facilities Engineering Division** administers state and federal pollution control funding programs, assists municipalities through the planning and construction of pollution control projects, provides fund administration for other Department of Environmental Conservation grant and loan programs. The Financial Management section administers the engineering planning advance, engineering grant, and revolving loan programs. It also writes grant and loan awards for pollution control and water supply treatment and distribution and wastewater treatment and collections systems, and solid waste projects, and performs audit functions.

The **Water Supply Division** protects public health by assuring safe, affordable drinking water and by managing the water resources which provide drinking water. The Engineering and Financial Services Section administers the construction permits program for public water systems; manages the Drinking Water State Revolving Fund Loan Program for system improvements; and the Capacity Development Program designed to help systems meet the provisions of the Federal Safe Drinking Water Act.

Agency of Transportation

The Agency is responsible for preserving and enhancing a seamless, integrated transportation system to support the movement of goods and people. Transportation funds have been involved in past community development projects involving bridge and roadway improvements, construction of sidewalks and bike paths, and development of multi-modal facilities.

The Agency has several initiatives available that support community development activities. The first is the **Transportation Planning Initiative**, which decentralizes a significant portion of the transportation planning process to the local and regional levels of government, and uses

transportation funds to reimburse regional planning commissions for this work. Many projects are proposed, prioritized, and implemented at the local and regional levels.

Another initiative is the **Transportation Enhancements Program**. Program funds support projects that creatively and sensitively integrate the transportation system into communities. Examples include bike and pedestrian facilities, historic preservation, and scenic protection and improvement. While these are not normally funded as part of state-wide transportation projects, they may be very important when considered in the context of regional/community development, downtown revitalization, and seamless transportation linkages.
Public Transit plays a large role in serving and promoting sustainable, efficient community development initiatives. VTrans administers a significant amount of Federal and State funding to support eleven public transit providers serving all areas of Vermont. These organizations work closely with a broad cross-section of professionals including municipal and regional planners, community development directors, and other state agencies, as well as local municipal officials, in an effort to plan services to meet the existing and future needs of the traveling public.

The Agency also provides annual allotments to municipalities through its **Town Highway Aid Program** and project grants through the **Town Highway Structures and the Town Highway Class 2 Roadway Programs**. Towns are able, using these resources, to fund infrastructure maintenance and rehabilitation consistent with municipal transportation priorities and development objectives.

Department of Financial Regulation (formerly BISHCA)

In addition to its regulatory duties including handling consumer complaints, the Banking Division of DFR created a Mortgage Assistance Program to help Vermonters find relief programs, counseling or other options that may be available, and how to access them. The range of assistance depends upon individual circumstances. The Division does not have funding or grant monies to distribute to distressed mortgage holders, but may be able to help facilitate communications between borrowers and lender to come to a mutually agreeable course of action. Vermonters can contact the Mortgage Assistance Program via a toll free number or the Division's website.

Vermont Housing and Conservation Board

The Vermont Housing and Conservation Board (VHCB) was established by the General Assembly in May 1987 with dual goals of "creating affordable housing for Vermonters, and conserving and protecting Vermont's agricultural land, historic properties, important natural areas and recreational lands." The VHCB administers the Vermont Housing and Conservation Trust Fund. Appropriations largely from a portion of the property transfer tax have sustained the Fund's work.

Awards are made to municipalities, nonprofit housing and conservation organizations, housing co-ops, and certain State agencies, including the Department of Agriculture and the Agency of Natural Resources. Projects which are funded by the Vermont Housing and Conservation Trust Fund are usually protected in perpetuity, most commonly through permanent deed restrictions or covenants placed in the land records. Nonprofit housing providers receiving money from the program must target Vermonters whose incomes are at or below median income. The program also makes project related capacity grants and loans, to enable an applicant to purchase an

option on a piece of land or a building, undertake a feasibility study, and cover some of the other initial project development costs.

Since 1992, under contract with the Agency of Commerce and Community Development, VHCB has administered Vermont's HOME Program covering the entire State minus the City of Burlington. In most cases, VHCB and HOME funds have been combined to support HOME Program priorities. The VHCB's administration of the program has been highly successful, ranking Vermont among the nation's leaders in HOME Program implementation.

VHCB also administers Vermont's HUD-funded Lead Paint Hazard Reduction Program and HUD Special Purpose Grant funds, the state's HOPWA grant, HUD Technical Assistance grants as well as an AmeriCorps program that places AmeriCorps members in housing nonprofits throughout the State.

Vermont Housing Finance Agency

Vermont Housing Finance Agency (VHFA) was created in 1974 by the Vermont State Legislature to provide safe, decent, and affordable housing for low- and moderate-income Vermonters. VHFA is one of Vermont's largest lenders for affordable homeownership and rental housing. VHFA's Executive Director (or his/her designee) is also an ex-officio member of the Vermont Housing and Conservation Board and the Housing Council, and an appointed member of the Vermont Community Development Program Board.

VHFA works to increase the availability of both homeownership and multifamily affordable housing, encouraging mechanisms to assure that the housing remains affordable into the future. As a self-supporting public instrumentality, VHFA receives no operating appropriations from the State Legislature or the federal government. Financing for programs is achieved primarily through the sale of tax-exempt and taxable bonds.

VHFA administers the federal Low Income Housing Tax Credit program as well as the state's Housing Tax Credit program. VHFA issues Housing Credits to for profit and nonprofit owners of rental developments in accordance with a Qualified Allocation Plan. Housing Credits represent the *primary* federal incentive for the production, rehabilitation, and preservation of affordable rental housing.

Through the Mortgage Revenue Bond (MRB) program, VHFA issues tax-exempt bonds with which it funds affordable mortgage programs for many Vermonters who otherwise would be unable to obtain mortgage financing. These programs are provided exclusively to income eligible households for homes within VHFA purchase price limits. Guidelines for income and purchase eligibility are set by federal rules.

VHFA has a history of creating innovative housing programs to fill the state's unmet financial needs. These include low-down payment mobile home and condominium financing and administering new federal housing funds including the Housing Assistance Rehab Program and programs funded through an advance from the MacArthur Foundation.

In addition, the Agency houses a number of collaborative statewide policy and housing initiatives. These include:

- Ongoing research and analysis of housing market trends in VT;
- Maintaining and updating the Housingdata.org website including the Directory of Affordable Rental Housing;

- Producing the annual Housing and Wages report and periodic issue papers;
- Supporting a statewide network of NeighborWorks Homeownership Centers, the Vermont Resident Service Coordinators, Vermont Housing Managers Association and the New England Resident Service Coordinators; and
- Annual certifications on behalf of the Tax Department for subsidized housing through Acts 68 and 75.

Vermont State Housing Authority

The Vermont State Housing Authority (VSHA) celebrated its 40th anniversary in 2008. It was founded in 1968 by an act of the Vermont Legislature and given the mission to improve housing conditions and expand housing opportunities for families of very low, low and moderate income. VSHA receives no funding through the state nor is it a department of state government. The VSHA is considered a quasi-governmental body whose enabling statute permits it to own and operate affordable housing.

The VSHA's Mission is to promote and expand the supply of affordable rental and homeownership opportunities on a statewide basis. Each new endeavor will enhance or increase the organization's capacity to continue its Mission and to assure the effectiveness of VSHA as a provider and administrator of affordable housing programs.

VSHA's scope of operations is border to border with the exception of the city of Montpelier. The role which the VSHA performs within the state of Vermont's housing industry and its positive impact on the lives of individuals of very low and low income is significant. VSHA provides housing services that reach more than 8,200 Vermont families.

VSHA is an organization with statewide jurisdiction and has been instrumental in the development and preservation of approximately 1,552 affordable housing units that include mobile home park lots and multi-family/elderly properties. It provides and supports affordable housing and housing related programs through administration of rental subsidies, management of multifamily/elderly housing and mobile home parks, rehabilitation of deteriorated housing units, and facilitating mobile home purchases. The Authority manages its property portfolios and those of various partnerships and nonprofits.

The VSHA administers the largest Section 8 program in the state of Vermont. This diverse program includes the Section 8 Housing Choice Voucher program with an assortment of incentives and housing alternatives such as Family Self-Sufficiency, Homeownership, Family Unification, Mainstream Housing Opportunities, Veterans Affairs Supporting Housing and Project-Based Initiatives. VSHA administers a Section 8 Moderate Rehabilitation program and the rental assistance component of a Housing for Persons with Aids (HOPWA) grant provided to the Vermont Housing and Conservation Board. VSHA is HUD's Contract Administrator on units constructed or rehabilitated by private developers and/or nonprofits.

VSHA operates as Lead Agency/Collaborative Applicant for the Vermont Balance of State CoC (VT BoS CoC) to coordinate and apply for HUD CoC Programs, as well as other CoC duties, as part of the annual McKinney-Vento Homeless Assistance competition. In addition to its roles as CoC Lead Agency, VSHA is Grantee of $2,365,733 in funds that support HUD Supportive Housing and Shelter Plus Care Programs in the VT BoS CoC; with the Brattleboro Housing Authority [$199,728] and Helping to Overcome Poverty's Effects [$145,045] overseeing the balance. Furthermore, the VT BoS CoC and VSHA have been successfully awarded new

Permanent Housing Bonus grants over the last three years of the McKinney-Vento Homeless Assistance CoC Competition.

VSHA's ENABLE program is a low-interest, self-renewing fund that provides loans to owners of rental properties participating in programs administered by the Authority, to make needed handicap accessibility modifications.

Other major programs include the management of a portfolio of multi-family/elderly affordable housing units (547 units) developed mostly using programs available through the U.S. Department of Agriculture's Rural Development (USDA RD), although a smaller portion of the portfolio was developed using programs available through HUD.

The mobile home park portfolio managed by the Authority consists of 17 mobile home parks containing a total of 969 lots. VSHA's involvement with mobile home parks is an outgrowth of state policies to preserve mobile home parks as a source of affordable housing for Vermonters.

Vermont's Local Public Housing Authorities

Vermont's public housing authorities were established as a result of Vermont Statute (Title 24, Part 2, Chapter 13, 1961) to address the need for "decent, safe and sanitary housing for persons of low income." Today, there are nine* local public housing authorities (PHA's) serving the following Vermont communities: Barre, Bennington, Brattleboro, Burlington, Montpelier, Rutland, Springfield, St. Albans, and Winooski. However, Burlington is not part of the State's HUD Consolidated Plan; therefore, the information below relates to those nine local PHA's and excludes Burlington. (*Hartford Housing Authority dissolved and transferred its vouchers to the VSHA effective January 1, 2011.)

The following programs and services illustrate local PHA activities throughout Vermont. The list is not intended to be all inclusive and not all nine local PHA's offer every program.

Public Housing

The eight local PHA's included in the State's Consolidated Plan own and manage 1,484 units of public housing. Eligibility for public housing is income based with rents set at 30% of adjusted gross income. In an attempt to better meet local needs, many PHA's in Vermont have developed locally determined preferences.

Housing Choice Vouchers

The Housing Choice Voucher Program is the federal government's main rental assistance program for providing very low-income families, the elderly, and the disabled with quality rental housing in the private market. The participant is free to choose any housing that meets the requirements of the program and is not limited to units located in subsidized housing projects.

The eight local PHA's included in the State's Consolidated Plan administer 1,145 vouchers throughout the State, some of which are designated for special purposes.

Public Housing Capital Fund

The Capital Fund provides federal funding to housing authorities to modernize public housing developments. The eight local PHA's included in the State's Consolidated Plan invest just

under $2 million annually in public housing developments, with positive effects accruing to their local economies. This was supplemented with more than $2.6 million in ARRA grants. However, the unmet modernization needs for these PHA's is still more than $24.7 million.

Family Self-Sufficiency

Family Self Sufficiency (FSS) is a HUD sponsored program that encourages communities to develop local strategies to help assisted families to obtain employment that will lead to economic independence and self-sufficiency. Many housing authorities have developed partnerships with local agencies and organizations to implement FSS activities.

Homeownership

Public Housing Authorities have the ability to utilize the public housing and Housing Choice Voucher programs to promote homeownership. Through 2009, three local PHA's (excluding Burlington) plus the VSHA cumulatively achieved 101 homeownership closings.

Affordable Housing Development/Management

Vermont's Public Housing Authorities are a significant resource in Vermont's affordable housing system. In addition to the previously mentioned public housing stock the eight local PHA's included in the State's Consolidated Plan manage 472 units through their non-profit subsidiaries.

Vermont Municipalities

Vermont has 255 political units, or municipalities. This includes 237 towns, 9 cities, 5 unincorporated areas, and 4 gores. Only the state's largest municipality, the City Burlington, is considered an Entitlement Area by HUD. All other municipalities are eligible to apply for CDBG funding through the state Vermont Community Development Program (VCDP. The municipalities are obviously the strongest and most important partners for VCDP. Without their support and cooperation the CDBG program would not be possible in Vermont.

Vermont municipalities have varying degrees of capacity when comes to carrying-out community development activities. Some municipalities have community and economic development offices and others have only volunteer Selectboards and very limited or no staff capacity. Vermont municipalities, regardless of size, play a critical role in the growth and development of the state as a whole. Local rules, regulations, zoning and control are a hallmark of Vermont. Providing consistent outreach regarding training, guidance and technical assistance to municipalities is one of the most important tasks for the VCDP. VCDP provides grant opportunities, training, workshops, and technical assistance throughout the year for all of our eligible municipalities.

Local planning was enhanced in Vermont with the amendments to the Growth Management Law (Act 200) in 1988. Since local plans expire after five years, at any point in time about one third of Vermont's municipalities are revising their plans. The importance of this planning process cannot be overstated, since most of the land use decisions affecting housing and community development are made by the volunteer boards and panels at the local level based on these plans.

The enabling statute (24 VSA Chapter 117) requires that the plans include an element on housing as well as address future land development in relation to the provision of necessary community facilities and services. Major revisions to Chapter 117, enacted in 2004, strengthened protections for affordable housing, mobile home parks, multi-family housing and accessory dwellings under local land use regulations. Additional changes include provisions for both regulatory and non-regulatory plan implementation tools including a requirement that all implementation measures, including bylaws, conform to the municipal plan.

Vermont Economic Development Authority (VEDA)

VEDA was created to create and retain quality jobs, and promote economic prosperity within the state. It does so through a variety of financing programs to encourage and support responsible economic development. VEDA offers access to capital through various programs: Direct Loans (with limitations on both the percentage and total amount available), Industrial Revenue Bonds, Mortgage Insurance, Agricultural Loans, and SBA 504 Debentures.

Federal Government

Department of Housing and Urban Development (HUD)

In addition to ongoing programs such as Section 8 Housing Choice Vouchers, CDBG, HOME, McKinney Act Homeless programs and the Fair Housing Assistance Program, HUD's participation in the State delivery system includes the Section 202 and 811 programs, the Lead Paint Hazard Reduction program and a number of discretionary Economic Development Initiatives grants.

HUD Field Policy and Management (FPM) staff in the Burlington Field Office (BFO) serves as the initial point of contact and link Vermont customers and communities to the full range of HUD programs and services. For CDBG/HOME and Multifamily Housing issues, the BFO links to program centers in the Manchester, NH Field Office; Public Housing and Fair Housing and Equal Opportunity issues link to the Boston Regional Office.

USDA-Rural Development

USDA Rural Development offers programs to support rural development under three general categories: Housing, Community, and Business programs.

For ***Single Family Home Ownership*** (Section 502), the agency offers Direct Subsidized Loans originated by USDA employees for applicants with HH income up to 80% of HUD median; and Loan Guarantees originated by approved lenders for applicants with HH income up to 115% of HUD median. The agency also has a ***Very Low Income Repair Loan and Grant Program*** (Section 504) for applicants with HH income up to 50% of HUD median. This program offers loans up to $20,000 at 1%, and grants up to $7,500 (seniors 62 or over). For ***Multi-family Programs*** (Section 515) Direct permanent 1% loans are available for developers of low-moderate income rental housing. Rental Assistance may or may not be made available by the agency. The agency also administers ***MFH Loan Guarantees*** (Section 538) up to 90% to an approved lender. ***Housing Preservation Grants*** are also available to nonprofits, public bodies, and cooperatives for special-purpose rehab proposals, and generally not to exceed $50,000 per request.

The Rural Housing Programs offered by Rural Development are not available in Burlington, Winooski, S. Burlington, Essex Junction, and part of Colchester. All other communities are eligible throughout the state of Vermont.

The Rural Development ***Community Programs*** include direct loans, loan guarantees and grants both for essential community facilities and water and wastewater systems. Essential community facilities include but are not limited to education, health care, child and elder care, fire and rescue, cultural, libraries, community centers, and youth and senior centers. Eligible projects must be for capital projects (real estate and/or equipment). Grants are only available to projects that serve very low income communities. All projects must primarily serve rural communities with a population of 20,000 or less. Both communities and community based non-profit organizations are eligible applicants. ***Water and wastewater loans and grants*** are provided to rural communities of up to a population of 10,000 for any capital water or wastewater improvement and can include new systems. Grants are only available to systems that serve low income communities whose user rates will exceed the statewide average after the project is completed. Eligible applicants include communities, fire districts, homeowners' associations and cooperatives.

USDA RD ***Business programs*** provides a comprehensive suite of business credit services to serve small to very large businesses throughout Vermont. Services include loan guarantees to encourage business development such as renewable energy and energy efficiency as well as legacy industries. Grants to assist energy related projects as well as to build business capacity and provide problem-solving activities (such as feasibility studies, market analysis) are also available. Additionally, wholesale capital is provided in the form of direct loans to community based revolving loan funds in order to stimulate small business lending and investment.

Small Business Administration

The SBA offers several financing assistance programs to assist small businesses. The SBA primarily guarantees bank loans for businesses. It does so for loans for buildings, land, equipment, and working capital; for loans for conducting international trade; for short term loans to finance costs related to a specific contract; and for seasonal lines of credit. It also offers a direct loan program through "certified development corporations," which in Vermont includes VEDA and several of the Regional Development Corporations.

B. Nonprofit Organizations

Local and Regional Housing Nonprofits

The local and regional nonprofit sector plays a significant role in the provision of affordable housing in Vermont. This assistance is often provided in cooperation with a statewide nonprofit organization, State agency or instrumentality, municipality, or for-profit developer.

Housing Development Corporations

Housing development corporations are often 501(c)(3) nonprofit organizations. Nearly all of these nonprofits devote a large portion of their operating budgets and work programs to the development and management of affordable housing projects, typically targeting households from 30% - 80% of median income. Most have relied heavily on low income housing tax credits,

Community Development Block Grants, the Vermont Housing and Conservation Trust Fund, and Vermont Housing Finance Agency for funding.

Many housing development corporations are also community land trusts. Community land trusts typically provide affordable housing by buying land and buildings, holding the land portion of the parcel in trust, and selling the buildings to families or individuals. Home buyers enter into a long-term land lease with the trust for the use of the land and agree to a limited appreciation or limited equity provision, should they decide to sell the home in the future. Most agreements with homeowners also provide that either a family member or the CLT has the first option to repurchase the building. The model works to preserve both existing residential units and any new construction on CLT land. Initially developed to protect access to single family housing, CLT's are also providing rental housing and offering ownership opportunities in multi-family housing cooperatives.

Many land trusts are involved in the acquisition, rehabilitation, sale and management of affordable housing, including mobile home parks. CLTs participate in the HOMELAND program, a buyer-initiated homeownership effort being promoted and funded in conjunction with VHCB and VHFA. The primary sources of funds for CLTs have been Community Development Block Grants, the Vermont Housing and Conservation Trust Fund, the federal HOME Program, private foundations, other grants, and VHFA and Rural Development mortgage financing.

These are housing development corporations in Vermont:

- Addison County Community Trust; Vergennes
- Windham & Windsor Housing Trust; Brattleboro
- Cathedral Square Corporation; Burlington
- Central Vermont Community Land Trust; Barre
- Champlain Housing Trust; Burlington
- Gilman Housing Trust; Lyndonville
- HOPE; Middlebury
- Housing Foundation Inc.; Montpelier
- Housing Trust of Rutland County;
- Lamoille Housing Partnership; Morrisville
- Randolph Area Community Development Corporation; Randolph
- Regional Affordable Housing Corporation; Bennington
- Twin Pines Housing Trust; White River Junction

NeighborWorks Homeownership Centers

The NeighborWorks® Alliance of Vermont includes five regional nonprofit housing organizations and their partners dedicated to expanding and preserving homeownership opportunities for all Vermont residents. NeighborWorks organizations receive certified training and financial assistance from NeighborWorks America. Each organization is committed to community revitalization with a broad spectrum of programs, strategies and tools to increase affordable housing resources for Vermonters. Each operates a NeighborWorks HomeOwnership Center that provides: homebuyer education and counseling; opportunities to purchase affordable homes; and non-traditional loans to unbankable individuals primarily for housing-related activities. The NeighborWorks Homeownership Centers operate a Housing Rehabilitation Loan Funds funded in part by CDBG through host communities. The loan funds cover the entire state and help income eligible homeowners' access funding for needed repairs including life/safety, weatherization and handicapped access.

NeighborWorks Homeownership Centers are located in the following Communities:

Burlington and St. Albans: Champlain Housing Trust
Lyndonville and Newport: Gilman Housing Trust
West Rutland: NeighborWorks of Western Vermont
Barre: Central Vermont Community Land Trust
Springfield and Brattleboro: Windham & Windsor Housing Trust in Brattleboro.

Housing Vermont

Housing Vermont is a private, nonprofit development company founded in 1988 to produce permanently affordable rental housing for Vermonters through partnerships with communities and the private sector. The partnerships advance State and local development goals, particularly downtown revitalization, and create safe and attractive apartments.

Since its inception, Housing Vermont has raised more than $201 million in private equity to finance 136 affordable rental housing developments throughout the State. This equity has leveraged an additional $304 million in private financing and public investment. The 4,160 apartments created or renovated in these efforts serve low and moderate income Vermonters including seniors and those with special needs. Many developments also include commercial space.

Housing Vermont raises equity by syndicating low income housing and historic tax credits. In addition to a reliable return on their investments, community banks and other Vermont and national companies which invest with Housing Vermont have an opportunity to help communities build or renovate tangible, long-lasting housing resources.

Housing Vermont brings other critical services to its partners. Housing Vermont's development staff is skilled in shepherding nascent projects through the complex permitting process. The staff also helps to secure loans and grants to complement the equity and provide construction management services to complete the project on time and within budget.

Once a development is occupied, Housing Vermont works with local partners to provide asset management and financial reporting services. Housing Vermont is responsible for administering the tax and finance matters for each partnership, including the maintenance of books and records and the preparation of quarterly reports for investors. Housing Vermont also monitors the annual audit of each development and the tax return process.

Beginning in 2010 Housing Vermont will use its New Markets Tax Credit (NMTC) resources to support investment in the economic, environmental, and social well-being of Vermont communities. NMTC funds will be used to retain and create jobs for Vermonters by financing key community developments in downtown and village centers and in other concerted community efforts which demonstrate positive impacts on Vermont's economic, health care, energy and food systems.

Prospective NMTC projects generally need to be located in qualified census tracts. In Vermont those areas include much of northern Franklin, Grand Isle, Lamoille, Essex and Orleans counties as well as parts of the towns and cities of St. Albans, Rutland, Bennington, Fair Haven, Burlington, Winooski, Newport, St. Johnsbury and Brattleboro.

Vermont Community Loan Fund

The Vermont Community Loan Fund (VCLF) celebrated its 20th anniversary in 2007. VCLF is a nonprofit community development financial institution. It was created in 1987 to strengthen Vermont communities by providing equitable access to capital for affordable housing, community facilities, and small business. The Vermont Community Loan Fund obtains its loan capital from investors that include individuals, faith-based groups, foundations, banks, and corporations. Many VCLF investors participate in the State of Vermont's Charitable Housing Investment Tax Credit program, which is administered by the Housing Division of DEHCD.

The Vermont Community Loan Fund operates three areas of lending: Housing and Community Facilities Lending, Business Lending and Child Care Loans.

Opportunities Credit Union

Opportunities Credit Union is a statewide mission-based lending and community development group that encompasses two statewide community development financial institutions, Opportunities Credit Union and Opportunities Ventures. It is the state's only designated low income credit union.

Opportunities Credit Union's programs promote community development, safe and affordable housing, wealth-building and self-sufficiency for all Vermonters. OCU makes loans for a wide range of community and economic development purposes.

Opportunities Ventures is a community development loan fund that lends and provides community development services to manufactured housing coops, manufactured home owners, nonprofits, people with disabilities, and small businesses.

Other Specialized Housing Services and Multi Purpose Nonprofit Organizations

Regional Planning Commissions

The regional planning commissions were formed in the 1960s and 1970s and originally funded with federal funds. Today they derive significant portions of their budgets from state and local governments. They are enabled by state legislation, are political subdivisions of the State, and are created by vote of member towns. The RPCs are composed of membership from municipalities.

Under Vermont's Land Use Planning Law, the RPCs have greater responsibility for collecting and analyzing housing data, and planning for the housing needs for all economic groups in the region. The low and moderate income persons' housing needs, as identified by the RPC, form the basis for municipal plan housing elements. A number of RPCs have been actively involved in housing rehabilitation programs, and in helping municipalities with grant applications and grant administration for affordable housing projects. The RPCs are also active in promoting appropriate economic development. Many are actively developing partnerships with their regional development corporations, sharing board members, and working with the RDC in planning for economic development. Often this planning involves public facility improvements to support economic development.

There are eleven regional planning commissions covering all areas of Vermont:

- Addison County Regional Planning Commission;

- Bennington County Regional Commission;
- Central Vermont Regional Planning Commission;
- Chittenden County Regional Planning Commission;
- Lamoille County Planning Commission;
- Northeastern Vermont Development Association;
- Northwest Regional Planning Commission;
- Rutland Regional Planning Commission;
- Southern Windsor County Regional Planning Commission;
- Two Rivers-Ottauquechee Regional Commission; and
- Windham Regional Commission

Regional Development Corporations

The state provides funding for 12 Regional Development Corporations (RDCs), serving every part of the state. They function as part of the state's economic development infrastructure, providing local delivery of economic development services. Their primary mission is the coordination of job development activities within their individual regions, helping businesses secure the permits, financing, and other necessary resources. The RDCs also are homes to the Small Business Development Centers, and SCORE.

The RDCs frequently include municipal representatives on their boards, work with municipal boards on specific economic development projects, and maintain an active relationship with their counterparts at the regional planning commissions. Many of the RDCs are involved with regional and local revolving loan funds, which may be used to support economic development.

- Addison County Economic Development Corporation; Middlebury
- Bennington County Industrial Corporation; North Bennington
- Brattleboro Development Credit Corporation; Brattleboro
- Central Vermont Economic Development Corporation; Montpelier
- Franklin County Industrial Development Corporation; St. Albans
- Greater Burlington Industrial Corporation; Burlington
- Green Mountain Economic Development Corporation; White River Junction
- Lake Champlain Island Chamber of Commerce; North Hero
- Lamoille Economic Development Corporation; Morrisville
- Northeastern Vermont Development Association; St. Johnsbury
- Rutland Economic Development Corporation; Rutland
- Springfield Regional Development Corporation; Springfield

Small Business Development Centers

The Small Business Development Centers are operated through the Vermont State College System, and link businesses with higher education, state and federal programs, and other businesses. The centers offer in-depth counseling assistance at no cost for both new and existing firms. With access to a comprehensive resource and information library, they can provide business planning assistance, marketing help, referrals, and periodic low cost seminars on a variety of topics.

Regional Revolving Loan Funds

A number of local and regional revolving loan funds exist throughout Vermont. These funds have been capitalized from a variety of sources, many with federal funds. The administrator of these funds is generally a nonprofit development corporation for the regional funds, while local funds are most often managed by the local legislative body with the help of a loan committee. Loan funds may be used in conjunction with other sources to leverage additional funds or independently finance a business, housing, public service or public facility project.

Area Agencies on Aging

There are five agencies on aging in Vermont. Some of them operate shared housing projects for the elderly.

Vermont 2-1-1

Vermont 2-1-1 provides all people in Vermont with free access to accurate and up to date community, regional, State, and faith based resources including services of the Vermont Agency of Humans Services through information and referral (I&R). This access includes personal assistance by telephone via a statewide local number ("2-1-1") and online through a searchable database of services. Vermont 2-1-1 is a service of the United Ways of Vermont. 2-1-1 is confidential, available 24/7, access by persons who have special needs, live translation for over 150 languages, and able to transfer emergency calls to 9-1-1.

Habitat for Humanity

There are seven Vermont affiliates of Habitat for Humanity International. Typically, each affiliate is a 50l(c)(3) nonprofit which builds or acquires and rehabilitates a small number of single family homes for households below 50% of median income. Funding usually is received from private and church donations and grants.

HomeShare

Homesharing organizations provide matching services for homesharing and caregiving. They help people find affordable housing, help seniors and persons with disabilities to remain at home, and help caregivers with employment opportunities. They assist elders and persons with disabilities to live independently in their own homes by bringing them together with people who seek affordable housing and/or caregiving opportunities. Vermont's homesharing organizations are HomeShare Vermont, serving Chittenden, Grand Isle and Addison Counties, and Home Share Now, serving Washington, Lamoille and Orange Counties.

Vermont Center for Independent Living

The Vermont Center for Independent Living (VCIL), a non-profit organization directed and staffed by individuals with disabilities, works to promote the dignity, independence and civil rights of Vermonters with disabilities. Like other independent living centers across the country, VCIL is committed to cross-disability services, the promotion of active citizenship and working with others to create services that support self-determination and full participation in community life. Founded in 1979, VCIL is the only center for independent living in Vermont and was the first organization in the state with a majority of board and staff with disabilities.

Vermont Affordable Housing Coalition

The Vermont Affordable Housing Coalition (VAHC) is Vermont's only statewide organization dedicated to ensuring that all Vermonters have decent, safe and affordable housing, particularly the state's low and moderate-income residents, elders, and people with disabilities. Founded in 1985, the Coalition pursues its mission through five major activities:

1. Advocacy with local, state and federal officials
2. Outreach and coalition-building among broad interests in the field
3. Training and workshops for housing professionals
4. Community education and public relations
5. Research on affordable housing issues and by serving as an information clearing house

The Coalition's 75-plus members represent most of Vermont's non-profit affordable housing developers, community land trusts, housing and homeless advocacy groups, public housing authorities, regional planners, funders, state agencies, and other organizations and individuals with an interest in affordable housing. Together, VAHC's members provide housing and services to tens of thousands of Vermonters. VAHC is also the state's lead agency for the New England Housing Network.

C. Private Sector

Banks

Almost all affordable housing developments include bank financing. Banks provide access to capital for small businesses both commercial and industrial, the farming community and also work closely with municipalities on their investment and infrastructure needs. Banks have also participated in the development of affordable housing.

The Vermont Housing Finance Agency honored the following lenders as their top lending institutions for 2009: Chittenden Bank, New England Federal Credit Union, Universal Mortgage Corp., Mortgage Financial Services, and Heritage Family Credit Union.

Trade Associations / Developers

Over the years, a number of private sector firms have sought partnerships with public developers to find ways to enter the affordable housing market and have also helped inform public policy around housing. For example; the Vermont Association of Realtors and the HomeBuilders and Remodelers Association of Northern Vermont participated in the 2005-2010 Consolidated Plan Advisory Group, and by Executive Order the Vermont Housing Council includes an appointed private sector housing developer.

2. Strengths and/or gaps in delivery system

Vermont is a relatively small state in both population and size. This has advantages in the complex world of community development, where projects often involve numerous partners, agencies and organizations. Many individuals working within the state institutional structure personally know each other and know who to contact for specific assistance. This small size is actually an advantage in this case and works to strengthen our delivery system.

With the current economic downturn and shrinking revenue for publicly funded agencies and organizations; gaps in this system may be more evident. As resources become more scarce, programs and people serving the community development needs of the state are reduced. Technology and programs aimed at increasing efficiency and “doing more with less” are being implemented statewide to lessen the impact.

3. Steps to overcome gaps

The Consolidated Plan process has enabled the state to continue evaluation of this structure and to identify opportunities for improvement. To enhance Institutional Structure, Vermont will;

1. Continue to encourage closer coordination between housing and human service providers, especially the Agency of Human Services, to better serve our lowest income population; and continue coordination with the Department of Labor to ensure that unemployed or under-employed Vermonters are informed of job opportunities.
2. Continue to require Economic Development Projects with job creation element to enter into a hiring agreement with the Department of Labor career resource center.
3. Continue to encourage closer communication with the Agency of Transportation to encourage integrated transportation systems that link housing with jobs and services.
4. The Public Transit Administrator in the Agency of Transportation will now review CDBG applications and provide comment when there are elements that relate to the use of or access to public transportation.
5. Continue efforts to simplify and to coordinate application requirements for various funding sources.

To enhance the capacity of the diverse local "players" who make federal program delivery successful in the state, Vermont will also:

- continue efforts to strengthen the presence of such entities in parts of the state now underserved;
- continue efforts to ensure that adequate administrative resources are available to such entities; and
- continue implementation of workshops and other technical assistance in support of the local service providers.

2012 Action Plan: Actions to develop institutional structure

The 2012 Action Plan will employ the strategies listed above in order to enhance and strengthen communities and provide opportunities for low and moderate income people.

3. Housing and Homeless Needs Assessment

The requirements of this section Housing and Homeless Needs Assessment and the Housing Market Analysis that follows, are principally addressed in the 2010 Vermont Housing Needs Assessment. These are the sections of the Consolidated Plan which describe the State's existing housing situation and provide the basis for the State's planned priorities, outcomes and objectives for the 2010-2015 Consolidated Plan and subsequent annual Action Plans.

Housing data in the 2010 Vermont Housing Needs Assessment is based on U.S. Census data as provided by HUD, and other reliable sources including the U.S. Census Bureau's American Community Survey, and Nielsen Claritas, a private firm specializing in market data. All reports, studies and sources of information are footnoted in each of the Fact Sheets. See the Appendix: Data Sources and Methodology Fact Sheet.

When preparing the 2010-2015 Consolidated Plan the Department followed the "State of Vermont Citizen Participation Plan" adopted in April 2005, and consulted with other public and private agencies that provide assisted housing, health, social and fair housing services, homelessness services, lead-based paint hazard reduction programs, and with local governments. The Consolidated Plan Advisory Group was provided with the results from the five Community Outreach Meetings and the Online Survey, and examined the results together with Department staff.

For purposes of the 2010-2015 Consolidated Plan the definition of Standard Condition and Substandard Condition but Suitable for Rehabilitation shall be:

* *Standard Condition means a housing unit that meets HUD's Section 8 Housing Quality Standards.*

* *Substandard Condition but Suitable for Rehabilitation means a housing unit that does not currently meet HUD's Section 8 Housing Quality Standards, but is structurally sound and can be brought up to code for less than replacement cost.*

The 2010 Vermont Housing Needs Assessment is presented as a standalone document consisting of eight Fact Sheets and two appendices.

1) Highlights
2) Demographic Trends Among Vermont Households
3) Vermont's Housing Stock Challenges
4) Affordable Homeownership Options for Lower Income Vermonters
5) Availability of Affordable Rental Housing for Lower Income Vermonters
6) Vermont's Growing Number of Elders
7) Vermonters with Special Needs
8) Race, Ethnicity, and Housing

Appendix 1: Data Sources and Methodology
Appendix 2: Consolidated Plan Tables
Housing, Homeless, and Special Needs Populations
Homeless continuum of care: Housing gap analysis chart

Families in need of housing assistance

About 44,000 Vermont renter households and 55,000 Vermont owner households have income below 80% of median. Among these approximately 27,000 renter households, and

approximately 21,000 owner households with mortgages are in need of housing assistance to alleviate being cost burdened. Fewer elderly, small and large rental households with incomes above 80% of median have any housing problem. However, approximately 41% of owner households with incomes between 50-80% of median are cost burdened.

Sixteen percent of Vermonters have at least one disability, and approximately 650 Vermonters are living with HIV/AIDS. Roughly half of Vermont's housing units that are assisted with project or tenant based rent assistance is expressly for elderly and/or disabled persons. The charts on pages 4 and 5 of the Affordable Rental Housing Fact Sheet of the 2010 Vermont Housing Needs Assessment show that approximately 23,451 lower income renter do not have any housing assistance; 6,489 units of assisted rental housing are available for 35,554 non-elderly renters, while 6,324 units of assisted rental housing are available to the 8,713 elderly renters.

Detailed estimates of the needs of extremely low-income to moderate-income families including renters and owners, elderly persons, single persons, and large families, and for persons with HIV/AIDS and their families, and persons with disabilities are included in these 2010 Vermont Housing Needs Assessment Fact Sheets:

* Vermont's Housing Stock Challenges
* Affordable Homeownership Options for Lower Income Vermonters
* Availability of Affordable Rental Housing for Lower Income Vermonters
* Vermont's Growing Number of Elders
* Vermonters with Special Needs
* Appendix 2

The number of households living in substandard housing or who are overcrowded are both small. See tables on page 5 of the Housing Stock Challenges Fact Sheets of the 2010 Vermont Housing Needs Assessment.

Homeless needs

An exact count of the number of homeless persons in Vermont is not possible. However, in 2008 an estimated 5,400 Vermonters were homeless; 3,750 of these were sheltered and 1,650 were unsheltered. During a one day count in January 2009, 46% of people who were homeless were adults and children in families including 754 children under age 17.

To Vermont's network of shelter and service providers and the State, it is clear that the nature and extent of homelessness has changed due to the economic recession that began late in 2007. More families are using Vermont's homeless shelters, and are staying longer. The United Way's "2-1-1" line which is a free phone call to connect Vermonters to services, received 438 calls from people who reported that they were homeless or at immediate risk of being homeless in 2007. Because more people are unemployed or seriously under-employed, they simply do not have the income to pay rent or their mortgages. People need far more help, and the need for ongoing housing support, like vouchers, is more apparent.

A summary of data available about homelessness and description of homelessness among the corrections population and persons receiving mental health services in Vermont can be found on page 5 of the Vermonters with Special Needs Fact Sheet of the 2010 Vermont Housing Needs Assessment.

The required Table 1 Continuum of Care Housing Gap Analysis Chart and Homeless Populations and Subpopulations chart are found in Appendix 2 of the 2010 Vermont Housing Needs Assessment.

Other special needs

Vermont elderly population is growing at the same time the number of households younger than 55 years of age is expected to decrease slightly. There are an estimated 87,925 elderly Vermonter's and 3,226 frail elders. Sixteen percent of all Vermonters have at least one disability including just under ten percent of Vermont's youth, which ranks Vermont in the top five States nationally. Between 35 and 40% of Vermonters over 65 years of age have a disability, but this ranks 40th in the nation, and is well below the national average.

An estimated 50,727 Vermonters have alcohol or other drug addictions, 650 live with HIV/AIDS, and 8,698 were victims of domestic violence according to the Special Needs Fact Sheet of the 2010 Vermont Housing Needs Assessment, page 2.

More information on the other special needs of Vermonters can be found in the Demographic Trends, Vermont's Growing Number of Elders, and Special Needs Fact Sheets of the 2010 Vermont Housing Needs Assessment. As stated previously, the required Table 1 Continuum of Care Housing Gap Analysis Chart and Homeless Populations and Subpopulations chart are found in Appendix 2 of the 2010 Vermont Housing Needs Assessment.

Lead based paint hazards

Lead based paint exists in an estimated 82,000 homes built before 1950, plus 72,000 built between 1950 and 1978 when lead based paint was banned. As of March 2009, only about 1,970 households lived in homes that had received lead hazard reduction. About 60 percent of renter households, or 44,000, and 55,000 homeowners have income below 80 percent of median. Since the number of units that have received lead hazard reduction is only 1,970, it is likely that the vast majority of these households are living in homes with lead paint. More detailed information can be found in the Housing Stock Challenges Fact Sheet of the 2010 Vermont Housing Needs Assessment.

4. Housing Market Analysis

General market characteristics

Vermont has slightly more than 313,000 housing units, dominated by older owner-occupied detached houses. Even among Vermont's low income households, homeownership is more prevalent than renting. However, low income households still have difficulty affording to purchase a home, and an estimated 21,000 low income homeowners with mortgages are burdened by their housing costs. Only about eighteen percent of homes sold in 2008 were sold for prices a household earning 80% of the median income could afford. While the median price of a home declined in the first half of 2009 by 3 percent, to $195,000 this is $31,500 more than a household at the median income can afford to pay.

More than six in 10 Vermont houses were built before lead paint was banned in 1978, and less than 2,000 have received lead paint hazard abatement. This makes lead paint hazards the predominant housing quality concern for Vermont. The number of homes with incomplete plumbing or kitchens, and overcrowding appear to be very small.

Finally, new housing construction in Vermont has always been relatively slow, but dropped off considerably due to the recession. To meet the demand for new housing units in the next five years, construction of rental and homeownership housing would have to double.

More information on the general characteristics of Vermont's housing market can be found in the Affordable Homeownership Options and Housing Stock Challenges Fact Sheets of the 2010 Vermont Housing Needs Assessment.

Inventory of homeless facilities

Vermont's inventory of facilities and services that meet the needs of homeless persons includes 564 permanent supportive housing beds, 471 emergency shelter beds, 454 transitional housing beds, and 6 safe haven beds. Therefore, there are 1,495 beds of housing for people who are homeless in Vermont; 836 of these are for individuals and 659 serve families. See Appendix 2 of the 2010 Vermont Housing Needs Assessment. The Vermont Office of Economic Opportunity reports on the people served by shelters funded by the Emergency Solutions Grant program. These include 22 facilities serving families and individuals, victims of domestic violence, youth, veterans, and day shelters.

Of the 44 permanent supportive housing projects in Vermont, 30 (68%) served people who are chronically homeless. This means that out of 564 beds, 161 (29%) were for the chronically homeless. There is not available data on the estimated percentage of supportive service programs serving this population.

Further details of Vermont's homeless and special needs housing facilities may be found in the Special Needs Fact Sheet of the 2010 Vermont Housing Needs Assessment.

Facilities and services for special needs

About half of Vermont's subsidized rental housing is reserved for elderly and disabled persons. In 2009, 274 of them were limited to adults with disabilities only, and another 2,650 were limited

to either elders or adults with disabilities. There were also 2,284 beds in Level III licensed residences and 328 beds in eight assisted living facilities.

In 18 months beginning January 1, 2008, Vermont provided temporary rental assistance to 844 adults with severe and persistent mental illness. Almost one in five patients at the Vermont State Hospital had a housing barrier as an impediment to their being discharged, and a similar percent of Department of Corrections supervisees including persons on probation and parole, were homeless. Ex-offenders are not released into homelessness and more than 150 inmates may remain incarcerated for lack of approved housing plans. Further details of Vermont's homeless and special needs housing facilities can be found in the Special Needs Fact Sheet of the 2010 Vermont Housing Needs Assessment.

Barriers to affordable housing

The Department looked at several sources to identify potential barriers to affordable housing including HUD's Regulatory Barriers Clearinghouse, Vermont's 2006 Analysis of Impediments to Fair Housing Choice and previous housing needs assessment. In addition, several nonprofit housing developers were asked to identify potential barriers based on their own experience.

Detailed explanations of the following policies that can increase or decrease the cost of housing are provided in the list below. This list along with more detailed information on the incentives to develop, maintain, or improve affordable housing in Vermont are included in the Housing Stock Challenges Fact Sheet of the 2010 Vermont Housing Needs Assessment:

* Limited public resources
* Funding for Affordable Housing Development and Preservation
* Commitment to permanent affordability
* Act 250 and land use controls
* Land Use Statute Allowing Affordable Housing Statewide
* Designated areas for growth
* Impact fees
* Density bonuses
* Large lot sizes
* Standards for health and habitability
* State housing tax credit benefits to Vermonters
* Tax benefits for assisted housing
* Design and community development standards

5. 2010-2015 Strategic Plan and 2012 Actions

2010-2015 Allocation Priorities

In keeping with the State's long standing policy, the State does not plan to target assistance to specific geographic regions or activities. The priorities of the Consolidated Plan are affordable housing, employment opportunities, public facilities and public services benefiting extremely-low, low, and moderate income persons as defined by HUD ("lower income"), and persons with disabilities or other special needs. State law requires that CDBG funds, dispersed through VCDP are awarded on a competitive basis, based on an evaluation of need, impact and feasibility, and subject to HUD limitations. Likewise, VHCB allocates HOME funds on a competitive basis, except for up to 5% for organizational capacity grants to implement HOME projects. ESG funds are awarded to eligible municipalities and approved nonprofits, including community and faith-based organizations following the selection process of the Vermont Office of Economic Opportunity.

Our public participation process for the 5 year Strategic Plan confirmed the public support for an open, competitive, needs based, distribution and allocation process for CDBG, VHCB and ESG programs. Targeting or restricting the use of funding to particular areas was not supported by the local governments and the public surveyed. In addition, local governments, organizations and the public reiterated their support for allowing all eligible CDBG program areas (affordable housing, employment opportunities, public facilities and public services) benefiting extremely-low, low, and moderate income persons to remain as priorities for CDBG funding. Supporting projects in designated Downtowns, Village Centers, Growth Centers and utilizing existing infrastructure and underutilized building will continue to be a competitive factor for CDBG and HOME funding. Further information is contained in the Program Specific sections.

2012 Action Plan: Geographic Distribution

This section is unchanged from last year. For the reasons stated below, the State does not plan to direct assistance to any specific geographic area.

In terms of social and economic profile, the percent of households earning less than $15,000 was highest in the three northeast Counties at over twenty percent, which are also among Vermont's most rural Counties. Naturally, this region is where most of the State's Area Wide Benefit Communities are located. Overall, Vermont's poverty rate decreased from nearly 10.9% in 1990 to 9.4% in 2000. The percent earning over $50,000 was highest in Chittenden County, which includes Vermont's largest city, Burlington.

As shown in the Race, Ethnicity and Housing Fact Sheet of the 2010 Vermont Housing Needs Assessment, and the 2006 Analysis of Impediments to Fair Housing Choice, Vermont is a predominately rural state and is more racially and ethnically homogenous than any other state in the U.S. This is especially true of the non-entitlement portions of the state because Vermont's one entitlement community, Burlington, is also home to a significant portion of the state's minority populations.

The needs and extent of appropriate assistance differ from community to community. Vermont is one of the most rural states in the nation and thus has few large population centers. Vermont has been undergoing a transition from a largely agriculturally based economy to a diversified economy for decades. This transition presents challenges and opportunities for the state and its residents. Tourism, education, healthcare, high-tech and green economy jobs seem to be

driving the new economic future of Vermont. However, Vermont residents and lawmakers have consistently made commitments to honor the past agricultural traditions of a working landscape and sustainable growth patterns.

CDBG funding has and will continue to support a wide range of community development needs statewide. The Community Development and Affordable Housing needs and priorities vary from region to region and from community to community and Vermont residents pride themselves on local effort, ingenuity and creativity in solving local problems. Vermont's CDBG program wants to support and encourage local Community Development initiatives that benefit low and moderate income residents and have lasting results.

Obstacles to Meeting Underserved Needs

- At every Community Outreach Meeting conducted for the 2010-2015 Consolidated Plan, the Department heard that lack of public transportation linking housing and jobs is an obstacle for people seeking work and also for businesses seeking employees.

- Many communities discussed the need for additional resources to repair aging infrastructure especially in downtowns to support residential and commercial occupancy. Underutilized aging infrastructure drives up the cost for the remaining users and the municipality.

- A decline in access to traditional capital sources for businesses to grow and remain sustainable has been cited by a number of well respected Vermont companies and economic development experts.

- Limited access to low interest loans or grants for small and micro-businesses and private landlords was mentioned at several Community Outreach Meetings.

- Lack of reliable high speed Internet throughout the state has been identified by many as the number one barrier to economic growth and prosperity and is especially challenging for small and micro businesses in the rural parts of the state.

2012 Action Plan: Actions to address obstacles to meeting underserved needs

- ✓ The Department will coordinate with the Agency of Transportation to identify public transportation resources that are available and encourage project developers to take into consideration the transportation needs of the project.

- ✓ The Vermont Community Development Program has increased the flexibility for loan terms and rates for small and micro business through VCDP assisted communities.

- ✓ The Department is working with other statewide housing agencies and the Vermont Telecommunications Authority to explore the possibility of affordable housing projects serving as community anchor institutions with the goal of expanding coverage in the state and ensuring residents have access to broadband services.

- ✓ The Department secured an expansion of the state's Downtown Tax Credit program and will work with communities and developers to bring additional capital to businesses.

Priorities and Specific Objectives

The Department established four general priorities for use of HUD funds under the 2010-2015 HUD Consolidated Plan; affordable housing, employment opportunities, public facilities and public services. Affordable housing and employment opportunities are Vermont's highest priorities and correspond directly to the Department of Housing and Urban Development (HUD) National Objectives to Provide Decent Housing and to Expand Economic Opportunity. Although not the highest priorities, public facilities and public services are considered crucial and correspond directly to the HUD National Objective to provide a Suitable Living Environment. The state also supports the use of CDBG funds through the Vermont Community Development Program (VCDP) to address barriers to housing and economic opportunity.

These priorities are further guided by the State's preference for development and growth in Designated Downtowns and Village Centers and in other areas which incorporate "Smart Growth" principles, and its overarching priority of striving to achieve perpetual affordability in affordable housing projects that use public funds.

As stated previously, the three Objectives are; Provide Decent Housing, Create Economic Opportunity, and Create Suitable Living Environment. The desired Outcomes are Availability/Accessibility, Affordability, and Sustainability. For example, one desired objective/outcome could be affordability of decent housing with a corresponding strategy being to develop or rehabilitate rental units for lower income families and individuals. See Appendix D for Summary of Annual Objectives (HUD Table 3A).

Objective – Provide Decent Housing

To accomplish the objective of providing decent housing, the Department has established goals and will continue to encourage activities that retain the existing affordable housing stock; increase the availability of permanent housing that is affordable to lower income families and individuals without discrimination; assist homeless persons to obtain appropriate housing and assisting persons at risk of homelessness; increase supported housing that enables persons with special needs to live in dignity; and provide housing affordable to lower income individuals that is accessible to job opportunities.

Under this, the State of Vermont's central priorities respecting the use of federal dollars for affordable housing are: preservation of existing units and development of new projects or programs that contribute new units to the housing inventory, are cost effective and will provide long term affordability, and are sustainable to the extent that they will not require recurring infusions of public dollars, and meet regional housing needs.

The State's Specific Objectives with respect to Providing Decent Housing, and the Strategies and Actions planned to achieve them –under the Consolidated Plan are as follows:

Goal – Increase the Supply of Rental Housing
The 2010 Vermont Housing Needs Assessment indicates that Vermont has an insufficient supply of rental housing, requiring 4,873 new units by 2014 to house new renter households and homeless families and individuals, replace housing units that are destroyed, and have a healthy vacancy rate. This shortage causes stress in the rental housing market and exacerbates other housing problems. Although the needs differ widely by region, new rental units could easily be absorbed in areas where a market analysis shows that households in the area can afford the housing and there is an unmet need. Therefore, the state intends to support projects

that increase the supply of affordable and workforce rental housing and are consistent with state land use goals.
Strategy: House lower income families and individuals, with special preference to projects housing extremely-low income families and individuals at or below 30% of area median income.
Objective and Outcome - Decent Housing and Availability: Develop or rehabilitate affordable rental housing for extremely-low income families and individuals at or below 30% of median income over the next 5 years.
Actions: Non-profit Housing Development, private housing development, major and minor rehabilitation.

Strategy: Increase the supply of affordable rental housing through the acquisition and/or rehabilitation of existing units especially in communities where there are tight housing markets, very low vacancy rates or there is a high incidence of distressed housing.
Objective and Outcome – Decent Housing and Availability**:** Rehabilitate existing rental housing units affordable to lower income families and individuals.
Objective and Outcome – Decent Housing and Availability: Assist landlords by providing low interest loans for the rehabilitation of existing rental units where at least 51% of the units house lower income families and individuals.
Actions: Non-profit housing development, private housing development, major and minor rehabilitation, access modifications.

Strategy: Increase the supply of affordable rental housing through the construction of new units especially in communities where there are tight housing markets, very low vacancy rates or there is a high incidence of distressed housing.
Objective and Outcome – Decent Housing and Availability**:** Develop rental housing that will be available to lower income families and individuals.
Objective and Outcome – Decent Housing and Availability: Assist landlords by providing low interest loans for the re-development of underutilized properties or upper stories for housing, provided at least 51% of the units are filled by lower income families or individuals.
Actions: Non-profit Housing Development, private housing development

Strategy: Promote mixed income developments to create integrated communities.
Objective and Outcome – Decent Housing and Sustainability: Develop projects that have a mix of affordable and market rate units consistent with the Vermont Housing Finance Agency's Qualified Allocation Plan.
Actions: Non-profit housing development, private housing development.

Strategy: Promote the development of new rental housing designed and built to a level of energy efficiency that meets or exceeds the levels required to qualify for the Energy Star label.
Objective and Outcomes – Decent Housing and Sustainability: All new housing developed will meet or exceed the Energy Star rating.
Actions: Non-profit housing development, private housing development

Strategy: Identify and remove barriers to increasing the supply of rental housing.
Objective and Outcome - Decent Housing and Availability: Assist organization conducting planning activities related to increasing the supply of rental housing.
Actions: Non-profit Housing Development, local and regional planning and technical assistance.

Goal – Preserve and Rehabilitate the Existing Housing Stock
Vermont's housing stock is old. A disproportionate share of the housing was built prior to WWII and the majority was built prior to 1978. In many cases these units are in need of significant investment. The existing housing stock includes both owner-occupied housing units and rental housing, including mobile home parks. Therefore, an important goal of this plan is to preserve and rehabilitate existing housing.

The State is aware of reports showing that many of Vermont's affordable housing projects lack sufficient capital reserves to be properly maintained and renovating these units could consume a disproportionate share of Vermont's housing resources. This is an important challenge to the preservation of Vermont's stock of affordable housing. To address this issue, the state will continue to encourage projects to conduct Capital Needs Assessments every 5 years and renovate units to the highest degree of energy efficiency, making the projects financially sustainable over time. Preservation of these units, consistent with prudent investment criteria, will be an important activity to address the stability of existing housing.

Strategy: Preserve existing affordable housing projects in a manner consistent with prudent investment criteria
Objective and Outcome - Decent Housing and Sustainability: Rehabilitate existing affordable housing, especially those that currently have project based rental assistance or have significant public investment.
Objective and Outcome – Decent Housing and Sustainability: Rehabilitate exiting affordable housing to a high degree of energy efficiency, with special consideration given to projects that utilize and leverage resources specific to energy improvements.
Actions: Non-profit housing and private developers, major and minor rehabilitation, acquisition

Strategy: Redevelop existing properties with consideration given for projects that leverage other resources specific to the preservation of historic structures.
Objective and Outcome - Decent Housing and Availability: Rehabilitate units of existing affordable housing in historic properties with special consideration given to projects that leverage state and federal tax credit programs or other resources specific to the redevelopment of historic properties.
Actions: Non-profit and private developers, major and minor rehabilitation and acquisition.

Strategy: Address habitability and infrastructure problems in mobile home parks
Objective and Outcome - Decent Housing and Availability: Provide financial and technical assistance to mobile home park owners to identify infrastructure problems, design repairs, and repair or replace failed or obsolete infrastructure systems in parks where at least 51% of households are lower income
Actions: Planning and feasibility funding

Strategy: Prevent mobile home park closures.
Objective and Outcome - Decent Housing and Availability: Acquire and rehabilitate mobile home parks where at least 51% of households are lower income.
Actions: Acquisition and major and minor rehabilitation, non-profit housing developers.

Strategy: Relocate families and individuals displaced by mobile home park closure.
Objective and Outcome - Decent Housing and Availability: Assist with the relocation of residents from mobile home parks that are being closed.
Actions: Non-profit housing, relocation, housing placement, housing and financial counseling

Strategy: Support the network of scattered site rehabilitation programs
Objective and Outcome - Decent Housing and Sustainability: Rehabilitate owner occupied single family units and owner occupied multifamily housing.
Actions: Non-profit scattered site housing programs, major and minor rehabilitation, lead abatement, handicap access, energy improvements, temporary relocation services, housing and financial counseling

Strategy: Redevelop foreclosed properties for affordable rental housing
Objective and Outcome - Decent Housing and Availability: Create new affordable rental units for families and individuals
Actions: Nonprofit and private housing development, acquisition, major and minor rehabilitation, loans

Strategy: Address barriers to rehabilitation of the existing supply of rental housing that serves extremely-low, low and moderate income families and individuals.
Objective and Outcome - Decent Housing and Availability: Assist organization conducting planning activities related to rehabilitation and redeveloping the supply of affordable rental housing
Actions: Non-profit Housing Development, planning and technical assistance.

Goal – Provide Housing for People with Disabilities
Special Needs Housing includes any project that incorporates a majority of persons with disabilities and provides service-enriched housing. Special needs populations include households or individuals who cannot live independently without supportive services such as; persons in need of transitional housing to avoid or alleviate homelessness; youth at-risk; frail elders or persons with physical, sensory, cognitive, developmental and/or mental disabilities; or other populations where a combination of housing and supportive services will enhance the quality of life for both residents and the community at large. In addition to increasing the supply of housing and rehabilitating our existing housing stock the following strategies will address special needs housing:

Strategy: Provide accessible or adaptable housing for persons with disabilities, including homeownership opportunities;
Objective and Outcome – Decent Housing and Accessibility: Develop units of affordable rental and homeownership opportunities that are in accordance with the Americans with Disabilities Act and that allow people with disabilities full access.
Actions: Non-profit housing and private development

Strategy: Address the current and potential need for accessibility modifications and adaptable units to serve Vermonters with physical disabilities
Objective and Outcome - Decent Housing and Accessibility: Rehabilitate existing home-ownership units for low and moderate income families and individuals with disabilities.
Actions: Regional housing revolving loan funds, low interest or deferred loans, planning and technical assistance

Strategy: Provide service enriched housing serving persons with disabilities
Objective and Outcome – Decent Housing and Accessibility: Develop new units of affordable housing for people with disabilities that includes on-site supportive services.
Actions: Non-profit housing and private housing development, counseling services

Goal – Provide Housing for Elders
According to recent data, Vermont ranks as one of the oldest states in the nation and the number of elderly is only expected to increase over the next five years. Also according to the 2010 Vermont Housing Needs Assessment, more than 32,000 of Vermont's senior citizens are considered lower income with incomes at or below 80 percent of the median income.

Given the growth in our older population, and the extraordinary costs of providing long-term care services in institutional facilities, it is clear that the effects of these issues extend far beyond the current elderly population. Providing decent, affordable housing for elderly persons with adequately funded support services can reduce health care costs, and help elderly residents get the care they need to age with dignity. Therefore, in addition to other housing goals, the following strategies will address housing elderly Vermonter's:

Strategy: Produce affordable senior rental units in regions where a market analysis identifies a shortage of elderly housing affordable to lower income seniors.
Objective and Outcome – Decent Housing and Affordability: Develop new units of rental housing specifically for seniors
Objective and Outcome – Decent Housing and Affordability: Redevelop underutilized vacant properties, especially those located near public transportation and other amenities that serve seniors.
Actions: Non-profit housing and private housing development, major and minor rehab

Strategy: Provide service enriched housing that allows seniors the opportunity to age in place.
Objective and Outcome – Decent Housing and Affordability: Develop new units of housing for seniors that include support services.
Actions: Non-profit and private housing development

Goal – Support Homeownership
Vermont has a high homeownership rate; however, it is increasingly more difficult for renter households to achieve homeownership. An objective of this plan is to enhance opportunities to sustain and increase homeownership among lower income households. The following strategies relate to this objective:

Strategy: Support the network of scattered site housing rehabilitation programs
Objective and Outcome - Decent Housing and Sustainability: Rehabilitate owner occupied single family homes and owner occupied multifamily housing.
Actions: Non-profit scattered site housing programs, major and minor rehabilitation, lead abatement, handicap access, energy improvements, temporary relocation services, housing and financial counseling

Strategy: Improve access to affordable mortgages and counseling-based lending for lower income families and individuals seeking to become homeowners
Objective and Outcome - Decent Housing and Availability: Assist lower income families and individuals purchase a home.
Actions: Financial counseling and down payment assistance, funding for down payment grants, shared equity homeownership programs

Strategy: Increase programs for homeowner education and counseling
Objective and Outcome - Decent Housing and Availability: Assist lower income families and individuals by providing increased access to educational opportunities related to home ownership.

Actions: Homeowner education and financial counseling, foreclosure prevention

Strategy: Maximize the use of Section 8 homeownership option by public housing authorities
Objective and Outcome: - Decent Housing and Affordability: Develop or rehabilitate single and multifamily homeownership properties that utilize Section 8 for homeownership.
Actions: Non-profit housing and private development, Section 8 homeownership

Strategy: Support projects with employer assisted home ownership programs
Objective and Outcome - Decent Housing and Affordability: Develop or increase home ownership opportunities that serve employees of Vermont based businesses
Actions: Down payment and/or closing costs, partner with Vermont based businesses

Strategy: Redevelop foreclosed properties for home ownership
Objective and Outcomes – Decent Housing and Availability: Rehabilitate and re-develop underutilized, foreclosed properties to increase home ownership opportunities.
Actions: Non-profit housing organizations, acquisition, rehabilitation, major and minor rehabilitation.

Strategy: Promote the development of home-ownership units designed and built to a level of energy efficiency that meets or exceeds the levels required to qualify for the Energy Star label.
Objective and Outcomes – Decent Housing and Sustainability: All new housing developed will meet or exceed the Energy Star rating.
Actions: Non-profit housing development, private housing development

Strategy: Promote the development of home-ownership units that include a shared equity appreciation covenant.
Objective and Outcome - Decent Housing and Affordability: Develop or increase home ownership opportunities that include a shared equity appreciation model to ensure long term affordability of the housing.
Actions: Non-profit housing development, private housing development

Objective – Expand Economic Opportunity

To accomplish the objective of expanding economic opportunity, the state of Vermont has developed strategies to encourage activities which create or retain jobs accessible to lower income persons; provide access to credit for community development that promotes long-term economic and social viability; and empower lower income persons to achieve self-sufficiency in federally-assisted and public housing.

Vermont has enjoyed less unemployment then the nation generally however pockets of unemployment and poverty exist especially in the Northeast Kingdom and Rutland County. The State is committed to providing Vermonters with the best possible mix of employment opportunities in order to increase the average wage in Vermont, maintain low unemployment rate and to provide job opportunities to young Vermonters entering the workforce.

The State's Specific Objectives with respect to Expanding Economic Opportunity and the Strategies and Actions planned to achieve them under the Consolidated Plan are:

Goal – Job Creation and Retention
The highest priority for the use of VCDP assistance for economic development activities through this plan will be focused on retaining and creating jobs, striving for the best quality jobs

attainable lower income individuals. To support this priority, the state will assist businesses that create and retain jobs through a variety of activities including technical assistance, low interest loans for commercial acquisition and rehabilitation, telecommunications infrastructure and entrepreneurial training. The State's strategies for Economic Development are as follows:

Strategy: Invest in business facilities, including broadband and wireless access, energy efficiency improvements, machinery, equipment and other capital requirements
Objective and Outcome – Expand Economic Opportunity and Affordability: Create or retain jobs in existing Vermont based companies by providing low interest loans for capital improvements.
Objective and Outcome - Expand Economic Opportunity and Affordability: Create jobs in newly established Vermont based companies by providing low interest loans for capital improvements.
Actions: Loans

Strategy: Invest in businesses that acquire, improve and occupy otherwise underutilized or vacant industrial property.
Objective and Outcome – Expand Economic Opportunity and Availability: Create jobs in Vermont based companies by providing loans for the purchase of underutilized or vacant property with consideration to projects that locate in communities that currently have underutilized septic, sewer and water capacity.
Actions: Loans

Strategy: Develop small businesses, foster entrepreneurship, and compliment but not duplicate other small business programs;
Objective and Outcome – Expand Economic Opportunity and Availability: Create or retain jobs in small or micro businesses.
Actions: Loans, grants, technical assistance

Strategy: Invest in companies that meet the priorities established in the regional Comprehensive Economic Development Strategies ("CEDS") where they exist and that contribute to cluster success, offer diversity to local economies and/or otherwise complement the mix of existing industries.
Objective and Outcome - Expand Economic Opportunity and Availability: Create or retain jobs in businesses located in communities with regional CEDS.
Actions: Loans

Strategy: Invest in businesses that use the Vermont Training Program and other job training programs offered by the Vermont Department of Labor; make business investments that might integrate with or capitalize on those resources, but do not replicate them
Objective and Outcome - Expand Economic Opportunity and Availability: Create or retain jobs in businesses with consideration given to projects that utilize the Vermont Training program or that leverage other job training resources.
Actions: Loans, technical assistance

Strategy: Support initiatives, projects and business investments that contribute to the availability of childcare for employee families.
Objective and Outcome - Expand Economic Opportunity and Availability: Create or retain jobs in businesses that provide access to or assistance obtaining affordable childcare.
Actions: Loans, grants

Objective – Suitable Living Environment

While not the highest priority of the consolidated plan, The State of Vermont encourages activities which improve the safety and livability of neighborhoods and communities; increase access to quality facilities and services; reduce the isolation of income groups by providing housing opportunities in mixed income settings; revitalize communities; and restore, enhance, and preserve natural and physical features of special value for historic, architectural or aesthetic reasons; and conserve energy resources.

The State's Specific Objectives related to Creating a Suitable Living Environment and the Strategies and Actions planned to achieve them under the Consolidated Plan are:

Goal: Downtown Preservation and Revitalization
A "Downtown" is the traditional central business district of a community, characterized by a cohesive core of multi-storied commercial buildings, often interspersed with civic, religious, and residential buildings and public spaces, arranged along a main street and intersecting side streets with public infrastructure in place, that have served as the center for socio-economic interaction in the community.

With respect to State assistance and funding including CDBG, the State statute requires that priority consideration be given to development and growth in Designated Downtowns, Village Centers, Growth Centers, Vermont Neighborhoods and New Town Centers. Within those areas, statute specifies that the highest priority is to facilitate development in designated downtowns and village centers first – consistent with the state's historic development pattern – but where that is not possible to then give priority consideration to Designated Growth Centers, New Town Centers, and Vermont Neighborhoods.

Strategy: Promote projects in Designated Downtowns and Village Centers, Growth Centers, Vermont Neighborhoods and New Town Centers
Objective and Outcome - Suitable Living Environment and Sustainability: Support the creation of public facilities and services that primarily serve lower income people.
Actions: Major and minor rehabilitation of underutilized or vacant properties, municipal and non-profit partnerships, senior and childcare centers, health and wellness services

Strategy: Participate in projects that leverage other state and federal programs such as tax credits and transportation grants in order to promote public and private investment in downtown areas;
Objective and Outcome - Suitable Living Environment and Sustainability: Improve public facilities or access to public services with consideration for projects that improve public infrastructure through the support of other funding sources.
Actions: Major and minor rehabilitation of underutilized or vacant properties, municipal and non-profit partnerships, senior and childcare centers, health and wellness services

Strategy: Address training and technical assistance needs for downtown organizations and their municipal partners
Objective and Outcome - Suitable Living Environment and Sustainability: Support initiatives that increase access to public facilities and services that serve primarily lower income people in Designated Downtowns and Village Centers.
Actions: Technical assistance, planning

Strategy: Reinvest in downtown properties, particularly in the upper stories including elevators, sprinklers, and other code-related improvements.
Objective and Outcome - Suitable Living Environment and Sustainability: Improve public facilities with consideration for projects that redevelop underutilized or vacant properties.
Actions: Loans, grants, non-profit and private development

Strategy: Promote projects in Designated Downtowns that are also area wide low and moderate income benefit communities with façade, streetscape and other infrastructure improvements.
Objective and Outcome - Suitable Living Environment and Sustainability: Improve public infrastructure in communities where the majority of residents are considered at or below 80% of median income.
Actions: Streetscape and façade improvements, other infrastructure improvements, technical assistance, loans and grants

Goal - Remediate and Reuse Brownfields
The VCDP will continue to provide for brownfield remediation and reuse as an important community development objective under the slums and blight criteria. It should be noted that other primary sources of brownfield funding are available and must be sought prior to application to the VCDP. In addition to all other applicable program requirements, all brownfield projects must result in the reuse and occupation of the brownfield property within two years of receiving VCDP assistance.

Strategy: Redevelop Brownfields into productive use
Objective and Outcome - Suitable Living Environment and Sustainability: Redevelop contaminated sites to fulfill consolidated plan priorities related to housing, economic development, public facilities and public services.
Actions: Site identification, assessment, mitigation plan, technical assistance, loans, grants

Goal – Increase Access to Public Facilities
While not the highest priority for VCDP funding, VCDP will continue to encourage public facility applications for community facility projects that are located in Designated Downtowns and Village Centers, Vermont Neighborhoods, Growth Centers, and New Town Centers; or that provide infrastructure for the creation and/or retention of jobs and housing units; or that remove barriers to accessibility by people with physical disabilities.

Strategy: Municipal projects to remove barriers to public buildings
Objective and Outcome – Suitable Living Environment and Accessibility: Rehabilitate municipally owned public facilities to bring them into compliance with current ADA standards.
Actions: Grants, major and minor rehabilitation, public access

Strategy: Remove barriers to accessibility for places of business and/or residential facilities
Objective and Outcome - Suitable Living Environment and Accessibility: Rehabilitate housing units that serve primarily lower income people, to bring the property into compliance with current ADA standards.
Objective and Outcome - Suitable Living Environment and Accessibility: Rehabilitate non-housing units that provide services to or employ primarily lower income people, to bring the property into compliance with current ADA standards.
Actions: Loans and grants, major and minor rehabilitation, technical assistance

Strategy: Promote facilities that stabilize living environments and enhance quality of live for families and individuals.
Objective and Outcome - Suitable Living Environment and Availability: Increase access to childcare for lower income families with consideration given for projects that address the need for second and third shift care.
Objective and Outcome - Suitable Living Environment and Availability: Increase access to adult care for lower income families, seniors and people with disabilities.
Objective and Outcome - Suitable Living Environment and Availability: Increase access to health care facilities that serve primarily lower income families, seniors and people with disabilities.
Actions: Non-profit service providers for youth and adults, community health care, new construction, major and minor rehabilitation

Goal – Increase Access to Public Services
While not the highest priority for VCDP funding, the VCDP will continue to encourage public service applications that support projects located in Designated Downtowns and Village Centers, Vermont Neighborhoods, Growth Centers, and New Town Centers; provide services that support job creation and/or retention, or that support family self sufficiency; provide services that support housing; or that provide services to persons with special needs. The following activities relate to this objective:

Strategy: Provide access to affordable capital and counseling-based lending for lower income entrepreneurs or potential home-owners.
Objective and Outcome - Create Economic Opportunity and Availability: Help individuals' access educational programs and financial counseling and support that emphasize homeownership or small business start-up.
Actions: Non-profit community service providers, financial and business counseling, grants, technical assistance

Strategy: Provide services that stabilize living environments and enhance quality of live for families and individuals.
Objective and Outcome - Suitable Living Environment and Availability: Increase access to childcare that makes jobs more available for family members.
Actions: Technical assistance, childcare programming

Objective and Outcome - Suitable Living Environment and Availability: Increase access to community care facilities, adult day programs or other services that address the needs of primarily lower income seniors or people with disabilities.
Actions: Technical assistance, adult care programs

Objective and Outcome - Suitable Living Environment and Availability: Help residents remain housed and living independently.
Actions: Home sharing, accessibility modifications, home-based services for seniors or people with disabilities

Strategy: Increase access to work force development and job training for low and moderate income job seekers.
Objective and Outcome – Create Economic Opportunity and Availability: Low and moderate income individuals gain the skills and knowledge to obtain employment.
Actions: Link job training to housing and economic development projects, nonprofit or employer based.

Affordable Housing

The 2010 Vermont Housing Needs Assessment showed that a need for approximately 5,000 new rental units between 2009 and 2014, which would require doubling the rate of production. However, an estimated 12,204 extremely low-income renters with incomes below 30% of median, 8,120 low income, and 6,964 moderate income renter households in Vermont are cost burdened. Many of these households are likely to live in the aging houses that have lead-based paint. For non-elderly and households without a disability, the supply of assisted housing falls far short of the need. However, the number of elderly Vermonters is growing faster than any other age group and it is estimated that by 2014 Vermont will have 23,045 elderly households earning less than 50% of median income.

The 2010 Vermont Housing Needs Assessment also showed a need for approximately 8,000 new homeowner units between 2009 and 2014, also requiring the rate of production to double. That said, the vast majority of low income homeowners with mortgages are cost burdened, and the supply of homes for sale at prices they can afford is limited. Increasing the supply of housing at all price levels would potentially ease the upward pressure on home prices.

Vermont has benefited from aggressive use of Section 8, HUD 202, RD 515 and tax credit financing to build 10,998 apartments in 488 developments in 102 communities across the state. Many of these assets have project-based rental assistance attached to them. Approximately 2,600 apartments will reach the end of Section 8 use agreements or tax credit compliance periods by 2018. In addition Vermont has benefited from smart growth reuse of historic buildings adapting them for reuse as affordable housing. Replacement of this housing stock would be more costly than preservation of the public's investment. The permitting of replacement housing and getting community support for new development can be difficult. The loss of this housing stock would also cause displacement from a number of communities where there are few other options for low income Vermonters. Maintaining the public investment in this stock and bringing it to modern energy, health and safety standards is an important challenge for the State of Vermont. So as the state strives to produce new affordable housing units it must preserve the investments already made in affordable housing over the last 25 years.

The state will strive to provide as many affordable housing units as possible in each year encompassing the 2010-2015 Consolidated Plan through production of new units and rehabilitation of existing units. The reality is the HUD funding provided to Vermont through CDBG and HOME (approximately $10 million a year) is not nearly enough on its own to support even a modest number of affordable housing projects. The number of affordable housing units created or rehabilitated is much more dependent on the investments of Low Income Housing Tax Credits and access to other affordable housing investments.

Annual Housing Completion Goals (HUD Table 3b)

Grantee Name: State of Vermont Program Year: 2012	Expected Annual Number of Units To Be Completed	Actual Annual Number of Units Completed	Resources used during the period			
			CDBG	HOME	ESG	HOPWA
ANNUAL AFFORDABLE RENTAL HOUSING GOALS (SEC. 215)						
Acquisition of existing units	0		☐	☐		☐
Production of new units	50		X	X		☐
Rehabilitation of existing units	160		X	X	☐	☐
Rental Assistance	0		☐	☐		☐
Total Sec. 215 Affordable Rental	210		X	X	☐	☐
ANNUAL AFFORDABLE OWNER HOUSING GOALS (SEC. 215)						
Acquisition of existing units	0		☐	☐		
Production of new units	0		X	☐		
Rehabilitation of existing units	100		X	☐		
Homebuyer Assistance	25		X	☐		☐
Total Sec. 215 Affordable Owner	125		X	☐	☐	☐
ANNUAL AFFORDABLE HOUSING GOALS (SEC. 215)						
Acquisition of existing units	0		☐	☐		☐
Production of new units	50		X	X		☐
Rehabilitation of existing units	260		X	X	☐	☐
Homebuyer Assistance	25		X	☐		☐
Total Sec. 215 Affordable Housing	335		X	X	☐	☐
ANNUAL AFFORDABLE HOUSING GOALS (SEC.215)						
Homeless households	20		X	X	☐	☐
…Non-homeless households	335		X	X	☐	☐
…Special needs households	20		X	X	☐	☐
ANNUAL HOUSING GOALS						
Annual Rental Housing Goal	210		X	X	☐	☐
Annual Owner Housing Goal	125		X	X	☐	☐
Total Annual Housing Goal	335		X	X	☐	☐

State Priority Housing/Special Needs/Investment Plan Table

Table 2A shows the number of very low, low, and moderate income renters and owners with any housing problem and indicates the State's priority for addressing the unmet need in each category. As shown in Appendix 2 of the 2010 Vermont Housing Needs Assessment the biggest housing problem facing Vermonters is one of affordability.

PART 1. PRIORITY HOUSING NEEDS		**Priority Level Indicate High, Medium, Low, checkmark, Yes, No**		**Unmet Need**
Renter	**Small Related** Families 2-4 members	0-30%	**Y**	3,352
		31-50%	**Y**	2,887
		51-80%	**Y**	1,592
	Large Related Families 5+ members	0-30%	**Y**	409
		31-50%	**Y**	570
		51-80%	**Y**	400
	Elderly Age 65+	0-30%	**Y**	2,592
		31-50%	**Y**	1,582
		51-80%	**Y**	814
	All Other Non family, non elderly	0-30%	**Y**	4,692
		31-50%	**Y**	3,620
		51-80%	**Y**	400
Owner		0-30%	**Y**	7,768
		31-50%	**Y**	9,076
		51-80%	**Y**	12,366

PART 2 PRIORITY SPECIAL NEEDS	**Priority Level Indicate High, Medium, Low, checkmark, Yes, No**	
Elderly	**Y**	87,925
Frail Elderly	**Y**	3,226
Severe Mental Illness	**Y**	26,500
Developmentally Disabled	**Y**	13,046
Physically Disabled	**Y**	43,500
Persons w/ Alcohol/Other Drug Addictions	**Y**	50,727
Persons w/HIV/AIDS	**Y**	650
Victims of Domestic Violence	**Y**	8,698
Other	**Y**	n/a

2010-2015 Public Housing Strategy

Executive directors of the Winooski Housing Authority and the Vermont State Housing Authority are members of the Department's Consolidated Plan Advisory Group, to ensure that the needs of PHAs are addressed. Additionally, the Commissioner reviews PHA plans that are submitted, to certify the Plans' consistency with the State's Consolidated Plan.

Vermont does not have a State agency administering public housing funds, therefore is not required to describe Public Housing Resident Initiatives.

None of Vermont's ten* PHAs are in troubled status. Many are considered high performing PHAs. In the extremely unlikely event that any PHA in Vermont became in troubled status during this Consolidated Plan, the State would work closely with the troubled PHA to determine the manner that the State would help the PHA to improve its performance.

2012 Action Plan: Actions to Address the Needs of Public Housing

The State does not plan to take any actions this year other than as described above.

*As of January 1, 2011, the Hartford Housing Authority's vouchers were transferred to the Vermont State Housing Authority.

Homeless and Special Needs

Priority Homeless Needs Table

The required Table 1 Continuum of Care Housing Gap Analysis Chart and Homeless Populations and Subpopulations chart are found in Appendix 2 of the 2010 Vermont Housing Needs Assessment.

Helping low income families avoid becoming homeless

The mission of The Agency of Human Services' (AHS) is, "To improve the health and well being of Vermonters today and tomorrow and to protect those who are unable to protect themselves." Fundamental to our mission is the belief that stable, affordable housing is a cornerstone of an individual's or family's wellbeing. AHS is using available dollars to help prevent homelessness, and when it occurs to get people back into stable housing as quickly as possible.

> ***Prevention and Rapid Re-Housing activity is described in greater detail in the Emergency Solutions Grant substantial amendment to the Consolidated Plan***

The Vermont Council on Homelessness (VCH) has also been instrumental in the development of effective prevention and re-housing initiatives. The Governor's summit on Housing the Homeless in June of 2011 has created momentum and support for the VCH to launch a number of new state homelessness initiatives, including $1.6M in state funding to continue successful HPRP activities initially funded through the American Recovery and Reinvestment Act (ARRA); and the Vermont Rental Subsidy Program which uses state funds to provide 12 months of rental assistance with case management supports to very low-income households, such as families with children on the state's Reach-Up program, and single individuals pending disability determination, who would otherwise be in emergency shelter or state-funded motel units.

2012 Actions

Vermont will extend successful HPRP activities with $1.6 million in State HRF funds to be distributed to shelters, homelessness prevention programs, and Community Action Agencies.

The Department for Children and Families will continue to administer and grow the Vermont Rental Subsidy Program.

The Agency of Human Services will continue to refine and promote performance measures in grants and contracts supporting homelessness prevention activity to document that these interventions are effective at preventing – and not merely postponing – homelessness.

The Vermont Council on Homelessness will continue to refine and implement additional viable initiatives developed in the lead up to the Governor's Housing the Homeless Summit.

Reaching out to homeless persons

Vermont provides outreach to homeless persons through a network of local agencies, including shelters, service agencies and housing providers. Based on the monthly charting of the number of requests for assistance recorded by the state and its partners, such as United Way 211, it does not appear that additional outreach is necessary. Vermonters needing help readily discover how to find it.

The PATH Program – Projects for Assistance in Transition from Homelessness provides assistance to several Vermont organizations to conduct outreach efforts to people experiencing a serious mental illness or co-occurring disorder. PATH is funded by the U.S. Dept. of Health & Human Services.

The Vermont Coalition of Runaway and Homeless Youth Programs include a Street Outreach Program, provided by several organizations, to reach out to homeless and at-risk youth. These programs are funded by the U.S. Dept. of Health & Human Services.

Addressing emergency shelter needs

Vermont has an effective network of local emergency shelters, including shelters for victims of domestic and sexual violence. Because these shelters are regularly full with waiting lists, several providers have in recent years developed "overflow" capacity. Additional shelter space has been opened in the form of "overflow shelters" or "seasonal warming shelters" in communities such as Burlington, Brattleboro and Barre. Households are staying in shelter longer than in the past due in part to a shortage of rental vouchers. More families and the working poor are finding themselves in shelters. The State supports these initiatives with State and Federal dollars where possible.

Vermont has a strong relationship with the Veterans Administration's grant per diem program to provide emergency shelter to veterans.

Member agencies of Vermont's Coalition of Runaway and Homeless Youth Programs provide emergency and transitional housing services to youth through the Runaway and Family Stabilization (ES Safe Homes) and Transitional Living Programs (TH). These programs are funded by the U.S. Dept. of Health & Human Services.

Vermont's Economic Services Division in the Department for Children and Families pays for emergency motel stays for homeless persons who are in a vulnerable population, including elders, people with disabilities, families with children, and victims of domestic violence. Vermont continues to explore alternatives to these motel stays because they are one of the least efficient or effective solutions to homelessness and can often lack the appropriate supports to address underlying issues which may be contributing to homelessness.

The state, through the Agency of Human Services, Vermont Council on Homelessness, and the Continua of Care, is actively engaged in developing alternative strategies to shorten the average duration of homelessness to 28 days or less, ensure that people are stable after receiving assistance for at least 90 days, and get homeless persons into transitional or permanent housing as rapidly as possible.

Another goal of the AHS is to reduce the use of motels by providing improved coordination in the area of prevention, rapid re-housing, retention, case-management to follow participants past lease-up (where indicated), and a greater variety of housing options such as SROs or transitional units.

2012 Actions

- Maintain the current level of existing year round emergency shelter beds and support additional "overflow capacity" as necessary during the coldest months

- Improve coordination of homelessness prevention programs around the state
- Increase the percentage of funding spent on rapid re-housing and prevention activities, with a focus on effective and efficient case management
- Continue to support and promote the use of statewide performance measures
- Ensure recipients of HUD funding are in compliance with expanded Homeless Management Information System participation requirements, and that data, both at time of entry and in any generated reports, are of high quality
- Prioritize families with children for rapid re-housing to avoid extended emergency shelter or motel stays

Helping homeless persons transition to permanent housing

- Support the creation and maintenance of new housing stock
- Develop strategies to utilize mainstream resources in a coordinated system, such as Medicaid services, SSI, TANF and other supportive service programs while securing permanent housing
- Provide effective case management for participants

Vermont continues to apply for grant funding to increase the following HUD permanent housing programs:

- Shelter Plus Care program
- HUD-VASH (HUD Veterans Administration Supportive Housing) permanent housing vouchers to veterans;
- Family Unification Vouchers to families for whom the lack of adequate housing is a primary factor in the separation, or threat of imminent separation, of children from their families or in the prevention of reunifying the children with their families;
- Rental Assistance for non-elderly persons with disabilities;
- Housing Choice Vouchers; and
- HOPWA vouchers for persons with AIDS.

Steps to End Chronic Homelessness

The Vermont Council on Homelessness (VCH) is the body analyzing gaps in services, discussing solutions, and advocating for system improvements. The Council, recently reconstituted (January 2012), has just begun the process of drafting a new plan to end homelessness which will incorporate changes in the Vermont homelessness landscape, address the HEARTH Act in more detail, and update the definition of homelessness. The following activities relate to the prior VCH plan to end homelessness, though they are likely to continue:

- Continue to make flexible use of state funds to prevent or ameliorate all homelessness. Refine and improve our collaboration and coordination at the state and local level to ensure we identify those at risk of homelessness, and of chronic homelessness, and use all available funds as efficiently as possible.
- Develop effective methods for outreach to harder to serve populations using input from appropriate stakeholder, including VCH members, other experts, and persons identifying as formerly homeless.

Vermont continues to apply for grant funding to increase the following HUD permanent housing programs:

- Shelter Plus Care
- HUD-VASH (HUD Veterans Administration Supportive Housing) permanent housing vouchers to veterans;
- Family Unification Vouchers to families for whom the lack of adequate housing is a primary factor in the separation, or threat of imminent separation, of children from their families or in the prevention of reunifying the children with their families;
- Rental Assistance for non-elderly persons with disabilities;
- Housing Choice Vouchers; and
- HOPWA vouchers for people with AIDS.

2012 Action Plan: Special needs of persons who are not homeless

Vermont has long-standing efforts to address supportive housing for people with special needs, including elders, persons with disabilities, and persons with addictions. These efforts will be continued and, in a number of instances, expanded.

AHS has developed the AHS Housing Task Force to ensure funds for housing or supportive services are fully coordinated, and that requests for housing development or funding are prioritized by the Agency instead of different programs pursuing different projects.
The Department of Mental Health, with its community providers, continues to provide and expand a wide range of housing options with supportive services.

The Department of Disabilities, Aging and Independent Living continue to look for opportunities to develop service enriched housing, such as assisted living, for elders and adults with disabilities, to avoid institutional placements.

The Department of Corrections and Division of Drug and Alcohol Treatment continue to develop additional housing with supportive services options for released offenders who require drug and alcohol treatment.

Housing development to serve these populations is given priority not only at AHS but with the housing funding agencies.

Non-Housing Community Development Needs

Overview

This section identifies the non-housing community development needs of Vermont. These needs have been identified from a variety of sources including regional input forums, surveys and analysis of state data, reports and trends.

Vermont has a number of non-housing community development needs. The needs and extent of appropriate assistance differ from community to community. Vermont is one of the most rural states in the nation and thus has few large population centers. Vermont has been undergoing a transition from a largely agriculturally based economy to a diversified economy for decades. This transition presents challenges and opportunities for the state and its residents. Tourism, education, healthcare, high-tech and green economy jobs seem to be driving the new economic future of Vermont. However, Vermont residents and lawmakers have consistently made commitments to honor the past agricultural traditions of a working landscape and sustainable growth patterns.

CDBG funding has and will continue to support a wide range of community development needs statewide. The recent economic down-turn only strengthens the state's commitment to support Economic Development projects statewide. Job creation and retention have been and will continue to be the top priority for non-housing CDBG funding. CDBG funding for other Community Development needs such as public service and public facility projects will also be considered from all eligible communities in the state. The Community Development needs and priorities vary from region to region and from community to community and Vermont residents pride themselves on local effort, ingenuity and creativity in solving local problems. Vermont's CDBG program wants to support and encourage local Community Development initiatives that benefit low and moderate income residents and have lasting results.

Overarching principles for all Vermont CDBG funding include:

- Coordination with all appropriate state, federal and local agencies to ensure appropriate funding and technical assistance is available for each project and that projects are not redundant or duplicating services.
- Public investments should be leveraged with other resources and opportunities to recycle or re-use funds should be promoted.
- Public investments must be equitable and deliver lasting benefits to the community and state.
- Full and open participation by the public, including populations that are traditionally underrepresented and underserved.
- Redeveloping existing, historic structures, and underutilized properties first.
- Support the revitalization of downtowns and villages by encouraging reuse and rehabilitation of existing infrastructure.
- Support development that is compact, conserves land, water and other natural resources.
- Support development that is mixed in use, walkable, accessible, connected to; public transportation systems, educational opportunities, cultural and civic activities and recreational outlets.
- Projects should strive for energy efficiency and utilization of sustainable principles and practices.

- ❖ Development should seek to restore or enhance the state's natural resources and contribute to the Vermont brand and identity.
- ❖ Projects should enhance the economic opportunity of all Vermonters and priority should be given to projects delivering livable wage jobs.
- ❖ Projects must be supported at the local level and be consistent with local and regional planning efforts.
- ❖ Projects that increase job opportunities and/or housing opportunities should be coordinated to maximize existing housing or labor markets.
- ❖ Projects should increase or enhance access to services, public facilities, housing and employment opportunities for low and moderate income residents.

Identified Priorities

Community Development needs vary around the state, but a number of common themes emerged during the regional input sessions conducted prior to the development of this Consolidated Plan. In addition, the on-line survey conducted for the Consolidated Plan confirmed these themes. By in-large the public felt the investment of Community Development funding was most needed to support affordable housing and economic development. The public also supports investment in the infrastructure, public facilities and public services needs clearly identified by communities. The public strongly supports the utilization and re-use of existing infrastructure. They feel investing in communities with the existing capacity to grow is a cost effective and efficient use of funds.

The state will support the following Non-Housing Community Development Needs:

<u>Economic Development</u>

Job Creation and Retention is the top non-housing community development need identified in Vermont. Expanding economic opportunity and increasing the wages of average Vermonters is critical at this time. The state CDBG program will support job creation and retention projects and encourages communities to present projects for CDBG funding that:

- Support the growth, expansion and sustainability of existing businesses;
- Attract businesses that locate near available affordable housing and transportation options;
- Support new & existing business growth in communities that have adequate and available infrastructure such as water, sewer, transportation and telecom;
- Strengthen sustainable natural resource-based businesses, including agriculture and forestry;
- Support business that contribute to affordable and sustainable energy production;
- Support the expansion of broadband and cell phone coverage;
- Invest in existing infrastructure to support business expansion;
- Support technology and green economy businesses;
- Support small and micro businesses;
- Support the planning needed for smart economic development investments;
- Support gaps in job training needs for a business or industry to grow;
- Support businesses utilizing Brownfields, infill sites, existing and underutilized industrial or commercial facilities;
- Support business expansion in vacant properties and downtowns;
- Support businesses providing good, livable wages.

Public Facilities

Although not the top Community Development need identified, Public Facilities play an important role in communities throughout the state. These are the places our children play and learn, our seniors receive needed services and we attend to our civic affairs. CDBG funding is often needed to assist with important infrastructure investments, planning and to maintain or change the character of our communities. The state CDBG program will support Public Facility projects that address the following community needs:

- Provide Handicapped (ADA) Access to municipal buildings and libraries;
- Provide Handicapped (ADA) Access to public facilities serving low and moderate income residents;
- Support the expansion of telecom infrastructure when it benefits low and moderate income residents ;
- Support the expansion of water and sewer infrastructure when it benefits low and moderate income residents;
- Support downtown revitalization efforts such as (streetscapes and façade improvements) for communities with primarily low and moderate income residents;
- Support the expansion or development of public facilities that serve low and moderate income residents such as (childcare centers, adult day centers, medical/dental clinics, community centers, food shelves/food banks);
- Support planning for the expansion or development public facilities that serve low and moderate income residents;

Public Services

Although not the top Community Development need identified, Public Services and the availability and access to them are important for communities throughout the state. Receiving needed services are often the most direct way CDBG funding benefits low and moderate individuals. Whether it be access to financial literacy classes at an area non-profit or the bittersweet meal provided at an area food shelf; the action is direct and meaningful. The state CDBG program will support Public Service projects that address the following community needs:

- Support job training programs that lead to employment and primarily benefit low and moderate income residents;
- Support programs that provide low and moderate income residents access to medical, health and dental services;
- Support financial literacy counseling and training programs that benefit low and moderate income residents;
- Support childcare and adult-day care programs that primarily serve low and moderate income residents;
- Support programs that increase self-sufficiency and lead families out of poverty;
- Support other programs that are clearly needed in the community or region that primarily serve and benefit low and moderate income residents;
- Support planning for public service activities that will primarily serve low and moderate income individuals;

✓ For a Summary of Non-housing Community Development Objectives See: Specific Priorities and Objects on page 38. For Summary of Annual Objectives see Appendix D.

Community Revitalization Strategies and Section 108 Loan Guarantee

HUD regulations authorize the State to allow municipalities to adopt and implement Community Revitalization Strategies (*See* 24 CFR 91.315(e)(2)). As set forth in CPD-97-1, HUD has stressed the importance of "a coordinated marshalling of resources" to support comprehensive strategies to revitalize communities. To stimulate the marshalling of such resources, HUD offers certain incentives for municipalities that adopt Community Reinvestment Strategies (*See* 24 CFR 570.482-570.483). The State has long engaged in, and has long supported, the state/local and public/private partnerships required for coordinated marshalling of resources. To further support such efforts, the State wishes to make available to Section 108 Loan Guarantee applicant-communities the HUD incentives that provide greater flexibility in demonstrating that their projects primarily benefit low-and moderate-income persons. The VCDP may consider, in concert with an application under the Sec. 108 Program, a community request for approval of a Community Revitalization Strategy. A community shall make such request by letter. The VCDP shall consider the request of a community whose Sec. 108 Program application has been accepted, and shall approve such request in accordance with the criteria set forth below.

Available resources vary greatly in nature and scope among Vermont's communities, the VCDP reserves the discretion to consider, on a case by case basis, what will constitute an appropriate Community Revitalization Strategies and the given criteria is demonstrated in a satisfactory manner.

1. Boundaries. A rational boundary for the revitalization strategy area is provided, given the particular strategy, and when appropriate, a redevelopment target area is identified.
2. Demographic Criteria. The revitalization strategy area meets one of the following criteria:
   (a) The area is primarily residential in character, and contains at least 70% low- and moderate-income persons. When appropriate, and on a case-by case basis, the VCDP will consider requesting the HUD field office for an exception to the 70% threshold.
   (b) The area is in a Federally-designated Empowerment Zone or Enterprise Community.
   (c) All of the census tracts/block numbering areas in the area have at least a 20% poverty rate, and at least 90% of them have at least a 25% poverty rate; and the area is primarily residential. When appropriate, and on a case-by-case basis, the VCDP will consider requesting the HUD field office for an exception to the 25% threshold.
3. Ongoing Support and Delivery of Resources. Demonstration satisfactory to the VCDP, through the request together with a Sec. 108 Program application that total financial resources dedicated to the activities proposed under the Sec 108 Program application and long-term local attention will provide ongoing support to the revitalization strategy area.
4. Integration of other Funding Resources and Initiatives. Demonstration satisfactory to the VCDP, through the request together with the Sec. 108 Program application, that other funding resource and other initiatives will be integrated to carry out the Revitalization Strategy. Such resources and initiatives may include, among others, the use of legislatively-designated tax increment finance districts, designation under the Vermont Downtown Program, Act 250 compliance, adopted and regionally confirmed municipal plans under Title 24, and use of appropriate state and federal funding programs.

5. Consultation. Demonstration satisfactory to the VCDP, through the request together with the Sec. 108 Program application, that revitalization area stakeholders have been adequately consulted in development of the Community Revitalization Strategy.
6. Assessment. Demonstration satisfactory to the VCDP, through the request together with the Sec. 108 Program application, that economic conditions of the area have been assessed, the opportunities for economic development improvement have been examined, and the problems likely to be encountered have been assessed.
7. Economic Empowerment. Demonstration satisfactory to the VCDP, through the request and the Sec. 108 Program application, Community Revitalization Strategy contains a realistic development strategy and implementation plan to promote economic progress by creating meaningful jobs for the revitalization area's unemployed and low-and moderate-income residents, and by promoting substantial revitalization of the area.
8. Performance Measurements. The community has committed to report measurable accomplishments toward the results that the community proposes to achieve.

The VCDP will approve amendments to a Community Revitalization Strategy upon request of the Community and a determination that the amendment will enhance furtherance of the goals of the Strategy in accordance with the criteria set forth herein.

Vermont will allow use of the Section 108 Loan Guarantee Program without a Community Revitalization Strategy when projects are eligible to meet the benefit requirements of Section 108 independent of a Community Revitalization Strategy.

The Section 108 Program provides for loans to communities and now to the state as authorized under the 2009 Appropriations Act and Section 222, directly from HUD, supported by the pledge of the State's future CDBG allocation. HUD requires a pledge of a portion of the CDBG by the state, as well as other collateral by the community and/or state, in order to secure the loan it makes to a community or other approved entity. Such loans may have terms of no more than 20 years. Federal law governing the program provides that the aggregate principal amount of loans to communities may not exceed five times the amount of the most recent CDBG allocation. The VCD program will limit the State of Vermont's participation to pledges on no more than $22 million in aggregate principal amount of loans at any time, with annual debt service not to exceed $2 million at any time. Under the sec 108 Program, a pledge by the State of Vermont of the CDBG in support of a loan to a community from HUD would provide the ability to HUD to draw directly from Vermont's CDBG award during the term of the loan to satisfy any failure by the community to meet a payment obligation to HUD. The VCDP would not be obligated to satisfy any community obligation on an accelerated basis, but only upon the periodic payment terms established between HUD and the community at the outset.

No pledge would be made by the VCDP unless (1) the project met the priorities of the Consolidated Plan in effect at the time of the pledge, (2) the project met all requirements of the Section 108 Program, (3) the project was determined by the VCDP to be feasible and able to produce revenue adequate to meet the community's entire obligation to HUD, and (4) adequate security was provided to compensate for the VCDP pledge if ever called upon by HUD.

The applicant community bore the costs of the VCDP review, including but not limited to the determination of feasibility and adequacy of the security to be provided to the VCDP by the community. The VCDP determined whether to consider qualified applications on a case-by-case basis, after consideration of the VCDP's ability to pledge in accordance the parameters set forth above. Any accepted application was reviewed by the VCDP and appropriately contracted

consultants. The conclusions of the review were submitted to the Vermont Community Development Board at a regular or special meeting for consideration and recommendation to the Secretary of the Agency. The Secretary made the final determination as to the amount and term of any pledge of the CDBG funding.

2010-2015 Strategies and Actions to Remove or Ameliorate Negative Effects of Policies that Serve as Barriers to Affordable Housing

As shown in the Market Analysis section of the Consolidated Plan, the State identified several policies which impact the cost of housing and the incentives to develop, maintain, or improve affordable housing, which are described in more detail in the Housing Stock Challenges Fact Sheet of the 2010 Vermont Housing Needs Assessment. To the extent that any of those policies have a detrimental effect on the State's ability to achieve its goals and objectives, the State will seek out ways to remove or ameliorate those negative effects including the following:

Limited Public Resources
Strategy: Maximize leveraging, and seek to find ways to reduce per unit costs.
Strategy: Make efficient use of limited resources.
Strategy: Support continuation and expansion of State sponsored affordable housing tax credits.
Actions: VCDP Board, State budget, Housing Council

Commitment to permanent affordability
Strategy: Retain the State's commitment to perpetual affordability.

Act 250 and local land use controls
Strategy: Continue to review state and local permitting for areas to strengthen environmental protection while simplifying permitting.

Land Use Statute Allowing Affordable Housing Statewide
Strategy: Continue to provide technical assistance to communities and property owners that wish to support affordable housing.
Strategy: Provide the brochure "Adding an Apartment to Your House; New Opportunities for Homeowners" to persons seeking to develop or add an accessory dwelling unit, and make referrals to sources of potential funding.
Strategy: Provide technical assistance to municipalities around zoning and land use planning through the Department's Division of Community Development and Planning.

Designated areas for growth
Strategy: Encourage and promote development and growth in Designated Downtowns and Village Centers, Growth Centers, Vermont Neighborhoods and New Town Centers.
Actions: Downtown Board, technical assistance, annual conference

Standards for health and habitability
Strategy: Simplify State housing and habitability rules and provide for cost effective enforcement while limiting the impact on landlords and not adding new responsibilities onto State government agencies.

2012 Actions to Remove Barriers to Affordable Housing

For fiscal year 2012, the Department of Economic, Housing and Community Development (DEHCD) will grant approximately $400,000 to municipalities to promote community planning, revitalization and development activities that maintain Vermont's land use goal of compact settlements separated by rural lands.

Act 52 Section 46(d) of the 2011 Legislative Session required the Vermont Division of Fire Safety to conduct a Building Code Study to provide findings and recommendations to simplify and provide greater clarity for state building codes. As recommended by the Study, the Vermont Division for Fire Safety will provide additional fire and building code training for architects, engineers and contractors to provide clarity and to eliminate potential barriers to development,

The Division for Community Planning and Revitalization will conduct the Annual Vermont Downtown Conference. This annual event provides educational opportunities on historic preservation, downtown revitalization or community development issues.

The State will support continued funding for affordable housing development, services and assistance at the state and federal levels. This will include support for state funding of assistance to the homeless and the Vermont Housing and Conservation Board.

The Department will work to implement key provisions of S. 99, entitled "**An act relating to supporting mobile home ownership, strengthening mobile home parks and preserving affordable housing.**" The Department will also provide technical assistance on the requirements of the Act, the purpose of which is to focus state, municipal, and private resources on assisting mobile home owners recovering from the storms, and on ensuring that in the long term, Vermonters have an adequate supply of safe, affordable housing.

The Department will work to educate municipalities about the unfair housing provisions contained in S. 99 that now make it illegal to discriminate in land-use decisions or the permitting of housing based on the income of the individuals and families that will occupy the housing.

The Department will, in accordance with S. 99, collaborate with other organizations and stakeholders to develop a plan for the viability and disaster resiliency of mobile home ownership and mobile home parks. The plan must include a strategy for improving safety and resiliency through education, emergency planning, mitigation measures, reconfiguration, and relocation; identify barriers to mobile home ownership including the availability of financing and mortgage insurance and recommend methods for the state to assist; address the potential loss of mobile home parks and affordability due to sale, closure, or natural disaster by recommending actions to encourage resident or nonprofit purchase and ownership and the creation of new mobile home parks or lots through technical assistance and planning guidance to municipalities and developers; assess other housing designs as alternatives to mobile homes that are affordable when all related costs such as siting, water and sewer, and energy use are taken into consideration; and address and propose recommendations on the most effective mechanisms for ensuring adequate maintenance, repair, and safety of private roads and of public spaces within mobile home parks.

The Department will continue educating municipal officials on the impacts of exclusionary zoning and the connection between municipal land use decisions and fair housing. It will also encourage the adoption of municipal polices, practices, and procedures based on inclusionary zoning principles.

The Department for Children and Families will continue to administer and grow the Vermont Rental Subsidy Program which was created as an outcome of the Governor's Summit on Housing the Homeless in June 2011. The newly reconstituted Vermont Council on Homelessness will continue to refine and implement other initiatives developed in the lead up to the Summit.

The Department has completed and will soon publish the 2012 State of Vermont's Analysis of Impediments to Fair Housing Choice ("AI") which includes an analysis of regulatory and permitting practices to identify potential impediments to the development of affordable housing and fair housing choice. Once published, the Department will commence implementing the Fair Housing Action Plan contained in the AI in an effort to remediate any identified impediments, including those that constitute barriers to affordable housing.

2010 – 2015 Lead Based Paint Strategy

Lead-based paint remains a major concern in Vermont due to the State's older housing stock, particularly rental properties that house many of its lower income residents. More than 70% of Vermont's housing was constructed before 1978 when the use of lead paint was banned. Because the State is so reliant upon this older housing stock to meet the needs of low and moderate income people, hazards from deteriorated lead paint and unsafe renovations continue to present considerable challenges.

In 2008 Vermont was one of the first jurisdictions to recognize the dangers of any lead in children's blood and lowered its "level of concern" to 5 micrograms per deciliter of blood, nearing the detectable limits of standard laboratory analysis. Screening of children under six over the last few years has shown at least 1 of every 8 tested to have blood lead levels greater than 5 ug/dl. Because voluntary screening target numbers were never fully realized, in 2011 the Vermont Department of Health implemented rules to require pediatric care providers to test all children for blood lead levels at 12 and 24 months of age with a requirement for any laboratory that is analyzing blood lead levels of Vermont residents to report the results to the Department.

Since 1996 Vermont has had a law (Title 18, Chapter 38) that has reduced the number of Vermont children exposed to lead paint hazards in their homes by requiring rental property owners and child care providers to safely address potential problems in pre-1978 buildings. Rates of blood lead screening continue to improve as the consequences of childhood lead poisoning become better known. Over 16,000 property owners, contractors, painters, maintenance workers and others have been trained in lead safe work practices. Public awareness of the potential dangers of lead paint hazards has improved in the last decade thanks to the efforts of the Vermont Department of Health, the Vermont Housing & Conservation Board's Lead-Based Paint Hazard Reduction Program, and other health and housing groups.

HUD's Lead Safe Housing Regulation (1012/1013) has been fully implemented in Vermont for more than a decade now. The State continues to evaluate how the EPA Renovation, Repair and Painting (RRP) rule intersects with HUD's rule and the State's own, similar regulations. There are currently over 500 Vermont companies now listed as being EPA-certified renovators.

In 2009 HUD announced a new Healthy Homes Strategic Plan that builds on lessons learned with the Lead Hazard Control Grant Programs. The new plan focuses on a more holistic approach to targeting building deficiencies that contribute to a multitude of health and safety hazards for housing rather than targeting interventions on a hazard-by-hazard basis. This new direction does not abandon the core mission to eliminate lead poisoning as a major childhood disease but builds on the infrastructure established through the Lead Hazard Control programs to more efficiently and cost effectively identify and address other home health and safety problems at the same time. Since 1994, VHCB's Lead-Based Paint Hazard Reduction Program has utilized numerous HUD Lead Hazard Control Grants to control lead paint hazards in over 2000 homes and apartments throughout the State. The Program provides assistance to low-income homeowners, private owners of affordable rentals, and non-profit developers whose apartments remain perpetually-affordable to low-income residents. The Program works closely with all federally funded housing assistance programs to coordinate implementation of the Lead Safe Housing Regulation. The City of Burlington also administers a HUD-funded lead hazard control program in Vermont's largest city.

The VHCB Lead Program's most recent Lead Hazard Reduction grant award from HUD included additional money targeted specifically to addressing other home health and safety

hazards at enrolled properties, and the program anticipates applying for a new HUD Healthy Homes Production grant under HUD's next notice of funding availability.

Vermont has made significant strides in the last decade to address these preventable problems by raising awareness about potential dangers and working to eliminate hazards in our older housing stock. Continued vigilance is required to make sure these old properties are maintained in good condition and do not present future hazards to resident children's health.

Plan for Lead Hazard Reduction and Healthy Homes

The State of Vermont proposes the following activities to reduce childhood lead poisoning and to integrate lead poisoning prevention and home health and safety efforts into affordable housing programs during the next year:

1. Implement the recommendations of the 2006 'Get the Lead Out of Vermont' Task Force.
2. Continue to implement provisions of Act 94 (an Act Relating to Childhood Lead Poisoning Screening and Lead Hazard Abatement), passed by the Vermont General Assembly in 1993.
3. Continue to develop and implement appropriate recommendations of Act 94 and Act 165 (passed 1996), including the development of financial strategies for lead hazard reduction in future years; and pursue further legislative action to reduce lead paint hazards.
4. *Continue to i*mplement activities of the *S*tate and *C*ommunity-based Healthy Homes Lead Poisoning Prevention Program, administered by the Vermont Department of Health through a cooperative agreement with the U.S. Centers for Disease Control (CDC).
5. Continue to implement activities of the state-wide Lead-Based Paint Hazard Reduction Grant Program (U.S. Department of Housing & Urban Development) in the private housing stock, administered by the Vermont Housing & Conservation Board.
6. Continue activities of the Burlington Lead Program, funded by a HUD Lead Hazard Control Grant.
7. Continue to seek additional HUD funds to address the on-going need for lead-based paint hazard reduction in thousands of Vermont housing units.
8. Maintain regular contact with staff at the National Center for Healthy Housing (formerly the National Center for Lead Safe Housing) in Columbia, Maryland.
9. Continue participation on the New England Lead Coordinating Committee, convened by the Tufts University School of Medicine and the University of Connecticut.
10. Evaluate and amend policies of the Vermont Housing Finance Agency and the Vermont Housing & Conservation Board regarding lead-based paint, health, safety, or toxic and hazardous materials, as appropriate.
11. Coordinate procedures with the Department of Health, the Vermont State Housing Authority and local Public Housing Authorities regarding childhood poisoning in owned and assisted units, as needed.
12. Continue to build a database in the Department of Health regarding incidence of childhood lead poisoning and presence of lead hazards in housing stock.
13. Coordinate lead hazard reduction efforts with activities of the State Office of Economic Opportunity Weatherization Assistance Program in low-income housing units.
14. Continue public information, education, and outreach efforts.
15. Continue to develop public and private financial resources for lead-based paint hazard control activities in Vermont's housing stock.
16. Coordinate with the Department of Health and affordable housing funders and developers in implementing the "Healthy Homes" strategic plan promoted by HUD and

promote the incorporation of healthy homes principles into ongoing practices and programs.

17. Coordinate efforts with all housing groups, agencies, and stake-holders to create sustainable delivery of healthy homes services to reduce health and safety hazards in housing in a comprehensive and cost effective manner, with a particular focus on protecting the health of children and other sensitive populations in low income households.
18. Continue coordination and collaboration among health, housing, and historic preservation agencies and interest groups.

2010-2015 Anti Poverty Strategy

The State's strategy to reduce the number of poverty level families is to (a) meet basic subsistence requirements for those in need, (b) strengthen and preserve families, and (c) support self-empowerment. The policies and programs for achieving a reduction in poverty are coordinated primarily through the Department for Children and Families (DCF) of the Agency of Human Services (AHS). DCF administers anti poverty programs and benefits programs such as the federal Community Services Block Grant, Emergency Solutions Grant Program, Weatherization Assistance Program, TANF, SNAP (3Squares), Medicaid, General Assistance, and Fuel Assistance. Economic Services also administers Vermont's Reach-Up Program which provides education, training, and employment opportunities for welfare recipients working toward self-sufficiency. Through its programs, DCF's Office of Economic Opportunity (OEO) seeks to increase the self-sufficiency of Vermonters and strengthen Vermont communities. The OEO works in partnership with the private sector, community-based organizations, agencies of government, and other groups to eliminate the causes and symptoms of poverty.

The Department of Labor administers job training programs for low income youth and adults designed to help them gain competitive work skills and find employment.

The Agency of Human Services (AHS) has a long history of coordinating its efforts with the Department of Economic, Housing and Community Development, Vermont State Housing Authority, Vermont Housing and Conservation Board, local Public Housing Authorities, private landlords and other housing organizations to assure that housing services reach Vermont's neediest citizens.

Examples of such collaborations include:

- Coordinating the Vermont Council on Homelessness to create and carry out a ten-year plan to end homelessness in Vermont;
- AHS' active participation on the Vermont Housing Council, which provides a coordinating forum on housing policy and programs;
- AHS' active participation on the Vermont Community Development Program's Board;
- Continued cooperation with non-profit organizations serving the homeless in Vermont to refine the statewide "Continuum of Care" strategy and plan;
- Coordination with other state agencies and non-profit groups of the range of federal McKinney programs, including the Emergency Solutions Grant Program and the Supportive Housing Program; and
- AHS' active participation in the development and review of the state's Consolidated Plan.

2012 Action Plan: Actions to Reduce the Number of Poverty Level Families

In the next year the State's will continue to actively pursue and implement the strategies described above to reduce poverty in Vermont.

2010-2015 Coordination Strategy

In the last few years, affordable housing providers and representatives of health, mental health, environmental, labor, and service agencies have substantially strengthened their networking and coordination activities. The State, through the DEHCD, has actively encouraged and participated in these efforts, and will continue to do so.

2012 Action Plan: Actions to Enhance Coordination

In the next year, the following activities will be undertaken:

- continue coordination efforts with housing providers and funders and human services representatives on a number of initiatives;
- continue participation in the Vermont Interagency Council on Homelessness;
- continue coordination efforts with the agencies of Health, Department of Public Safety Division of Fire Prevention, Natural Resources, Office of Economic Opportunity, and Attorney General to address serious health, safety and environmental issues in mobile home parks;
- continue, through the Department's leadership of the Housing Council, formation of state policy and will assist housing providers, state agencies, such as the Vermont Housing and Conservation Board, (VHCB), Vermont State Housing Authority (VSHA) and others to ensure the availability of safe and affordable housing for all Vermonters; and
- to better implement the 10 year plan to end homelessness, the agreed upon priority need as determined and voted by the regional Continuum of Care will be an important factor considered in awarding Consolidated Plan housing resources that are targeted to people who are homeless or at risk of homelessness.

2010-2015 Low Income Housing Tax Credit Strategy

The State of Vermont makes LIHTC allocations in accordance with an approved Qualified Allocation Plan (QAP). By Executive Order the Vermont Housing Finance Agency (VHFA) is designated the allocating agency for the program, and receives guidance on QAP and allocation policies from the Joint Committee on Tax Credits (JCTC) which includes the Commissioner of the Department of Economic, Housing and Community Development , the Executive Director of the VHFA, the Executive Director of the State Housing Authority, the Executive Director of the Vermont Housing and Conservation Board, and one other member appointed by the Governor's office, or their designees.

The QAP contains basic requirements, which each project is required to meet. Evaluation criteria are then applied to projects meeting application requirements. Of primary preference are projects that meet Consolidated Plan priorities and serve the lowest income tenants and qualifying tenants for the longest period of time. Other guidelines address selection criteria required by Congress, such as project location.

In order to monitor and ensure compliance with tax credit laws, all LIHTC recipients are required to execute and record a Housing Subsidy Covenant approved by VHFA. Eligible applicants in the LIHTC program include nonprofit and for-profit developers who form partnerships with private investors many of which are banks doing business in Vermont. In many cases, LIHTC projects are also dependent on other federal and State resources which increase the State's ability to ensure affordability to very low and low-income Vermonters beyond the rent and occupancy restrictions imposed by U.S. tax laws that set the parameters of the tax credit program.

Vermont receives just over $2.5 million a year in allocated tax credits. In January 2004 VHFA went to a rolling allocation process that will allow for some forward commitments of credits. From the 2011 credit ceiling, $2.5 million was allocated in low income housing tax credits contributing to the production of 239 newly built or rehabilitated units in seven communities including Burlington, Newport, Essex, Morrisville, Stowe, Rutland, and Brattleboro. An additional $907,000 in credits was issued in conjunction with tax-exempt bond financing. These credits supported the construction or rehabilitation of 185 total units in six communities: Bethel, Burlington, South Burlington, Richford, West Rutland, and Brattleboro.

The State Affordable Housing Tax Credit program launched in 2000 continued to assist in providing supplementary tax credits. In Fiscal Year 2011, $500,000 of credits was reserved for properties in Alburgh, Woodstock, Rutland, West Rutland, Essex Junction, Chester, Westminster, Brattleboro, Windsor, Winooski, Charlotte, and Montpelier.

2012 Action Plan: Coordination of LIHTC with Development of Affordable Housing

All LIHTC recipients are required to execute and record a Housing Subsidy Covenant approved by VHFA. Eligible applicants in the LIHTC program include nonprofit and for-profit developers who form partnerships with private investors many of which are banks doing business in Vermont. In many cases, LIHTC projects are also dependent on other federal and state resources which increase the state's ability to ensure affordability to extremely-low and low-income Vermonters beyond the rent and occupancy restrictions imposed by U.S. tax laws that set the parameters of the tax credit program.

A revised QAP approved by the VHFA Board on February 13, 2012:

- Changed the Green Building and Design Standards to incorporate implementation of the short term “Tier I” goals of the Roadmap for Energy affordability, which includes air sealing protocols and mechanical design protocols.

- Incorporates a change on defining housing in areas affected by natural disaster as equivalent to blighted properties.

- Change the definition of eligible projects for state homeownership credits so that stand-alone homes and homes not part of a new subdivision or development can qualify for the credit.

- Requires that managers of Housing Credit projects demonstrate that they have had some Fair Housing training.

- Requires owners and managers of Housing Credit properties utilize the Common Rental Application for tenants.

- Changes the Supportive Housing definition so it now includes homeless, at risk of becoming homeless, and at risk of institutionalization.

2012 Action Plan: Other Actions Not Listed Previously

Vermont Housing Council

The Housing Council includes representatives from numerous state and federal agencies and nonprofit and private housing providers. The Housing Council meets bimonthly. Several members have participated actively in the development of the Consolidated Plan. In 2011 the State completed a review of the Housing Council Executive Order, updating the goals and objectives of the Council and realigning the membership. This revised Executive Order was issued by Governor Peter Shumlin and numbered as Executive Order 08-11.

The Council's specific responsibilities for the next year will be to:

- continue the Vermont Housing Awareness Campaign;
- continue the on-going work of the Fair Housing Committee;

Fair Housing

The State of Vermont is committed to eliminating discriminatory housing practices and to affirmatively furthering fair housing (AFFH). This commitment is underscored by the fact that affirmatively furthering fair housing is one of the State's responsibilities as part of its acceptance and management of the CDBG funds from HUD.

The following summarizes the actions and activities the State plans to continue in the next year:

1. Finalize and publish the State's 2012 Analysis of Impediments to Fair Housing Choice.

2. Undertake the actions and activities as identified in the 2012 Analysis of Impediments to Fair Housing Choice's Action Plan.

3. Spearhead efforts to pass legislation to make it unlawful under the state's Fair Housing Act to discriminate in land use decisions, or in the permitting of housing, because of any of the existing 12 protected classes under state law; and to add affordable housing for families or individuals with incomes at or below 80 percent of the area median income as a protected class for purposes of land use decisions and the permitting of housing.

4. Collaborate with, and provide funding to, the Champlain Valley Office of Economic Opportunity's ("CVOEO") Fair Housing Project to:
   a. Provide AFFH trainings to municipal officials, planning professionals, developers, town officials and community organizations;
   b. Create an easily-accessible AFFH online training module for CDBG grantees;
   c. Assess the municipal plans and regulatory processes of two communities that receive Community Development Block Grant money through the Vermont Community Development Program. These assessments will identify best practices as well as potential barriers to fair housing.
   d. Review the municipal codes of approximately fifty Vermont communities, identifying potential impediments to fair housing. The results of these reviews will be used to both understand the scope of zoning-based impediments and to help ACCD allocate future CDBG funds in a manner that affirmatively furthers fair housing.

e. Create an online resource page that will bring together a wide range of Fair Housing resources in one organized, searchable clearinghouse. The page will provide access to current, relevant information for planners, developers, municipal officials and the general public. It will also serve as a platform to launch online trainings.

f. Host a series of focus groups and personal interviews with landlords, developers, municipal officials, immigrant/refugee caseworkers and individuals who receive public assistance and/or are likely to face national origin or familial status discrimination. The purpose of these interviews will be to gain a better understanding of the documented discrimination based on national origin and familial status, as well as discrimination against people who receive public assistance in Vermont.

g. Create educational materials and policy strategies based on the findings related to national origin discrimination.

h. Conduct a series of focus groups and interviews aimed at understanding and addressing discrimination based on national origin and the receipt of public assistance.

i. Develop a multimedia presentation that provides fair housing information in American Sign Language;

j. Create and distribute a guide to best practices related to communicating with members of the deaf community;

k. Produce fair housing materials in five languages to be chosen in collaboration with the Department and the Vermont Refugee Resettlement Project; and

l. Produce an AFFH Guidebook for municipalities.

5. Collaborate with the CVOEO Fair Housing Project and the Vermont Human Rights Commission to provide comprehensive fair housing trainings for municipal officials and CDBG grantees throughout the state.

6. Require all municipalities receiving CDBG funding to receive fair housing training on federal and State fair housing laws and on ways municipalities can affirmatively further fair housing at the local level.

7. Chair and staff the Fair Housing Committee of the Vermont Housing Council.

8. Educate municipalities on the importance of providing a variety of housing choices to their residents by staffing the Vermont Land Use Education and Training Collaborative.

9. Administer and staff the Vermont Neighborhood Program to provide financial benefits to stimulate the development of new housing, including affordable housing, in targeted areas in and around the designated downtowns, village centers, new town centers, and growth centers.

10. Provide assistance to the general public regarding Fair Housing and Landlord/Tenant Laws and their rights and responsibilities under those laws. The Department also fields inquires and complaints from the public and makes referrals to the Human Rights Commission if necessary.

11. Designate April as Fair Housing Month in Vermont by Gubernatorial Proclamation.

12. Ensure all CDBG grantees adopt a Fair Housing Policy and submit verification of such policy; and ensure said policy is posted at the municipal offices as well as at any construction site involving a housing project. Field monitoring visits are made by the VCDP staff to verify the visibility of the posted notices that provide individuals information as to the municipal Fair Housing Policy.

13. Contact the Vermont Human Rights Commission as part of VCDP's staff review of CDBG grant applications to determine whether any findings against municipalities have been made. To date, there have been no validated findings made in any of the municipalities that received VCDP funding.

14. Maintain and keep up to date a Fair Housing page on the Department's website to provide public access to Fair Housing information such as the State's Analysis of Impediments to Fair Housing Choice, links to Fair Housing resources and advocacy groups, and current and past editions of the "Fair Housing News" which is published by the Vermont Human Rights Commission and the Champlain Valley Office of Economic Opportunity's Fair Housing Project.

6. Table of Federal, Non-federal Public, and Private Resources

Resource type	Source or program	Source or Program Description	Explanation of federal funds leveraging and match requirements, if any
Federal	Community Development Block Grant (CDBG)	Housing, public facilities and services, economic development	10% match requirement for business projects, 25% for planning grants, 25% match for ADA projects, 25% match for slums and blight
Federal	Low Income Home Energy Assistance Program (LIHEAP)	Heating assistance for low income households	
Federal	Emergency Solutions Grant Program (ESGP)	Housing and services for homeless families and/or individuals	1:1 or 100% match requirement
Federal	Federal Workforce Investment Act (WAI)	On the job training program	Up to 50% match requirement for training new employees. Managed by Vermont Department of Labor
Federal	HOME	Affordable housing, Community Housing Development Organization (CHDO) capacity funds	25% match for rehabilitation and new construction
Federal	Housing Opportunities for Persons with Aids (HOPWA)	HIV/AIDS housing and supportive services	Points awarded for leveraging
Federal	Lead-Based Paint Hazard Reduction Program	Lead paint hazard control for low income homeowners and private and nonprofit landlords	10% match required. CDBG funds are the only federal match permitted
Federal	USDA-Rural Development (USA-RD)	Loans and grants to municipalities and nonprofits for water and sewer facilities and public services, business loans	Water and waste disposal-grants up to 75% of project cost, loans up to 100% of local costs; business and Industry-loan guarantees up to 80%, intermediary re-lending program up to 100%; community facilities-no match required
Federal	USDA-RD 515 Rural Rental Housing Programs	Direct mortgage loans to provide affordable rental housing to low and moderate income families, the elderly and disabled	3% equity for private developers; none for nonprofit, leveraging encouraged
Federal	Housing Choice Vouchers (Section 8)	Rental and homeownership subsidy for low income households	
Federal	FHA Section 202 Elderly	Construction, rehab, or acquisition of supportive rental housing for very low income elderly persons	0.5% of the Capital Advance but not more than $25,000
Federal	FHA Section 811 Handicapped Homeless	To develop supportive rental housing for low income disabled adults	0.5% of the Capital Advance but not more than $10,000
Federal	Shelter Plus Care (Continuum of Care)	Permanent rental subsidies, combined with supportive services, coordinated with persons experiencing homelessness and a disabling condition.	Supportive service match equal to the value of the rental assistance provided by HUD

6. Table of Federal, Non-federal Public, and Private Resources

Resource type	Source or program	Source or Program Description	Explanation of federal funds leveraging and match requirements, if any
Federal	Supportive Housing Program (Continuum of Care)	Programs to reduce homelessness: Supportive services only, Transitional housing, Homeless management information system, and Permanent supportive housing.	20-25% cash match of grant amount from other sources.
Private	Federal Housing Credits (formerly Low Income Housing Tax Credit)	Brings equity investments into affordable rental housing development and rehabilitation, administered by VHFA. Supplemented by $400,000 in State tax credits.	
Private	U.S. Small Business Administration	Various types of loans from participating banks for small businesses	Guarantees available for 50-90% of bank loan. SBA 504 loans cover up to 40% of project costs when a Certified Community Development company (CDC) provides 50% equity with a junior lien.
Private	Federal Home Loan Bank Community Investment and Affordable Housing Programs (FHLB)	Affordable Housing Program offers grants and subsidized advances for affordable housing; Community Development advance is a reduced-rate advance for funding eligible affordable-housing, economic-development, and mixed-use initiatives; New England Fund provides advances to support housing and community-development initiatives that serve moderate-income households and neighborhoods; Equity Builder Program offers members grants to provide income-eligible buyers with down-payment, closing-cost, and rehabilitation assistance, as well as matched-savings programs.	20% equity for Loan Program. Leverage encouraged for subsidized advance
Private	Vermont Community Loan Fund (Including state Charitable Investments in Housing credit)	Loans for small businesses, affordable housing, community facilities, and child care facilities.	Maximum loan-to-value- ratios vary
Non-federal public	Vermont Department of Environmental Conservation, State Drinking Water RLF	Loans for public community water supplies, also have a wastewater fund	Variable matching and requirements depending on purpose.
Non-federal public	Local and Regional Revolving Loan Funds	Network of RLF's providing rental rehab and home improvement loans	Matching requirements vary

6. Table of Federal, Non-federal Public, and Private Resources

Resource type	Source or program	Source or Program Description	Explanation of federal funds leveraging and match requirements, if any
Non-federal public	Vermont Economic Development Authority	Provides loans and other financial support to eligible and qualified Vermont businesses; manages a wide range of low-cost lending programs for small- and medium-sized businesses.	40%-70% match required, depending on program
Non-federal public	Vermont Housing Conservation Board	Independent, state-supported funding agency providing grants, loans and technical assistance to nonprofit organizations, municipalities and state agencies for the development of perpetually affordable housing and for the conservation of important agricultural land, recreational land, natural areas and historic properties in Vermont.	Leveraging encouraged. No match required
Non-federal public	Vermont Housing Finance Agency 1. Multi-Family Bonding 2. Mortgage Revenue Bonding 3. Predevelopment Programs (single and multi-family)	Provides a variety of loan products for developers of multi- and single-family properties and mortgage programs for home buyers	1. Equity contribution required 2. 5% equity contribution required 3. 0-5% of eligible development costs required as match
Non-federal public	Vermont Department of Economic Development	Available for new and existing manufacturing jobs, to train for new technologies and for cross-training	Job training grants: 50% match required.
Non-federal public	Vermont Division for Historic Preservation	Grants to assist private property owners, municipalities and non-profits in restoring important historic buildings across the state. Administers federal and state tax credits designed to encourage the restoration/rehabilitation of historic buildings.	Historic Preservation Grant Program: 50% match required
Non-federal public	Vermont Department of Labor 1. Business/Education partnership grant 2. Registered Apprenticeship	Employer-sponsored training program that includes both supervised work experience and related instruction in over 30 different occupations.	1. Required match equal to amount of grant 2. Leveraged funds from employers include tuition costs for required related instruction, and on-the-job training costs for each apprentice.

7. 2012 Action Plan: Program Specific Requirements

Community Development Block Grant (CDBG)

Method of Distribution

Introduction

The Vermont Community Development Program (VCDP) is funded with Community Development Block Grant (CDBG) funds under Title I of the Housing and Community Development Act of 1974, as amended, 42 U.S.C. Section 5301 et seq., herein referred to as the "FEDERAL ACT." All municipalities in Vermont, except Burlington (which receives funds directly from HUD), are eligible to apply for VCDP funds.

The VCDP is authorized under the Vermont Community Development Act, Title 10 V.S.A. Chapter 29, referred to in this Consolidated Plan as the "STATE ACT." The lead agency, ACCD, administers the VCDP through the Department of Economic, Housing and Community Development (DEHCD). All municipalities, unless currently sanctioned, are eligible to apply for VCDP funding through a competitive, needs based application process. Funding levels, maximum and minimum grant requests, selection criteria, State priorities, and application assistance can be found on the next pages and in more detail at the VCDP Website below.

The VCDP provides eligibility criteria, application workshops, notices of funding availability, a Program Guide and Application Instructions at its Website:
http://accd.vermont.gov/strong_communities/opportunities/funding/vcdp

The Website is used to provide potential applicants and existing grantees with all the resources needed to apply for funding, receive technical assistance and successfully manage their projects. VCDP Staff are readily available to assist potential applicants, current applicants and existing grantees.

Each year, VCDP notifies (Via Email) every eligible municipality in the state of the availability of CDBG funding and up-coming application workshops. This outreach and communication is critical for VCDP since funding is not directly allocated or targeted to particular communities or regions within the state. VCDP provides an open application process with applications accepted throughout the year and funding availability guaranteed throughout the year. Three VCDP Board meetings to make funding recommendations have been established for the FFY 2012 Allocation. Municipalities are encouraged to apply for funding throughout the year. More information on VCDP Board Meeting dates, application instructions and assistance accessing the program can be found at
http://accd.vermont.gov/strong_communities/opportunities/funding/vcdp

Selection Criteria

The State Act stipulates that the allocation of VCDP funds shall be competitive, insure that a wide range of community development activities be eligible, and be based on a system that measures the need and impact of the proposed projects (10 VSA Sec.687). The VCDP has established an application process and selection criteria to meet the intent of the State Act. The VCDP uses a Web-based Application System. Applications are completed online and are submitted by municipalities. VCDP staff then review each application for eligibility and completeness, before conducting a thorough analysis of each eligible application. The VCDP

Board then reviews each application, interviews & questions the applicants using the below criteria and makes funding recommendations to the ACCD Secretary on behalf of the Governor. Each of the three criteria has equal weight and staff analyses of the applications are written based on these criteria. The selection criterion is as follows:

1. **Project Need:** The project must meet a documented community or regional need. Determinations will be based on evaluation of such factors as:
    - Need documentation
    - Appropriate solution
    - Appropriate funding
    - Meeting Consolidated Plan priorities
    - Meeting local and regional plan priorities
    - Health/safety risks to beneficiaries
    - Impact if project not funded

2. **Project Impact:** The project must show how well it meets a national objective and how well it impacts the community. Determinations will be based on evaluation of such factors as:
    - Ability to meet the need
    - Number/percentage of very low, low and moderate income persons directly benefiting
    - Longevity of the benefit
    - Beneficiary involvement in developing the project
    - Indirect benefit to LMI persons and the community

3. **Project Feasibility:** The project must be attainable and the representations and commitments within the application must be believable. This will include such factors as:
    - Readiness to start
    - Proposed time frame is realistic
    - Proposed benefit is realistic
    - Costs are appropriate and justified
    - Prior VCDP performance record

Please see the VCDP Program Guide at: http://accd.vermont.gov/strong_communities/opportunities/funding/vcdp/applicants/guide for a detailed description of the program including; selection criteria, funding levels and application instructions.

Funds Distribution

The Agency estimates that it will receive $6,210,448 as the Annual CDBG Award from HUD for the 2012 federal fiscal year. See Chart 1, FFY 2012 Distribution Plan, for breakdown of distribution among funding categories. These funds will be administered in conformance with the Consolidated Plan in effect at the time of grant award to the municipality. As stated throughout this 5 Year Consolidated Plan and 2012 Action Plan, projects that support affordable housing, employment opportunities, public facilities and public services are eligible and encouraged to apply for CDBG funding. The highest priorities continue to be to create affordable housing and employment opportunities for low and moderate income individuals, with preference for facilitating development and growth in Designated Downtowns and Village Centers.

In the interest of meeting timely distribution requirements of HUD, the Agency reserves the right to award FFY2013 funds under the 2012 Consolidated Plan. Any funds from previous years - those being funds not yet awarded, funds that have been recaptured from previous awards, or program income - will be awarded under the provisions of the Consolidated Plan in effect at the time of award.

Funds Distribution Limitations

The VCDP must expend at least 70% of the HUD Award over a period of three program years to fund activities that principally benefit persons of low and moderate income. Grants for Activities which aid in the prevention or elimination of slums and blight (Slums and Blight) or that are designed to meet community development needs having a particular urgency (Urgent Need) do not necessarily provide a direct benefit to persons with low and moderate incomes. Such awards, therefore, must be drawn from the remaining 30% of the CDBG award over a period of three program years. Grants for these activities combined will be limited to 13% of the total HUD Award over a period of three program years.

Costs for grant activities known as General Administration may not exceed 12% of a VCDP grant award. This limitation assures compliance with the federally imposed cap of 20% of the total Annual HUD Award and program income that may be used for all VCDP planning and general administrative purposes, including both state and local costs.

The Federal Act restricts the total funds that may be used to fund activities known as Public Service to 15% of the Annual HUD Award that is allocated for assistance to municipalities. The maximum allowable for public service activities is shown by Chart I.

The state may use up to one percent of the Annual HUD Awards for FFY88 through FFY2012 -- to the extent funds remain undistributed for these program years -- to provide technical assistance to local governments and nonprofit recipients. The amount established for this VCDP Consolidated Plan is shown in Chart I.

Chart I
FFY2012 DISTRIBUTION PLAN

	FFY2012 Allocation
Available Funds	
Anticipated FFY 2012 Annual HUD Award	$6,210,448
Anticipated FFY 2012 Program Income*	$125,000*
Total Available	$6,335,448
Allocations Based on Anticipated FFY 2012 Annual HUD Award and Anticipated Program Income	
Implementation Grants (IG) (Includes Planning Grant Target of 3%)	$5,749,135*
Accessibility Modifications Grants (AM) set-aside (1)	$200,000
Home Access Grants (HA) set-aside (1)	$100,000
State Administration	$286,313
• (2% $124,209	
• $100,000	
• + 1%TA $62,104	
Total	$6,335,448

() (1) FFY2012 AM & HA , any remaining funds available at the time of the last funding round during the period of July 1, 2012 through June 1, 2013 may be awarded to Implementation and Planning Grants.

NOTE: The figures in Chart I are based on the Agency's estimate of the FFY 2012 Award, as suggested by HUD. However, if the allocation is changed, all of the amounts for allocation will also be revised accordingly.
*Program Income (PI) estimate based on amounts expected.

• Funds will be allocated so that each funding cycle will have funds to award.
• The Agency reserves the right to adjust fund categories by up to $100,000.
• Recaptured funds will be reallocated as soon as feasible.

Program Limitations	
Public Service Limitation (15% of total allocation)	$931,567
Federal 20% Cap for general administration and planning	$1,242,090
Limit on Slums & Blight and Urgent Need (13% of Total)	$807,358

Chart II
Synopsis of Grant Types

	Implementation	Planning	AM	HA	Multi-year Funding Implementation	Interim Financing	Disaster Assistance
Annual Allocation							
	$5,749,135	Target amount 3% of funding allocation	Minimum $ 200,000[1]	Minimum $ 100,000[1,6]	No amount reserved	$1,500,000 (Cum. Cap)	Disaster Specific
Funding Limits							
Maximum	$1,000,000[2]	$ 30,000[3]	$ 75,000	$ 100,000	$ 1,250,000[4]	$1,000,000	Disaster Specific
Minimum	$50,000	$ 3,000	$ 5,000	$ 5,000	$ 250,000		
Grant Duration							
	24 months	18 to 24 months	18 to 24 months	24 months	48 months	12 months	24 months
Application Process							
Early notification	Request	Requested	Requested	Requested	Requested	Requested	Requested if possible
Submission dates	Application deadlines	Application deadlines	Application deadlines	Application deadlines	Application deadlines	Open submission	Open submission
Recommendations by:	Board recommends to Agency Secretary	Staff recommends to the CD Board -Board recommends to Agency Secretary	-Staff recommends to Agency Secretary	Board recommends to Agency Secretary	-Board recommends to Agency Secretary	Selection committee recommends to Agency Secretary[5]	Selection committee recommends to Agency Secretary[6]
Awards by:	Agency Secretary	Agency Secretary	Agency Secretary	Agency Secretary	Agency Secretary	Agency Secretary	Agency Secretary
Selection Criteria							
	Need	Need	Need	Need	Need	Need	Need
	Impact	Impact	Impact	Impact	Impact	Impact	Impact
	Feasibility	Feasibility	Feasibility	Feasibility	Feasibility	Feasibility	Feasibility
Special Requirements							
Thresholds	Consolidated Plan & Application	Consolidated Plan & Application	Consolidated Plan & Application	Consolidated Plan & Application	Consolidated Plan & Application	Consolidated Plan & Application	Consolidated Plan & Application

Match requirements	-25% of VCDP Funds in cash or cash-in-kind for ADA and Slums & Blight; which must be applied to remediating the S&B condition.	-25% of VCDP Funds in cash or cash-in-kind.	-25% cash or Cash-in-kind match.	-25% of VCDP Funds in cash or cash-in-kind.	-25% of VCDP Funds in cash or cash-in-kind for ADA and Slums & Blight; which must be applied to remediating the S&B condition.	Negotiable, but expectation is to meet IG match requirements .	
Other	Credit Analysis (fee associated) may be required for some ED Projects and some Housing Projects.				Credit Analysis (fee associated) may be required for some ED Projects and some Housing Projects.	Irrevocable Letter-of-Credit by municipality	Apply within 4 months of disaster declaration

[1] AM & HA & MD funds not awarded by June 1 may be awarded to Implementation and Planning Grants.
[2] Maximum funding limit for community public facility and public service projects is $300,000.
[3] Maximum funding limit for a consortium PG application is $40,000.
[4] No more than $500,000 can be forward committed.
[5] The Agency reserves the right to have IFP & DAP applications go through the full CD Board process if there is no compelling reason to activate the Selection Committee.
[6] HA funds may be distributed through the scattered site housing RLF's in partnership with VCIL if requested.

Please see the VCDP Program Guide at: http://accd.vermont.gov/strong_communities/opportunities/funding/vcdp/applicants/guide for a detailed description of the program including; grant types, selection criteria, match requirements, funding levels and application instructions.

Eligibility Thresholds

All applications for VCDP funds must meet the following eligibility thresholds in order to be considered for review. These eligibility thresholds are statutory and cannot be waived by the Agency. Failure to meet all eligibility thresholds will result in rejection of the Application.

- Eligible Applicant: The only eligible applicants are Vermont towns and cities and incorporated villages chartered to function as general purpose units of local government. A municipality may apply: as a single applicant, as the lead applicant of a consortium, as a member of a consortium, but not as a single applicant and as lead applicant of a consortium.
- Eligible Activity: Only those activities eligible under the Federal Act may be funded under this program.
- Federal Objective: Each proposed VCDP activity must meet at least one national objective. The national objective claim must be fully supported, and in some cases, the AGENCY should pre approve your approach for meeting the national objective.
- State Objective: Each proposed VCDP activity must meet at least one state objective.
- Public Hearing: Each VCDP applicant must conduct at least one (1) public hearing with notice as required by the STATE ACT, prior to application submission. HUD regulations require a minimum of two (2) public hearings, each at a different stage of the program, for the purpose of obtaining citizens' views and responding to proposals and questions. The VCDP complies with this regulation by requiring the first public hearing during the application stage and the second public hearing prior to the completion date of the funded grant program.
- Municipal Plan: Community Development Plan/Municipal Plan - Each VCDP applicant, including consortium members, must have a municipal plan adopted in accordance with 24 VSA Ch. 117. The plan must identify the municipality's community development needs including housing and economic development as well as the needs of low and moderate-income persons and the activities to be undertaken to meet such needs.
- Anti-Displacement Plan: Under the provisions of the Uniform Act, 42 USC §4601 et seq., each successful applicant, including all municipalities in joint applications, but excluding Planning Grant applicants, must submit a Residential Anti-Displacement and Relocation Assistance Plan (ADP) and state whether or not the proposed activity will result in displacement, relocation, property demolition, or property change of use.
- Please see the VCDP Program Guide at: http://accd.vermont.gov/strong_communities/opportunities/funding/vcdp/applicants/guide for a detailed description of eligibility criteria and program thresholds.

VCDP 2012 Program Policy Updates

Unless specifically listed or changed in this section, all VCDP Program Policies identified in previous Consolidated Plans remain in effect.

The following are new VCDP/CDBG programmatic changes or changes from last year, as further amended:

VCDP has taken several steps in the last year to encourage voluntary compliance with the Americans with Disabilities Act (ADA). Last year, the program increased the funding maximum for municipal Access Modification grants to $75,000 and lowered the match requirement to 25%. In addition, staff has been working with the New England ADA Center and Vermont Center for Independent Living to identify existing resources that are available to municipalities and non-profit organizations that would like to improve access to their buildings and programs. In the coming year VCDP will continue to work with partners and stakeholders to develop resources, technical assistance, and best practices to assist communities wishing to voluntarily comply with ADA standards.

VCDP will require communities applying for funding to have an adopted Town Plan and will no longer accept “Community Development Plans” to satisfy this requirement.

VCDP will take into consideration, a community’s voluntary adoption of, stream corridor protection/flood hazard zoning by-laws or regulations that are consistent with VT Agency of Natural Resources Flood Hazard Model Regulations when reviewing and recommending projects for funding.

Vermont HOME Program Specific Requirements

Method of Distribution

The FFY 2012, Home Investment Partnerships Program (HOME) allocated funds are $3,000,000. The Department was designated the agency responsible for developing the Consolidated Plan and by statute the Vermont Housing and Conservation Board (VHCB) has been designated as the agency responsible for administering HOME funds.

In FFY 2012, HOME funds will be utilized for the following programs as an investment in the form of grants or long-term deferred loans:

1. **Acquisition and Rehabilitation Program**, to be used for acquisition and rehabilitation of conventional rental properties to make them affordable to low income households, convert them to cooperative properties, or for the acquisition and improvement of mobile home parks;

When HOME funds are used for a rehabilitation project, the work must be performed according to the Participating Jurisdiction's (PJ) written rehabilitation standards, which describe the methods and materials to be used, and the entire unit must be brought up to property standards (applicable state or local codes or one of the model codes described in 24 CFR 92.251(a)(1)).

2. **New Construction Program**, to be used for the production of conventional rental properties that serve an area or market where existing housing stock is limited, housing for households/individuals with documented special needs, the construction of new mobile home parks, or cooperative properties. Units created under this program must be affordable to low income households; and

3. **Refinancing existing debt**, multi-family projects developed by locally based housing organizations that receive HOME funds for rehabilitation may utilize HOME funds to refinance existing debt if there is significant rehabilitation of the property proposed in addition to the refinancing.

Community Housing Development Organizations (CHDOs)

Fifteen percent (15%) or $450,000 of the FFY 2012 HOME allocation will be reserved for Community Housing Development Organizations (CHDOs) as defined in 24 CFR 92.2.

Up to five percent (5%) or $150,000 of the State's total HOME allocation will be reserved for organizational capacity funding for CHDOs to implement HOME-funded projects.

Statewide Allocation

The State's allocation (including 15% reserved for CHDOs) of $2,550,000 in funds will be distributed to projects on a competitive basis throughout the state, excluding the City of Burlington which has its own allocation.

Program Administration

The State's program will be administered by the Vermont Housing and Conservation Board (VHCB) pursuant to a contract with the Department.

The State recognizes that its Consolidated Plan cycle is not consistent with the ability of its agent, VHCB, to commit HOME funds. Considering the fact that Vermont's HOME Program is recognized by HUD as a national leader in achieving the goals of the HOME Program, we find this inconsistency to not be a significant issue in program delivery. However, we will work with VHCB and HUD to determine whether HOME funds can be made available at a time closer to the commencement of the federal fiscal year.

Administrative Costs

The State intends to use up to 10% of the HOME allocation for administrative and planning costs, distributing funds among the two entities involved with administering Vermont's HOME Program: The Department of Economic, Housing and Community Development and Vermont Housing and Conservation Board. The State may use up to $300,000 in FFY 2012 funds for eligible administrative costs.

Statewide Program Guidelines

Eligible Applicants

Eligibility to apply for HOME funds will be no more restrictive than that required by HUD regulations. Consistent with the HUD regulations, at least 15% will be distributed to Community Housing Development Organizations, as defined by HUD. Applications will be accepted on a rolling basis and acted upon at regularly scheduled Board meetings based on project readiness.

<u>Threshold Criteria for Eligible Applicants</u>

The following criteria must exist in any application to be considered for a commitment of HOME funds:

1. Perpetual affordability secured by a housing subsidy covenant, ground lease with appreciation restrictions, or other mechanism, including the designated enforcing entities, acceptable to at least one of the designated enforcing entities: Vermont Housing and Conservation Board, or the Department of Economic, Housing and Community Development;
2. Project must include at least one of the Consolidated Plan priorities for affordable housing; and
3. Priority is given to Projects with other non-federal funding sources for leveraging the HOME Funds to ensure the overall HOME Program meets the 25% Match Requirement. Projects must demonstrate leverage of resources and cost-effectiveness, including density bonuses, building weatherization, energy efficiency, and fuel switching available from private and public programs, and lead paint hazard abatement. Historically, a majority of the Vermont Housing Conservation Board (VHCB) State appropriation for housing is matched to the HOME Program funds.

Additional Analysis

Justification should be provided by the applicant or analysis will be done by VHCB on the following:

1. **Need for project**, including projected or existing residents and local market need and demand;
2. **Affordability**

- At a minimum, is the project "affordable" as defined in the HUD regulations?
- Breakdown of "target" populations by the four income groups: lowest, very low, low and moderate with percentage of annual income to be paid toward housing cost by occupant - are cash flow projections reasonable and do they maintain affordability?
- If mixed income, is distribution among populations reasonable according to local need and market?
- Is the proposed perpetual affordability mechanism reasonable based on VHCB experience?

3. **Project Costs and Design**

- Are projected costs reasonable based on VHCB experience? Soft costs will be evaluated based on needs of particular projects in relation to other projects similar in size and population served.
- Can projects be completed within 24 months of commitment of HOME funds?
- Has there been coordination with the Residential Energy Efficiency Program (REEP) regarding incentive contribution for increased energy efficiency measures and is the contribution, if any, reasonable?

Efficient Use of Federal Resources

Consistent with 24 CFR Section 92.250(b), projects using other federal assistance in addition to HOME funds will require an analysis of whether the amount of HOME funds invested is reasonable to achieve affordable housing. This analysis will confirm that the project can be sustained from rent levels affordable to the targeted population while maintaining adequate levels of maintenance or repair and fully funding reserves required by lenders or grantors. This analysis will be done by VHCB for each application.

Commitments of HOME Funds

The distribution of HOME units must, at a minimum, achieve the allocations by income group required by HUD for rental projects (all funds to <80% of median; at least 90% of funds to <60% of median; for projects with five (5) or more HOME units at least 20% of units to <50% of median).

Commitments of HOME funds will not exceed any per unit cap set by VHCB. Based on the Program Guidelines, HOME funds may be committed to a project as a whole provided that per unit allocations meet HUD requirements. Terms will be determined consistent with HUD requirements and will reflect the ability of the project to maintain affordability and to serve the lowest income population based on market demand. Grants may be appropriate.

CHDO Plan

The State of Vermont has an extensive track record in working with Community Housing Development Organizations (CHDOs) and other nonprofit organizations, through the support of the Vermont Housing and Conservation Board and the Vermont Housing Finance Agency.

A minimum of fifteen percent (15%) of the statewide HOME allocation or $450,000 will be reserved for CHDO projects as defined in 24 CFR 92.2. Vermont may use a portion of this reservation for eligible predevelopment costs.

In addition, the State will reserve up to five percent (5%) of its total HOME allocation, or $150,000 for operating costs for CHDOs that implement HOME-funded projects. Vermont's housing entities will continue to provide technical assistance and training aimed at strengthening CHDOs and other nonprofit housing developers.

Refinancing Guidelines for HOME Projects

Multi-family projects developed by locally based housing organizations that receive HOME funds for rehabilitation may utilize HOME funds to refinance existing debt consistent with 24 CRF 92.206(b)(2), if they meet the following guidelines:

1. Refinancing is necessary to permit or to continue affordability under section 92.252;
2. Rehabilitation is the primary eligible activity. A minimum of $7,500 of rehabilitation per unit is required;
3. The grantee must demonstrate management capacity and practices that ensure that the long term needs of the project can be met and the targeted population can be served over an extended affordability period;
4. The grantee must demonstrate that the new investment is being made to maintain current affordable units, to create greater affordability in current affordable units; or to create additional affordable units;
5. Refinancing will be limited to projects that have previously received an investment of public funds;
6. The minimum HOME affordability period shall be 15 years and all HOME assisted projects are required to be perpetually affordable;
7. HOME funds may be used for refinancing anywhere in the state of Vermont with the exception of the City of Burlington;
8. HOME funds cannot be used to refinance multifamily loans made or insured by any Federal program, including CDBG.

Emergency Solutions Grants Program Specific Requirements

Overview

The Emergency Solutions Grants program (ESG) is administered by the state Office of Economic Opportunity (OEO) to help nonprofit organizations, including community and faith-based organizations; provide emergency overnight and day shelter; offer supportive services for homeless families and individuals; and implement effective homeless prevention and rapid re-housing initiatives within the local continuum of care.

Coordination and Consultation

The State OEO coordinates with partners in the Vermont Agency of Human Services (AHS), Chittenden County and Balance of State Continua of Care, and external stakeholders to ensure that ESG's enhanced homelessness prevention and re-housing role is part of an integrated, statewide strategy to ending homelessness and improving housing and stability outcomes for families and individuals. The partners have taken the following steps in anticipation of the HEARTH Act to better reflect and formalize their strong level of coordination.

- Staff from the Vermont State Housing Authority (C.o.C. Lead Agency and largest C.o.C. Grantee recipient for the Vermont Balance of State Continuum of Care) and the State Office of Economic Opportunity (Emergency Shelter/Solutions Grantee for Vermont) meet with the Consolidated Plan Advisory group.

- In state fiscal year 2012, the OEO Emergency Shelter/Solutions Grant Administrator joined the steering committee of the Vermont Coalition to End Homelessness, the Primary Decision-Making Group for the Vermont Balance of State Continuum of Care.

- The Vermont Office of Economic Opportunity and Vermont State Housing Authority have begun sharing more sub-recipient/sponsor information relating to the development of performance measures and actual outcomes for both the ESG, Supportive Housing Program (SHP), and Shelter Plus Care Program. These efforts will continue within the entire Vermont Balance of State Continuum of Care, as well as the Burlington/Chittenden C.o.C. over the coming year as final, year-end, ESG program data becomes available in the summer of 2012.

- The Vermont State Housing Authority has invited the Emergency Shelter/Solutions Grantee to participate in a Project Review Committee to evaluate applications for recent Shelter Plus Care Program Bonus projects.

- All parties, as well as staff from Vermont's Agency of Commerce and Community Development (CDBG Grantee) are represented on the Vermont Council on Homelessness.

- Both the Vermont Balance of State Continuum of Care and Burlington/Chittenden County Continuum of Care are currently receiving assistance from the Technical Assistance Collaborative (TAC) to ensure Vermont is prepared for complete HEARTH implementation.

Match Requirement

The Vermont legislature allocates $792,000 in state general funds to be used for "homeless shelter and services." These funds, also administered by the Office of Economic Opportunity, are added to Vermont's ESG program, fulfilling the ESG match requirement.

Proposed Activities and Rationale

Vermont has chosen to target the majority of its additional ESG funds towards Rapid Re-housing and Homelessness Prevention. In both categories, Vermont has elected to allocate funding to Housing Relocation and Stabilization Services. This helps to fill a critical gap in case management, and provides maximum flexibility for local sub-recipient providers to respond to the individual needs of homeless households with funding for activities such as rental assistance, security deposits and housing search.

This decision is based on an analysis of data and lessons learned from HUD's HPRP program; reports released by policy experts such as the National Alliance to End Homelessness; and an acknowledgement that homelessness is inherently traumatic for families and individuals and that reducing the duration of homelessness for families and individuals is the most humane, efficient and effective strategy for reducing homelessness, preventing chronic homelessness, and avoiding more costly interventions in the future.

Two of the largest obstacles to preventing and ending homelessness in Vermont are regional shortages of units affordable to persons at or below 30% of AMI, and a shortage of intensive housing case management with an ability to provide adequate follow-up after a household is stabilized or re-housed. Vermont has taken steps to increase the number of subsidies through the use of state dollars, but in many counties, rents are so high and vacancy rates so low that tenant-based subsidies can be difficult to utilize. In other regions, the affordability crisis is less pressing, but the shortage of strong case management that stays with the person can lead to recidivism back into homelessness. Vermont is engaged on many fronts in addressing both of these issues.

While Vermont recognizes the urgent need for more long-term rental assistance through programs such as HUD's section 8 and USDA Rural Development, it has not chosen to dedicate phase II ESG funds to medium-term rental subsidy assistance because: 1) Vermont is in the process of adding over 100 new subsidies/vouchers in rental markets with very low vacancy rates; and 2) Policy papers suggest that, in the case of HPRP, small amounts of assistance provided to a larger group of people may be more effective in both prevention and re-housing.

Standards for Provision of ESG Assistance

Vermont has developed the following standards for the provision of HUD Emergency Solutions Grant assistance and expects to continue to refine and enhance these standards in future Consolidated Plans and Annual Action Plans over the next few years based on outcomes data and experience shared by providers, administrators and beneficiaries. Any of the written standards below which are not contained in the State's RFP will be communicated to funded sub-recipients in a memorandum to accompany written grant documents.

A. Evaluation of individuals' and families' eligibility for assistance under the Emergency Solutions Grant (ESG).

The policies and procedures of providers funded under HUD ESG shall be consistent with the definitions of homeless and at risk of homelessness in 24 CFR 576.2 (included here as appendices I and II) and the recordkeeping requirements in 24 CFR 576.500(b), (c), (d), and (e), specifically:

Program participant eligibility for ESG Homelessness Prevention activity is limited to families and individuals who meet the criteria under the ‘‘at risk of homelessness’’ definition (included here as appendix III), or who meet the criteria in paragraph (2), (3), or (4) of the HUD Definition of Homelessness (included here as appendix II) and have an annual income below 30 percent of median family income for the county, as determined by HUD.

Program participant eligibility for ESG Rapid Re-Housing activity is limited to families and individuals who meet the criteria under paragraph (1) of the HUD Definition of Homelessness (included here as appendix II), or who meet the criteria under paragraph (4) and live in an emergency shelter or other place described in paragraph (1) of the definition.

B. Coordination among emergency shelter providers, essential service providers, homelessness prevention and rapid re-housing assistance providers, other homeless assistance providers, and mainstream service and housing providers.

1. At the local level, emergency shelter providers, essential service providers, homelessness prevention and rapid re-housing assistance providers, other homeless assistance providers, and mainstream service and housing providers are coordinated through Vermont’s smaller, regional, continua of care. All have developed task forces, working groups, or inter-agency teams to ensure coordination of services for homeless and at-risk households.

2. The current ESG Request For Proposal requires detailed responses from applicants on coordination with partners in the continuum and AHS district. This factors into allocation decisions and will aid Vermont in developing further systems and procedures to achieve maximum efficiency and effectiveness among ESG providers in the continuum. All ESG applicants must provide data on their agency’s demonstrated ability to reduce the incidence and duration of homelessness in their AHS district or local continuum of care; prevent homelessness or re-house the homeless; provide effective housing stability case management services; or connect homeless clients with mainstream benefits. All ESG applicants must:

A. Identify the local Continuum of Care and AHS District(s) served.

B. Describe their agency’s role and participation in the local Continuum of Care.

C. Evidence the need for the assistance and its position within the District or Continuum.

D. Describe how the proposed activities fill a gap or address a priority of the Continuum.

E. List any other agencies in the District or Continuum providing similar services to those for which they are applying?

F. Grantees applying for essential services funding for case management must include additional detail on what will be provided; what model or approach will be used; estimated case loads; qualifications or training of housing support workers / case managers; the level of aftercare case management to be provided; how leads, coordinators or teams will be established; and how this activity will be coordinated with

other local providers in the AHS District or local Continuum of Care.

G. Grantees applying for direct service funding for prevention or rapid re-housing must include additional detail on what will be provided; how eligibility will be determined and documented; how gaps and duplication will be avoided; how staff will provide follow-up; and how this activity will be coordinated with other local providers in the AHS District or local Continuum of Care.

3. Providers funded under the Street Outreach activity will provide services to all unsheltered persons in the service territory that desire to be engaged and provided services. When able, outreach workers shall target services and resources to those with pronounced mental and/or physical heath issues, so as to improve their access to resources that will improve the clients' safety and wellbeing. Outreach activities will be targeted to areas which show a significant share of unsheltered homeless as evidenced in the annual Point in Time count.

4. Vermont has received training and technical assistance to support SOAR activities to assist homeless persons with disabilities in attaining mainstream benefits such as SSI and SSDI. ESG providers will collaborate with local SOAR teams to maximize the effectiveness of these efforts.

Housing Case Management: Sub-recipients using ESG funding to fund Housing Case Management activities must understand and agree to the following special guidance.

Clarifying Housing Case Management vs. Intake/Screening

While acknowledging that case management should remain flexible to best serve the individual needs of households, the following defines basic expectations as to what is provided. This is preceded by a definition of Intake/Screening, another essential function for programs serving the homeless.

Intake/Screening: *To provide coordination at the program or community level; and direct financial assistance where appropriate.*

- Record basic household information to determine immediate need, and eligibility for other assistance.
- Assess if a household's needs can be met with financial assistance alone (such as back rent, mortgage arrearage, security deposit), or if more intensive supports are required.
- Provide financial assistance where appropriate.
- Determine what initial referral may be appropriate (case management, shelter, etc.).
- Follow-up on initial referral to prevent a household from "falling through the cracks."

Housing Case Management: *To provide coordination for the household; to provide more intensive interaction and services for clients deemed unlikely to resolve their housing crisis with short-term financial assistance alone.*

- Work closely with the household to acquire and maintain stable housing which is affordable to them.

- Determine (in consultation with household and other community partners, if applicable) who shall be the lead case manager for the household.

- Work with participants to develop a housing plan, set goals, and help participants stay on course.

- Employ best practices to help the household identify its strengths and opportunities, as well as underlying issues which may have led to homelessness, or could undermine success if not addressed.

- Provide information and encouragement for the household (or members of the household) to avail themselves of other appropriate services or take appropriate action to address barriers.

- Maintain a relationship with household, identifying the appropriate level of support without creating over-dependence. This includes providing -- when appropriate -- follow-up case management for higher-risk families after they have moved into permanent housing.

C. Determining and prioritizing which eligible families and individuals will receive homelessness prevention and rapid re-housing assistance.

Homelessness Prevention:

Program participant eligibility for ESG Homelessness Prevention activity is limited to families and individuals who meet the criteria under the ‘‘at risk of homelessness’’ definition (included here as appendix III), or who meet the criteria in paragraph (2), (3), or (4) of the HUD Definition of Homelessness (included here as appendix II) and have an annual income below 30 percent of median family income for the county, as determined by HUD.

To provide effective services and assistance to as many households at-risk of homelessness as possible, priority will be given to those households for whom it can be determined they would become homeless but for this assistance.

Non-Profit sub-recipients providing such assistance must document and maintain household income information and proof that the household was at risk of homelessness at the time of assistance.

Rapid Re-Housing:

Program participant eligibility for ESG Rapid Re-Housing activity is limited to families and individuals who meet the criteria under paragraph (1) of the HUD Definition of Homelessness (included here as appendix II), or who meet the criteria under paragraph (4) and live in an emergency shelter or other place described in paragraph (1) of the definition.

To provide effective services and assistance to as many homeless families as possible, including those with multiple housing barriers, priority will be given to those persons for whom it can be determined they would likely remain homeless but for this assistance.

Non-Profit sub-recipients providing rapid re-housing assistance must document that the household met the criteria of homelessness at the time of assistance.

General Provisions:

Prioritization of eligible families for rapid re-housing and homelessness prevention services will be determined by the local non-profit ESG sub-recipient and/or the local task force or inter-agency team, using a risk-based assessment at the time of initial program intake and screening. Among eligible ESG recipients, Vermont has not chosen to prioritize sub-populations.

<u>While the ability to sustain housing is an ESG program goal and performance measure, it will not be interpreted as a threshold requirement</u>

No financial assistance may be provided to a household for a purpose and time period supported by another public source.

D. Determining what percentage, or amount, of rent and utilities costs each program participant must pay, if any, while receiving homelessness prevention or rapid re-housing assistance.

Determining the amount of assistance for individual households will be done by the local non-profit ESG sub-recipients and/or the local task force or inter-agency team within the guidelines provided below. Sub-recipients may need to modify their level of assistance below the maximums provided in this document based on availability of ESG funds, or ability to leverage other state, federal or private assistance funding for clients. Maximum limits on assistance appear in section F, below.

E. Determining how long a particular program participant will be provided with rental assistance and whether and how the amount of that assistance will be adjusted over time.

Vermont has elected not to use ESG funding for medium-term rental subsidy assistance. Short-term rental assistance provided will be in the form of one-time payments to remedy rental arrears or provide assistance with security deposits at the time of lease-up.

F. Determining the type, amount, and duration of housing stabilization and/or relocation services to provide a program participant, including the limits, if any, on the homelessness prevention or rapid re-housing assistance that each program participant may receive, such as the maximum amount of assistance, maximum number of months the program participant receives assistance, or the maximum number of times the program participant may receive assistance.

<u>Maximum Limits of ESG financial Assistance</u>

Payments for rental arrears through ESG may not exceed the value of 3 months' rent.

Delinquent utility payments for renters using ESG may not exceed the value of 2 months charges.

Payments for security deposits through ESG funds may not exceed the value of 2 months' rent. The sub-recipient must have a procedure for recouping deposits.

While ESG-funded hotel or motel stays are not capped, any sub-recipients approved to provide such assistance will be evaluated for their ability to keep average ESG-funded motel stays below 5 days.

No participant may receive more than 6 months of ESG financial assistance in a 3-year period.

No financial assistance may be provided to a household for a purpose and time period supported by another public source.

Process for Making Sub-Awards

One or more grants will be awarded by the OEO to Vermont municipalities, or, with municipal approval, Vermont nonprofits whose purpose is to shelter, serve, and re-house the homeless. Applications for ESG funding will be evaluated by the Office of Economic Opportunity in concert with the Agency of Human Services Secretary's Office. Part of the selection process may involve a site visit of the finalists at which time documentation listed in the application will be reviewed. Eligible applicants are municipalities and approved nonprofits including community and faith-based organizations that;

1. Certify that the assisted property will be maintained as an Emergency Shelter for at least:
    - 10 years if grant is used for major renovation or conversion of building;
    - 3 years if grant is used for rehab other than major renovation or conversion;
    - the period of funded assistance provided that the assistance is not rehabilitation or renovation, and

2. Provide evidence of a match or request relief for the match requirement in the application. (*The State of Vermont has appropriated state general funds for homeless shelters and services which fulfill this match requirement as described above.*)

<u>Selection of applicants for funding will be made based on the following:</u>

- Meeting of criteria as outlined in this document and detailed in the Request for Proposal (RFP).

- The applicant's history of providing effective shelter or prevention services to the homeless, and of successfully operating performance-based grant-funded programs.

- The applicant's effective coordination with organizations in their local "continuum of care," to address identified gaps in services for the homeless and improve outcomes for participants.

- If the applicant is requesting ESG Operations funding: Assurance that funds will preserve or support existing shelter bed capacity.

- If applicant is requesting ESG Social Services, Rapid Re-Housing or Prevention funding: The applicant's ability to transition homeless participants or shelter residents to permanent or transitional housing, and/or prevent homelessness for families and individuals who are at risk.

- New applicants, and applicants who have recently relocated their operations to another municipality, must submit a completed Certification of Local Government Approval with their application.

Grant funds may not be used for the following:

- Acquisition/Mortgage costs;

- Rehabilitation services such as preparation of work specifications, loan processing or inspections.

- Renovation, rehabilitation or conversion of buildings owned by primarily religious organizations or entities unless the structure being renovated has been leased to a wholly secular organization.

Additional guidance on eligible and ineligible uses of ESG funds are contained in the Department of Housing and Urban Development's ESG program guidelines, and in grant agreements between the state of Vermont and its sub-recipients.

Homeless Participation Requirement

N/A. The Grantee is a State and not subject to § 576.405(a).

Performance Standards

Beyond traditional output measures -- such as the number of persons in emergency shelter, the number of shelter bed nights provided, or the number of households receiving homelessness prevention assistance -- the OEO and Agency of Human Services use performance-based contracting, outcome measures, indicators and targets, consistent with the goal of ending homelessness. Not all ESG sub-recipients report on all measures. Outcome performance measures are tailored to the category of ESG activity for which funding is awarded.

The Office of Economic Opportunity tracks performance measures for ESG sub-recipients quarterly. In the event that a sub-recipient's performance falls below 75% of a stated target, the sub-recipient, in conjunction with the State Office of Economic Opportunity, will develop a performance improvement plan. Continued failure to meet performance measures may result in loss of fees or cancellation of the grant agreement. An ability to meet or exceed performance targets will be consideration for automatic renewal of the grant agreement.

DEFINITION OF HOMELESSNESS

Published by U.S. Dept. of Housing and Urban Development - November 15, 2011

Adopted by the Vermont Agency of Human Services

(1) An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

(i) An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;

(ii) An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low-income individuals); or

(iii) An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution;

(2) An individual or family who will imminently lose their primary nighttime residence, provided that:

(i) The primary nighttime residence will be lost within 14 days of the date of application for homeless assistance;

(ii) No subsequent residence has been identified; and

(iii) The individual or family lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, needed to obtain other permanent housing;

(3) Unaccompanied youth under 25 years of age, or families with children and youth, who do not otherwise qualify as homeless under this definition, but who:

(i) Are defined as homeless under section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a), section 637 of the Head Start Act (42 U.S.C. 9832), section 41403 of the Violence Against Women Act of 1994 (42 U.S.C. 14043e-2), section 330(h) of the Public Health Service Act (42 U.S.C. 254b(h)), section 3 of the Food and Nutrition Act of 2008 (7 U.S.C. 2012), section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)) or section 725 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a);

(ii) Have not had a lease, ownership interest, or occupancy agreement in permanent housing at any time during the 60 days immediately preceding the date of application for homeless assistance;

(iii) Have experienced persistent instability as measured by two moves or more during the 60-day period immediately preceding the date of applying for homeless assistance; and

(iv) Can be expected to continue in such status for an extended period of time because of chronic disabilities, chronic physical health or mental health conditions, substance addiction, histories of domestic violence or childhood abuse (including neglect), the presence of a child or youth with a disability, or two or more barriers to employment, which include the lack of a high school degree or General Education Development (GED), illiteracy, low English proficiency, a history of incarceration or detention for criminal activity, and a history of unstable employment; or

(4) Any individual or family who:

(i) Is fleeing, or is attempting to flee, domestic violence, dating violence, sexual assault, stalking, or other dangerous or life-threatening conditions that relate to violence against the individual or a family member, including a child, that has either taken place within the individual's or family's primary nighttime residence or has made the individual or family afraid to return to their primary nighttime residence;

(ii) Has no other residence; and

(iii) Lacks the resources or support networks, e.g., family, friends, faith-based or other social networks, to obtain other permanent housing.

Appendix III – DEFINITION: AT RISK OF HOMELESSNESS
(*Source: ESG Interim Rule / HUD Housing Resource Exchange*)

CRITERIA FOR DEFINING AT RISK OF HOMELESSNESS	**Category 1**	**Individuals and Families**	An individual or family who: (i) Has an annual income below 30% of median family income for the county; AND (ii) Does not have sufficient resources or support networks immediately available to prevent them from moving to an emergency shelter or another place defined in Category 1 of the "homeless" definition; AND (iii) Meets one of the following conditions: (A) Has moved because of economic reasons 2 or more times during the 60 days immediately preceding the application for assistance; OR (B)Is living in the home of another because of economic hardship; OR (C) Has been notified that their right to occupy their current housing or living situation will be terminated within 21 days after the date of application for assistance; OR (D) Lives in a hotel or motel and the cost is not paid for by charitable organizations or by Federal, State, or local government programs for low-income individuals; OR (E) Lives in an SRO or efficiency apartment unit in which there reside more than 2 persons or lives in a larger housing unit in which there reside more than one and a half persons per room; OR (F) Is exiting a publicly funded institution or system of care.
	Category 2	**Unaccompanied Children and Youth**	A child or youth who does not qualify as homeless under the homeless definition, but qualifies as homeless under another Federal statute
	Category 3	**Families with Children and Youth**	An unaccompanied youth who does not qualify as homeless under the homeless definition, but qualifies as homeless under section 725(2) of the McKinney-Vento Homeless Assistance Act, and the parent(s) or guardian(s) or that child or youth if living with him or her.

Housing Opportunities for Persons with AIDS (HOPWA) Program Specific Requirements

Vermont is ineligible to receive Formula HOPWA funding. Since 1995 however, the Vermont Housing and Conservation Board has responded to the housing needs of Vermonters living with HIV/AIDS through its application for and continued receipt of HOPWA Competitive funding. VHCB has operated a highly successful statewide HIV/AIDS housing and supportive services program, designed to assist HOPWA eligible households in Vermont maintain housing stability, improve access to care, and reduce the risk of homelessness. VHCB was again successful in 2011 in receiving its sixth three-year award which provides $1,430,000 from March 1, 2012 to February 28, 2015 for the three activities detailed below:

Rental Assistance: This component, administered by the Vermont State Housing Authority guarantees that a household pays no more than 30% of its income toward rent and utilities. HOPWA rental assistance fills an important niche, providing households living with HIV/AIDS with rental assistance until they are issued Section 8. The program is currently fully subscribed serving 30 households annually; however, unfortunately, there is a growing waiting list.

Emergency Assistance: Provides small grants to mitigate the impact of financial crises related to housing and utility costs which could jeopardize a household's ability to maintain permanent housing. This program provided assistance to 115 eligible households during the last reporting period.

Supportive Services: Provides funds to AIDS Service Organizations (ASOs) to assist people living with HIV/AIDS with the daily obstacles which could hinder their ability to maintain permanent housing. Three ASOs, which together provide statewide coverage, receive this funding on an annual basis. Together, the AIDS Service organizations provide services to more than 250 individuals over the three-year grant period. Historically, 95% of the households have been able to maintain permanent housing due to these services. Permanent Housing Placement, a new category of assistance as of March 1, 2009, is available to 15 households annually, helping those affected by HIV/AIDS to cover the initial costs, such as security deposits and first month's rent, necessary to secure stable housing.

8. Outcome Performance Measures

The State's Consolidated Plan for FFY 2010-2015 outlines specific priorities with respect to the use of federal dollars provided to the state from the formula funding program covered by this Plan (CDBG, HOME, ESG, HOPWA). These priorities were derived from the extensive public input process utilized to develop the 5-year Consolidated Plan as well as an in-depth housing needs assessment completed in 2009. The State recognizes not only the importance of setting priorities for the use of these funds but the importance of establishing a system to measure our ability to achieve these priorities.

The fundamentals of the system include three objectives, three outcome measures and a number of outcome indicators that can be used to report results for all four formula grant programs. The priorities established in the Consolidated Plan will fall within one or more of these prescribed objectives and outcomes. The three objectives are the following: 1.) creating suitable living environments; 2.) providing decent affordable housing; 3.) creating economic opportunities. The three outcomes categories are the following: 1.) accessibility/availability; 2.) affordability and; 3.) sustainability.

The State's strategy is to identify common outcome indicators applicable to more than one type of activity and activity specific indicators (included under each priority statement) for each identified priority in the Consolidated Plan. The outcome indicators will have to be tracked and reported by our grantees.

Common Indicators

- Amount of other resources leveraged per activity
- Number of persons, households, units, or beds assisted, as appropriate.
- Income levels of persons or households by: 30 percent, 50 percent, 60 percent, or 80 percent of area median income.
- Dollars expended per activity
- Race, ethnicity, and disability (for activities in programs that currently report these data elements)

A pairing of the State's identified Consolidates Plan priorities and required specific outcome indicators is listed below. For the 2010 – 2015 Consolidated Plan, Economic Development and Housing are the highest priorities with Public Facility and Public Service considered secondary priorities and crucial to meeting overall goals:

Priority: Economic Development

Goal: Create and/or Retain Jobs

Support use of VCDP assistance for community development activities focused on creating and retaining jobs and striving for the best quality jobs attainable for low and moderate income workers

Outcome Indicators:

- Number of jobs created and retained
- Jobs with employer sponsored health care

- Types of jobs created (use existing Economic Development Administration classification)
- Employment status before taking job created
    - Number of unemployed
- DUNS number(s) of business assisted (HUD will use the DUNS numbers to track number of new businesses that remain operational for 3 years after assistance.
- Total businesses assisted
    - Number of new businesses assisted
    - Number of existing businesses assisted, of those, number of expansions and number of relocations.
    - Number located in a downtown

Priority: Affordable Housing

Goal: Increase the supply of affordable housing, including units that serve people with disabilities and seniors

To meet the demand for new housing units in the next five years, production of rental and homeownership housing would have to double.

Rental and/or Homeownership Units Constructed:

Outcome Indicators:

- Number of total units affordable
- Number of total units Section 504 accessible
- Number of total units created through conversion of nonresidential buildings to residential buildings.
- Number qualified as Energy Star.
- Number of units with appropriate wiring for broadband access
- Number of new construction projects located in a downtown

Of affordable units,

- Number occupied by elderly
- Number subsidized with project-based rental assistance (federal, state, or local program)
- Number of years of affordability
- Number of housing units designated for persons with HIV/AIDS, including those units receiving assistance for operations
- Number of units for the chronically homeless, of those, the number made Section 504 accessible
- Number of units of permanent housing designated for homeless persons and families including those units receiving assistance for operations

Of homeowner units,

- Number occupied by first-time homebuyers

Goal: Preserve and Rehabilitate the Existing Housing Stock

The housing stock is old and in many cases in need of significant investment. The existing housing stock referred to includes both existing owner-occupied housing units as well as

existing rental housing projects. Lead based paint hazards are the number one housing quality concern for Vermont. The number of homes with incomplete plumbing or kitchens, and overcrowding appear to be very small.

Outcome Indicators for Rental Projects Rehabilitated:

- Number of rental rehab projects located in a downtown.

Of total units rehabilitated:

- Number affordable
- Number Section 504 accessible
- Number brought from substandard to standard condition (HQS or local code)
- Number qualified as Energy Star
- Number brought into compliance with lead safe housing rule (24 CFR part 35)
- Number of units with appropriate wiring for broadband access

Of affordable units:

- Number occupied by elderly
- Number subsidized with project-based rental assistance
- Number of years of affordability
- Number of housing units designated for person with HIV/AIDS, including those receiving assistance for operations
- Number of units for the chronically homeless
- Number of units of permanent housing for homeless persons and families, of those, the number made Section 504 accessible.

Outcome Indicators for Owner Occupied Units Rehabilitated or Improved:

- Number occupied by elderly
- Number of units brought from substandard to standard condition (HQS or local code)
- Number of units qualified as Energy Star
- Number of units brought into compliance with lead safe rule
- Number of units made handicapped accessible
- Number of units located in a downtown

Goal: Provide Housing for People with Disabilities, including housing aimed at avoiding or alleviating homelessness.

An estimated 5,400 Vermonters were homeless in 2008 with approximately 3,750 of those being sheltered and 1,650 not sheltered. During a one-day count in January 2009, 46% of people who were homeless were children and adults in families, including 754 children under age 17.

Outcome Indicators

- Unduplicated Number of homeless persons given overnight shelter
- Number of beds created in overnight shelter or other emergency housing
- Number of households that received emergency financial assistance to prevent homelessness (specifically rental assistance programs, emergency assistance through the Department of Children and Families, and back rent programs).

- Number of households that received emergency legal assistance to prevent homelessness.
- Number of participants enrolled and attending educational and literacy programs.
- Number of service-enriched units
- Unduplicated number of families moving from shelter to transitional housing
- Unduplicated number of families moving from shelter into permanent housing
- Number of participants seeking employment who obtain it
- Unduplicated number of participants receiving financial assistance or non-cash benefits

Goal: Provide Housing for Elders

Outcome Indicators

- Number occupied by elderly
- Number of units made handicapped accessible
- Number affordable
- Number of units located in a downtown
- Number of service-enriched units

Goal: Increase Homeownership Opportunities and Sustain Homeownership

Outcome Indicators

- Number of first-time homebuyers
- Of first time homebuyers, number receiving housing counseling
- Of first time homebuyer, number of minorities assisted
- Number receiving down-payment assistance and/or assistance with closing costs.
- Number of subsidized mortgages provided

Priority – Public Facility

Goal: Downtown Preservation and Revitalization

Outcome Indicators

- Number of public infrastructure and public facility projects located in a downtown
- Number of underutilized or vacant properties put back in use

Goal: Remediate and Reuse Brownfields

Vermont has brownfield sites that are located in areas prime for redevelopment and reuse-close to, or in our downtowns. Most of the sites have adequate infrastructure due to their downtown location. A state priority is to develop, redevelop or reuse these sites.

Outcome Indicators

- Number of acres of brownfields remediated

- Number of brownfield sites remediated and reused located in a downtown
- Other indicators as appropriate to end-use (i.e., housing, economic development, public facility)

Goal: Increase access to Public Facility

Outcome Indicators

Number of persons assisted:

- With new access to a facility or infrastructure benefit
- With improved access to a facility or infrastructure benefit
- Where activity was used to meet a quality standard or measurable improved quality, report number of households that no longer only have access to a substandard facility or infrastructure

Priority: Public Service

Goal: Increase access to Public Services
Assist communities with public service projects that support services that facilitate job creation and or retention, create/retain housing opportunities, or that provide services to low and moderate income persons, or to persons with special needs.

Outcome Indicators

Number of persons assisted:

- With new access to a service
- With improved access to a service
- Where activity was used to meet a quality standard or measurably improved quality, report number of households that no longer only have access to substandard service

9. Monitoring

The Department will develop and implement a monitoring plan that will track the progress in meeting the priorities and goals of the Consolidated Plan and ensure compliance with all federal and state laws, regulations, and policies.

Monitoring will be focused on three areas:

1. Progress being made in meeting the goals and priorities of the Consolidated Plan;
2. Timeliness of distribution of the federal funds; and
3. Compliance with regulatory requirements.

Monitoring of Progress

The State's housing and community development programs will submit progress reports to DEHCD on a regular basis which outline how resources have been allocated in accordance with priorities, including timeliness of fund distribution.

Timeliness of Fund Distribution

Federal funds administered by the Department flow through accounts controlled by the Department with a requisition process being used to reimburse recipients. There will be a continual monitoring of each account using computerized databases: (a) State Vision System; (b) Federal System - Integrated Disbursement and Information System (IDIS); and (c) Department database to compare actual expenditures against spending plans. Other funding programs will report to the Department regarding timeliness of fund distribution.

Compliance with Regulatory Requirements

Generally, site visit monitoring and progress reports will be used to ensure that funds are being used in compliance with program requirements. For existing federal programs administered by the Department, one site monitoring visit will be conducted on a risk-based approach, taking into account the complexity of projects, staff changes, past performance and level of experience of the program managers and administrators, the level of expenditures and the number of requisitions, a review of progress reports, and in some cases, the dollar threshold. Progress reports are required on a regular basis, at a minimum, annually. Progress of sub-recipients will be monitored by recipients in a similar manner. The Department may request copies of all progress reports from sub-recipients and will include a review of all monitoring activities of recipients at each site visit. The site visits will monitor compliance with requirements, such as national objectives, economic development, housing, public service, public facilities, civil rights/equal opportunity, contracts, procurement, environmental review, labor standards, acquisition/relocation, Uniform Relocation Act (URA), financial management, and program performance and inspection of all construction activities. Recipients are required to submit certifications of their intent to comply with program requirements.

A Grants Management Manual produced by the Department is used in the CDBG Program and supplied to each recipient. This provides written quality standards and performance/production guidelines for all programs and contains copies of all pertinent laws, regulations, policies, and procedures. In addition, CDBG maintains current information on the department website. The VHCB has developed a similar handbook for HOME grantees.

Monitoring through Technical Assistance

The Grants Management staff provides consistent technical assistance in all areas of compliance to the Grantees, subrecipients, administrators and contractors which supplements and enhances materials and documentation in the Grants Management Guide found on the website. Through dialogue and fielding questions on the specific projects, informal monitoring takes place on an ongoing basis which provides the staff with opportunities for intervention of any compliance issues. Further, the Grants Management staff is responsible for the drawdown of the federal funds which provides another status update and progress of the Grants.

Appendix A

2010 – 2015 Consolidated Plan Advisory Group (2012)

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Appendix B

Vermont Consolidated Plan Rural Housing Needs Communities

This is a list of Vermont communities that are estimated to have a high level of need for federal housing programs that include project based subsidies. This list will be incorporated into Vermont's plan effective July 1, 2012.

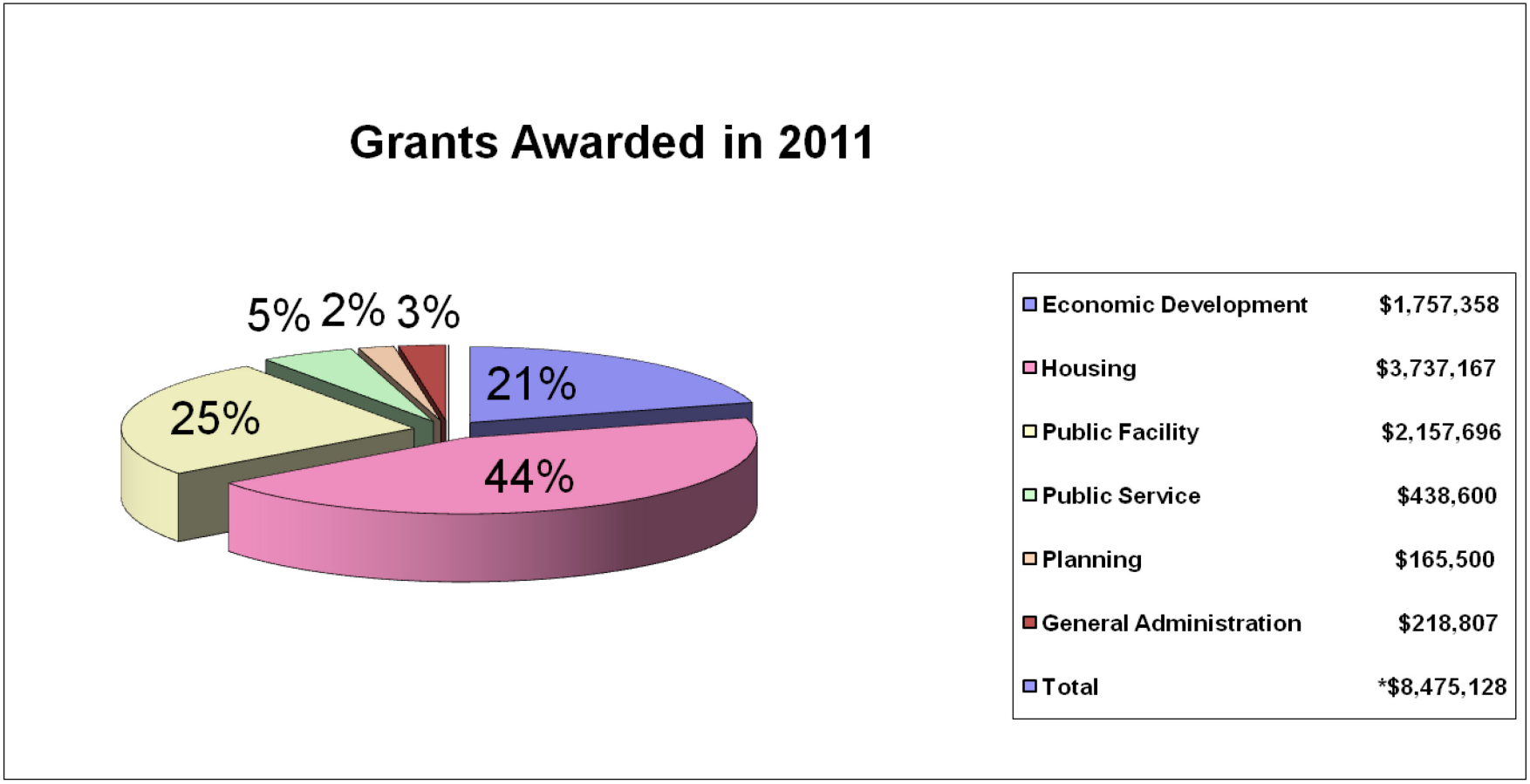
Alburgh
Arlington
Barnet
Barre City
Barre Town
Barton
Bennington
Bethel
Bradford
Brandon
Brattleboro
Brighton
Bristol
Burlington*
Cabot
Cambridge
Castleton
Cavendish
Charlotte
Chester
Clarendon
Colchester
Derby
Dorset
Dover
East Montpelier
Enosburg
Essex
Essex Junction
Fair Haven
Fairfax
Fairfield
Fairlee
Fayston
Ferrisburg
Georgia
Grand Isle
Greensboro
Groton
Guilford
Hardwick
Hartford
Highgate
Hinesburg
Huntington
Hyde Park
Jericho
Johnson
Ludlow
Lunenburg
Lyndonville
Manchester
Middlebury
Milton
Montpelier
Moretown
Morristown
Mt. Holly
Newbury
Newport City
Northfield
Pawlet
Pittsford
Plainfield
Poultney
Pownal
Putney
Randolph
Readsboro
Reap Zone For Caledonia, Essex & Orleans Counties**
Richford
Richmond
Rockingham
Royalton
Rutland City
Rutland Town
Shaftsbury
Shelburne
Sheldon
Shoreham
South Burlington*
South Hero
Springfield
St. Albans City
St. Albans Town
St. Johnsbury
Stamford
Starksboro
Stowe
Swanton
Troy
Vergennes
Waitsfield
Warren
Waterbury
Weathersfield
West Rutland
Westminster
Whitingham
Williamstown
Williston
Wilmington
Windsor
Winooski*
Woodstock

* These communities are currently not eligible for Rural Development Programs; however, they continue to have a high housing need.

**REAP (Rural Economic Area Partnership) zone is an area in a state that has critical issues related to constraints in economic activity and growth, low density settlement patterns, stagnant or declining employment, and isolation that has led to disconnection from markets, suppliers, and centers of information and finance.

Appendix C

CDBG Distribution Chart



* FY10 Allocation July 1, 2010 – June 30, 2011 plus Program Income

Appendix D – Outcomes and Objectives

Specific Obj. #	Outcome/Objective Specific Annual Objectives	Sources of Funds	Performance Indicators
DH-1	**Availability/Accessibility of Decent Housing**		
DH-1.1	**Increase the Supply of Rental Housing** Vermont has an insufficient supply of affordable rental housing across all types except the most expensive tier. This shortage causes stress in the rental housing market and exacerbates other housing problems. Although the needs differ widely by region, the state could easily absorb thousands of new rental housing units. Therefore, the state intends to support projects that increase the supply of affordable and workforce rental housing.	**Federal –** CDBG, HOME, Section 8 Certificates and Vouchers, HUD 202, Low Income Housing Tax Credits, USDA RD, RITC, Shelter Plus Care, Energy Programs **Non-Federal –** Vermont Housing and Conservation Board, VHFA, VSHA **Private –** VCLF, Opportunities Credit Union, foundation or other grant funding, regional revolving loan funds, commercial banks	# affordable units; # of accessible units; # of Energy Star units; # of new units constructed in designated downtowns and village centers; # of units occupied by elders; # of units with rental subsidies constructed or rehabilitated; # of units created to alleviate homelessness; # of units created for individuals or families with disabilities; # of service enriched units; # occupied by first-time homebuyers
DH-1.2	**Preserve and Rehabilitate Existing Housing Stock** Vermont has many units in need of significant investment. The existing housing stock includes both owner-occupied housing units and rental housing, including mobile home parks. Therefore, an important goal of this plan is to preserve and rehabilitate existing housing.		
DH-1.3	**Provide Housing for People with Disabilities** Special Needs Housing includes any project that incorporates a majority of persons with disabilities and provides service-enriched housing. Special needs populations include households or individuals who cannot live independently without supportive services such as; persons in need of transitional housing to avoid or alleviate homelessness; youth at-risk; frail elders or persons with physical, sensory, cognitive, developmental and/or mental disabilities; or other populations where a combination of housing and supportive services will enhance the quality of life for both residents and the community at large.		
DH-1.4	**Provide Housing for Elders** Given the growth in our older population, and the extraordinary costs of providing long-term care services in institutional facilities, it is clear that the effects of these issues extend far beyond the current elderly population. By encouraging the development of dependable, affordable housing for elderly persons, we can reduce our health care costs, and help elderly residents get the care they need to age with dignity.		

DH-1.5	**Support Home Ownership** Vermont has a high homeownership rate; however, it is increasingly more difficult for renting households to achieve homeownership and for people to sustain the level of home-ownership. An objective of this plan is to enhance opportunities to sustain and increase homeownership among lower income families and individuals.		

DH-2	**Affordability of Decent Housing**		
DH-2.1	**Preserve and Rehabilitate Existing Housing Stock** Vermont has many units in need of significant investment. The existing housing stock includes both owner-occupied housing units and rental housing, including mobile home parks. Therefore, an important goal of this plan is to preserve and rehabilitate existing housing.	See Above	See Above
DH-2.2	**Provide Housing for Elders** Given the growth in our older population, and the extraordinary costs of providing long-term care services in institutional facilities, it is clear that the effects of these issues extend far beyond the current elderly population. By encouraging the development of dependable, affordable housing for elderly persons, we can reduce our health care costs, and help elderly residents get the care they need to age with dignity.		
DH-2.3	**Support Home Ownership** Vermont has a high homeownership rate; however, it is increasingly more difficult for renting households to achieve homeownership. An objective of this plan is to enhance opportunities to increase homeownership among lower income families and individuals.		
DH-3	**Sustainability of Decent Housing**		
DH-3.1	**Preserve and Rehabilitate Existing Housing Stock** Vermont has many units in need of significant investment. The existing housing stock includes both owner-occupied housing units and rental housing, including mobile home parks. Therefore, an important goal of this plan is to preserve and rehabilitate existing housing.	See Above	See Above
DH-3.2	**Support Home Ownership** Vermont has a high homeownership rate; however, it is increasingly more difficult for renting households to achieve and sustain homeownership. An objective of this plan is to enhance opportunities to sustain homeownership among lower income families and individuals.		

Specific Obj. #	Outcome/Objective Specific Annual Objectives	Sources of Funds	Performance Indicators
SL-1	**Availability/Accessibility of Suitable Living Environment**		
SL-1.1	**Public Facilities** While not the highest priority for VCDP funding, VCDP will continue to encourage public facility applications for community facility projects that	**Federal –** CDBG, USDA RD, RITC, EPA, Energy Programs	# of persons with new access to a facility or infrastructure benefit; # of persons with improved access to a facility or infrastructure

	are located in downtowns, villages, new neighborhoods, or growth centers; or that provide infrastructure for the creation and/or retention of jobs and housing units; or that remove barriers to accessibility by people with physical disabilities.	**Non-Federal –** Vermont Housing and Conservation Board, municipal planning grants, cultural resources grants, Historic Preservation Grants **Private –** VCLF, commercial lenders, foundations, VCIL, AHS	benefit; # of public infrastructure and public facility projects located in a downtown
SL-2	**Affordability of Suitable Living Environment**		
SL-2.1	**Public Services** While not the highest priority for VCDP funding, the VCDP will continue to encourage public service applications that support projects located in downtowns or growth centers, as defined elsewhere herein; provide services that support job creation and/or retention, or that support family self sufficiency; provide services that support housing, provide access to workforce development or training; or that provide services to persons with special needs.	See above	# of persons with new access to services or benefits; # of persons with improved access to services
SL-3	**Sustainability of Suitable Living Environment**		
SL-3.1	**Remediate and Reuse Brownfields** The VCDP will continue to prioritize brownfield remediation and reuse as an important community development objective under the slums and blight criteria. It should be noted that other primary sources of brownfield funding are available and must be sought prior to application to the VCDP. In addition to all other applicable program requirements, all brownfield projects must result in the reuse and occupation of the brownfield property within two years of receiving VCDP assistance.	**Federal –** EPA, ANR, USDA RD, **Non-Federal –** Vermont Housing and Conservation Board, municipal planning grants, cultural resources grants, Historic Preservation Grants **Private –** VCLF, commercial lenders, foundations, VCIL, AHS	# of acres of brownfields remediated; # of brownfield sites remediated and reused located in a downtown; evaluate end-use (i.e., housing, economic development, public facility); # of public infrastructure and public facility projects located in a downtown
SL-3.2	**Downtown Preservation and Revitalization** A "Downtown" is the traditional central business district of a community, characterized by a cohesive core of multi-storied commercial buildings, often interspersed with civic, religious, and residential buildings and public spaces, arranged along a main street and intersecting side streets with public infrastructure in place, that have served as the center for socio-economic interaction in the community. With respect to State assistance and funding including CDBG, the State encourages and promotes development and growth in designated downtowns and village centers, growth centers, new neighborhoods and new town centers whenever possible.		

Appendix D – Outcomes and Objectives

Specific Obj. #	Outcome/Objective Specific Annual Objectives	Sources of Funds	Performance Indicators
EO-1	**Availability/Accessibility of Economic Opportunity**		
EO-1.1	**Job Creation and Job Retention** The highest priority for the use of VCDP assistance for economic development activities through this plan will be focused on retaining and creating jobs, striving for the best quality jobs attainable for lower income families and individuals. To support this priority, the state will assist businesses that create and retain jobs through a variety of activities including technical assistance, low interest loans for commercial acquisition and rehabilitation, telecommunications infrastructure and entrepreneurial training.	**Federal -** CDBG **Non-Federal –** VEDA, VCLF, **Private** – commercial lenders	# of jobs created and retained; # of jobs with employer sponsored health care; Types of jobs created; employment status before taking job created; unemployed rate; # of new businesses in operation after 3 years; # of businesses assisted; # of businesses assisted in designated downtowns and village centers

EO-2	**Affordability of Economic Opportunity**		
EO-2.1	**Job Creation and Job Retention** The highest priority for the use of VCDP assistance for economic development activities through this plan will be focused on retaining and creating jobs, striving for the best quality jobs attainable for lower income families and individuals. To support this priority, the state will assist businesses that create and retain jobs through a variety of activities including technical assistance, low interest loans for commercial acquisition and rehabilitation, telecommunications infrastructure and entrepreneurial training.	**See above**	**See Above**
EO-3	**Sustainability of Economic Opportunity**		
EO-3.1	**Job Creation and Job Retention** The highest priority for the use of VCDP assistance for economic development activities through this plan will be focused on retaining and creating jobs, striving for the best quality jobs attainable for lower income families and individuals. To support this priority, the state will assist businesses that create and retain jobs through a variety of activities including technical assistance, low interest loans for commercial acquisition and rehabilitation, telecommunications infrastructure and entrepreneurial training.	**See above**	**See Above**

GLOSSARY

General Definitions used with the CHAS

Affordable Housing: Affordable housing is generally defined as housing where the occupant is paying no more than 30 percent of gross income for gross housing costs, including utility costs. Affordable housing has a more specific definition for purposes of completing Table 5B. That definition is included in the instructions for Table 5B.

Committed: Generally means there has been a legally binding commitment of funds to a specific project to undertake specific activities, or an obligation of funds to a State recipient. Expanded definitions for completing Table 4/5A are included in the instructions for Table 4/5A.

Cost Burden>50% (Severe Cost Burden): The extent to which gross housing costs, including utility costs, exceed 50 percent of gross income, based on data published by the U.S. Census Bureau.

Disabled Household: A household composed of one or more persons at least one of whom is an adult (a person of at least 18 years of age) who has a disability. A person shall be considered to have a disability if the person is determined to have a physical, mental or emotional impairment that: (1) is expected to be of long-continued and indefinite duration, (2) substantially impedes his or her ability to live independently, and (3) is of such a nature that the ability could be improved by more suitable housing conditions. A person shall also be considered to have a disability if he or she has a developmental disability as defined in the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001-6006). The term also includes the surviving member or members of any household described in the first sentence of this paragraph who were living in an assisted unit with the deceased member of the household at the time of his or her death.

Economic Independence and Self-Sufficiency Programs: Programs undertaken by Public Housing Agencies (PHAs) to promote economic independence and self-sufficiency for participating families. Such programs may include Project Self-Sufficiency and Operation Bootstrap programs that originated under earlier Section 8 rental certificate and rental voucher initiatives, as well as the Family Self-Sufficiency program. In addition, PHAs may operate locally developed programs or conduct a variety of special projects designed to promote economic independence and self sufficiency.

Elderly Household: A family in which the head of the household or spouse is at least 62 years of age.

Existing Homeowner: An owner-occupant of residential property who holds legal title to the property and who uses the property as his/her principal residence.

Family: A household comprised of one or more individuals.

Family Self-Sufficiency (FSS) Program: A program enacted by Section 554 of the National Affordable Housing Act which directs Public Housing Agencies (PHAs) and Indian Housing Authorities (IHAs) to use Section 8 assistance under the rental certificate and rental voucher programs, together with public and private resources to provide supportive services, to enable participating families to achieve economic independence and self-sufficiency.

First Time Homebuyer: An individual or family who has not owned a home during the three-year period preceding the HUD-assisted purchase of a home that must be used as the principal residence of the homebuyer.

FmHA: The Farmers Home Administration, or programs it administers.
For Rent: Year round housing units which are vacant and offered/available for rent. (U.S. Census definition)

For Sale: Year round housing units which are vacant and offered/available for sale only. (U.S. Census definition)

Group Quarters: Facilities providing living quarters that are not classified as housing units. (U.S. Census definition). Examples include: prisons, nursing homes, dormitories, military barracks, and shelters.

HOME: The HOME Investment Partnerships Act, which is Title II of the National Affordable Housing Act.

HOPE 1: The HOPE for Public and Indian Housing Homeownership Program, which is Title IV, Subtitle A of the National Affordable Housing Act.

HOPE 2: The HOPE for Homeownership of Multifamily Units Program, which is Tile IV, Subtitle B of the National Affordable Housing Act.

HOPE 3: The HOPE for Homeownership of Single family Homes program, which is Title IV, Subtitle C of the National Affordable Housing Act.

Household: One or more persons occupying a housing unit, (U.S. Census definition). Note: A special definition of household is used for Table 1B, Supportive Housing and Services Population. Table 1B Instructions provide a special definition of Ahousehold@ as it is used in Table 1B.

Housing Problems: Households with housing problems include those that: (1) occupy units meeting the definition of Physical Defects; (2) meet the definition of Overcrowded; or (3) meet the definition of Cost Burden > 30%. Table 1A requests nonduplicative counts of household that meet one or more of these criteria.

Housing Unit: An occupied or vacant house, apartment, or a single room (SRO housing) that is intended as separate living quarters. (U.S. Census definition)

Institutions/Institutional: Group quarters for persons under care or custody. (U.S. Census definition)

Large Related: A household of 5 or more persons which includes at least 2 related persons.

LIHTC: (Federal) Low Income Housing Tax Credit.

Low Income: Households whose incomes do not exceed 80 percent of the median income for the area, as determined by HUD with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 80 percent of the median for the area on the basis of HUD=s findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes. Note: HUD income limits are updated annually and are available from local HUD offices for the appropriate jurisdictions.

Middle Income: Households whose incomes are from 96 to 120 percent of the median income for the area, as determined by HUD, with adjustments for smaller or larger families, except that HUD may establish income ceilings higher or lower than 80 percent of the median for the area on the basis of HUD=s findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes. If income adjustments are made by HUD and the low income limit for the area is set at higher or lower than 80 percent of median income, the middle income limits must be adjusted by multiplying the adjusted low income limit by 1.5. Example: With a median income for the area of $10,000 and a low income limit adjusted by HUD to $7,500, the adjusted middle income limit would be computed as: $7,500 X 1.5 = $11,250 adjusted middle income limit.

Moderate Income: Households whose incomes are between 81 percent and 95 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 95 percent of the median for the area on the basis of HUD=s findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes. If income adjustments are made by HUD and the low income limit for the area is set at higher or lower than 80 percent of median income, the moderate income limits must be adjusted by multiplying the adjusted low income limit by 1.1875. Example: With a median income for the area of $10,000 and a low income limit adjusted by HUD to $7,500, the adjusted moderate income limit would be computed as: $7,500 X 1.1875 = $8,906 adjusted moderate income limit.

Moderate Rehabilitation: Rehabilitation of residential property at an average cost for the project not in excess of $25,000 per dwelling unit.

Needing Rehab: Dwelling units that do not meet standard conditions but are both financially and structurally feasible for rehabilitation. This does not include units that require only cosmetic work, correction of minor livability problems or maintenance work.

Non-Elderly Household: A household which does not meet the definition of an Elderly Household as defined above.

Note: Terms not defined above may be defined in the specific instructions for each table. If a term is not defined, the jurisdiction is to provide its own definition.

Non-Institutional: Group quarters for persons not under care or custody. (U.S. Census definition used in Table 2A).
Not Rehabbable: Dwelling units that are determined to be in such poor condition as to be neither structurally nor financially feasible for rehabilitation.

Occupied Housing Unit: A housing unit that is the usual place of residence of the occupant(s).

Other Household: A household of one or more persons that does not meet the definition of a Small Related household or a Large Related household, or is an elderly household comprised of 3 or more persons.

Other Income: Families or households whose incomes exceed 80 percent of the median income for the area, as determined by the Secretary, with adjustments for smaller and larger families.

Other Low Income: Households whose incomes are between 51 percent and 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families, except that HUD may establish income ceilings higher or lower than 80 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

Other Persons With Special Needs: Includes frail elderly persons, persons with AIDS, disabled families, and families participating in organized programs to achieve economic self-sufficiency. This category does not include homeless. (See Volume 1)

Other Vacant: Vacant year round housing units that are not For Sale, For Rent, or Vacant Awaiting Occupancy or Held. (U.S. Census definition)

Overcrowded: A housing unit containing more than one person per room. (U.S. Census definition used in Table 1A.)

Owner: A household that owns the housing unit it occupies. (U.S. Census definition)

Physical Defects: A housing unit lacking complete kitchen, bathroom, or electricity (U.S. Census definition used in Table 1A.) Jurisdictions may expand upon the Census definition.

Project-Based (Rental) Assistance: Rental Assistance provided for a project, not for a specific tenant. Tenants receiving project-based rental assistance give up the right to that assistance upon moving from the project.

Public Housing CIAP: Public Housing Comprehensive Improvement Assistance Program.

Public Housing MROP: Public Housing Major Reconstruction of Obsolete Projects.

Rent Burden >30% (Cost Burden): The extent to which gross rents, including utility costs, exceed 30 percent of gross income, based on data published by the U.S. Census Bureau.

Rent Burden >50% (Severe Cost Burden): The extent to which gross rents, including utility costs, exceed 50 percent of gross income, based on data published by the U.S. Census Bureau.

Renter: A household that rents the housing unit it occupies, including both units rented for cash and units occupied without cash payment of rent. (U.S. Census definition)

Renter Occupied Unit: Any occupied housing unit that is not owner occupied, including units rented for cash and those occupied without payment of cash rent.

Section 215: Section 215 of Title II of the National Affordable Housing Act. Section 215 defines what constitutes affordable housing projects under the Title II HOME program.

Service Needs: The particular services identified for special needs populations, which typically may include transportation, personal care, housekeeping, counseling, meals, case management, personal emergency response, and other services to prevent premature institutionalization and assist individuals to continue living independently.

Severe Cost Burden: See Cost Burden >50%.

Sheltered: Families and persons whose primary nighttime residence is a supervised publicly or privately operated shelter (e.g., emergency, transitional, battered women, and homeless youth shelters; and commercial hotels or motels used to house the homeless). Sheltered homeless does not include any individual imprisoned or otherwise detained pursuant to an Act of Congress or State law.

Small Related: A household of 2 to 4 persons which includes at least two related persons.

Substantial Rehabilitation: Rehabilitation of residential property at an average cost for the project in excess of $25,000 per dwelling unit.

Supportive Housing: Housing, including Housing Units and Group Quarters, that has a supportive environment and includes a planned service component.

Supportive Service Need in FSS Plan: The plan that PHAs administering a Family Self-Sufficiency program are required to develop to identify the services they will provide to participating families and the source of funding for those services. The supportive services may include child care; transportation; remedial education; education for completion of secondary or post secondary schooling; job training, preparation and counseling; substance abuse treatment and counseling; training in homemaking and parenting skills; money management, and household management; counseling in homeownership; job development and placement; follow-up assistance after job placement; and other appropriate services.

Supportive Services: Services provided to residents of supportive housing for the purpose of facilitating the independence of residents. Some examples are case management, medical or psychological counseling and supervision, child care, transportation, and job training.

Tenant Assistance: Rental assistance payments provided as either project-based rental assistance or tenant-based rental assistance.

Tenant-Based (Rental) Assistance: A form of rental assistance in which the assisted tenant may move from a dwelling unit with a right to continued assistance. The assistance is provided for the tenant, not for the project.

Total Vacant Housing Units: Unoccupied year round housing units. (U.S. Census definition)

Unsheltered: Families and individuals whose primary nighttime residence is a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings (e.g., the street, sidewalks, cars, vacant and abandoned buildings).

Vacant Awaiting Occupancy or Held: Vacant year round housing units that have been rented or sold and are currently awaiting occupancy, and vacant year round housing units that are held by owners or renters for occasional use. (U.S. Census definition)

Vacant Housing Unit: Unoccupied year-round housing units that are available or intended for occupancy at any time during the year.

Very Low Income: Households whose incomes do not exceed 50 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families, and for areas with unusually high or low incomes or where needed because of prevailing levels of construction costs or fair market rents.

Year Round Housing Units: Occupied and vacant housing units intended for year round use. (U.S. Census definition). Housing units for seasonal or migratory use are excluded.

Note: Terms not defined above may be defined in the specific instructions for each table. If a term is not defined, the jurisdiction is to provide its own definition.