

DRAFT – 2020-2024 Consolidated Plan update [3/31/2020]

Please note: This should be considered a preliminary and working draft. Due to the outbreak of COVID-19 and the ongoing response, the Department of Housing and Urban Development has postponed the submittal deadline of this update to August 15, 2020. It is anticipated that funds made available by the federal government may be applied to programs which are covered under this Plan and the update will be amended accordingly. The Vermont Department of Housing and Community Development will be taking public comment on the contents of this plan as well as conducting outreach to determine developing needs based on the coronavirus outbreak.

Updated drafts of this Plan and other materials will be made available at:

<https://accd.vermont.gov/housing/plans-data-rules/hud>

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Executive Summary

ES-05 Executive Summary - 91.300(c), 91.320(b)

1. Introduction

The State of Vermont's 2020-2024 Consolidated Plan guides the use of funding received through several programs administered under the U.S. Department of Housing and Urban Development. These include the Community Development Block Grant Program (CDBG), CDBG Recovery Housing Program (RHP) HOME Investment Partnerships Program (HOME), Emergency Solutions Grant Program (ESG) and Housing Trust Fund (HTF). The CDBG and CDBG-RHP are administered by the Vermont Community Development Program (VCDP) in the Department of Housing and Community Development (DHCD) of the Agency of Commerce and Community Development (ACCD). The Vermont Housing and Conservation Board (VHCB) administers HOME and HTF. The ESG is administered by the Office of Economic Opportunity (OEO) of the Department for Children and Families of the Agency of Human Services.

This plan identifies the State's housing and community development priorities based on an extensive needs assessment, market analysis, and citizen and stakeholder input. It establishes goals for meeting these priority needs over the next five years that reflect anticipated resources and past performance. Each goal is accompanied by an estimate of resources that will be used to meet it as well as outcome indicators that will be used to evaluate the State's performance.

As it has for many years, the State will use CDBG, HOME, HTF and ESG to provide decent, affordable housing, suitable living environments and expand economic opportunities for low and moderate-income Vermonters. The state will continue to pursue those goals with the new CDBG-RHP program. It will do so according to three guiding principles. The first is achieving the perpetual affordability of housing resources and investments. The second principle is promoting development in State designated downtowns, village centers, neighborhood development areas and other areas that are consistent with the state's historic settlement pattern and "Smart Growth." The third principle is to link our homeless assistance activities with permanent housing through systems, practices and initiatives that are informed by data and proven approaches.

As of the date of this draft, it is unclear whether the State of Vermont will receive additional resources through CDBG or other programs covered by the Consolidated Plan in order to address anticipated needs that have arisen due to the COVID-19 pandemic. Should the State receive funds in the form of CDBG-Disaster Relief (CDBG-DR), as it has in past natural disasters, the priorities for such funds will likely be outlined in the subsequent Annual Plans that accompany this 5-year Strategic Plan.

2. Summary of the objectives and outcomes identified in the Plan Needs Assessment Overview

The plan establishes four goals to address the identified housing and community development priorities.

1. Increase the supply and quality of affordable housing.
2. Decrease the number of people experiencing homelessness.
3. Create and retain jobs.
4. Strengthen communities and improve the quality of life of Vermonters.

Strategies for meeting these goals and the desired outcomes are detailed in the Strategic Plan section. The State will use CDBG, CDBG-RHP, HOME, HTF and ESG funds for housing, homelessness, job and community strengthening activities. Outcomes over the next five years will include:

As of the date of this draft, outcome numbers are being re-assessed in light of the COVID-19 response. Please see the Strategic Plan section below for initial projections

3. Evaluation of past performance

The following is the actual data reported in Vermont’s Consolidated Annual Performance Evaluation Report (CAPER) for FY15-FY18 for CDBG, HOME, ESG and HTF for housing units assisted, jobs created/retained, homeless individuals/households assisted, and individuals/households served through public facility and public service projects.

| Year | Housing Units Assisted | Jobs Created or Retained | Homeless Rental Assistance | Homeless Overnight | Public Facility Projects Individuals Assisted | Public Service Projects Individuals Assisted | Public Service Housing households | Community Planning Projects Awarded |
|---------------|------------------------|--------------------------|----------------------------|--------------------|---|--|-----------------------------------|-------------------------------------|
| 2015 | 741 | 20 | 600 | 4208 | 9194 | 11493 | 1758 | 5 |
| 2016 | 421 | 39 | 756 | 3954 | 0 | 0 | 1661 | 6 |
| 2017 | 543 | 55 | 1635 | 2366 | 24410 | | 1661 | 3 |
| 2018 | 342 | 21 | 562 | 3709 | 0 | 0 | 2547 | 9 |
| Totals | 2047 | 135 | 3553 | 14237 | 33604 | 11493 | 7627 | 23 |

The State exceeded the 1,050 “housing units assisted” originally projected in the FY15 Consolidated Plan by 95% through the reporting period covered in the FY18 CAPER with CDBG, HOME and HTF funds, and the FY19 units assisted will continue to increase that percentage. This impressive surpassing of the original FY15-FY19 goals was due in part to the availability of HTF

resources in FY16 that were not originally accounted for. There were also several especially large projects that utilized funding covered by this Plan over the reporting period. As such, the State does not anticipate assisting that number of housing units previously reported through the CAPER but has adjusted upward the target number of units assisted by 15% from what was proposed in the FY15 Consolidated Plan.

CDBG anticipates being close to meeting its target of 175 jobs created/retained originally projected in its FY15 Consolidated Plan but plans to reduce the number of jobs projected for this Consolidated Plan. This reflects an understanding of the number of jobs currently anticipated to be created/retained in the pipeline for economic development.

CDBG exceeded the number of individuals assisted for public facility projects by year 3 of the FY15 Consolidated Plan. CDBG plans to increase the number of persons served for public facilities by 15% due to the increased needs in childcare and infrastructure across the state that were discussed at the community outreach meetings for this Plan.

ESG exceeded the number of homeless Rental Assistance/Rapid Rehousing households served and Homeless Overnight Shelter stays than originally projected. ESG plans to increase the numbers served for Rental Assistance/Rapid Rehousing by 25% and for Homeless Overnight Shelter stays by 50% from our previous plan.

4. Summary of citizen participation process and consultation process

In developing this Plan, the Department of Housing and Community Development (DHCD), the Vermont Housing and Conservation Board (VHCB), and the Office of Economic Opportunity (OEO) followed the State's Citizen Participation Plan and consulted with a broad range of local, regional and State organizations, including units of local government, both Continua of Care and the Citizen Advisory Group. In addition, they conducted four community outreach meetings and an online survey to gather input on the needs of residents and communities in the areas of housing, economic development, public facilities, and services. Input provided during the outreach meetings are summarized in the Citizen Participation and Consultation sections and greatly informed the draft plan published for public comment.

5. Summary of public comments

This section will be completed at the conclusion of the public outreach and comment period.

6. Summary of comments or views not accepted and the reasons for not accepting them

This section will be completed at the conclusion of the public outreach and comment period.

7. Summary

This section will be completed at the conclusion of the public outreach and comment period.

DRAFT - 3/31/20

The Process

PR-05 Lead & Responsible Agencies 24 CFR 91.300(b)

1. Describe agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

| Agency Role | Name | Department/Agency |
|---------------------------------|---------|--|
| CDBG and CDBG RHP Administrator | VERMONT | Vermont Community Development Program, DHCD/ACCD |
| HOME Administrator | VERMONT | Vermont Housing and Conservation Board |
| ESG Administrator | VERMONT | Office of Economic Opportunity, DCF/AHS |
| HTF Administrator | VERMONT | Vermont Housing and Conservation Board |

Table 1 – Responsible Agencies

Narrative

The DHCD is designated as the agency responsible for developing the Consolidated Plan and administering CDBG and Recovery Housing Program. The mission of the department is to improve the lives of Vermonters and further the sustainable development of Vermont communities.

By State statute, the Vermont Housing and Conservation Board (VHCB) has been designated as the agency responsible for administering HOME funds and the Housing Trust Fund. Therefore, the State's HOME program will be administered by VHCB pursuant to a contract with the Department. Additionally, HTF is to be administered by VHCB in accordance with the "Vermont HTF Allocation Plan".

The OEO, as part of Agency of Human Services (AHS), administers the ESG program. The mission of AHS is, "To improve the health and well-being of Vermonters today and tomorrow and to protect those who are unable to protect themselves." The highest priority for AHS housing efforts is to end homelessness in Vermont. The AHS Office of Economic Opportunity works in partnership with the private sector, community-based organizations, and others to increase the self-sufficiency of Vermonters, strengthen Vermont communities, and eliminate the causes and symptoms of poverty.

Stable, safe, affordable housing is critical to the health and well-being of all Vermonters. Homelessness is a complex issue that is about poverty as well as chronic health challenges that impact a significant portion of Vermonters served by the Agency. Put simply, AHS cannot achieve its mission when people are experiencing the trauma and instability of homeless. As

such, the goal of all AHS housing-related investments is to prevent and end homelessness in Vermont.¹

The Office of Economic Opportunity, as part of AHS, administers the ESG program. The mission of AHS is, “To improve the health and well-being of Vermonters today and tomorrow and to protect those who are unable to protect themselves.” The highest priority for AHS housing efforts is to end homelessness in Vermont. The AHS Office of Economic Opportunity works in partnership with the private sector, community-based organizations, and others to increase the self-sufficiency of Vermonters, strengthen Vermont communities, and eliminate the causes and symptoms of poverty.

The Agency, and its many state and local partners, support a continuum of housing and housing-related support services.

Above all, AHS prioritizes permanent housing that is 1) affordable to those making less than 30% of Area Median Income (AMI)² and 2) that accommodates the needs of AHS clients struggling with any number of challenges like poverty, family instability, and disabling medical conditions including substance use and mental health issues³.

Consolidated Plan Public Contact Information

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¹ Housing Stability Policy, August 2012

² Vermont Council on Homelessness, 2018-2022 State Plan to End Homelessness

³ Roadmap to End Homelessness (2016) <http://legislature.vermont.gov/assets/Legislative-Reports/Homelessness-Study.pdf>

PR-10 Consultation – 91.100, 91.110, 91.200(b), 91.300(b), 91.200(l) and 91.315(l)

1. Introduction

In developing the State's 2020-2024 Consolidated Plan, DHCD consulted with a multitude of organizations, including municipal governments, representatives on the “ConPlan Advisory Board”, and many local and regional organizations and stakeholders in housing and homeless service programs. In preparing its plan DHCD, through the Advisory Board and other partner organizations, distributes information about the consolidated planning process and seeks to engage involvement from a wide constituency of people, including participation from low and moderate-income people, people living in slum and blighted areas and in areas where CDBG, HOME, HTF and ESG funds are used. In addition, DHCD created an online survey to gather input. A link to the survey was distributed through several stakeholder newsletters encouraging participation from stakeholder groups and to forward to the general population.

A summary of survey responses will be included at the conclusion of the public comment period ending May 10, 2020.

To consult specifically on ESG, the Office of Economic Opportunity (OEO) reaches out to the Continuums of Care (CoC), nonprofit homeless shelter and service providers, as well as other State agency and nonprofit partners where homeless policy and service populations overlap.

Provide a concise summary of the state’s activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l))

In the last several 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 DHCD and OEO, has led, actively encouraged and participated in these efforts, and will continue to do so. In addition to participating in the two Continua of Care groups, DHCD also coordinated with the Department of Health on Vermont’s “Health in All Policies” initiatives that are aimed at ensuring a health-centric policy lens is used to assess all State policies and address gaps in the system to maintain and enhance the health outcomes for all Vermont residents.

Similarly, DHCD coordinates economic development activities with the Department of Economic Development (also of ACCD), regional development corporations, local and state chambers of commerce and other State agencies.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness

The State of Vermont has two Continua of Care, Chittenden County and “Balance of State”. The OEO and DHCD both participate in regular meetings of these groups through the Chittenden Homelessness Alliance and the Vermont Coalition to End Homelessness which are each a coalition of homeless service providers, mental health care providers, Veterans Affairs, service providers addressing the needs of homeless and runaway youth, and other organizations with missions to address the needs of those who are experiencing homelessness or precariously housed. These groups meet monthly to discuss ongoing efforts and needs and coordinate resources and advocacy efforts.

Staff from DHCD and OEO also participate in meetings of the gubernatorially created Council on Homelessness, which is hosted and chaired by the Agency of Human Services, OEO’s parent Agency. Quarterly meetings of the Council bring together a broad swath of service providers to make recommendations on how the Executive Branch can establish policies and requests of the legislature to support the needs of Vermonters experiencing or at risk of homelessness.

The Vermont Council on Homelessness develops, monitors and reports on the Vermont Plan to End Homelessness. The Council, chaired by the AHS Secretary's Office, includes representatives from across State government including the Department for Children and Families, Department of Mental Health, Department of Disabilities, Aging & Independent Living, Agency of Education, Department of Corrections, DHCD, as well as persons with lived experience of homelessness and representatives from the Continuums of Care.

Vermont’s five-year plan (2018-2022) endorses three key strategies to prevent and end homelessness.

1. Housing Supply, Affordability, Access: Increase the number of homes affordable to Vermonters with extremely low-incomes (less than 30% of area median income), especially those who are homeless.
2. Coordination of Programming: Align programs serving Vermonters who are homeless, or at risk of homelessness, under the clear objective of Housing Stability. Emphasize meeting the housing needs of the Person, not merely the program.
3. Supportive Services: Expand the capacity of programs to provide individualized supportive services once formerly homeless families and individuals move into permanent housing.

These strategies are designed to be implemented through 20 action items. Vermont's plan now contains an appendix, including: an overview of the Ending Family Homelessness framework; a summary of Vermont's Youth Homelessness Prevention Plan; the Blueprint for Ending Veteran's Homelessness in Vermont; technical definitions of "Homelessness" and "At-Risk"; and an overview of Coordinated Entry and Assessment.

Vermont has worked to restructure its homeless assistance funding to better align with state and federal goals to reduce the number of individuals and families experiencing homelessness, shorten the length of time persons are homeless, and to reduce the number of people returning to homelessness.

Vermont has received a HUD Youth Demonstration Program award and is currently testing out various innovative program to address and prevent homelessness amongst youth and young adults. AHS-DCF is involved with the ongoing work of these partners.

Describe consultation with the Continuum(s) of Care that serves the state in determining how to allocate ESG funds, develop performance standards and evaluate outcomes, and develop funding, policies and procedures for the administration of HMIS

Vermont has two HUD Continuums of Care (CoC), the Chittenden County CoC (known as the Chittenden County Homeless Alliance) and the Balance of State CoC (known as the Vermont Coalition to End Homelessness). The Balance of State CoC is a coalition of 13 local or regional CoCs.

The State Office of Economic Opportunity (OEO) coordinates with partners in AHS, the CoCs, and external stakeholders to ensure that the Emergency Solutions Grant program is part of an integrated, statewide strategy to ending homelessness and improving housing and stability outcomes for families and individuals. CoCs have provided input into how Vermont is determining the allocation of funds, the development of performance and evaluation outcomes, and the development of policies and procedures for the administration of HMIS. This input and consultation has been provided through 3 primary methods:

- Formal presentations and discussion at CoC Meetings, at least annually
- OEO Housing Advisory Group and the Vermont Council on Homelessness
- Online Survey

OEO and AHS are active participants in the governance of each CoC. OEO also serves on and/or chairs various committees in each, including HMIS, Coordinated Entry and other ad hoc workgroups.

OEO convenes a Housing Advisory Group composed of grantee organizations who also serve as leaders in local Continua of Care; this group provides a deeper review of broad stakeholder input, including program standards, the process for making subawards, and performance measures. OEO also participates on the Vermont Council on Homelessness.

OEO issues a public survey distributed to all program grantees and posted to both CoC list-serves to solicit input on funding priorities and review performance measurements. This survey is in addition to the public survey and community sessions for the entire Consolidated Plan.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdictions consultations with housing, social service agencies and other entities

To consult on ESG, OEO reached out specifically to the Continua of Care (CoC), nonprofit homeless shelter and service providers, as well as other State agency and nonprofit partners where homeless policy and service populations overlap.

Additionally, DHCD convenes the Consolidated Plan Advisory Board in addition to public outreach meetings to solicit input from an array of stakeholders.

Table 2 – Agencies, groups, organizations who participated

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| 1 | Agency/Group/Organization | Vermont Legal Aid |
| | Agency/Group/Organization Type | Services-Elderly Persons Services-Persons with Disabilities Service-Fair Housing Legal services |
| | What section of the Plan was addressed by Consultation? | Housing Need Assessment Anti-poverty Strategy |

| | | |
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| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | This organization is represented on the Advisory Board. |
| 2 | Agency/Group/Organization | CVOEO |
| | Agency/Group/Organization Type | Services - Housing Regional organization Tenant rights |
| | What section of the Plan was addressed by Consultation? | Annual Action Plan |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | This organization is represented on the Advisory Board. |
| 3 | Agency/Group/Organization | Rutland Regional Planning Commission |
| | Agency/Group/Organization Type | Regional organization Planning organization |
| | What section of the Plan was addressed by Consultation? | Housing Need Assessment Market Analysis Economic Development |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | This organization is represented on the Advisory Board. |
| 4 | Agency/Group/Organization | VERMONT HOUSING FINANCE AGENCY |
| | Agency/Group/Organization Type | Housing Other government - State |
| | What section of the Plan was addressed by Consultation? | Housing Need Assessment Market Analysis |

| | | |
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| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | This organization is represented on the Advisory Board and conducted the Statewide Housing Needs Assessment that informed this Plan |
| 5 | Agency/Group/Organization | Vermont Agency of Human Services |
| | Agency/Group/Organization Type | Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-homeless Services-Health Health Agency Child Welfare Agency Grantee Department |
| | What section of the Plan was addressed by Consultation? | Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Anti-poverty Strategy |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | This organization is represented on the Advisory Board and contributed to the drafting of this Plan |
| 6 | Agency/Group/Organization | Springfield Regional Development Corporation |
| | Agency/Group/Organization Type | Regional organization |
| | What section of the Plan was addressed by Consultation? | Economic Development |

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| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | This organization is represented on the Advisory Board. |
| 7 | Agency/Group/Organization | WEST RUTLAND |
| | Agency/Group/Organization Type | Other government - Local Civic Leaders |
| | What section of the Plan was addressed by Consultation? | Market Analysis Economic Development |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | This organization is represented on the Advisory Board. |
| 8 | Agency/Group/Organization | Southern Windsor County Regional Planning Commission |
| | Agency/Group/Organization Type | Regional organization Planning organization |
| | What section of the Plan was addressed by Consultation? | Housing Need Assessment Market Analysis Economic Development |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | This organization is represented on the Advisory Board. |
| 9 | Agency/Group/Organization | Vermont Center for Independent Living |
| | Agency/Group/Organization Type | Services - Housing Services-Persons with Disabilities |
| | What section of the Plan was addressed by Consultation? | Non-Homeless Special Needs |

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| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | This organization is represented on the Advisory Board. |
| 10 | Agency/Group/Organization | CHAMPLAIN HOUSING TRUST |
| | Agency/Group/Organization Type | Housing Services - Housing Services-homeless Regional organization |
| | What section of the Plan was addressed by Consultation? | Annual Action Plan |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | This organization is represented on the Advisory Board. |
| 11 | Agency/Group/Organization | Vermont Affordable Housing Coalition |
| | Agency/Group/Organization Type | Statewide membership organization |
| | What section of the Plan was addressed by Consultation? | Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | This organization is represented on the Advisory Board. |
| 12 | Agency/Group/Organization | Vermont Interfaith Action |
| | Agency/Group/Organization Type | Faith-based organization |
| | What section of the Plan was addressed by Consultation? | Anti-poverty Strategy Annual Action Plan |

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| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | This organization is represented on the Advisory Board. |
| 13 | Agency/Group/Organization | Vermont Economic Development Authority |
| | Agency/Group/Organization Type | Other government - State Business and Civic Leaders |
| | What section of the Plan was addressed by Consultation? | Economic Development |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | This organization is represented on the Advisory Board. |
| 14 | Agency/Group/Organization | Community Capital of Vermont |
| | Agency/Group/Organization Type | Small business and microenterprise lender Community Development Financial Institution |
| | What section of the Plan was addressed by Consultation? | Economic Development |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | This organization is represented on the Advisory Board. |
| 15 | Agency/Group/Organization | CATHEDRAL SQUARE CORPORATION |
| | Agency/Group/Organization Type | Housing Services-Elderly Persons |
| | What section of the Plan was addressed by Consultation? | Housing Need Assessment |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | This organization is represented on the Advisory Board. |

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| 16 | Agency/Group/Organization | VERMONT HOUSING AND CONSERVATION BOARD |
| | Agency/Group/Organization Type | Housing Other government - State Grantee Department |
| | What section of the Plan was addressed by Consultation? | Housing Need Assessment Market Analysis Lead-based Paint Strategy |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | This organization is represented on the Advisory Board. VHCB administers the HOME funds and HTF for Vermont. |
| 17 | Agency/Group/Organization | Central Vermont Economic Development Corporation |
| | Agency/Group/Organization Type | Regional organization |
| | What section of the Plan was addressed by Consultation? | Economic Development |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | This organization is represented on the Advisory Board. |
| 18 | Agency/Group/Organization | Homeless Prevention Center |
| | Agency/Group/Organization Type | Services-homeless |
| | What section of the Plan was addressed by Consultation? | Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | This organization is represented on the Advisory Board. |

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| 19 | Agency/Group/Organization | Vermont State Housing Authority |
| | Agency/Group/Organization Type | Housing PHA Other government - State |
| | What section of the Plan was addressed by Consultation? | Housing Need Assessment Public Housing Needs |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | This organization is represented on the Advisory Board. |
| 20 | Agency/Group/Organization | Montpelier Housing Authority |
| | Agency/Group/Organization Type | PHA |
| | What section of the Plan was addressed by Consultation? | Public Housing Needs |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | This organization is represented on the Advisory Board. |
| 21 | Agency/Group/Organization | Vermont Soap Company |
| | Agency/Group/Organization Type | Business Leaders |
| | What section of the Plan was addressed by Consultation? | Economic Development |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | This organization is represented on the Advisory Board. |
| 22 | Agency/Group/Organization | Town of Castleton |
| | Agency/Group/Organization Type | Other government - Local |
| | What section of the Plan was addressed by Consultation? | Castleton Regional Outreach Meeting |

| | | |
|----|--|---|
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | This organization hosted a Consolidated Plan Regional Outreach meeting. |
| 23 | Agency/Group/Organization | Town of Springfield |
| | Agency/Group/Organization Type | Other government - Local |
| | What section of the Plan was addressed by Consultation? | Springfield Regional Outreach Meeting |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | This organization hosted a Consolidated Plan Regional Outreach meeting. |
| 24 | Agency/Group/Organization | Town of Milton |
| | Agency/Group/Organization Type | Other government - Local |
| | What section of the Plan was addressed by Consultation? | Milton Regional Outreach Meeting |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | This organization hosted a Consolidated Plan Regional Outreach meeting. |
| 25 | Agency/Group/Organization | Town of St. Johnsbury |
| | Agency/Group/Organization Type | Other government - Local |
| | What section of the Plan was addressed by Consultation? | St. Johnsbury Regional Outreach Meeting |
| | Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination? | This organization hosted a Consolidated Plan Regional Outreach meeting. |

Identify any Agency Types not consulted and provide rationale for not consulting

No Agencies were intentionally left out of consulting efforts for this Plan.

Other local/regional/state/federal planning efforts considered when preparing the Plan

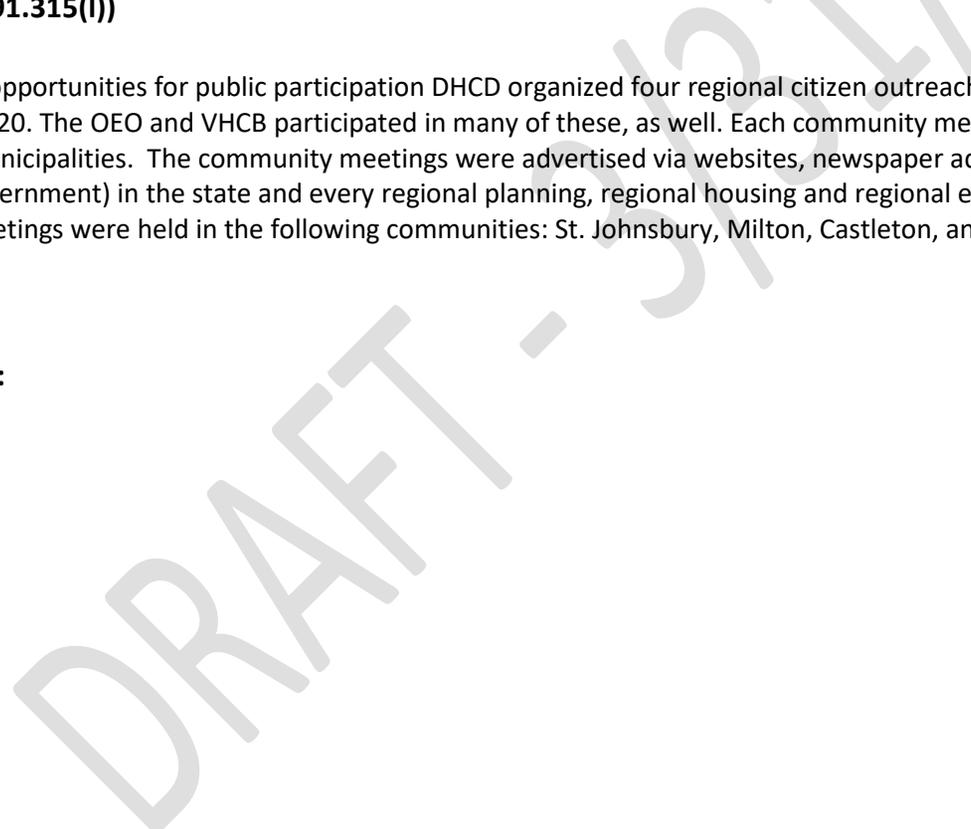
| Name of Plan | Lead Organization | How do the goals of your Strategic Plan overlap with the goals of each plan? |
|------------------------------------|--------------------------------|---|
| Statewide Housing Needs Assessment | Vermont Housing Finance Agency | The Statewide Housing Needs Assessment informed the NA and MA forms in the Strategic Plan |

Table 3 – Other local / regional / federal planning efforts

Describe cooperation and coordination among the State and any units of general local government, in the implementation of the Consolidated Plan (91.315(I))

In order to maximize opportunities for public participation DHCD organized four regional citizen outreach “Community Meetings” between January and March 2020. The OEO and VHCB participated in many of these, as well. Each community meeting was organized with several local co-hosts, including municipalities. The community meetings were advertised via websites, newspaper ads, and newsletter emails. Every municipality (local government) in the state and every regional planning, regional housing and regional economic development organization was invited to attend. Meetings were held in the following communities: St. Johnsbury, Milton, Castleton, and Springfield.

Narrative (optional):



PR-15 Citizen Participation – 91.105, 91.115, 91.200(c) and 91.300(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation

Summarize citizen participation process and how it impacted goal-setting

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

In January through March 2020 four regional meetings were held across the state to gather input and comment from the general public about community development needs. These were advertised through local newspapers and outreach by "Partners" from local municipalities and nonprofits. Meetings were held in Milton, Castleton, St. Johnsbury, and Springfield. In addition, the Department developed an online survey that was broadly distributed across the state through posting on DHCD's website, including it in DHCD's Strong Communities electronic newsletter, Vermont Housing Finance Agency blog post, and Newsletters of the Vermont Affordable Housing Coalition and Vermont Coalition to End Homelessness.

The Draft plan was published on DHCD's website on March 26, 2020 and its availability was widely distributed via email and included in the legally warned public hearing notice.

In January and April 2020, the Department convened meetings of the Consolidated Plan Citizen Advisory Board. The meetings were held in addition to two Public Hearings. The Consolidated Plan Citizen Advisory Board was formed to guide the development and priorities of the State's Consolidated Plan. The Citizen Advisory Board encompasses a broad range of constituents including representation from organizations that are faith-based, serve the 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, HTF and ESG funds are used.

Two public hearings were legally warned and publicized two weeks in advance in all major newspapers across the state and by postings, email, and online. The first hearing was conducted on January 31, 2020, before development of the plan to obtain citizens' views about the needs and interests of the public in the areas of housing, public services, community development and economic development, development of proposed grant activities, and to review past performance related to the HUD Consolidated Plan. The second hearing will be held on April 13, 2020 in a virtual platform due to COVID 19 outbreak to hear comments on the draft plan and was followed by a 30-day written comment period. A summary of written comments and the Department's response will be included in the Executive Summary (ES-05) of this plan.

Citizen Participation Outreach

| Sort Order | Mode of Outreach | Target of Outreach | Summary of response/attendance | Summary of comments received | Summary of comments not accepted and reasons | URL (if applicable) |
|------------|------------------|------------------------------|--------------------------------|------------------------------|---|---|
| 1 | Public Hearing | Non-targeted/broad community | | | N/A, hearing was to get input before drafting the plan. | https://accd.vermont.gov/content/hud-consolidated-plan-public-hearing |

Table 4 – Citizen Participation Outreach

At the time of this draft, meeting minutes from the four public outreach meetings are being compiled for inclusion in this section

Needs Assessment

NA-05 Overview

Needs Assessment Overview

The housing and homeless needs assessment and market analysis in this plan are based on the pre-populated data tables provided by HUD as supplemented and supported by the Vermont Housing Needs Assessment, which was conducted by the Vermont Housing Finance Agency. Homeless and special needs information was provided by the State Agency of Human Services, Office of Economic Opportunity as well as the Department of Corrections and a network of organizations that provide support for survivors of domestic violence. Public housing needs are primarily based on pre-populated data as evaluated by Vermont's public housing directors.

In 2019, DHCD selected the research team at Vermont Housing Finance Agency (VHFA) to conduct a statewide Housing Needs Assessment. In addition to providing analysis of a number of indicators of the economic and housing market throughout the state and for each of the 14 counties in Vermont, this effort also supported an ongoing data collection and dissemination project known as the HousingData.org Community Profiles. VHFA analyzed the current state of Vermont's housing stock along with the economic makeup of the state and used growth and economic projections to suggest priorities for addressing Vermont's current and future housing needs. Much of the data collected for this analysis, and its conclusions, were drawn upon during the creation of this Plan. The statewide report and county chapters from the Vermont Housing Needs Assessment are available on the Department's website at: <https://accd.vermont.gov/housing/plans-data-rules/needs-assessment>

NA-10 Housing Needs Assessment - 24 CFR 91.305 (a,b,c)

Summary of Housing Needs

| Demographics | Base Year: 2009 | Most Recent Year: 2015 | % Change |
|---------------|-----------------|------------------------|----------|
| Population | 625,741 | 626,604 | 0% |
| Households | 250,375 | 257,167 | 3% |
| Median Income | \$51,284.00 | \$55,176.00 | 8% |

Table 5 - Housing Needs Assessment Demographics

Data Source: 2005-2009 ACS (Base Year), 2011-2015 ACS (Most Recent Year)

Number of Households Table

| | 0-30% HAMFI | >30-50% HAMFI | >50-80% HAMFI | >80-100% HAMFI | >100% HAMFI |
|---|----------------|------------------|------------------|-------------------|----------------|
| Total Households | 32,380 | 31,595 | 46,445 | 28,990 | 117,755 |
| Small Family Households | 7,840 | 8,225 | 15,240 | 11,430 | 63,275 |
| Large Family Households | 700 | 1,240 | 2,790 | 1,735 | 6,205 |
| Household contains at least one person 62-74 years of age | 6,080 | 7,810 | 10,770 | 6,835 | 28,035 |
| Household contains at least one person age 75 or older | 5,935 | 7,165 | 6,895 | 3,020 | 7,040 |
| Households with one or more children 6 years old or younger | 3,800 | 3,520 | 5,955 | 4,010 | 10,220 |

Table 6 - Total Households Table

Data Source: 2011-2015 CHAS

Housing Needs Summary Tables

1. Housing Problems (Households with one of the listed needs)

| | Renter | | | | | Owner | | | | |
|---|-----------|-------------|-------------|--------------|--------|-----------|-------------|-------------|--------------|--------|
| | 0-30% AMI | >30-50% AMI | >50-80% AMI | >80-100% AMI | Total | 0-30% AMI | >30-50% AMI | >50-80% AMI | >80-100% AMI | Total |
| NUMBER OF HOUSEHOLDS | | | | | | | | | | |
| Substandard Housing - Lacking complete plumbing or kitchen facilities | 535 | 335 | 320 | 265 | 1,455 | 380 | 165 | 235 | 30 | 810 |
| Severely Overcrowded - With >1.51 people per room (and complete kitchen and plumbing) | 285 | 280 | 315 | 125 | 1,005 | 10 | 60 | 105 | 25 | 200 |
| Overcrowded - With 1.01-1.5 people per room (and none of the above problems) | 280 | 345 | 340 | 235 | 1,200 | 90 | 125 | 290 | 200 | 705 |
| Housing cost burden greater than 50% of income (and none of the above problems) | 11,350 | 4,085 | 705 | 65 | 16,205 | 8,340 | 6,260 | 4,360 | 830 | 19,790 |

| | Renter | | | | | Owner | | | | |
|---|-----------|-------------|-------------|--------------|--------|-----------|-------------|-------------|--------------|--------|
| | 0-30% AMI | >30-50% AMI | >50-80% AMI | >80-100% AMI | Total | 0-30% AMI | >30-50% AMI | >50-80% AMI | >80-100% AMI | Total |
| Housing cost burden greater than 30% of income (and none of the above problems) | 2,220 | 5,880 | 6,210 | 995 | 15,305 | 2,180 | 6,125 | 9,970 | 5,420 | 23,695 |
| Zero/negative Income (and none of the above problems) | 800 | 0 | 0 | 0 | 800 | 675 | 0 | 0 | 0 | 675 |

Table 7 – Housing Problems Table

Data 2011-2015 CHAS
Source:

2. Housing Problems 2 (Households with one or more Severe Housing Problems: Lacks kitchen or complete plumbing, severe overcrowding, severe cost burden)

| | Renter | | | | | Owner | | | | |
|---|-----------|-------------|-------------|--------------|--------|-----------|-------------|-------------|--------------|--------|
| | 0-30% AMI | >30-50% AMI | >50-80% AMI | >80-100% AMI | Total | 0-30% AMI | >30-50% AMI | >50-80% AMI | >80-100% AMI | Total |
| NUMBER OF HOUSEHOLDS | | | | | | | | | | |
| Having 1 or more of four housing problems | 12,450 | 5,050 | 1,680 | 690 | 19,870 | 8,820 | 6,610 | 4,995 | 1,085 | 21,510 |
| Having none of four housing problems | 6,415 | 9,250 | 14,715 | 7,345 | 37,725 | 3,220 | 10,685 | 25,060 | 19,865 | 58,830 |

| | Renter | | | | | Owner | | | | |
|---|-----------|-------------|-------------|--------------|-------|-----------|-------------|-------------|--------------|-------|
| | 0-30% AMI | >30-50% AMI | >50-80% AMI | >80-100% AMI | Total | 0-30% AMI | >30-50% AMI | >50-80% AMI | >80-100% AMI | Total |
| Household has negative income, but none of the other housing problems | 800 | 0 | 0 | 0 | 800 | 675 | 0 | 0 | 0 | 675 |

Table 8 – Housing Problems 2

Data 2011-2015 CHAS
Source:

3. Cost Burden > 30%

| | Renter | | | | Owner | | | |
|-----------------------------|-----------|-------------|-------------|--------|-----------|-------------|-------------|--------|
| | 0-30% AMI | >30-50% AMI | >50-80% AMI | Total | 0-30% AMI | >30-50% AMI | >50-80% AMI | Total |
| NUMBER OF HOUSEHOLDS | | | | | | | | |
| Small Related | 4,415 | 3,605 | 2,385 | 10,405 | 2,010 | 2,960 | 5,225 | 10,195 |
| Large Related | 325 | 455 | 365 | 1,145 | 240 | 520 | 980 | 1,740 |
| Elderly | 3,205 | 2,600 | 1,250 | 7,055 | 5,760 | 7,015 | 5,145 | 17,920 |
| Other | 6,450 | 4,015 | 3,180 | 13,645 | 2,820 | 2,110 | 3,130 | 8,060 |
| Total need by income | 14,395 | 10,675 | 7,180 | 32,250 | 10,830 | 12,605 | 14,480 | 37,915 |

Table 9 – Cost Burden > 30%

Data 2011-2015 CHAS
Source:

4. Cost Burden > 50%

| | Renter | | | | Owner | | | |
|-----------------------------|-----------|-------------|-------------|-------|-----------|-------------|-------------|-------|
| | 0-30% AMI | >30-50% AMI | >50-80% AMI | Total | 0-30% AMI | >30-50% AMI | >50-80% AMI | Total |
| NUMBER OF HOUSEHOLDS | | | | | | | | |
| Small Related | 3,805 | 1,410 | 110 | 5,325 | 1,780 | 1,810 | 1,495 | 5,085 |
| Large Related | 285 | 130 | 60 | 475 | 180 | 185 | 200 | 565 |
| Elderly | 2,315 | 1,100 | 255 | 3,670 | 4,195 | 3,030 | 1,570 | 8,795 |

| | Renter | | | | Owner | | | |
|----------------------|-----------|-------------|-------------|--------|-----------|-------------|-------------|--------|
| | 0-30% AMI | >30-50% AMI | >50-80% AMI | Total | 0-30% AMI | >30-50% AMI | >50-80% AMI | Total |
| Other | 5,630 | 1,720 | 305 | 7,655 | 2,425 | 1,325 | 1,110 | 4,860 |
| Total need by income | 12,035 | 4,360 | 730 | 17,125 | 8,580 | 6,350 | 4,375 | 19,305 |

Table 10 – Cost Burden > 50%

Data 2011-2015 CHAS
Source:

5. Crowding (More than one person per room)

| | Renter | | | | | Owner | | | | |
|---------------------------------------|-----------|-------------|-------------|--------------|-------|-----------|-------------|-------------|--------------|-------|
| | 0-30% AMI | >30-50% AMI | >50-80% AMI | >80-100% AMI | Total | 0-30% AMI | >30-50% AMI | >50-80% AMI | >80-100% AMI | Total |
| NUMBER OF HOUSEHOLDS | | | | | | | | | | |
| Single family households | 415 | 555 | 480 | 225 | 1,675 | 110 | 165 | 340 | 110 | 725 |
| Multiple, unrelated family households | 45 | 35 | 90 | 75 | 245 | 0 | 10 | 65 | 115 | 190 |
| Other, non-family households | 135 | 50 | 85 | 65 | 335 | 10 | 8 | 0 | 10 | 28 |
| Total need by income | 595 | 640 | 655 | 365 | 2,255 | 120 | 183 | 405 | 235 | 943 |

Table 11 – Crowding Information – 1/2

Data 2011-2015 CHAS
Source:

| | Renter | | | | Owner | | | |
|----------------------------------|-----------|-------------|-------------|---------|-----------|-------------|-------------|---------|
| | 0-30% AMI | >30-50% AMI | >50-80% AMI | Total | 0-30% AMI | >30-50% AMI | >50-80% AMI | Total |
| Households with Children Present | No Data | No Data | No Data | No Data | No Data | No Data | No Data | No Data |

Table 12 – Crowding Information – 2/2

Data Source
Comments: No data available

Describe the number and type of single person households in need of housing assistance.

According to the 2020 Vermont Housing Needs Assessment, the number of single person households has expanded faster than any other household type since 2010. By 2017 there were an estimated 79,584 single person households, comprising 30% of all households in the state. Even as an expanding group, single person households are disproportionately represented in the low- to moderate-income categories with approximately 54,984 single person households earning less than 80% of the area median income.

Estimate the number and type of families in need of housing assistance who are disabled or victims of domestic violence, dating violence, sexual assault and stalking.

Of the entire Vermont adult population, 22% report having at least one type of disability. Of Vermonters who are beyond 65 years of age, 33% report having a disability compared to only 12% of younger households. In no county in Vermont can a single-person household living entirely on SSDI benefits afford an apartment rented at the calculated HUD fair market rent.

Survivors of domestic and sexual violence in Vermont can receive services through a partnership of organizations under the Vermont Network Against Domestic and Sexual Violence. According to the 2019 data snapshot, the Vermont Network member organizations helped 8,760 in the preceding year. Of those, approximately 75% were female-identified adults. The same report cited 2,546 people accepted some form of help with housing.

What are the most common housing problems?

As defined by HUD, housing problems are cost burden, overcrowding, and lack of a complete kitchen or plumbing facilities (substandard housing). By far, the most common housing problem experienced by Vermonters is cost burden.

There are an estimated 89,840 Vermont households (36%) that are paying more than 30% of household income for housing costs and of these cost burdened households 39,150 (16%) are paying 50% or more of household income. A larger proportion of renters, 51%, are cost burdened statewide than similarly burdened homeowners, who make up 30% of the total number of homeowner households.

Are any populations/household types more affected than others by these problems?

Households with income below 50% of Area Median Income are significantly more likely to experience cost burden. This is true regardless of household size, although more large households – 5 or more individuals - with incomes below 50% of AMI are experiencing cost burden.

Describe the characteristics and needs of Low-income individuals and families with children (especially extremely low-income) who are currently housed but are at imminent risk of either residing in shelters or becoming unsheltered 91.205(c)/91.305(c)). Also discuss the needs of formerly homeless families and individuals who are receiving rapid re-housing assistance and are nearing the termination of that assistance

As of the writing of this draft more data continues to be analyzed to address the prompt above – knowledgeable staff were re-assigned to address issues arising from the COVID-19 outbreak. Additional drafts will be edited and uploaded to the Consolidated Plan webpage as they become available during the ongoing public comment period.

If you have input you would like to provide, send written correspondence to Shaun Gilpin, Dept. Housing and Community Development, at shaun.gilpin@vermont.gov before May 10, 2020

If a jurisdiction provides estimates of the at-risk population(s), it should also include a description of the operational definition of the at-risk group and the methodology used to generate the estimates:

The jurisdiction does not have estimates of the at-risk population, but uses the HUD definition to define this population as:

An individual or family with an annual income below 30% of median family income for the county; who lacks 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; who has no appropriate subsequent housing options identified; AND who meets one of the following conditions:

- Has moved because of economic reasons 2 or more times during the preceding 60 days; OR
- Is living in the home of another because of economic hardship; OR
- Has been notified they will lose their housing within 21 days; OR
- 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
- Lives in an SRO or efficiency apartment unit in which there reside more than 2 persons; OR
- Is exiting a publicly funded institution or system of care.

Specify particular housing characteristics that have been linked with instability and an increased risk of homelessness

Substandard housing or housing with one or more housing problems including cost burdened are linked to instability. In particular, households that are extremely low income and severely cost burdened are linked to an increased risk of homelessness.

NA-15 Disproportionately Greater Need: Housing Problems - 91.305 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

A disproportionately greater need exists when the members of racial or ethnic group at a given income level experience housing problems as defined by HUD at a greater rate (10 percentage points or more) than the income level as a whole. While Vermont is slowly becoming more diverse, it is still made up of predominately white households with 248,813, or 96.2%, of households identifying as “white alone”. In comparison, approximately 77% of U.S. household similarly identify. Due to the small proportion of racial and ethnic minority households in the state, even a small number experiencing a housing problem can result in a proportionately greater need for that group than the state as a whole.

0%-30% of Area Median Income

| Housing Problems | Has one or more of four housing problems | Has none of the four housing problems | Household has no/negative income, but none of the other housing problems |
|--------------------------------|--|---------------------------------------|--|
| Jurisdiction as a whole | 25,720 | 5,331 | 1,555 |
| White | 24,030 | 4,970 | 1,430 |
| Black / African American | 315 | 65 | 39 |
| Asian | 267 | 63 | 14 |
| American Indian, Alaska Native | 167 | 57 | 20 |
| Pacific Islander | 0 | 0 | 0 |
| Hispanic | 416 | 20 | 14 |

Table 13 - Disproportionally Greater Need 0 - 30% AMI

Data 2011-2015 CHAS

Source:

*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

30%-50% of Area Median Income

| Housing Problems | Has one or more of four housing problems | Has none of the four housing problems | Household has no/negative income, but none of the other housing problems |
|--------------------------------|--|---------------------------------------|--|
| Jurisdiction as a whole | 23,657 | 7,958 | 0 |
| White | 22,202 | 7,736 | 0 |
| Black / African American | 208 | 0 | 0 |
| Asian | 380 | 64 | 0 |
| American Indian, Alaska Native | 105 | 12 | 0 |
| Pacific Islander | 0 | 0 | 0 |
| Hispanic | 343 | 89 | 0 |

Table 14 - Disproportionally Greater Need 30 - 50% AMI

Data 2011-2015 CHAS
Source:

*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

50%-80% of Area Median Income

| Housing Problems | Has one or more of four housing problems | Has none of the four housing problems | Household has no/negative income, but none of the other housing problems |
|--------------------------------|--|---------------------------------------|--|
| Jurisdiction as a whole | 22,827 | 23,618 | 0 |
| White | 21,727 | 22,699 | 0 |
| Black / African American | 129 | 110 | 0 |
| Asian | 303 | 140 | 0 |
| American Indian, Alaska Native | 68 | 85 | 0 |
| Pacific Islander | 4 | 0 | 0 |
| Hispanic | 328 | 273 | 0 |

Table 15 - Disproportionally Greater Need 50 - 80% AMI

Data 2011-2015 CHAS
Source:

*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

80%-100% of Area Median Income

| Housing Problems | Has one or more of four housing problems | Has none of the four housing problems | Household has no/negative income, but none of the other housing problems |
|--------------------------------|--|---------------------------------------|--|
| Jurisdiction as a whole | 8,243 | 20,802 | 0 |
| White | 7,820 | 20,013 | 0 |
| Black / African American | 70 | 107 | 0 |
| Asian | 142 | 63 | 0 |
| American Indian, Alaska Native | 0 | 80 | 0 |
| Pacific Islander | 4 | 0 | 0 |
| Hispanic | 92 | 244 | 0 |

Table 16 - Disproportionally Greater Need 80 - 100% AMI

Data 2011-2015 CHAS
Source:

*The four housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than one person per room,
4. Cost Burden greater than 30%

Discussion

NA-20 Disproportionately Greater Need: Severe Housing Problems – 91.305(b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

As described in NA-15 above, a disproportionately greater need exists when the members of a racial or ethnic group at a given income level experience housing problems at a greater rate (10 percentage points or more) than the income level as a whole. Vermont is predominately white. Racial and ethnic minority groups represent only 3.8% of Vermont households. Therefore, even a small number of racial or ethnic minority households having a severe housing problem can result in a proportionately greater need for that group than the state as a whole.

0%-30% of Area Median Income

| Severe Housing Problems* | Has one or more of four housing problems | Has none of the four housing problems | Household has no/negative income, but none of the other housing problems |
|--------------------------------|--|---------------------------------------|--|
| Jurisdiction as a whole | 21,269 | 9,680 | 1,555 |
| White | 19,753 | 9,164 | 1,430 |
| Black / African American | 279 | 99 | 39 |
| Asian | 263 | 69 | 14 |
| American Indian, Alaska Native | 145 | 79 | 20 |
| Pacific Islander | 0 | 0 | 0 |
| Hispanic | 348 | 81 | 14 |

Table 17 – Severe Housing Problems 0 - 30% AMI

Data 2011-2015 CHAS
Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than 1.5 persons per room,
4. Cost Burden over 50%

30%-50% of Area Median Income

| Severe Housing Problems* | Has one or more of four housing problems | Has none of the four housing problems | Household has no/negative income, but none of the other housing problems |
|--------------------------------|--|---------------------------------------|--|
| Jurisdiction as a whole | 11,722 | 19,996 | 0 |
| White | 10,913 | 19,122 | 0 |
| Black / African American | 39 | 169 | 0 |
| Asian | 322 | 118 | 0 |
| American Indian, Alaska Native | 22 | 95 | 0 |
| Pacific Islander | 0 | 0 | 0 |
| Hispanic | 149 | 277 | 0 |

Table 18 – Severe Housing Problems 30 - 50% AMI

Data 2011-2015 CHAS
Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

50%-80% of Area Median Income

| Severe Housing Problems* | Has one or more of four housing problems | Has none of the four housing problems | Household has no/negative income, but none of the other housing problems |
|--------------------------------|--|---------------------------------------|--|
| Jurisdiction as a whole | 6,674 | 39,799 | 0 |
| White | 6,302 | 38,112 | 0 |
| Black / African American | 54 | 185 | 0 |
| Asian | 126 | 322 | 0 |
| American Indian, Alaska Native | 27 | 126 | 0 |
| Pacific Islander | 4 | 0 | 0 |
| Hispanic | 81 | 520 | 0 |

Table 19 – Severe Housing Problems 50 - 80% AMI

Data 2011-2015 CHAS
Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities, 2. Lacks complete plumbing facilities, 3. More than 1.5 persons per room, 4. Cost Burden over 50%

80%-100% of Area Median Income

| Severe Housing Problems* | Has one or more of four housing problems | Has none of the four housing problems | Household has no/negative income, but none of the other housing problems |
|---------------------------------|---|--|---|
| Jurisdiction as a whole | 1,823 | 27,198 | 0 |
| White | 1,660 | 26,125 | 0 |
| Black / African American | 25 | 147 | 0 |
| Asian | 100 | 105 | 0 |
| American Indian, Alaska Native | 0 | 80 | 0 |
| Pacific Islander | 4 | 0 | 0 |
| Hispanic | 14 | 327 | 0 |

Table 20 – Severe Housing Problems 80 - 100% AMI

Data 2011-2015 CHAS
Source:

*The four severe housing problems are:

1. Lacks complete kitchen facilities,
2. Lacks complete plumbing facilities,
3. More than 1.5 persons per room,
4. Cost Burden over 50%

Discussion

NA-25 Disproportionately Greater Need: Housing Cost Burdens – 91.305 (b)(2)

Assess the need of any racial or ethnic group that has disproportionately greater need in comparison to the needs of that category of need as a whole.

Introduction

Housing Cost Burden

| Housing Cost Burden | <=30% | 30-50% | >50% | No / negative income (not computed) |
|--------------------------------|---------|--------|--------|-------------------------------------|
| Jurisdiction as a whole | 167,798 | 49,524 | 38,429 | 1,630 |
| White | 161,343 | 47,066 | 35,976 | 1,513 |
| Black / African American | 967 | 399 | 276 | 39 |
| Asian | 1,417 | 481 | 562 | 14 |
| American Indian, Alaska Native | 493 | 150 | 179 | 20 |
| Pacific Islander | 29 | 0 | 4 | 0 |
| Hispanic | 1,756 | 743 | 532 | 29 |

Table 21 – Greater Need: Housing Cost Burdens AMI

Data Source: 2011-2015 CHAS

Discussion

NA-30 Disproportionately Greater Need: Discussion – 91.305 (b)(2)

At the time of this draft, disproportionately greater needs were being calculated. If you would like to provide public comment on this issue, please send written comments to Shaun Gilpin, Dept. Housing and Community Development, at shaun.gilpin@vermont.gov before May 10, 2020.

Are there any Income categories in which a racial or ethnic group has disproportionately greater need than the needs of that income category as a whole?

If they have needs not identified above, what are those needs?

Are any of those racial or ethnic groups located in specific areas or neighborhoods in your community?

DRAFT - 3/31/20

NA-35 Public Housing – (Optional)

Introduction

Totals in Use

| | Program Type | | | | | | | | |
|----------------------------|--------------|-----------|----------------|----------|-----------------|----------------|-------------------------------------|----------------------------|------------|
| | Certificate | Mod-Rehab | Public Housing | Vouchers | | | Special Purpose Voucher | | |
| | | | | Total | Project - based | Tenant - based | Veterans Affairs Supportive Housing | Family Unification Program | Disabled * |
| # of units vouchers in use | 0 | 92 | 1,755 | 6,137 | 696 | 4,523 | 64 | 417 | 313 |

Table 22 - Public Housing by Program Type

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Data Source: PIC (PIH Information Center)

Characteristics of Residents

| | Program Type | | | | | | | | |
|---|--------------|-----------|----------------|----------|-----------------|----------------|-------------------------------------|----------------------------|--|
| | Certificate | Mod-Rehab | Public Housing | Vouchers | | | Special Purpose Voucher | | |
| | | | | Total | Project - based | Tenant - based | Veterans Affairs Supportive Housing | Family Unification Program | |
| # Homeless at admission | 0 | 2 | 2 | 31 | 3 | 10 | 11 | 7 | |
| # of Elderly Program Participants (>62) | 0 | 19 | 834 | 1,359 | 210 | 1,061 | 11 | 3 | |
| # of Disabled Families | 0 | 38 | 551 | 2,693 | 236 | 2,038 | 37 | 74 | |
| # of Families requesting accessibility features | 0 | 92 | 1,755 | 6,137 | 696 | 4,523 | 64 | 417 | |

| | Program Type | | | | | | | |
|------------------------------------|--------------|-----------|----------------|----------|-----------------|----------------|-------------------------------------|----------------------------|
| | Certificate | Mod-Rehab | Public Housing | Vouchers | | | Special Purpose Voucher | |
| | | | | Total | Project - based | Tenant - based | Veterans Affairs Supportive Housing | Family Unification Program |
| # of HIV/AIDS program participants | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| # of DV victims | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Table 23 – Characteristics of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Race of Residents

| Race | Program Type | | | | | | | | |
|-------------------------------|--------------|-----------|----------------|----------|-----------------|----------------|-------------------------------------|----------------------------|------------|
| | Certificate | Mod-Rehab | Public Housing | Vouchers | | | Special Purpose Voucher | | |
| | | | | Total | Project - based | Tenant - based | Veterans Affairs Supportive Housing | Family Unification Program | Disabled * |
| White | 0 | 90 | 1,641 | 5,727 | 660 | 4,211 | 60 | 375 | 303 |
| Black/African American | 0 | 1 | 75 | 262 | 14 | 210 | 3 | 27 | 6 |
| Asian | 0 | 1 | 27 | 76 | 12 | 54 | 0 | 4 | 4 |
| American Indian/Alaska Native | 0 | 0 | 12 | 66 | 10 | 42 | 1 | 11 | 0 |
| Pacific Islander | 0 | 0 | 0 | 6 | 0 | 6 | 0 | 0 | 0 |
| Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Table 24 – Race of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Ethnicity of Residents

| Ethnicity | Program Type | | | | | | | | |
|--------------|--------------|-----------|----------------|----------|-----------------|----------------|-------------------------------------|----------------------------|------------|
| | Certificate | Mod-Rehab | Public Housing | Vouchers | | | Special Purpose Voucher | | |
| | | | | Total | Project - based | Tenant - based | Veterans Affairs Supportive Housing | Family Unification Program | Disabled * |
| Hispanic | 0 | 2 | 23 | 77 | 5 | 57 | 4 | 7 | 2 |
| Not Hispanic | 0 | 90 | 1,732 | 6,060 | 691 | 4,466 | 60 | 410 | 311 |

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Table 25 – Ethnicity of Public Housing Residents by Program Type

Data Source: PIC (PIH Information Center)

Section 504 Needs Assessment: Describe the needs of public housing tenants and applicants on the waiting list for accessible units:

This section is optional for State grantees, and the information was not obtained or evaluated as part of the Vermont Housing Needs Assessment.

What are the number and type of families on the waiting lists for public housing and section 8 tenant-based rental assistance? Based on the information above, and any other information available to the jurisdiction, what are the most immediate needs of residents of public housing and Housing Choice voucher holders?

How do these needs compare to the housing needs of the population at large

According to Vermont's local public housing directors, the needs of individuals and families on wait lists are "vastly" greater than the population at large. This is supported by the Vermont Housing Needs Assessment and a comparison with the Directory of Affordable Rental Housing that found that vacancy rates for government subsidized housing are much lower than the rest of the rental market. Most government subsidized housing is fully occupied with wait lists.

Discussion:

NA-40 Homeless Needs Assessment – 91.305(c)

Introduction:

The homeless needs assessment data is based on the one-day count (Point-in-Time) in January 2019. This is the only consistent statewide source of population level data that includes all sheltered and unsheltered individuals and families experiencing homelessness. Other data exists but is confined to reports from specific programs such as publicly-funded shelters (ESG), publicly-funded motel vouchers (General Assistance), street outreach (PATH), the Vermont Network Against Domestic and Sexual Violence, and the Vermont Coalition of Runaway and Homeless Youth Programs. Vermont organizations with a mission to address homelessness have been engaged in several years in implementing a robust Homelessness Information Management System (HMIS). This project is ongoing and when fully implemented will provide additional information about the nature of homelessness throughout the state beyond the limitations of the Point in Time count. The HMIS system, however, will have its own limitations, not least of which is the necessity to protect the identity and location of individuals who are accessing homelessness services while fleeing situations involving domestic and sexual violence. What is clear is that Vermont, as well as many places across the country, continue to struggle to ensure adequate housing for all residents as the State faces a housing wage gap that has grown, a tightening rental market and, among many other complex issues, the growing prevalence of substance use disorders.

If data is not available for the categories "number of persons becoming and exiting homelessness each year," and "number of days that persons experience homelessness," describe these categories for each homeless population type (including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth):

This data is not currently available in a reliable manner across the state. Continued implementation of the HMIS system is one step toward improving the availability and reliability of this metric, however, even complete HMIS implementation will still be an imperfect measure as it cannot capture data on those whose confidentiality must be protected, such as survivors of domestic and sexual violence.

Based on the 2019 Point in Time Count, the average length of stay in homeless shelter has risen to 52 days. Although a useful measure, it is nonetheless a poor proxy for the duration of homelessness and is not available by subpopulation.

A number of factors can drive an extended duration of homelessness. Under current rental vacancy conditions, access to a rental unit, even when a subsidy or voucher is secured can delay rehousing. Given the general age and quality of Vermont's rental housing units, it has also been reported by homelessness service providers that available apartments often do not meet basic HUD Housing Quality Standards and can therefore not be utilized to house those experiencing homelessness until repairs are made, further delaying the process of accessing housing. A prospective tenant's credit, criminal record, previous rental history and lack of income/employment are major barriers for individuals accessing rental units.

Nature and Extent of Homelessness: (Optional)

| | | |
|-------------------|-------------------|-------------------------------|
| Race: | Sheltered: | Unsheltered (optional) |
| Ethnicity: | Sheltered: | Unsheltered (optional) |

Estimate the number and type of families in need of housing assistance for families with children and the families of veterans.

The 2019 PIT count found 408 Vermont parents and children living in families. Additionally, the 2019 PIT count found 122 youth under the age of 25 who were unaccompanied and homeless. Of these, 27 were parents of young children.

The population of homeless veterans has declined steadily since the 2013 PIT count when it peaked at 128. The year 2019 saw a continuation of this downward trend; 87 homeless veterans were counted, a 19.5% decrease from 2018. This reflects the coordinated efforts of veterans’ service providers to move this number towards “functional zero”, according to the Vermont Coalition to End Homelessness and the Chittenden County Homeless Alliance.

Describe the Nature and Extent of Homelessness by Racial and Ethnic Group.

Persons identified as Black, African American, Hispanic or Latino were disproportionately represented in the overall homeless population (in relation to these groups’ representation in the total state population) in the 2019 PIT count. 15% of all people counted in 2019 identified their race as other than white.

Describe the Nature and Extent of Unsheltered and Sheltered Homelessness.

The number of people staying in Vermont’s publicly funded homeless shelters has decreased slightly each year in 2015-2019. However, the increased average length of stay and virtually unchanged shelter capacity may be the root cause of this decrease. Another significant factor that affects the number of unsheltered homeless on the date of the Point in Time Count is the availability of General Assistance vouchers made available during Adverse Weather Conditions. Such vouchers can be made more widely available for use when the temperature or windchill is less than 20 degrees F or temperatures are less than 32 degrees F with a higher than 50% chance of precipitation. Whether such conditions exist on the date of the PIT count can have significant effects on the number of unsheltered individuals.

Discussion:

NA-45 Non-Homeless Special Needs Assessment – 91.305 (b,d)

Introduction

This section serves to highlight the number of persons who are not homeless but may require supportive housing. This includes but is not limited to the elderly, frail elderly, persons with mental, physical and/or developmental disabilities, persons with alcohol or other drug addiction, persons with HIV/AIDS and their families, and victims of domestic violence. Highest among these populations in Vermont are adults with severe mental illness, persons with substance abuse, the elderly and persons with disabilities.

Describe the characteristics of special needs populations in your community:

State planners recognize that the housing needs of most sub-populations are not radically different from those of the general population. The Agency of Human Services promotes safe and permanently affordable housing integrated into non-specialized residential buildings or settings. This strategy has been aided by promotion of clearer standards around universal design through the State qualified allocation plan, as well as mixed-income housing achieved through project and tenant-based rental assistance. The large majority of AHS clients with special needs live in the community and depending on their needs, may receive specialized case management services to help them coordinate and access services in the community. For Vermonters with severe special needs, such as serious mental health issues, they have access to residential care with on-site services.

What are the housing and supportive service needs of these populations and how are these needs determined?

Permanent Supportive Housing defined by HUD includes the provision of long-term rental assistance and supportive services for persons experiencing homelessness and a disabling condition of long duration, primarily those with serious mental health challenges, substance use disorders, and related diseases. Tenants living in PSH must have access to an adequate level of services which are appropriate to their level of need.

“Supportive housing” provided outside the homelessness continuum is largely undefined and there is not a system-wide funding mechanism to pay for supportive housing in Vermont. Thus, Vermont does not have a robust array of permanent supportive housing for vulnerable people outside the homeless continuum.

However, the Department of Mental Health (DMH) administers the Subsidy + Care program, modeled after HUD’s PSH program to serve Vermonters in mental health acute care beds or those individuals who are homeless and at serious risk of needing an acute care bed. Subsidy + Care provides tenant-based rental subsidies; administered by the Vermont State Housing Authority (VSHA). Treatment Services for tenants housed with Subsidy + Care are provided by community-based organizations that serve people with serious mental illness. Roughly 100 households, benefit from this program annually.

Vermont believes that people are best served in the least restrictive environment. To that end, AHS facilitates housing stability for its most vulnerable clients by working closely with our housing partners to ensure they have access to scarce affordable housing and rental subsidies. In addition, AHS works closely with community service providers to ensure that all low-income Vermonters have access to a comprehensive array of supportive services no matter their needs or where they live.

For instance, for people with physical and developmental disabilities, AHS' Department of Disabilities, Aging and Independent Living (DAIL) provides:

- Developmental Disabilities Home and Community Based Services may help pay for “home modifications for physical accessibility” and for “modifications related to an individual’s disability, including cost effective technology that promotes safety and independence.” Another DAIL funding source also allows one-time funding to pay for “assistive technology, adaptive equipment, home modifications to make the individual’s home physically accessible, and other special supports and services not covered under the Medicaid State Plan.”
- DAIL and other community partners provide resources that help cover the costs associated with moving into an apartment (e.g., rent deposit, furnishings). Funding and supports include: DAIL funds “Supported Apartment Fund” and “Brandon Training School Fund” (for people who use to live in the state institution); DAIL’s statewide network of non-profit organizations offer used furnishings/appliances; grants from community service organizations and Vermont’s participation in the ABLE account program.
- DAIL staff, including Public Guardians, and local developmental disabilities services providers provide supports to assist participants apply for vouchers, locate apartments and successfully transition to tenancy. Assistance is also provided by GMSA and their local peer support network and the Vermont Center for Independent Living.

DAIL also funds Support and Services at Home (SASH) model to care for older adults in their own home, thus older adults avoid homelessness and/or nursing home care.

The Vermont Department of Health (VDH), through the Division of Alcohol and Drug Abuse Programs (ADAP), funds short-term housing and on-site case management services for people leaving residential treatment for Substance Use Disorder (SUD) who want to live in a sober environment.

When public safety is no longer a concern, the Department of Corrections discharges people from prison into community-based residential facilities to support their re-entry into the community. DOC also funds some supportive housing for people with mental health issues re-entering the community to prevent homelessness and reduce rates of return to incarceration. Through grants to community partners, DOC funds transitional housing capacity in a mix of emergency shelter beds, congregate housing sites and scattered apartments. Participants have complex needs, are generally exiting institutions (incarceration or substance abuse treatment) and have no other housing options available to them.

In FY19, 647 individuals were served by DOC-funded transitional housing; at least 45% (290) were people with disabilities between the ages of 18-62.

DOC's largest grantee, Pathways Vermont, provided rental assistance and services to 61 individuals across the state, all who have complex mental health needs, a history of homelessness and involvement with the criminal justice system.

Discuss the size and characteristics of the population with HIV/AIDS and their families within the Eligible Metropolitan Statistical Area:

The Vermont Department of Health funds the Housing Opportunities for People with AIDS (HOPWA) program administered by the Vermont State Housing Authority (VSHA). The rental assistance is intended to help someone become permanently housed while awaiting a federally funded HOPWA voucher. In addition to the federal HOPWA program, persons with HIV/AIDS can access State emergency financial assistance to prevent eviction or secure stable housing. This funding comes from the AHS Department of Health and is delivered through one of three local AIDS Service Organizations (ASOs).

Discussion:

NA-50 Non-Housing Community Development Needs - 91.315 (f)

Describe the jurisdiction's need for Public Facilities:

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, historic villages and sustainable growth patterns.

Vermont residents pride themselves on local effort, ingenuity and creativity in solving local problems. Vermont's CDBG program supports and encourage local community development initiatives that benefit low and moderate income residents and have lasting results.

The need for public facilities varies from region to region and from community to community. However, many communities need support to establish or continue to operate senior centers, childcare facilities, community centers and facilities that assist or prevent homelessness. Facilities that support special needs populations, such as addiction treatment centers, domestic and sexual abuse victims and adult daycare centers are also needed.

With a small rural population, the need to coordinate, collaborate and work regionally is important. The long term sustainability of these public facilities and those that depend on them must be considered. The VCDP program works with communities to address their most critical needs, ensure projects benefit low and moderate income persons, leverage funds and address sustainability and resiliency issues.

How were these needs determined?

In addition to past experience, the need for public facilities was determined through community outreach meetings, Consolidated Plan surveys and consultation with partner agencies and organizations.

The remaining unmet Disaster Recovery needs were determined through public outreach and consultation with most impacted communities throughout the state. Letters of intent were solicited for eligible projects in partnership with our regional partners.

Describe the jurisdiction's need for Public Improvements:

Vermont's population, like much of New England's, is aging fast. In addition, many of our downtowns, villages and historic buildings were built before modern accessibility codes and standards were required. In Vermont, we continue to see the need to address architectural barriers that prevent populations with disabilities from participating in daily activities. Communities throughout the state need assistance to provide accessible sidewalks, public buildings and parking facilities for their residents. In addition, some communities are experiencing difficulty maintaining water and sewer

systems. This is especially challenging for communities experiencing a population decline, loss of large employers or predominately low and moderate income populations. On the other hand, some of Vermont's smaller rural communities are challenged by the lack of municipal sewer and water systems. These systems are expensive to install and maintain and limited grant dollars are available to help defray the costs of installation. These communities cannot add businesses or housing without installing municipal water and sewer. This lack of infrastructure is preventing growth and prosperity and driving development farther from the commercial core where adequate land for onsite water and sewer exists. This type of development puts housing farther from jobs and services and disproportionately impacts low income populations.

How were these needs determined?

In addition to past experience, the need for public improvements was determined through community outreach meetings, Consolidated Plan surveys and consultation with partner agencies and organizations.

Describe the jurisdiction's need for Public Services:

VCDP works with communities throughout the state and encounters a wide and diverse range of Public service needs, issues and challenges. These could include the need for job training programs, financial fitness counseling, meals on wheels and other food security programs benefiting low and moderate income populations. These are just a few examples of the type of eligible public service projects that could be assisted. VCDP considers each community's needs and works first to identify if those services or needs can be addressed with existing programs and resources. If unavailable or cost prohibitive, VCDP works with community and service leaders to marshal the resources needed to address the underserved needs of low and moderate income populations. CDBG funding for Public Services must remain within the annual 15% cap on public services. Therefore, VCDP looks to partner with local service providers and identify ongoing, stable sources of program funding before awarding CDBG funds. Thankfully, Vermont has a strong network of social service providers including State, federal, private and non-profit.

How were these needs determined?

In addition to past experience, the need for public services was determined through community outreach meetings, Consolidated Plan surveys and consultation with partner agencies and organizations.

Housing Market Analysis

MA-05 Overview

Housing Market Analysis Overview:

The housing and homeless needs assessment and market analysis in this plan are based on the pre-populated data tables provided by HUD, supplemented and supported by the Vermont Housing Needs Assessment. Homeless and special needs information was provided by OEO.

The 2020 Housing Needs Assessment was conducted by the Vermont Housing Finance Agency. Information available in the Assessment is also made available and regularly updated based on reliable, regular sources, on the Community Profiles section of the www.housingdata.org website. This site is a vast expansion of past housing needs assessments and represents the first attempt to maintain an ongoing resource for individual residents, industry experts, policy makers, municipal officials, and other interested parties to access up-to-date information on the needs and opportunities within their community and region.

Major takeaways from the 2020 Needs Assessment were not surprising but certainly call for action. Without significant changes to birth rates or in-migration, Vermont's population is not anticipated to dramatically change over the coming years with the only area expected to modestly increase in population being the northwestern part of the state. Those who already live here continue to age and without an influx of younger residents, the average age is expected to continue to increase. While the state population stagnates, the number of households continues to increase as household size shrinks. Despite this, the growth in housing units has slowed over the past decades. This reality has continued to strain existing housing stock without adequate expansion of available units in our areas desirable for growth.

Additionally, Vermont has some of the oldest housing stock in the country. The median Vermont home was built in 1974 and a quarter of the existing stock was built before 1939. Housing units occupied by renters tends to be older, with a median renter-occupied home built in 1965. While not universally the case, older housing stock tends to have the potential for more household hazards such as lead paint, low energy efficiency, and antiquated heating systems. As we seek to ensure that more of our elder population is able to age in the communities they have connections within, maintenance issues on these buildings may become problematic.

Vermont also relies heavily on the tourism industry and many fear that the increased prevalence of online rent-by-owner platforms, such as AirBnB, VRBO, and others, may be having an effect on the long term rental housing market. There have always been seasonal homes within Vermont and the 2020 Needs Assessment estimated that of the 331,106 housing units in the state, 53,940 (16%) are listed as seasonal or vacation homes. As it becomes easier for the owners of housing units to rent on the online market, however, it is expected that an even larger share of the existing housing stock will be catering to visitors in order to garner higher rents. As of July 2019, there were 8,041 unique listings for rental properties on the short-term rental sites. Without a comprehensive survey of the existing long-term

rental units and a longitudinal comparison, it is difficult to quantify the effect of this growing industry on the availability of long-term rental units in the state. The 2020 Needs Assessment was the first attempt to collect data on the short-term rental industry in Vermont in order to begin to understand the effects on housing availability. This issue will undoubtedly continue to receive attention and concern from municipalities and policy makers.

DRAFT - 3/31/20

MA-10 Number of Housing Units – 91.310(a)

Introduction

While local and regional markets vary, the low vacancy rates and relatively high level of cost burden reported in the Housing Needs Assessment indicates that the number of quality housing units in the state is insufficient for the current and projected needs. Additionally, Vermont has some of the oldest housing stock in the country. In order to address housing gaps, housing development will need to be accompanied by rehabilitation and preservation of existing stock.

All residential properties by number of units

| Property Type | Number | % |
|---------------------------------|----------------|-------------|
| 1-unit detached structure | 216,640 | 67% |
| 1-unit, attached structure | 12,647 | 4% |
| 2-4 units | 40,363 | 12% |
| 5-19 units | 21,005 | 6% |
| 20 or more units | 11,878 | 4% |
| Mobile Home, boat, RV, van, etc | 22,641 | 7% |
| Total | 325,174 | 100% |

Table 26 – Residential Properties by Unit Number

Data Source: 2011-2015 ACS

Unit Size by Tenure

| | Owners | | Renters | |
|--------------------|----------------|-------------|---------------|-------------|
| | Number | % | Number | % |
| No bedroom | 581 | 0% | 5,009 | 7% |
| 1 bedroom | 6,395 | 4% | 21,081 | 28% |
| 2 bedrooms | 40,752 | 22% | 27,267 | 37% |
| 3 or more bedrooms | 134,856 | 74% | 21,226 | 28% |
| Total | 182,584 | 100% | 74,583 | 100% |

Table 27 – Unit Size by Tenure

Data Source: 2011-2015 ACS

Describe the number and targeting (income level/type of family served) of units assisted with federal, state, and local programs.

As of the time of this draft, these numbers are being reassessed to reflect the changing needs in response to COVID-19. If you would like to provide or request information, please send comments to Shaun Gilpin, Department of Housing and Community Development, at shaun.gilpin@vermont.gov before May 10, 2020. Additional information will be amended as

available and the most recent drafts will be posted at <https://accd.vermont.gov/housing/plans-data-rules/hud>

Provide an assessment of units expected to be lost from the affordable housing inventory for any reason, such as expiration of Section 8 contracts.

There are 664 apartments subsidized through Section 8 rental assistance from the U.S. Department of Housing and Urban Development have Housing Assistance Payment (HAP) contracts that expire before 2025. Of these apartments, 417 are monitored by the Vermont State Housing Authority and the remaining 247, by Vermont Housing Finance Agency. Renewal occurs at the date of contract expiration.

At least 4,384 publicly subsidized apartments in Vermont are required to be maintained perpetually affordable. Since the late 1980s, all state housing development funding has required perpetual affordability. The most limited type of housing tax credits (called allocated 9% federal Low-Income Housing Tax Credits) have done the same since the early 2000s.

Does the availability of housing units meet the needs of the population?

While markets vary amongst regions, Vermont's overall vacancy rate is below what is considered healthy, indicating that there is unmet need. Additionally, nearly 40% of Vermont households are experiencing some cost burden. As the number of households continues to grow as expected – despite a generally stagnant population – and homelessness continues to be experienced, it is clear that the housing needs of the population have not been met. This is especially true amongst the lowest income brackets. The fact that vacancy rates are near or at zero with existing waiting lists in nearly all of our subsidized housing stock also speaks to unmet need.

Describe the need for specific types of housing:

There are several co-occurring factors that suggest a greater need for accessible, small units within easy walking distance from municipal centers. As discussed elsewhere in this report, Vermont's population continues to age and household size among all age groups continues to stay smaller than historical averages. In consultation with numerous stakeholder groups, it was also made clear that there is a growing desire for units within a short distance from centers for social interaction and the provision of services. This suggests that the policies of encouraging Smart Growth in and around our historic development patterns should continue to be prioritized. There is also a clear need for greater accessibility within the housing stock as the aging population increasingly encounters mobility challenges. The 2020 Housing Needs Assessment did, however, find that Vermont has a high proportion of households who are

“over housed” with a small number of occupants living in homes with a large number of bedrooms – homes that represent a lifestyle and family sizes that are no longer the norm.

Discussion

DRAFT - 3/31/20

MA-15 Cost of Housing – 91.310(a)

Introduction

Housing costs in much of the state continue to rise as wages have been generally stagnant. This contributes to the affordability issues that affect Vermont as well as many areas across the country. The most prevalent housing problem in Vermont is Cost Burden with nearly 40% of all households experiencing some cost burden and approximately 16% experiencing a severe cost burden.

Cost of Housing

| | Base Year: 2009 | Most Recent Year: 2015 | % Change |
|----------------------|-----------------|------------------------|----------|
| Median Home Value | 200,600 | 217,500 | 8% |
| Median Contract Rent | 664 | 778 | 17% |

Table 28 – Cost of Housing

Data Source: 2005-2009 ACS (Base Year), 2011-2015 ACS (Most Recent Year)

| Rent Paid | Number | % |
|-----------------|---------------|---------------|
| Less than \$500 | 17,122 | 23.0% |
| \$500-999 | 39,454 | 52.9% |
| \$1,000-1,499 | 13,353 | 17.9% |
| \$1,500-1,999 | 3,483 | 4.7% |
| \$2,000 or more | 1,171 | 1.6% |
| Total | 74,583 | 100.0% |

Table 29 - Rent Paid

Data Source: 2011-2015 ACS

Housing Affordability

| % Units affordable to Households earning | Renter | Owner |
|--|---------------|----------------|
| 30% HAMFI | 7,110 | No Data |
| 50% HAMFI | 18,280 | 10,695 |
| 80% HAMFI | 47,605 | 38,295 |
| 100% HAMFI | No Data | 64,095 |
| Total | 72,995 | 113,085 |

Table 30 – Housing Affordability

Data Source: 2011-2015 CHAS

Monthly Rent

| Monthly Rent (\$) | Efficiency (no bedroom) | 1 Bedroom | 2 Bedroom | 3 Bedroom | 4 Bedroom |
|-------------------|-------------------------|-----------|-----------|-----------|-----------|
| Fair Market Rent | N/A | N/A | N/A | N/A | N/A |
| High HOME Rent | N/A | N/A | N/A | N/A | N/A |
| Low HOME Rent | N/A | N/A | N/A | N/A | N/A |

Table 31 – Monthly Rent

Data Source US Department of HUD Fair Market Rents and HOME Rents are available by County only
Comments:

Is there sufficient housing for households at all income levels?

No. Vermont’s rental vacancy rate has decreased substantially since 2010, which mirrors the pattern experienced nationwide through the recovery from the Great Recession. This suggests strong demand for Vermont rentals relative to the supply available. Additionally, while household growth is projected to be modest over the next five years, it is anticipated that the growth will be greatest amongst the lowest and highest incomes groups, which will have an undue burden on the already oversubscribed housing stock affordable to those in the low- and moderate-income categories earning less than 80% of area median income. Based on analyses in past housing needs assessments as well as information received through public outreach, it is becoming increasingly apparent that households earning between 80% and 120% of area median income are also having difficulty finding suitable housing options. With a greater purchasing power than their lower income neighbors, these households have the potential to outbid for the available housing units and add to the downward pressure on those seeking housing affordable at low income levels.

How is affordability of housing likely to change considering changes to home values and/or rents?

Without significant increases in wages or available housing units, housing affordability is expected to continue to be a challenge in many parts of the state.

How do HOME rents / Fair Market Rent compare to Area Median Rent? How might this impact your strategy to produce or preserve affordable housing?

At the time of this draft, analysis continued on the comparison between HOME rents and Fair Market Rents. Vermont State Housing Authority, the largest administrator of HUD Housing Choice Vouchers, regularly conducts market studies to provide evidence to support adjusting the HUD Fair Market Rent to better reflect actual area rents. State Agencies and statewide and regional housing providers are regularly in conversations with Vermont’s congressional delegation about ways to suggest improving the formulas used to calculate Fair Market Rents to better reflect the reality on the ground.

If you would like to provide public comment on this issue, contact Shaun Gilpin, Dept. of Housing and Community Development, at shaun.gilpin@vermont.gov before May 10, 2020

Discussion

DRAFT - 3/31/20

MA-20 Condition of Housing – 91.310(a)

Introduction:

Detailed data on housing problems both statewide and by county are included in the Vermont Housing Needs Assessment. As defined by HUD, housing problems are cost burden, overcrowding, and lack of a complete kitchen or plumbing facilities (substandard housing).

Definitions

Condition of Units

| Condition of Units | Owner-Occupied | | Renter-Occupied | |
|--------------------------------|----------------|-------------|-----------------|-------------|
| | Number | % | Number | % |
| With one selected Condition | 54,797 | 30% | 34,149 | 46% |
| With two selected Conditions | 938 | 1% | 1,963 | 3% |
| With three selected Conditions | 115 | 0% | 116 | 0% |
| With four selected Conditions | 5 | 0% | 16 | 0% |
| No selected Conditions | 126,729 | 69% | 38,339 | 51% |
| Total | 182,584 | 100% | 74,583 | 100% |

Table 32 - Condition of Units

Data Source: 2011-2015 ACS

Year Unit Built

| Year Unit Built | Owner-Occupied | | Renter-Occupied | |
|-----------------|----------------|-------------|-----------------|-------------|
| | Number | % | Number | % |
| 2000 or later | 23,223 | 13% | 7,305 | 10% |
| 1980-1999 | 54,117 | 30% | 15,809 | 21% |
| 1950-1979 | 56,893 | 31% | 20,540 | 28% |
| Before 1950 | 48,351 | 26% | 30,929 | 41% |
| Total | 182,584 | 100% | 74,583 | 100% |

Table 33 – Year Unit Built

Data Source: 2011-2015 CHAS

Risk of Lead-Based Paint Hazard

| Risk of Lead-Based Paint Hazard | Owner-Occupied | | Renter-Occupied | |
|---|----------------|-----|-----------------|-----|
| | Number | % | Number | % |
| Total Number of Units Built Before 1980 | 105,244 | 58% | 51,469 | 69% |
| Housing Units build before 1980 with children present | 13,310 | 7% | 9,280 | 12% |

Table 34 – Risk of Lead-Based Paint

Data Source: 2011-2015 ACS (Total Units) 2011-2015 CHAS (Units with Children present)

Vacant Units

| | Suitable for Rehabilitation | Not Suitable for Rehabilitation | Total |
|--------------------------|------------------------------------|--|--------------|
| Vacant Units | No data | No data | No data |
| Abandoned Vacant Units | No data | No data | No data |
| REO Properties | No data | No data | No data |
| Abandoned REO Properties | No data | No data | No data |

Table 35 - Vacant Units

Data Source Comments: THIS INFORMATION IS NOT AVAILABLE ON A STATEWIDE LEVEL AND MOST LOCAL COMMUNITIES DO NOT TRACK SUCH PROPERTIES

Need for Owner and Rental Rehabilitation

Estimated Number of Housing Units Occupied by Low or Moderate Income Families with LBP Hazards

At the time of this draft these estimates were pending. If you would like to provide comment please contact Shaun Gilpin, Dept. Housing and Community Development, at shaun.gilpin@vermont.gov before May 10, 2020.

Discussion:

MA-25 Public and Assisted Housing – (Optional)

Introduction:

Totals Number of Units

| | Program Type | | | | | | | | |
|-------------------------------|--------------|-----------|----------------|----------|---------------|--------------|-------------------------------------|----------------------------|------------|
| | Certificate | Mod-Rehab | Public Housing | Vouchers | | | | | |
| | | | | Total | Project-based | Tenant-based | Special Purpose Voucher | | |
| | | | | | | | Veterans Affairs Supportive Housing | Family Unification Program | Disabled * |
| # of units vouchers available | 0 | 98 | 1,792 | 6,248 | 751 | 4,815 | 521 | 3,553 | 6,675 |
| # of accessible units | | | | | | | | | |

*includes Non-Elderly Disabled, Mainstream One-Year, Mainstream Five-year, and Nursing Home Transition

Table 36 – Total Number of Units by Program Type

Data Source: PIC (PIH Information Center)

Source:

Describe the supply of public housing developments:

Describe the number and physical condition of public housing units in the jurisdiction, including those that are participating in an approved Public Housing Agency Plan:

Describe the Restoration and Revitalization Needs of public housing units in the jurisdiction:

Describe the public housing agency's strategy for improving the living environment of low- and moderate-income families residing in public housing:

Discussion:

MA-30 Homeless Facilities – 91.310(b)

Introduction

This section includes a brief inventory of facilities, housing, and services that meet the needs of homeless persons, with particular focus on chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth. In Vermont, many facilities are available to serve both families and individuals. Particularly in rural areas, few facilities are targeted to a subpopulation. In the following table, emergency shelter refers to any facility, the primary purpose of which is to provide a temporary shelter for the homeless, and which does not require occupants to sign leases or occupancy agreements. Transitional housing projects are those which are designed to provide housing and supportive services to homeless persons to facilitate movement to independent living within 24 months. Permanent Supportive Housing is permanent housing in which supportive services are provided to assist homeless persons with a disability to live independently.

Facilities Targeted to Homeless Persons

| | Emergency Shelter Beds | | Transitional Housing Beds | Permanent Supportive Housing Beds | |
|---|---------------------------------|------------------------------------|---------------------------|-----------------------------------|-------------------|
| | Year Round Beds (Current & New) | Voucher / Seasonal / Overflow Beds | Current & New | Current & New | Under Development |
| Households with Adult(s) and Child(ren) | 826 | 15 | 39 | 0 | |
| Households with Only Adults | 1094 | 186 | 0 | 429 | |
| Chronically Homeless Households | 0 | 0 | | 0 | |
| Veterans | 3 | 0 | 8 | 0 | |
| Unaccompanied Youth | 11 | 10 | 8 | 0 | |

Table 37 - Facilities Targeted to Homeless Persons

Alternate Data Source Name:

2019 VT CoC Housing Inventory Charts (HIC)

Data Source Comments:

The table is based on the 2019 Vermont CoC HIC Reports, aggregated by HUD. Consultation with each CoC and project level information served to update the data. Source data for voucher/seasonal/overflow beds is not separated out by family type or subpopulation and is largely irrelevant since the large majority are publicly-funded motel vouchers and not reserved for a specific subpopulation. Many shelters and transitional housing programs serve both households with and without children. The table lists all beds available to shelter the homeless regardless of family type under Households with Adult(s) and Children.

Describe mainstream services, such as health, mental health, and employment services to the extent those services are used to complement services targeted to homeless persons

There are a number of statewide initiatives to better leverage mainstream resources:

- There has been a significant effort to increase substance abuse treatment and recovery services through the “hub and spoke” model, SBIRT and integrated screening for substance abuse across all AHS programs, and training for recovery center staff. OEO has and will continue to offer training opportunities for homeless shelters and service providers focused on substance abuse and co-occurring disorders.
- AHS and the Vermont Council on Homelessness have made significant developments to discharge policies and protocols for those publicly funded systems of care.
- AHS Department of Mental Health Subsidy Plus Care program provides ongoing rental subsidy and assistance to adults with severe and persistent mental illness.
- The Vermont Chronic Care Initiative (VCCI) is a statewide program that provides care coordination and intensive case management services to non-dually-eligible Medicaid beneficiaries with one or more chronic conditions, with a focus on improving outcomes and reducing unnecessary utilization. The VCCI modified approach is to focus on the top five percent of Vermont Medicaid beneficiaries with the highest utilization.
- The Vermont Blueprint for Health is a State-led, nationally-recognized initiative transforming the way primary care and comprehensive health services are delivered and paid for. Under the Blueprint, increased value is placed on addressing the social determinants of health, such as homelessness.
- AHS Department of Corrections Transitional Housing programs provides re-entry support to prevent homelessness.
- AHS Reach Up (TANF) employs community-based housing case managers to support housing placement and retention for homeless and at-risk households enrolled in TANF.
- Vermont has expanded the capacity of nonprofit homeless service providers to connect clients to Supplemental Security Income (SSI) and Social Security Disability (SSDI) benefits through SSI/SSDI Outreach, Access and Recovery (SOAR) training.

In addition to the above list, a wide array of mainstream resources are coordinated through local service providers and CoC, including:

- Community-based Mental Health Services
- Vocational Rehabilitation
- Legal Aid
- Area Agencies on Aging
- Community Action Agencies, including utility assistance
- Head Start programs
- Parent Child Centers, childcare assistance
- Women, Infants and Children (WIC)
- Federally Qualified Health Centers and free clinics
- SNAP (3SquaresVt), and SNAP Employment & Training programs

List and describe services and facilities that meet the needs of homeless persons, particularly chronically homeless individuals and families, families with children, veterans and their

families, and unaccompanied youth. If the services and facilities are listed on screen SP-40 Institutional Delivery Structure or screen MA-35 Special Needs Facilities and Services, describe how these facilities and services specifically address the needs of these populations.

OEO administers funds that support homeless services and facilities across Vermont, including the Emergency Solutions Grant and State funds. In 2019, these combined funds supported operations, staffing, and homelessness prevention and rapid re-housing assistance at approximately 39 non-profit emergency shelter, transitional housing, re-housing and prevention organizations serving all regions of the state.

Through the General Assistance program, AHS Department for Children and Families provides funding for motel vouchers when no appropriate shelter bed can be found. This represents a significant portion of Vermont's emergency shelter overflow capacity. Except on extreme cold weather nights, eligibility for the program is more restrictive than the definition of homeless, and the length of stay in the motel is capped at 28 or 84 days depending on eligibility. This past year, nearly \$2 million in funds from the General Assistance (GA) Emergency Housing program was strategically invested under the Housing Opportunity Grant Program into community-based programs designed to decrease reliance on motels to shelter homeless persons and families.

OEO administers the Family Supportive Housing (FSH) project which provides intensive home-based case management and service coordination to formerly homeless families with children, many with DCF family services involvement.

The Transitional Living Programs of the Vermont Coalition of Runaway and Homeless Youth Program (VCRHYP) member organizations helps youth ages 16 to 24 that are homeless or at risk of becoming homeless make the difficult transition into adulthood by helping them reengage with education, increase employability, and build vital life skills. Youth receive housing support through VCRHYP transitional living programs. VCRHYP programs also provide support to help stabilize families in crisis in order to prevent youth from running away from home; or help those who already have.

Facilities and services available specifically to Veterans experiencing homelessness include the Supportive Services for Veterans Families program (rapid rehousing and prevention), HUD-VASH (permanent housing), and several facilities with transitional housing targeted to serve Veterans.

HUD's competitive CoC SHP programs funds services and programs in Vermont as well. Some of these services and facilities overlap with those addressed above. The CoC SHP supports transitional shelter facilities, support services, Safe Havens, and permanent supportive housing. As permanent supported housing vouchers and units become available, they are being targeted to serve persons experiencing chronic homelessness.

MA-35 Special Needs Facilities and Services – 91.310(c)

Introduction

This section provides an overview of programs within the AHS Department of Mental Health, supportive services linked to housing for the elderly and frail elderly, persons with disabilities, and more limited options for other populations such as persons with addiction. The Agency of Human Services also reviews discharge procedures and practices across the agency to support housing stability for Vermonters with special needs.

To the extent information is available, describe the facilities and services that assist persons who are not homeless but who require supportive housing, and programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

Describe programs for ensuring that persons returning from mental and physical health institutions receive appropriate supportive housing

For people exiting mental health institutions, discharge-planning is a partnership between the local community partner agencies and a Care Management Team. Discharge-planning from acute care is a plan of return to the community. The hospital social workers have the primary responsibility for connecting clients and their care with and to the local community and its resources. The DMH Health Care Management team helps to facilitate this process through active partnerships with the agencies that provide the primary support and services to the consumer in the community. DMH is the single agency in Vermont that has the primary responsibility for coordinating the activity of all stakeholders involved in the community re-entry system for homeless mental health consumers who are in treatment in acute care beds.

AHS Department of Mental Health (DMH) supports a number of community-based options for persons leaving a State psychiatric bed and returning to the community. These programs work together to ensure housing stability for this vulnerable population. In addition to Safe Haven and Transitional options for the homeless, DMH supports:

- DMH administers the Community Rehabilitation and Treatment (CRT) Housing Support Fund to keep people with serious mental health issues, stable in the community. The CRT Housing Support funds temporary rental assistance that can be used as a “bridge” to a permanent subsidy administered by the housing authority it also funds other short-term assistance needed to keep people out of mental health crisis and hospitalization.
- The Subsidy + Care program is administered by DMH and was modeled after HUD’s Shelter + Care program to serve homeless Vermonters in mental health acute care beds or those individuals who are homeless and at serious risk of needing an acute care bed. Subsidy + Care provides tenant-Based rental subsidies, which are administered by the Vermont State Housing Authority (VSHA). Treatment Services for Subsidy + Care are provided by community-based organizations funded by DMH to serve people with serious mental illness.

- Housing First programming which uses a team-approach to provide optional services to clients with mental illness who are not connected to the State’s system of designated agencies.
- The Department of Disabilities, Aging and Independent Living (DAIL) Developmental Disabilities Home and Community Based Services may help pay for “home modifications for physical accessibility” and for “modifications related to an individual’s disability, including cost effective technology that promotes safety and independence.” Another DAIL funding source also allows one-time funding to pay for “assistive technology, adaptive equipment, home modifications to make the individual’s home physically accessible, and other special supports and services not covered under the Medicaid State Plan.”
- DAIL; and other community partners provide resources that help cover the costs associated with moving into an apartment (e.g., rent deposit, furnishings). Funding and supports include: DAIL one-time funding; GMSA’s “Supported Apartment Fund” and “Brandon Training School Fund” (for people who use to live in the state institution); DAIL’s Public Guardianship Fund; GMSA’s statewide network of local peer support groups; a vast network of non-profit organizations offering used furnishings/appliances; grants from community service organizations and Vermont’s participation in the ABLE account program.
- DAIL staff, including Public Guardians, and local developmental disabilities services providers provide supports to assist participants apply for vouchers, locate apartments and successfully transition to tenancy. Assistance is also provided by GMSA and their local peer support network and the Vermont Center for Independent Living.

DAIL supports older adults who might otherwise live in a nursing homes through Support and Services at Home (SASH.) SASH coordinates the resources of social-service agencies, community health providers and nonprofit housing organizations to support older and or disabled Vermonters who choose to live independently at home. Individualized, on-site support is provided by a Wellness Nurse and a SASH Care Coordinator <https://sashvt.org/learn/>

Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. 91.315(e)

In general, Vermont promotes supported housing integrated into non-specialized residential buildings or settings. This strategy is aided by promotion of universal design through the State qualified allocation plan, as well as mixed-income housing achieved through project and tenant-based rental assistance and on-site supportive services customized to a client’s needs.

The challenges of addressing the housing and support service needs of multi-faceted and will take the collaboration of all State agencies and community partners to ensure that vulnerable Vermonters are

able to become and remain stably housed. All communities benefit when residents are safe, healthy and connected.

Based on a 2019 report to the Vermont Legislature, the following are a list of activities to be undertaken over the coming years to address supportive services needs *these intend to be further revised in coming drafts. If you would like to provide comment, please send it to Shaun Gilpin, Department of Housing and Community Development, at shaun.gilpin@vermont.gov before May 10, 2020*

Service Funding

1. Identify and pursue alternative sources of funding for supportive housing services including flexibility under Medicaid and through partnerships with One-Care Vermont.
2. Consider increased flexibility in the way the Vermont Rental Subsidy (VRS) is used to support housing stability of families receiving Reach-up. Currently VRS is an important housing resource that predominately serves Reach Up families experiencing homelessness. Maintaining this resource to support permanent housing stability for Reach Up families is critically important. At the same time, considering the increased availability of federal rapid re-housing assistance, it may be helpful to consider more flexible options for the use of these funds to support housing stability for Reach Up families.
3. Encourage the Chittenden and Balance of State Continua of Care to include funding for housing retention services in all CoC Project Applications.
4. Expand Family Supportive Housing Statewide to three new promote equitable access to the Family Unification Voucher program.

Services Design, Delivery and Coordination

1. Create a one-stop-shop for the “three legs” of the permanent supportive housing “stool” - capital, operating and services funding. This integrated method of distributing resources will improve subsidy utilization and better leverage service dollars to ensure the most vulnerable Vermonters get the most intense resource. Make these dollars available through a statewide RFP process. This integrated approach will streamline systems, minimize/consolidate documentation requirements and facilitate the development of affordable housing; it will also create greater transparency about the process for obtaining resources from funding entities.
2. Continue and Expand “Move-On” strategies for tenants who currently receive services through Shelter + Care but who no longer need intensive support but do require permanently affordable housing due to their fixed income. This approach increases the availability of permanent supportive housing for persons who need it most, increases service capacity, and ensures that

persons exiting permanent supportive housing have access to stable and affordable housing options that maximize community integration.

Housing Availability

1. Despite great progress with the Housing for All Revenue Bond great need still exists. Data collected on conformance with the Governor's Executive Order on Publicly Funded Housing for the Homeless indicate that public investments in affordable housing are resulting in more units being utilized by homeless. Thus, additional investments in affordable housing will house more homeless and increase utilization of specialized vouchers.
2. Allocate resources to improve the quality and conditions of existing housing stock
3. Work with the affordable housing community to develop models of expanded resident coordination. And eviction prevention efforts to ensure vulnerable households do not lose lifetime access to federally subsidized housing and / or rental assistance.
4. Continue to encourage Affordable Housing Providers to work with CoC's to house people eligible for PSH CoC (S+C) to meet their "15%" goal. This would allow affordable housing providers to 1) increase the operating funding in their buildings through the subsidy portion and 2) ensure formerly homeless tenants have access to consistent, dedicated case management services.

Barriers to Lease up and Documentation

1. Advocate for changes at HUD at the Federal level to allow states and local communities more time to adapt to revisions it makes annually to CoC program prioritization and practice expectations.
2. Prevent vulnerable households from losing their federally subsidized housing and entering (or returning to) homelessness by ensuring eviction prevention activities are taking place in publicly funded affordable housing.
3. Combat discriminatory rental practices by some landlords who avoid leasing to applicants with housing vouchers via education and code and regulatory enforcement action
4. Encourage landlord liaison programs in communities that benefit or could benefit from the enhanced capacity to identify apartments and landlord

For entitlement/consortia grantees: Specify the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs. Link to one-year goals. (91.220(2))

N/A for State grantees

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MA-40 Barriers to Affordable Housing – 91.310(d)

Negative Effects of Public Policies on Affordable Housing and Residential Investment

A number of State and federal public policies negatively impact the cost of housing and the incentives to develop, maintain or improve affordable housing. In most cases, these policies are sound and designed to provide ancillary benefits but have an effect of making housing more costly or difficult to develop. Listed below are barriers to affordable housing identified through the 2019 report entitled Analysis of Vermont Affordable Rental Housing Development Cost Factors and Vermont's 2017 Analysis of Impediments to Fair Housing Choice. The list also reflects information gathered from a broad group of planning, development and municipal stakeholders.

1. Limited public resources, particularly decreasing funding for development, preservation, services and subsidies that support affordable housing.
2. Increasing standards for energy efficiency.
3. State and local land use controls.
4. Permitting processes and community development standards.
5. Limited funding to promote Fair Housing and address discrimination in rental and sales housing markets.
6. Federal funding regulatory requirements such as the National Environmental Policy Act, Davis-Bacon and procurement standards.

MA-45 Non-Housing Community Development Assets -91.315(f)

Introduction

This section summarizes the State of Vermont non-housing community development assets, major sectors of the economy, educational attainment, and workforce development.

All sections in Form MA-45 Non-Housing Community development Assets are being re-assessed in light of the effects of COVID-19 and subsequent orders to Stay Home, Stay Safe, and the cessation of non-essential business functions.

If you would like to provide comment or articulate needs relating to Community Development Assets and the effects of COVID-19, please send comment to Shaun Gilpin, Dept. Housing and Community Development, at shaun.gilpin@vermont.gov

Economic Development Market Analysis

Business Activity

| Business by Sector | Number of Workers | Number of Jobs | Share of Workers % | Share of Jobs % | Jobs less workers % |
|---|-------------------|----------------|--------------------|-----------------|---------------------|
| Agriculture, Mining, Oil & Gas Extraction | 3,515 | 3,714 | 2 | 2 | 0 |
| Arts, Entertainment, Accommodations | 30,490 | 31,424 | 13 | 14 | 1 |
| Construction | 13,589 | 14,117 | 6 | 6 | 0 |
| Education and Health Care Services | 57,559 | 49,353 | 25 | 22 | -3 |
| Finance, Insurance, and Real Estate | 10,584 | 10,016 | 5 | 4 | 0 |
| Information | 4,386 | 4,346 | 2 | 2 | 0 |
| Manufacturing | 29,714 | 30,420 | 13 | 14 | 1 |
| Other Services | 8,177 | 7,794 | 4 | 3 | 0 |
| Professional, Scientific, Management Services | 14,933 | 12,549 | 6 | 6 | -1 |
| Public Administration | 0 | 0 | 0 | 0 | 0 |
| Retail Trade | 34,416 | 33,794 | 15 | 15 | 0 |
| Transportation and Warehousing | 6,048 | 6,158 | 3 | 3 | 0 |
| Wholesale Trade | 8,793 | 8,835 | 4 | 4 | 0 |
| Total | 222,204 | 212,520 | -- | -- | -- |

Table 38- Business Activity

Data Source: 2011-2015 ACS (Workers), 2015 Longitudinal Employer-Household Dynamics (Jobs)

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Labor Force

| | |
|--|---------|
| Total Population in the Civilian Labor Force | 321,002 |
| Civilian Employed Population 16 years and over | 303,978 |
| Unemployment Rate | 5.47 |
| Unemployment Rate for Ages 16-24 | 16.97 |
| Unemployment Rate for Ages 25-65 | 3.64 |

Table 39 - Labor Force

Data Source: 2011-2015 ACS

| Occupations by Sector | Number of People |
|--|------------------|
| Management, business and financial | 75,700 |
| Farming, fisheries and forestry occupations | 10,611 |
| Service | 30,836 |
| Sales and office | 64,793 |
| Construction, extraction, maintenance and repair | 31,211 |
| Production, transportation and material moving | 16,803 |

Table 40 – Occupations by Sector

Data Source: 2011-2015 ACS

Travel Time

| Travel Time | Number | Percentage |
|--------------------|----------------|-------------|
| < 30 Minutes | 192,984 | 70% |
| 30-59 Minutes | 67,864 | 25% |
| 60 or More Minutes | 15,496 | 6% |
| Total | 276,344 | 100% |

Table 41 - Travel Time

Data Source: 2011-2015 ACS

Education:

Educational Attainment by Employment Status (Population 16 and Older)

| Educational Attainment | In Labor Force | | Not in Labor Force |
|--------------------------------|-------------------|------------|--------------------|
| | Civilian Employed | Unemployed | |
| Less than high school graduate | 9,943 | 1,480 | 7,984 |

| Educational Attainment | In Labor Force | | Not in Labor Force |
|---|-------------------|------------|--------------------|
| | Civilian Employed | Unemployed | |
| High school graduate (includes equivalency) | 70,552 | 4,578 | 20,231 |
| Some college or Associate's degree | 68,317 | 2,860 | 15,492 |
| Bachelor's degree or higher | 97,822 | 2,313 | 14,026 |

Table 42 - Educational Attainment by Employment Status

Data Source: 2011-2015 ACS

Educational Attainment by Age

| | Age | | | | |
|---|-----------|-----------|-----------|-----------|---------|
| | 18–24 yrs | 25–34 yrs | 35–44 yrs | 45–65 yrs | 65+ yrs |
| Less than 9th grade | 386 | 731 | 751 | 2,817 | 7,099 |
| 9th to 12th grade, no diploma | 5,209 | 3,600 | 3,255 | 8,273 | 6,826 |
| High school graduate, GED, or alternative | 17,417 | 19,218 | 18,633 | 57,571 | 31,710 |
| Some college, no degree | 21,332 | 12,092 | 13,022 | 32,268 | 14,999 |
| Associate's degree | 2,065 | 5,294 | 6,751 | 17,324 | 6,006 |
| Bachelor's degree | 5,575 | 16,906 | 17,376 | 37,580 | 16,001 |
| Graduate or professional degree | 353 | 6,594 | 9,572 | 26,255 | 15,124 |

Table 43 - Educational Attainment by Age

Data Source: 2011-2015 ACS

Educational Attainment – Median Earnings in the Past 12 Months

| Educational Attainment | Median Earnings in the Past 12 Months |
|---|---------------------------------------|
| Less than high school graduate | 6,505,694 |
| High school graduate (includes equivalency) | 10,447,837 |
| Some college or Associate's degree | 11,429,190 |
| Bachelor's degree | 13,428,082 |
| Graduate or professional degree | 16,335,383 |

Table 44 – Median Earnings in the Past 12 Months

Data Source: 2011-2015 ACS

Based on the Business Activity table above, what are the major employment sectors within the state?

See section Introduction

Describe the workforce and infrastructure needs of business in the state.

See section Introduction

Describe any major changes that may have an economic impact, such as planned public or private sector investments or initiatives that have affected or may affect job and business growth opportunities during the planning period. Describe any needs for workforce development, business support or infrastructure these changes may create.

See section Introduction

How do the skills and education of the current workforce correspond to employment opportunities in the state?

See section Introduction

Describe current workforce training initiatives supported by the state. Describe how these efforts will support the state's Consolidated Plan.

See section Introduction

Describe any other state efforts to support economic growth.

See section Introduction

Discussion

MA-50 Needs and Market Analysis Discussion

Are there areas where households with multiple housing problems are concentrated? (include a definition of "concentration")

As Vermont is predominately rural there are few concentrated areas. However, for the purpose of this Plan, an area of concentration may be considered a county where a significant percentage of households have multiple housing problems relative to the population as a whole. Co-occurring housing problems are spread throughout all counties of the state. Cost burden is by far the most common housing problem experienced and is relatively even throughout the state, with slightly more variation of severe cost burden.

The counties with the greatest proportion of severely cost burdened households are Lamoille and Windham with approximately 18% of households paying half or more of household income for housing. The county with the smallest proportion of severely cost burdened households is Franklin county (13%).

Data on housing problems are included in the 2020 Vermont Housing Needs Assessment statewide and county chapters.

Are there any areas in the jurisdiction where racial or ethnic minorities or low-income families are concentrated? (include a definition of "concentration")

Approximately 96.2% of Vermont households are headed by someone who identifies as White; Racial and ethnic minority households make up only 3.8% of Vermont households. Many of the state's minority households live in and near the City of Burlington, in Chittenden County, which is Vermont's largest city and is a HUD entitlement community.

As Vermont is predominately rural there are few concentrated areas. However, for the purpose of this Plan, an area of concentration may be considered a county with a significant percentage of minority or low income families relative to the population as a whole. Based on this assessment it does not appear that any particular county has a disproportionately high share of minorities. However, median household income is generally lower in the three "Northeast Kingdom" counties of Caledonia, Essex and Orleans, however, the percentage of cost burdened households in these counties are statistically similar to levels of burden for the state as a whole.

Data on racial and ethnic populations and households by income are included in the Vermont Housing Needs Assessment statewide and county reports.

What are the characteristics of the market in these areas/neighborhoods?

N/A

Are there any community assets in these areas/neighborhoods?

N/A

Are there other strategic opportunities in any of these areas?

N/A

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MA-60 Broadband Needs of Housing occupied by Low- and Moderate-Income Households - 91.210(a)(4), 91.310(a)(2)

Describe the need for broadband wiring and connections for households, including low- and moderate-income households and neighborhoods.

Reference <https://publicservice.vermont.gov/content/broadband-availability>

| Speed Tier | Served | | Not Served | |
|--------------|---------|-------|------------|-------|
| 100/100 Mbps | 53,777 | 17.5% | 254,305 | 82.5% |
| 25/3 Mbps | 238,183 | 77.3% | 68,899 | 22.7% |
| 4/1 Mbps | 287,104 | 93.2% | 20,978 | 6.8% |

*as of 9/30/2019

According to the Vermont Department of Public Service, 287,104 (93.2%) of the buildings in the State of Vermont are able to access broadband service with a speed of 4/1 - 4 Mbps and an upload speed of at least 1 Mbps. 20,978 (6.8%) buildings remain underserved. Based on data available through the Vermont Department of Public Service Essex County has the highest percentage of underserved buildings in Vermont (32.3% of buildings are underserved), followed by Caledonia County (19.8%), Orleans County (13.8%), Orange County (10.5%), and Lamoille County (10.1%)

Describe the need for increased competition by having more than one broadband Internet service provider serve the jurisdiction.

The Department of Public Service has a small grant program, the Connectivity Initiative, to provide funding to ISPs to deploy service to unserved locations. Presently the locations eligible for this funding are those lacking 4/1.

MA-65 Hazard Mitigation - 91.210(a)(5), 91.310(a)(3)

Describe the jurisdiction’s increased natural hazard risks associated with climate change.

Describe the vulnerability to these risks of housing occupied by low- and moderate-income households based on an analysis of data, findings, and methods.

As of the time of this draft, this section is under review in light of the effects of COVID-19. If you would like to provide comment or information please contact Shaun Gilpin, Dept. Housing and Community Development, at shaun.gilpin@vermont.gov

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Strategic Plan

SP-05 Overview

Strategic Plan Overview

The State of Vermont has determined its highest priorities for the use of CDBG, HOME, HTF and ESG funds based on the statewide housing needs assessment, market analysis, citizen and stakeholder input.

1. Safe, Decent and Affordable Housing
2. Individuals and Families Experiencing Homeless
3. Economic Opportunity
4. Strong Communities

The plan establishes four goals to address the identified housing and community development priorities.

1. Increase the supply and quality of affordable housing.
2. Decrease the number of people experiencing homelessness.
3. Create and retain jobs.
4. Strengthen communities and improve the quality of life of Vermonters.

Vermont will use CDBG, HOME, HTF and ESG to leverage other public and private resources to achieve these goals. It will do so according to three guiding principles.

1. Achieving the perpetual affordability of housing resources and investments.
2. Promoting development in the State's designated downtowns, village centers, neighborhood development areas and other areas that are consistent with the state's historic settlement pattern and "Smart Growth", including the addition of federally recognized Opportunity Zones.
3. Linking homeless assistance activities with permanent housing through systems, practices and initiatives that are informed by data and proven approaches.

Additionally, Vermont will receive CDBG-RHP funding in FY2020, that funding is aimed to assist in the recovery of the ongoing opioid crisis. The funds will be targeted to provide transitional housing to individuals in recovery from a substance use disorder.

SP-10 Geographic Priorities – 91.315(a)(1)

Geographic Area

Table 45 - Geographic Priority Areas

General Allocation Priorities

Describe the basis for allocating investments geographically within the jurisdiction (or within the EMSA for HOPWA)

In keeping with the State’s long-standing policy, the State does not plan to target assistance to specific geographic regions. CDBG, HOME and HTF funds will be allocated on a competitive basis to locally driven projects that address priority needs. The State anticipates CDBG-RHP funds will also be allocated on a competitive basis to meet the opioid housing need (States are still waiting for program regulations).

ESG funds are awarded as part of the statewide Housing & Opportunity Grant Program (HOP). Awards are made on a competitive basis according to local needs.

DRAFT - 3/31/20

SP-25 Priority Needs – 91.315(a)(2)

Priority Needs

Table 46 – Priority Needs Summary

| | | |
|---|------------------------------------|---|
| 1 | Priority Need Name | Safe, Decent, and Affordable Housing |
| | Priority Level | High |
| | Population | Extremely Low Low Moderate Middle Large Families Families with Children Elderly Public Housing Residents Rural Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Victims of Domestic Violence Unaccompanied Youth Elderly Frail Elderly Persons with Mental Disabilities Persons with Physical Disabilities Persons with Developmental Disabilities Persons with Alcohol or Other Addictions Persons with HIV/AIDS and their Families Victims of Domestic Violence Non-housing Community Development |
| | Geographic Areas Affected | N/A |
| | Associated Goals | Increase the supply and quality of affordable housing |
| | Description | Addressing the housing gaps and needs identified in the Vermont Housing Needs Assessment by increasing the supply of decent affordable housing. |
| | Basis for Relative Priority | According to the results of the citizen outreach efforts and the Vermont Housing Needs Assessment, there is a significant need for housing that is affordable and high quality. In all areas of the state, residents cited high housing costs and quality levels below what was desired as a major issue. The low vacancy rates in both rental units and owner-occupied housing reported in the Housing Needs Assessment also speaks to this existing, and growing need. |
| | | |

| | | |
|---|------------------------------------|---|
| 2 | Priority Need Name | Individuals and families experiencing homelessness |
| | Priority Level | High |
| | Population | Extremely Low Rural Chronic Homelessness Individuals Families with Children Mentally Ill Chronic Substance Abuse veterans Victims of Domestic Violence Unaccompanied Youth |
| | Geographic Areas Affected | N/A |
| | Associated Goals | Decrease the number experiencing homelessness Increase supply and quality of affordable housing |
| | Description | Decrease the number of families and individuals experiencing homelessness. |
| | Basis for Relative Priority | Incidences of homelessness have been growing throughout the state for the past several years. While efforts have been made to address this issue, it continues to be a problem and some Vermonters are living in unsafe situations. Eliminating the experience of homelessness is a high priority to ensure all Vermonters are safely housed. |
| 3 | Priority Need Name | Economic Opportunity |
| | Priority Level | High |
| | Population | Extremely Low Low Moderate Middle Non-housing Community Development |
| | Geographic Areas Affected | N/A |
| | Associated Goals | Create and retain jobs |
| | Description | Increasing economic opportunity by supporting job creation and retention programs. |
| | Basis for Relative Priority | Creating and retaining jobs, particularly those that pay a livable wage is essential to sustaining healthy, vibrant communities and ensuring that housing is affordable. Economic development and lowering barriers to economic opportunity was perennially mentioned as a high priority throughout the community outreach process. |
| 4 | Priority Need Name | Strong Communities |
| | Priority Level | High |

| | |
|------------------------------------|---|
| Population | Extremely Low Low Moderate Middle Non-housing Community Development |
| Geographic Areas Affected | N/A |
| Associated Goals | Increase supply and quality of affordable housing Strengthen communities and improve quality of life |
| Description | Strengthening communities through public facilities, infrastructure, services, accessibility, and planning activities |
| Basis for Relative Priority | The long-term goals of the VCDP include the fostering of Strong Communities. Vermont's communities will be strengthened through addressing all of the Priority Needs. |

Narrative (Optional)

The State anticipates using CDBG funds to help address the emergency health situation the state and nation are facing due to the continued spread of COVID-19. With this in mind we want to be sure to understand how our limited CDBG funds may be used to address the emergency recovery needs of Vermont communities. We are participating in discussions with the Governor's office and the Legislature regarding resources available to address the un-unprecedented economic impact of COVID-19 on the Vermont economy and vulnerable persons.

SP-30 Influence of Market Conditions – 91.315(b)

Influence of Market Conditions

| Affordable Housing Type | Market Characteristics that will influence the use of funds available for housing type |
|---------------------------------------|--|
| Tenant Based Rental Assistance (TBRA) | <p>Vermont will use ESG funds under Rapid Rehousing for TBRA for homeless households. This will be available statewide based on existing low vacancy rates and the limited availability of affordable units.</p> <p>Vermont does not use HOME funds for TBRA.</p> |
| TBRA for Non-Homeless Special Needs | N/A - Vermont does not use HOME funds for TBRA |
| New Unit Production | Vermont has low vacancies and limited affordable housing availability throughout the state. New Unit Production is appropriate in many communities, particularly in downtown and growth centers. |
| Rehabilitation | Vermont has some of the oldest housing stock in the country. As such, much of it is in a condition that will require capital improvement to maintain minimum housing standards. |
| Acquisition, including preservation | Acquisition and preservation of existing affordable housing is essential to increasing availability. There are 664 apartments subsidized through Section 8 rental assistance from the U.S. Department of Housing and Urban Development have Housing Assistance Payment (HAP) contracts that expire before 2025. Of these apartments, 417 are monitored by the Vermont State Housing Authority and the remaining 247, by VHFA. Renewal occurs at the date of contract expiration. |

Table 47 – Influence of Market Conditions

SP-35 Anticipated Resources - 91.315(a)(4), 91.320(c)(1,2)

Introduction

The State of Vermont receives HUD funding for CDBG, HOME, HTF, and ESG. The State will be receiving a one-time allocation for CDBG-RHP in FY20.

Annually, during the five-year period covered by this Plan, Vermont anticipates receiving approximately \$6.7 million in CDBG funds to be used for housing, economic development, and public services and facilities, \$3 million in HOME funds to be used for housing, \$3 million in HTF funds to be used for extremely low income housing, and approximately \$645,000 in HUD funds through the ESG program to be used for emergency shelter and rapid rehousing for persons experiencing homelessness. The VCDP estimates an additional \$200,000 in CDBG program income each year.

CDBG, HOME, HTF and ESG will be used strategically to address priority needs and leverage other federal, State and local resources. These include federal low-income housing tax credits. The State’s LIHTC program is administered by the Vermont Housing Finance Agency (VHFA) in accordance with Vermont’s Qualified Allocation Plan (QAP). The QAP closely reflects the priorities, goals and strategies of the Consolidated Plan. A significant source for non-housing community development is equity generated by New Market Tax Credits, which are deployed by Housing Vermont’s Vermont Rural Ventures, a qualified community development enterprise. Both VHFA and Housing Vermont sit on the Vermont Housing Council and Con Plan Citizen Advisory Group ensuring close coordination. Additional resources that may be leveraged to support the goals of the Consolidated Plan include Section 8, McKinney-Vento, Vermont Housing and Conservation Trust and matching funds.

Anticipated Resources

| Program | Source of Funds | Uses of Funds | Expected Amount Available Year 1 | | | | Expected Amount Available Reminder of Con Plan | Narrative Description |
|---------|------------------|--------------------------------|----------------------------------|--------------------|--------------------------|-------------|--|--|
| | | | Annual Allocation: \$ | Program Income: \$ | Prior Year Resources: \$ | Total: \$ | | |
| CDBG | public - federal | Acquisition Admin and Planning | \$7,244,934 | \$200,000 | \$0 | \$7,444,934 | \$27,600,000 | Assuming \$6.7 million annual allocation plus \$200,000 in program income. |

| | | | | | | | | |
|--------------|---------------------|---|-------------|-----|-----|-------------|--------------|--|
| | | Economic Development Housing Public Improvements Public Services | | | | | | |
| HOME | public - federal | Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA | \$3,000,000 | \$0 | \$0 | \$3,000,000 | \$12,000,000 | Assuming \$3 million small State minimum annually. HOME will be used for Multifamily rental new construction and rehab. |
| ESG | public - federal | Street outreach Emergency shelter HMIS Homelessness prevention Rapid rehousing | \$677,036 | \$0 | \$0 | \$677,036 | \$2,580,000 | Assuming \$645,000 annual allocation. ESG will be used for emergency shelter, rapid rehousing and HMIS. |
| HTF | Public Federal | Multi-family development and rehabilitation | \$3,000,000 | \$0 | \$0 | \$3,000,000 | 12,000,000 | Assuming \$3 million small state minimum annually. |
| CDBG- RHP | Public Federal | Recovery Housing for Opioid Addiction | \$753,000 | \$0 | \$0 | \$753,000 | \$0 | Assuming one-time allocation for FY2020 |

| Program | Source of Funds | Uses of Funds | Expected Amount Available Year 1 | | | | Expected Amount Available Remainder of ConPlan \$ | Narrative Description |
|---------|-----------------|---------------|----------------------------------|--------------------|--------------------------|-----------|---|-----------------------|
| | | | Annual Allocation: \$ | Program Income: \$ | Prior Year Resources: \$ | Total: \$ | | |
| | | | | | | | | |

Table 48 - Anticipated Resources

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

For CDBG funds, VCDP's Program Guidelines require applicants to provide a full description of how matching requirements will be met including the name and address of the source and indicate whether it is a loan, grant, cash, cash-in-kind goods or services, etc. Matching requirements are as follows:

- (a) Implementation Grants (IG): Match can consist of a loan, grant, cash or cash-in-kind goods or services of a flat 10% of the VCDP funds.
 - a. Economic Development Loans: borrower must provide cash-equity of at least 10% of the total project cost. This cannot be borrowed or otherwise encumbered money. Note: The Agency may waive the 10% equity match required for a VCDP economic development project if justified.
 - b. Slums & Blight: Cash or cash-in-kind goods or services of at least 10% of the VCDP funds. This match must directly fund remediation of the S&B condition.
- (b) Scattered Site Housing Grants (SS): Match can consist of a loan, grant, cash or cash-in-kind goods or services of a flat 10% of the VCDP funds.
- (c) Planning Grants (PG): Match can consist of a loan, grant, cash or cash-in-kind goods or services of a flat 10% of the VCDP funds.
- (d) Accessibility Modification Grants (AM): Match can consist of a loan, grant, cash or cash-in-kind goods or services of a flat 10% of the VCDP funds for Handicapped Accessibility work on municipally owned buildings and community libraries.
- (e) Home Access Grants (HA): Match can consist of a loan, grant, cash or cash-in-kind goods or services of a flat 10% of the VCDP funds.

If a community has an in-active VCDP/HUD funded Revolving Loan Fund (RLF) as defined by Agency Procedures, at least 20% of the RLF balance on hand must be committed to the project when applying for VCDP funds.

For HOME funds, priority is given to projects with non-federal funding sources for leveraging HOME Funds to ensure the overall HOME Program meets the 25% match requirement. Projects must demonstrate leverage of resources and cost-effectiveness, which may include but is not limited to density bonuses, energy efficiency, lead paint hazard abatement, and historic preservation. Vermont Housing Conservation Board (VHCB) State funding for housing is often used as match for the HOME Program.

ESG requires a dollar for dollar match. Vermont Agency of Human Services, Office of Economic Opportunity (OEO) will use State general funds appropriation for homeless assistance as match for the ESG program.

If appropriate, describe publically owned land or property located within the state that may be used to address the needs identified in the plan

N/A

Discussion

SP-40 Institutional Delivery Structure – 91.315(k)

Explain the institutional structure through which the jurisdiction will carry out its consolidated plan including private industry, non-profit organizations, and public institutions.

| Responsible Entity | Responsible Entity Type | Role | Geographic Area Served |
|--|--------------------------|--|------------------------|
| Vermont | Government | Economic Development Homelessness Non-homeless special needs Ownership Planning Rental neighborhood improvements public facilities public services | State |
| Vermont Housing and Conservation Board | Other | Rental | State |
| Vermont Office of Economic Opportunity | Government | Homelessness Planning | State |
| Vermont State Housing Authority | PHA | Homelessness Public Housing Rental | State |
| Vermont Housing Finance Agency | Government | Ownership Rental | State |
| Addison County Community Trust | Non-profit organizations | Ownership Rental | Region |
| Windham & Windsor Housing Trust | CHDO | Ownership Rental | Region |
| Downstreet Housing and Community Development | CHDO | Ownership Rental | Region |
| Champlain Housing Trust | CHDO | Ownership Rental | Region |
| Rural Edge | CHDO | Ownership Rental | Region |
| Housing Foundation, Inc. | Non-profit organizations | Ownership Rental | State |
| Housing Trust of Rutland County | CHDO | Ownership Rental | Region |
| Lamoille Housing Partnership | Non-profit organizations | Ownership Rental | Region |

| Responsible Entity | Responsible Entity Type | Role | Geographic Area Served |
|--|--------------------------------|---|-------------------------------|
| Randolph Area Community Development Corp | Non-profit organizations | Ownership Rental | Region |
| Shires Housing | CHDO | Ownership Rental | Region |
| Twin Pines Housing Trust | CHDO | Ownership Rental | Region |
| Vermont Coalition to End Homelessness | Continuum of care | Homelessness Planning | Jurisdiction |
| Cathedral Square Corporation | Non-profit organizations | Rental | Region |
| Chittenden County Homeless Alliance | Continuum of care | Homelessness Planning | Jurisdiction |
| Vermont Coalition of Runaway and Homeless Youth Programs | Non-profit organizations | Homelessness | State |
| Vermont Network Against Domestic and Sexual Violence | Non-profit organizations | Homelessness | State |
| Vermont Community Action Partnership | Non-profit organizations | Homelessness Non-homeless special needs public services | State |
| Housing Vermont | Non-profit organizations | Affordable Rental Housing NMTC Financing Economic/Community Development | State |
| Addison County Regional Planning Commission | Government | Planning | Region |
| Bennington County Regional Commission | Government | Planning | Region |
| Central Vermont Regional Planning Commission | Government | Planning | Region |
| Chittenden County Regional Planning Commission | Government | Planning | Region |
| Lamoille County Planning Commission | Government | Planning | Region |
| Northeastern Vermont Development Association | Government | Planning Economic Development | Region |

| Responsible Entity | Responsible Entity Type | Role | Geographic Area Served |
|--|--------------------------------|----------------------|-------------------------------|
| Northwest Regional Planning Commission | Government | Planning | Region |
| Rutland Regional Planning Commission | Government | Planning | Region |
| Southern Windsor County Regional Planning Commission | Government | Planning | Region |
| Two Rivers-Ottawaquechee Regional Commission | Government | Planning | Region |
| Windham Regional Commission | Government | Planning | Region |
| Addison County Economic Development Corporation | Non-profit organizations | Economic Development | Region |
| Bennington County Industrial Corporation | Non-profit organizations | Economic Development | Region |
| Brattleboro Development Credit Corporation | Non-profit organizations | Economic Development | Region |
| Central Vermont Economic Development Corporation | Non-profit organizations | Economic Development | Region |
| Franklin County Industrial Development Corporation | Non-profit organizations | Economic Development | Region |
| Greater Burlington Industrial Corporation | Non-profit organizations | Economic Development | Region |
| Green Mountain Economic Development Corporation | Non-profit organizations | Economic Development | Region |
| Lake Champlain Islands Chamber of Commerce | Non-profit organizations | Economic Development | Region |
| Lamoille Economic Development Corporation | Non-profit organizations | Economic Development | Region |
| Rutland Economic Development Corporation | Non-profit organizations | Economic Development | Region |
| Springfield Regional Development Corporation | Non-profit organizations | Economic Development | Region |
| Community Capital of Vermont | Non-profit organizations | Economic Development | State |

Table 49 - Institutional Delivery Structure

Assess of Strengths and Gaps in the Institutional Delivery System

Vermont's delivery system for housing and community development funds is recognized for its efficiency. Because of Vermont's relatively small size, many of the people working within the state personally know each other and know who to contact for specific assistance. Major statewide housing agencies are centrally located in Montpelier and Burlington.

DHCD, VHFA, VSHA, and VHCB each play a unique and well-defined role in the production, rehabilitation, financing, and subsidy of housing for a low- and moderate-income Vermonters. These agencies work together with federal housing agencies including HUD and USDA Rural Development, and with departments of AHS to create a delivery system that leverages the maximum amount of federal dollars available to Vermont.

Coordination is further enhanced by cross membership on the statewide agencies' boards. The agencies also comprise, along with representatives of USDA Rural Development and HUD, the Vermont Advisory Council on Historic Preservation which serves as a resource for preservation related policy work and developing solutions for troubled projects. This ensures non-duplication of effort, effective communication, multiple perspectives in policy decisions and consistency in priorities across the State's housing agencies.

All four statewide housing agencies, along with a representative of the Governor's office, comprise the Joint Committee on Tax Credits. This committee makes recommendations to the VHFA Board on the Qualified Allocation Plan (QAP) and supplemental State housing tax credit allocations. These are largely based on the priorities of the Consolidated Plan.

Vermont also has a strong network of non-profit housing development organizations providing statewide coverage. Housing funding applications from the non-profit developers are driven by the needs of the communities they serve. VHCB, as the HOME Program administrator, works closely with this network which includes several CHDOs with in-house development capacity. In 2011 VHCB received a HUD Doorknocker Award for HOME Program excellence specifically for Building CHDO Capacity. VHCB provides CHDO Operating assistance to eligible groups through VHCB's Organizational Grants process. Due to this strong statewide network and several qualifying CHDOs, VHCB has never had difficulty meeting the 15% CHDO project set-aside requirement and doesn't anticipate any problems in the future; however, the 2013 HOME regulations have placed some limitations on certain projects which previously would have qualified for CHDO set-aside. VHCB will continue to track this issue carefully.

CDBG funding is awarded to municipalities or Units of Local Government. A majority of Vermont's municipalities are extremely small when compared to other regions of the country. In addition, Vermont does not have county or regional government. This results in many municipalities lacking the capacity to apply for and/or carryout CDBG projects without assistance. This is exacerbated by increasing regulatory requirements. Fortunately, VCDP works closely with the State's Regional Planning Commissions and Regional Development Corporations to overcome this gap and lack of capacity to ensure even the smallest communities in the state receive CDBG funding.

Shrinking resources for publicly funded agencies and organizations could cause programs and people serving the community development needs of the state to be reduced further straining already limited resources and capacity. On a per-capita basis, Vermont has an extremely high number of non-profit organizations. These organizations provide services and help meet the needs of many different communities. However, as resources become strained more collaboration and greater efficiency will be required.

Availability of services targeted to homeless persons and persons with HIV and mainstream services

| Homelessness Prevention Services | Available in the Community | Targeted to Homeless | Targeted to People with HIV |
|---|----------------------------|----------------------|-----------------------------|
| Homelessness Prevention Services | | | |
| Counseling/Advocacy | X | X | X |
| Legal Assistance | X | | |
| Mortgage Assistance | X | | |
| Rental Assistance | X | X | X |
| Utilities Assistance | X | X | |
| Street Outreach Services | | | |
| Law Enforcement | X | | |
| Mobile Clinics | | | |
| Other Street Outreach Services | X | X | |
| Supportive Services | | | |
| Alcohol & Drug Abuse | X | | |
| Child Care | X | | |
| Education | X | X | |
| Employment and Employment Training | X | | |
| Healthcare | X | X | X |
| HIV/AIDS | X | | X |
| Life Skills | X | | |
| Mental Health Counseling | X | X | |
| Transportation | X | | |
| Other | | | |
| Other | | | |

Table 50 - Homeless Prevention Services Summary

Describe the extent to which services targeted to homeless person and persons with HIV and mainstream services, such as health, mental health and employment services are made available to and used by homeless persons (particularly chronically homeless individuals and families, families with children, veterans and their families and unaccompanied youth) and persons with HIV within the jurisdiction

OEO will distribute State and federal resources for homeless assistance and prevention services through an RFP process which requires demonstration that local coordination exists between service providers. It is also required of ESG grantees that mainstream resources are maximized to meet the

needs of those experiencing homelessness including chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth.

Describe the strengths and gaps of the service delivery system for special needs population and persons experiencing homelessness, including, but not limited to, the services listed above

While there are a number of services available at the community level for special needs populations and some services that are specifically targeted to individuals and families experiencing homelessness, these services are not available at levels sufficient to meet local needs. This is particularly the case for employment, childcare, transportation, mental health and substance abuse services. A large portion of Vermont is considered rural, which makes access to services and transportation barriers more acute.

Provide a summary of the strategy for overcoming gaps in the institutional structure and service delivery system for carrying out a strategy to address priority needs

VCDP works closely with the State's Regional Planning Commissions and Regional Development Corporations to overcome this lack of capacity in the State's institutional and service delivery system. Each year VCDP works with and provides CDBG funding to some of the smallest communities in the state. Proving that although it is challenging to serve small communities lacking capacity, it is able to address this gap and provide assistance to all communities wishing to address their community development needs.

To address gaps in the delivery of services for special needs and homeless persons, the Chittenden and Balance of State Continua of Care include more than 70 partners across the state working to address homelessness in local communities. These organizations help to carry out the work of this plan aimed at decreasing the number of individuals and families experiencing homelessness.

SP-45 Goals Summary – 91.315(a)(4)

Goals Summary Information

| Sort Order | Goal Name | Start Year | End Year | Category | Geographic Area | Needs Addressed | Funding | Goal Outcome Indicator |
|------------|---|------------|----------|---|-----------------|--|---|---|
| 1 | Increase the supply and quality of affordable housing | 2020 | 2024 | Affordable Housing Public Housing Homeless Non-Homeless Special Needs | | Individuals and families experiencing homelessness Safe, Decent, and Affordable Housing Strong Communities | CDBG: \$15,770,220 HOME: \$15,000,000 HTF: \$15,000,000 RHP: \$753,000 | Rental units constructed: 350 Household Housing Units Rental units rehabilitated: 350 Household Housing Units Homeowner Housing Added: 10 Household Housing Units Homeowner Housing Rehabilitated: 500 Household Housing Units Housing for Homeless added: 25 Household Housing Units |
| 2 | Decrease the number of people experiencing homelessness | 2020 | 2024 | Homeless | | Individuals and families experiencing homelessness | ESG: \$3,257,036 | Tenant-based rental assistance / Rapid Rehousing: 2,500 Households Assisted Homeless Person Overnight Shelter: 15,000 Persons Assisted |
| 3 | Create and retain jobs | 2020 | 2024 | Non-Housing Community Development | | Economic Opportunity | CDBG: \$8,761,234 | Jobs created/retained: 150 Jobs Businesses assisted: 8 Businesses Assisted |

| Sort Order | Goal Name | Start Year | End Year | Category | Geographic Area | Needs Addressed | Funding | Goal Outcome Indicator |
|------------|--|------------|----------|-----------------------------------|-----------------|--------------------|-----------------------|--|
| 4 | Strengthen communities and improve quality of life | 2020 | 2024 | Non-Housing Community Development | | Strong Communities | CDBG: \$10,513,480 | Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 22,450 Persons Assisted Public service activities other than Low/Moderate Income Housing Benefit: 500 Persons Assisted Public service activities for Low/Moderate Income Housing Benefit: 1500 Households Assisted Brownfield acres remediated: 5 Acre |

Table 51 – Goals Summary

Goal Descriptions

| | | |
|---|-------------------------|--|
| 1 | Goal Name | Increase the supply and quality of affordable housing |
| | Goal Description | <p>We hope to increase the supply and quality of affordable housing by utilizing these strategies on a statewide level:</p> <ul style="list-style-type: none"> • 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. • Produce affordable senior rental units in regions where a market analysis identifies a shortage of elderly housing affordable to lower income seniors. • Provide service enriched housing that allows seniors the opportunity to age in place. |

- Provide service enriched housing serving persons with disabilities.
- Locate affordable rental housing in close proximity to public transportation services with access to employment centers, services, recreational opportunities, and schools.
- 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.
- 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.
- Promote mixed income developments to create integrated communities.
- 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.
- Identify and remove barriers to increasing the supply of rental housing.
- Preserve existing affordable housing projects including mobile home parks, in a manner consistent with prudent investment criteria.
- Redevelop existing properties with consideration given for projects that leverage other resources specific to the preservation of historic structures.
- Address habitability and infrastructure problems in mobile home parks.
- Preserve existing mobile home parks, and relocate families and individuals displaced by mobile home park closure.
- Develop, replace or relocate mobile home parks and lots that are in flood hazard areas.
- Support the network of scattered site rehabilitation programs.
- Redevelop foreclosed properties for affordable rental housing.
- Address barriers to rehabilitation of the existing supply of rental housing that serves extremely low, low- and moderate-income families and individuals.
- Provide accessible or adaptable housing for persons with disabilities, including homeownership opportunities.
- Address the current and potential need for accessibility modifications and adaptable units to serve Vermonters with physical disabilities.
- Support the network of scattered site housing rehabilitation programs.
- Improve access to affordable mortgages and counseling-based lending for lower income families and individuals seeking to become homeowners.
- Increase programs for homeowner education and counseling.
- Maximize the use of the Section 8 homeownership option by public housing authorities.
- Support projects with employer assisted home ownership programs.

| | | |
|----------|-------------------------|---|
| | | <ul style="list-style-type: none"> • Redevelop foreclosed properties for home ownership. • 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. • Promote the development of home-ownership units that include a shared equity appreciation covenant. • Encourage utilization of “4%” Low Income Housing Tax Credits • Consider per-unit development costs for requests for public funding |
| 2 | Goal Name | Decrease the number of people experiencing homelessness |
| | Goal Description | <p>ESG funds will be fully leveraged along with State resources to reduce the number of individuals and families experiencing homelessness. These funds will provide:</p> <ul style="list-style-type: none"> • Emergency Shelter Operations, including day shelters, year-round overnight shelters, warming shelters, and motel stays when other shelter is not available • Essential Services to individuals and families in emergency shelter • Rapid Rehousing, Housing Relocation and Stabilization Services (including short-term financial assistance) • Rapid Rehousing, Rental Assistance for up to 24 months (including rental arrears) • Homeless Management Information Systems (HMIS), including the costs to contribute data to the HMIS designated by the Continuum of Care |
| 3 | Goal Name | Create and retain jobs |
| | Goal Description | <p>We hope to create and retain jobs by utilizing these strategies on a statewide level:</p> <ul style="list-style-type: none"> • Invest in business facilities, including broadband and wireless access, energy efficiency improvements, machinery, equipment and other capital requirements. • Invest in businesses that acquire, improve and occupy otherwise underutilized or vacant industrial property. • Develop small businesses, foster entrepreneurship, and complement but not duplicate other small business programs. • Invest in companies that meet the priorities established in the State or 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. |

| | | |
|----------|-------------------------|--|
| | | <ul style="list-style-type: none"> • 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. • Support initiatives, projects and business investments that contribute to the availability of childcare for employee families. • Support infrastructure projects that lead to job creation and/or retention. |
| 4 | Goal Name | Strengthen communities and improve quality of life |
| | Goal Description | <p>We hope to promote downtown preservation and revitalization, remediate and reuse of brownfields, and increase access to public facilities and services by utilizing these strategies on a statewide level:</p> <ul style="list-style-type: none"> • Promote projects in Designated Downtowns and Village Centers, Growth Centers, Neighborhood Development Areas and New Town Centers, including the addition of federally recognized Opportunity Zones. • Reinvest in downtown properties, particularly in the upper stories including elevators, sprinklers, and other code-related improvements. • Promote projects in Designated Downtowns that are also area-wide low- and moderate-income benefit communities with façade, streetscape and other infrastructure improvements. • 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. • Address training and technical assistance needs for downtown organizations and their municipal partners. • Redevelop Brownfields into productive use. • Support municipal projects to remove barriers to public buildings to bring them into compliance with current ADA standards. • Remove barriers to accessibility for places of business and/or residential facilities to bring them into compliance with current ADA standards. • Promote facilities and services that stabilize living environments and enhance quality of life for families and individuals. • Provide access to affordable capital and counseling-based lending for lower income entrepreneurs or potential homeowners. • Increase access to work force development and job training for low- and moderate-income job seekers. • Support unmet Disaster Recovery community infrastructure needs. |

| | | |
|--|--|---|
| | | <ul style="list-style-type: none"> • Use New Market Tax Credits to attract investment for community and economic development projects in high poverty areas. |
|--|--|---|

Estimate the number of extremely low-income, low-income, and moderate-income families to whom the jurisdiction will provide affordable housing as defined by HOME 91.315(b)(2)

HOME Program funds will be used exclusively for rental housing development (new construction and rehabilitation). Approximately 40 households will benefit from HOME assisted units annually or 200 households over the five years of this plan. All 200 HOME units will be restricted to households at or below 60% area median income at initial occupancy. For projects with 5 or more HOME units, at least 20% will be restricted to households at or below 50% area median income. The rents shall be restricted to the applicable HOME rent limits published by HUD. It is worth noting however, that historically nearly 90% of HOME designated units are initially occupied by households at or below 50% AMI, with over 55% at or below 30% AMI.

HTF program funding will be used to construct new multifamily rental housing and to rehabilitate existing multifamily rental housing. HTF units will serve extremely low-income families. It is anticipated that over the next 5 years approximately 15 Vermont projects will be awarded HTF funds resulting in about 65 units.

ESG Program funds for Rapid Rehousing will be used exclusively to provide tenant-based rental assistance for very low-income households (below 30% AMI) in housing that is at fair market rent or below as published by HUD. An estimated 3,000 households will be assisted with ESG Rapid Rehousing and state matching funds from 2020-2024.

CDBG program funding will be used to construct new multifamily rental housing and to rehabilitate existing multifamily rental housing. In addition, CDBG funding will be used to rehabilitate existing homeownership units. It is estimated that approximately 70% of all CDBG assisted units will serve households below 50% area median income. From 2020 -2024 it is estimated that CDBG funding will assist approximately 350 affordable rental units and 350 affordable homeowner units that meet the HOME definition.

SP-50 Public Housing Accessibility and Involvement – 91.315(c)

Need to Increase the Number of Accessible Units (if Required by a Section 504 Voluntary Compliance Agreement)

N/A

Activities to Increase Resident Involvements

The Vermont State Housing Authority administers public housing funds in the form of rental assistance - the Section 8 Housing Choice Voucher program. VSHA's Section 8 funding includes a homeownership program, a project-based voucher program and a variety of targeted programs. VSHA has operated its Section 8 Homeownership program since 1999.

To facilitate resident input into its public housing rental assistance programs, VSHA also has a Section 8 Resident Advisory Board (RAB), which provides VSHA with a forum for sharing information about the Agency's Annual Plan. The role of the RAB is to make recommendations in the development of the PHA Plan and to provide input for any significant amendments or modification to the PHA Plan.

Vermont's local housing authorities own and manage the state's public housing units.

Is the public housing agency designated as troubled under 24 CFR part 902?

No

Plan to remove the 'troubled' designation

N/A

SP-55 Barriers to affordable housing – 91.315(h)

Barriers to Affordable Housing

A number of State and federal public policies negatively impact the cost of housing and the incentives to develop, maintain or improve affordable housing. In most cases, these policies are sound and designed to provide ancillary benefits but have an effect of making housing more costly or difficult to develop. Listed below are barriers to affordable housing identified through the 2019 report entitled Analysis of Vermont Affordable Rental Housing Development Cost Factors and Vermont's 2017 Analysis of Impediments to Fair Housing Choice. The list also reflects information gathered from a broad group of planning, development and municipal stakeholders.

7. Limited public resources, particularly decreasing funding for development, preservation, services and subsidies that support affordable housing.
8. Increasing standards for energy efficiency.
9. State and local land use controls.
10. Permitting processes and community development standards.
11. Limited funding to promote Fair Housing and address discrimination in rental and sales housing markets.
12. Federal funding regulatory requirements such as the National Environmental Policy Act, Davis-Bacon and procurement standards.

Strategy to Remove or Ameliorate the Barriers to Affordable Housing

The State has long had a strong commitment to ensure all Vermonters have access to safe, decent homes they can afford. From 2020 to 2024, it will continue to employ and expand strategies to address State and federal policies that create barriers to affordable housing.

Limited public resources, particularly decreasing funding for development, preservation, services and subsidies that support affordable housing.

1. Promote the State's commitment to perpetual affordability.
2. Maximize leveraging and seek ways to reduce operating and development costs.
3. Support the continuation and expansion of the State affordable housing, downtown and historic tax credits.
4. Support State resources for affordable housing such as rental subsidy programs, homelessness assistance and the Vermont Housing and Conservation Trust Fund.
5. Consider per unit development costs in funding applications and utilization of 4% Low Income Housing Tax Credits

Increasing standards for energy efficiency.

1. While supporting the State's energy goals, ensure a robust analysis of costs is considered in the development of State energy-efficiency standards and building codes.
2. Seek expanded and new sources of funding for energy improvements in both publicly supported and private single and multi-family housing.

State and local land use controls.

1. Continue to review State and local land use programs and policies for ways to strengthen environmental protection while reducing unnecessary barriers to residential development, particularly affordable housing.
2. Encourage and promote development and growth in Designated Downtowns and Village Centers, Growth Centers, Neighborhood Development Areas and New Town Centers.
3. Provide technical assistance to municipalities to review and reform outdated and exclusionary land use restrictions.

Permitting processes and community development standards.

1. Provide technical assistance to communities, developers and property owners seeking to provide affordable housing.
2. Provide technical assistance and funding to municipalities around zoning and land use planning.
3. Promote exemptions and streamlining of State permitting processes in areas designated for growth.

Limited funding to promote Fair Housing and address discrimination in rental and sales market housing markets.

1. Continue collaboration through the Fair Housing Committee of the Vermont Housing Council to undertake the actions recommended in 2017 Analysis of Impediments.
2. Support efforts of the Vermont Human Rights Commission, the Fair Housing Project, Vermont Legal Aid, and others to secure additional funding for fair housing activities.
3. Work with landlord and tenant organizations to increase awareness of State and federal housing law and ensure the rights and responsibilities of both are appropriately balanced in changes to State statutes.

Federal funding regulatory requirements such as the National Environmental Policy Act, Davis-Bacon and procurement standards.

1. Continue to provide technical assistance and update guidance to grantees as requirements expand and change.
2. Access and seek additional training opportunities for State administrators and grantees.
3. Provide federal funding and regulatory agencies with information on the benefits and challenges of statutory and regulatory requirements and recommendations for improvements.

SP-60 Homelessness Strategy – 91.315(d)

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

Vermont provides outreach to homeless persons through a network of local agencies, including shelters, service agencies and housing providers. United Way 2-1-1 provides a one-stop resource and referral point for all persons.

The PATH Program 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 and administered in Vermont by the AHS Department of Mental Health.

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 the emergency and transitional housing needs of homeless persons

The State of Vermont leverages both State and federal resources to address the needs of homeless individuals and families. These resources include those for prevention, rapid rehousing, transitional housing, and shelter operations. The statewide network of local emergency shelters, including shelters for victims of domestic and sexual violence, are often full in winter months and many have developed “overflow” capacity. Additional shelter beds are available seasonally through warming shelters in communities with increased need. When shelters are full, AHS 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.

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 and Transitional Living Programs with funding from the US Dept. of Health & Human Services with support from AHS. Vermont was also the recipient of a HUD Youth Demonstration Program award which is expanding programs and resources for homeless youth.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again.

Through AHS, the Vermont Council on Homelessness, and local Continua of Care, Vermont is actively engaged in developing multiple programs and strategies to shorten the duration of homelessness, ensure that people are stable after receiving assistance, and support homeless persons moving into

permanent housing as rapidly as possible. ESG funds are specifically targeted to support Rapid Rehousing programs. In addition to ESG, State-funded resources include:

- The Vermont Rental Subsidy program, providing 12 months of rental assistance to formerly homeless families and individuals. Administered by AHS Department for Children and Families;
- AHS OEO administers Family Supportive Housing Program linking intensive supportive services and affordable housing to formerly homeless families with children, especially families with multiple episodes of homelessness;
- AHS OEO administers the consolidated Housing & Opportunity Grant program, which includes State funded short-term supported housing, rapid rehousing services, transitional housing for youth, victims of Domestic Violence and Veterans.

Vermont has a strong relationship with the Veterans Administration's grant per diem program to provide emergency shelter to veterans. Funding through the VA Supportive Services for Veterans' families supports various initiatives statewide to provide prevention and rehousing assistance. These projects are coordinated with local Continua of Care.

Help low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families who are likely to become homeless after being discharged from a publicly funded institution or system of care, or who are receiving assistance from public and private agencies that address housing, health, social services, employment, education or youth needs

Vermont leverages State resources to divert low-income individuals and families from homelessness. In addition to homelessness prevention activities funded under the OEO Housing & Opportunity Grant Program, the following initiatives address discharge from publicly funded institutions and systems of care:

- The Vermont Coalition of Runaway and Homeless Youth Programs with AHS Department for Children & Families funding and partnerships ensure persons being discharged from the foster care system are not routinely discharged into homelessness and are accessing mainstream resources, including the Sect. 8 Family Unification Vouchers for youth in transition.
- State-funded Mental Health Subsidy & Care program, modeled on HUD Shelter plus Care, targets assistance towards homeless persons in hospitals to ensure a successful discharge into housing, not homelessness or McKinney-Vento funded programs.

The AHS Department of Corrections (DOC) ensures persons being discharged from the corrections system of care are not routinely discharged into homelessness. If suitable permanent housing in the community cannot be located for a person exiting Corrections, DOC utilizes a comprehensive statewide system of transitional housing to ensure that persons are not routinely discharged into homelessness.

SP-65 Lead based paint Hazards – 91.315(i)

Actions to address LBP hazards and increase access to housing without LBP hazards

Lead-based paint remains a major concern in Vermont due to the State's older housing stock, particularly rental properties that house many 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. Beginning in the early 1990's, and continuing into the present, Vermont has taken numerous actions to both address existing LBP hazards and increase access to lead-safe housing for low- and moderate-income families.

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 childcare 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. Tens of thousands 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.

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. The US CDC has since done the same for the entire country. Some changes were made to Vermont's lead paint law in 2008 that improved disclosure requirements and required the use of lead safe work practices when paint is disturbed at any pre-1978 residential property.

Since 1994, VHCB's Lead-Based Paint Hazard Reduction Program has utilized numerous HUD Lead Hazard Control Grants to control lead paint hazards in nearly 3,000 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, Vermont's largest city, also administers a HUD-funded lead hazard control program that has assisted hundreds of units in Burlington and Winooski.

HUD's Lead Safe Housing Regulation (1012/1013) has been fully implemented in Vermont. 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. The Vermont Department of Health, working with EPA, have drafted new rules that would bring RRP implementation and enforcement under State jurisdiction. The

Vermont Legislature has passed an updated statute which will be triggered upon approval of these new rules.

How are the actions listed above integrated into housing policies and procedures?

Because both State and federal regulations concerning lead-based paint have been in place for decades, these requirements have been successfully integrated into Vermont's housing policies and procedures. Since the inception of Vermont's law in 1994, housing assistance programs have required lead safe work practices during renovations or repairs of pre-1978 properties. The VHCB Lead Program has worked with the State's housing agencies and organizations to integrate the requirements of HUD's Lead Safe Housing Rule into their operations. Since 2010 these efforts have included compliance with EPA's Renovation, Repair and Painting (RRP) Rule.

DRAFT - 3/31/20

SP-70 Anti-Poverty Strategy – 91.315(j)

Jurisdiction Goals, Programs and Policies for reducing the number of Poverty-Level Families

The goals of the State to reduce the number of poverty level families are to (a) meet basic subsistence requirements for those in need, (b) strengthen and preserve families, and (c) support self-empowerment.

The Department for Children and Families (DCF)-Economic Services Division offers the majority of programs and services provided to low income families in Vermont. For example, Reach Up is Vermont's Temporary Assistance to Needy Families (TANF) program which provides cash assistance, case management, and support services to Vermont families whose income is generally below 50% of the Federal Poverty Level. Reach Up and its related programs are managed by the Economic Services Division (ESD) and are critical to alleviating poverty. These critical programs provide nearly 7,000 Vermont children and their families with household income to help provide basic needs.

In addition, DCF- Office of Economic Opportunity (OEO) manages a number of grants to make housing more affordable and prevent homelessness among vulnerable Vermonters. Below is a list of some of DCF's most effective anti-poverty program investments:

- **Family Supportive Housing** is an evidence-informed model that provides permanent housing and intensive case management and financial empowerment support to families who have experienced homelessness and are at-risk of child welfare involvement. Families served by FSH tend to have high rates of housing stability (76-90% over the last four years) and most families close their child welfare case during enrollment and do not have a new case after they exit.
- **Fuel Assistance- The Seasonal Fuel Assistance Program** helps low-income families pay a portion of their home heating bills. Assistance is for homeowners or renters who pay for heat or who have heat included in the rent. The **Crisis Fuel Program**-Emergency fuel, and metered utility (disconnection, and furnace repairs or replacements. Crisis Fuel and After-Hours Emergency Fuel Program for Families with monthly gross income up to 200% of poverty level.
- **Financial Empowerment Program** Reach Up case managers use "*Your Money, Your Goals*" toolkit to help Reach Up recipients address financial barriers
- **Ready 2 Go Transportation Program** Reach Up provides rides for those with no transportation through the Ready to Go program, and helps participants develop plans to pay fines and obtain their licenses. While transportation remains a barrier to employment for people on Reach Up, programs like Ready to Go have helped decrease the rate of recipients who identify transportation as an obstacle (Reach Up Annual report 2019).
- **The Child Care Financial Assistance Program (CCFAP)** helps eligible families with the cost of childcare. Payments are made directly to childcare providers and is provided through DCF-Child Development Division. <https://dcf.vermont.gov/benefits/ccfap>
- **Help Me Grow Vermont:** Help Me Grow is dedicated to the success and wellbeing of Vermont's families and the communities they live in. Help Me Grow helps early childhood partners work

together to build strong, connected communities and healthy, resilient families. Investing in Vermont children's healthy development today is the foundation of our community's future social and economic wellbeing. Help Me Grow builds families' and service providers' understanding of early development, promotes the importance of social and emotional skill development, and connects children to the community resources and supports they need, when they need them. <https://helpmegrowvt.org/>

How are the Jurisdiction poverty reducing goals, programs, and policies coordinated with this affordable housing plan

AHS and DHCD have a long history of coordinating their efforts with the 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:

- Coordination through the Vermont Council on Homelessness to create and carry out a ten-year plan to end homelessness in Vermont;
- The Vermont Housing Council, which provides a coordinating forum on housing policy and programs;
- Cross representation on boards of the major housing funding organizations including the Vermont Community Development Board, the Vermont Housing Finance Agency and the Vermont Housing and Conservation Board;
- Coordination with other State agencies and non-profit groups of the range of federal McKinney programs, including ESG and the CoC Supportive Housing Program; and
- AHS' active participation in the development and review of the State's Consolidated Plan.

SP-80 Monitoring – 91.330

Describe the standards and procedures that the state will use to monitor activities carried out in furtherance of the plan and will use to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

All Programs under the Consolidated Plan must follow *State Bulletin #5 Policy for Grant Issuance and Monitoring* which incorporates the provisions of the new "Uniform Guidance" issued by OMB.

CDBG conducts a Pre-Award Eligibility Determination and Risk Assessment is completed prior to an award to ensure no award is made to an ineligible organization and to mitigate any high-risk awards through special conditions in grant agreements and monitoring and reporting.

CDBG also takes a risk-based monitoring approach that is based on such factors as size of award; first time receiving an award; complexity of project; staff turnover; past performance; outstanding or delinquent reports; and one or more audit findings/internal control issues regarding program performance or compliance.

All grantees are monitored on a regular basis in accordance with program specific guidelines, State and federal regulations. Monitoring of all programs includes desk review of requisitions and supporting back-up documentation; review of program reports; and audit reports. CDBG monitoring also includes onsite reviews to interview program and administrative staff; and conduct onsite construction inspections. Monitoring of the HOME and HTF projects includes annual rent and tenant income reviews of HOME/HTF designated units, on-site inspections during the project's affordability period, and review of project financial information. VHCB has developed and implemented numerous policies and procedures to comply with the revised 2013 HOME regulations and HTF regulations and guidance.

ESG subrecipients are monitored on-site every three years, including programmatic and financial, case files, and staff and board interviews.

The overall goal of monitoring is to ensure compliance, and to provide technical assistance to ensure the long-term success of our partners, programs, and the clients that they serve.

Expected Resources

AP-15 Expected Resources – 91.320(c)(1,2)

Introduction

Vermont's allocations for 2020 are approximately \$7.2 million in CDBG funds to be used for housing, economic development, public facilities and services, \$3 million in HOME funds to be used for housing, and \$677,000 in ESG funds to be used for emergency shelter and rapid rehousing for persons experiencing homelessness. The VCDP estimates an additional \$200,000 in CDBG program income. The State will be receiving a one-time allocation for Recovery Housing Program in FY20 (RHP20).

Vermont's allocation from the National Housing Trust Fund for 2020 is \$3 million. This resource will be used according to Vermont's HTF allocation plan, to meet the housing needs of extremely low-income households.

CDBG, HOME and ESG will be used strategically to address priority needs and leverage other federal, State and local resources. These include federal low-income housing tax credits. The State's LIHTC program is administered by the Vermont Housing Finance Agency (VHFA) in accordance with Vermont's Qualified Allocation Plan (QAP). The QAP closely reflects the priorities, goals and strategies of the Consolidated Plan. A significant source for non-housing community development is equity generated by New Market Tax Credits that are deployed by Housing Vermont's Vermont Rural Ventures, a qualified community development enterprise. Both VHFA and Housing Vermont sit on the Vermont Housing Council and the Advisory Board ensuring close coordination. Additional resources that may be leveraged to support the goals of the Consolidated Plan include Section 8, McKinney-Vento, Vermont Housing and

Conservation Trust and matching funds.

Anticipated Resources

| Program | Source of Funds | Uses of Funds | Expected Amount Available Year 1 | | | | Expected Amount Available Remainder of ConPlan \$ | Narrative Description |
|---------|------------------|---|----------------------------------|--------------------|--------------------------|-------------|---|---|
| | | | Annual Allocation: \$ | Program Income: \$ | Prior Year Resources: \$ | Total: \$ | | |
| CDBG | public - federal | Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services | \$7,244,934 | \$200,000 | \$0 | \$7,444,934 | \$27,600,000 | Assuming \$6.7 million annual allocation plus \$200,000 in program income. |
| HOME | public - federal | Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA | \$3,000,000 | \$0 | \$0 | \$3,000,000 | \$12,000,000 | Assuming \$3 million small State minimum annually. HOME will be used for Multifamily rental new construction and rehab. |

| Program | Source of Funds | Uses of Funds | Expected Amount Available Year 1 | | | | Expected Amount Available Remainder of ConPlan \$ | Narrative Description |
|---------|------------------|--|----------------------------------|--------------------|--------------------------|-----------|---|---|
| | | | Annual Allocation: \$ | Program Income: \$ | Prior Year Resources: \$ | Total: \$ | | |
| ESG | public - federal | Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing | \$677,036 | \$0 | \$0 | \$677,036 | \$2,580,000 | Assuming \$645,000 annual allocation. ESG will be used for emergency shelter, rapid rehousing and HMIS. |
| HTF | public - federal | Acquisition Admin and Planning Homebuyer assistance Multifamily rental new construction Multifamily rental rehab New construction for ownership | 3,000,000 | 0 | 0 | 3,000,000 | \$12,000,000 | Assuming \$3 million small state minimum annually. |
| RHP | Public Federal | Recovery Housing for Opioid Addiction | \$753,000 | \$0 | \$0 | \$753,000 | \$0 | Assuming one allocation in FY2020 |

Table 52 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

For CDBG funds, VCDP's Program Guidelines require applicants to provide a full description of how matching requirements will be met including the name and address of the source and indicate whether it is a loan, grant, cash, cash-in-kind goods or services, etc. Matching requirements are as follows:

- (a) Implementation Grants (IG): Match can consist of a loan, grant, cash or cash-in-kind goods or services of a flat 10% of the VCDP funds.
 - a. Economic Development Loans: borrower must provide cash-equity of at least 10% of the total project cost. This cannot be borrowed or otherwise encumbered money. Note: The Agency may waive the 10% equity match required for a VCDP economic development project if justified.
 - b. Slums & Blight: Cash or cash-in-kind goods or services of at least 10% of the VCDP funds. This match must directly fund remediation of the S&B condition.
- (b) Scattered Site Housing Grants (SS): Match can consist of a loan, grant, cash or cash-in-kind goods or services of a flat 10% of the VCDP funds.
- (c) Planning Grants (PG): Match can consist of a loan, grant, cash or cash-in-kind goods or services of a flat 10% of the VCDP funds.
- (d) Accessibility Modification Grants (AM): Match can consist of a loan, grant, cash or cash-in-kind goods or services of a flat 10% of the VCDP funds for Handicapped Accessibility work on municipally owned buildings and community libraries.
- (e) Home Access Grants (HA): Match can consist of a loan, grant, cash or cash-in-kind goods or services of a flat 10% of the VCDP funds.

If a community has an in-active VCDP/HUD funded Revolving Loan Fund (RLF) as defined by Agency Procedures, at least 20% of the RLF balance on hand must be committed to the project when applying for VCDP funds.

For HOME funds, priority is given to projects with non-federal funding sources for leveraging HOME Funds to ensure the overall HOME Program meets the 25% match requirement. Projects must demonstrate leverage of resources and cost-effectiveness, which may include but is not limited to density bonuses, energy efficiency, lead paint hazard abatement, and historic preservation. Vermont Housing Conservation Board (VHCB) State funding for housing is often used as match for the HOME Program.

ESG requires a dollar for dollar match. Vermont Agency of Human Services, Office of Economic Opportunity (OEO) will use State general funds appropriation for homeless assistance as match for the ESG program.

There is no match requirement for HTF funding, however, applications that include the use of non-federal funding sources will be prioritized. As with HOME, VHCB's State funds will likely serve as a source

of non-federal match for HTF assisted projects.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

N/A

Discussion

DRAFT - 3/31/20

Annual Goals and Objectives

AP-20 Annual Goals and Objectives – 91.320(c)(3)&(e)

Goals Summary Information

| Sort Order | Goal Name | Start Year | End Year | Category | Geographic Area | Needs Addressed | Funding | Goal Outcome Indicator |
|------------|---|------------|----------|---|-----------------|--------------------------------------|---|---|
| 1 | Increase supply and quality of affordable housing | 2020 | 2024 | Affordable Housing Public Housing Homeless Non-Homeless Special Needs | | Safe, Decent, and Affordable Housing | CDBG: \$3,154,044 HOME: \$3,000,000 Housing Trust Fund: \$3,000,000 RHP: \$753,000 | Rental units constructed: 70 Household Housing Units Rental units rehabilitated: 70 Household Housing Units Homeowner Housing Added: 2 Household Housing Units Homeowner Housing Rehabilitated: 100 Household Housing Units Housing for Homeless added: 5 Household Housing Units |
| 2 | Create and retain jobs | 2020 | 2024 | Non-Housing Community Development | | Economic Opportunity | CDBG: \$1,752,247 | Jobs created/retained: 30 Jobs Businesses assisted: 2 Businesses Assisted |

| Sort Order | Goal Name | Start Year | End Year | Category | Geographic Area | Needs Addressed | Funding | Goal Outcome Indicator |
|------------|--|------------|----------|-----------------------------------|-----------------|--|-------------------|--|
| 3 | Decrease the number experiencing homelessness | 2020 | 2024 | Homeless | | Individuals and families experiencing homelessness | ESG: \$677,036 | Tenant-based rental assistance / Rapid Rehousing: 500 Households Assisted Homeless Person Overnight Shelter: 3,000 Persons Assisted |
| 4 | Strengthen communities and improve quality of life | 2020 | 2024 | Non-Housing Community Development | | Strong Communities | CDBG: \$2,102,696 | Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 4290 Persons Assisted Public service activities other than Low/Moderate Income Housing Benefit: 50 Persons Assisted Public service activities for Low/Moderate Income Housing Benefit: 300 Households Assisted Brownfield acres remediated: 1 Acre |

Table 53 – Goals Summary

Goal Descriptions

| | | |
|---|-------------------------|--|
| 1 | Goal Name | Increase the supply and quality of affordable housing |
| | Goal Description | We hope to increase the supply and quality of affordable housing by utilizing these strategies on a statewide level: |

| | | |
|--|--|--|
| | | <ul style="list-style-type: none"> • 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. • Produce affordable senior rental units in regions where a market analysis identifies a shortage of elderly housing affordable to lower income seniors. • Provide service enriched housing that allows seniors the opportunity to age in place. • Provide service enriched housing serving persons with disabilities. • Locate affordable rental housing in close proximity to public transportation services with access to employment centers, services, recreational opportunities, and schools. • 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. • 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. • Promote mixed income developments to create integrated communities. • 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. • Identify and remove barriers to increasing the supply of rental housing. • Preserve existing affordable housing projects including mobile home parks, in a manner consistent with prudent investment criteria. • Redevelop existing properties with consideration given for projects that leverage other resources specific to the preservation of historic structures. • Address habitability and infrastructure problems in mobile home parks. • Preserve existing mobile home parks, and relocate families and individuals displaced by mobile home park closure. • Develop, replace or relocate mobile home parks and lots that are in flood hazard areas. • Support the network of scattered site rehabilitation programs. • Redevelop foreclosed properties for affordable rental housing. • Address barriers to rehabilitation of the existing supply of rental housing that serves extremely low, low- and moderate-income families and individuals. • Provide accessible or adaptable housing for persons with disabilities, including homeownership opportunities. • Address the current and potential need for accessibility modifications and adaptable units to serve Vermonters with physical disabilities. • Support the network of scattered site housing rehabilitation programs. |
|--|--|--|

| | | |
|----------|-------------------------|--|
| | | <ul style="list-style-type: none"> • Improve access to affordable mortgages and counseling-based lending for lower income families and individuals seeking to become homeowners. • Increase programs for homeowner education and counseling. • Maximize the use of the Section 8 homeownership option by public housing authorities. • Support projects with employer assisted home ownership programs. • Redevelop foreclosed properties for home ownership. • 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. • Promote the development of home-ownership units that include a shared equity appreciation covenant. • Encourage utilization of “4%” Low Income Housing Tax Credits • Consider per-unit development costs for requests for public funding |
| 2 | Goal Name | Decrease the number of people experiencing homelessness |
| | Goal Description | <p>ESG funds will be fully leveraged along with State resources to reduce the number of individuals and families experiencing homelessness. These funds will provide:</p> <ul style="list-style-type: none"> • Emergency Shelter Operations, including day shelters, year-round overnight shelters, warming shelters, and motel stays when other shelter is not available • Essential Services to individuals and families in emergency shelter • Rapid Rehousing, Housing Relocation and Stabilization Services (including short-term financial assistance) • Rapid Rehousing, Rental Assistance for up to 24 months (including rental arrears) • Homeless Management Information Systems (HMIS), including the costs to contribute data to the HMIS designated by the Continuum of Care |
| 3 | Goal Name | Create and retain jobs |
| | Goal Description | <p>We hope to create and retain jobs by utilizing these strategies on a statewide level:</p> <ul style="list-style-type: none"> • Invest in business facilities, including broadband and wireless access, energy efficiency improvements, machinery, equipment and other capital requirements. • Invest in businesses that acquire, improve and occupy otherwise underutilized or vacant industrial property. • Develop small businesses, foster entrepreneurship, and complement but not duplicate other small business programs. |

| | | |
|----------|-------------------------|---|
| | | <ul style="list-style-type: none"> • Invest in companies that meet the priorities established in the State or 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. • 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. • Support initiatives, projects and business investments that contribute to the availability of childcare for employee families. • Support infrastructure projects that lead to job creation and/or retention. |
| 4 | Goal Name | Strengthen communities and improve quality of life |
| | Goal Description | <p>We hope to promote downtown preservation and revitalization, remediate and reuse of brownfields, and increase access to public facilities and services by utilizing these strategies on a statewide level:</p> <ul style="list-style-type: none"> • Promote projects in Designated Downtowns and Village Centers, Growth Centers, Neighborhood Development Areas and New Town Centers, including the addition of federally recognized Opportunity Zones. • Reinvest in downtown properties, particularly in the upper stories including elevators, sprinklers, and other code-related improvements. • Promote projects in Designated Downtowns that are also area-wide low- and moderate-income benefit communities with façade, streetscape and other infrastructure improvements. • 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. • Address training and technical assistance needs for downtown organizations and their municipal partners. • Redevelop Brownfields into productive use. • Support municipal projects to remove barriers to public buildings to bring them into compliance with current ADA standards. • Remove barriers to accessibility for places of business and/or residential facilities to bring them into compliance with current ADA standards. • Promote facilities and services that stabilize living environments and enhance quality of life for families and individuals. • Provide access to affordable capital and counseling-based lending for lower income entrepreneurs or potential homeowners. |

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| | <ul style="list-style-type: none">• Increase access to work force development and job training for low- and moderate-income job seekers.• Support unmet Disaster Recovery community infrastructure needs. • Use New Market Tax Credits to attract investment for community and economic development projects in high poverty areas. |
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DRAFT - 3/31/20

AP-25 Allocation Priorities – 91.320(d)

Introduction:

In keeping with the State’s long-standing policy, the State does not plan to target assistance to specific geographic regions or activities. 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 general operating assistance for Community Housing Development Organizations (CHDOs) to implement HOME projects, and HTF is allocated on a competitive basis in accordance with the HTF Allocation Plan. ESG funds are awarded to eligible nonprofits, including community and/or faith-based organizations following the selection process of the Vermont Office of Economic Opportunity. The State anticipates CDBG-RHP grants will be awarded on a competitive basis as well.

Funding Allocation Priorities

| | Increase supply and quality of affordable housing (%) | Create and retain jobs (%) | Decrease the number experiencing homelessness (%) | Strengthen communities and improve quality of life (%) | Total (%) |
|-------------------------------|---|----------------------------|---|--|-----------|
| CDBG | 45 | 25 | 0 | 30 | 100 |
| HOME | 100 | 0 | 0 | 0 | 100 |
| ESG | 0 | 0 | 100 | 0 | 100 |
| HTF | 0 | 0 | 0 | 0 | 0 |
| Housing Trust Fund | 100 | 0 | 0 | 0 | 100 |
| CDBG-Recovery Housing Program | 100 | 0 | 0 | 0 | 100 |

Table 54 – Funding Allocation Priorities

Reason for Allocation Priorities

The State’s allocation priorities are based on the priority needs identified in the Housing Needs Assessment and further developed through the

citizen participation and consultation process to meet the goals identified in the plan.

How will the proposed distribution of funds will address the priority needs and specific objectives described in the Consolidated Plan?

The proposed distribution of funds addresses the priority needs identified by allocating funding to the most critical needs identified through the Housing Needs Assessment, market analysis, citizen participation process, and consultation with service providers, agencies and organizations. Vermont continues to see affordable housing, reducing homelessness and job creation as a strong need for the State. During the public participation process there was a lot of discussion about public facility needs around the State. Based on that feedback the Strong Communities goal has been changed from a low to high need. These needs are clearly reflected in the State’s allocation of CDBG, HOME, and HTF resources. Specifically, ESG funds will be fully leveraged along with State resources to reduce the number of individuals and households experiencing homelessness. These funds will also focus on shortening the length of time people experience homelessness and reduce the number of individuals returning to homelessness.

This distribution is further informed by past program performance and evaluations of how CDBG, HOME, HTF, and ESG can be used most effectively and efficiently given program rules.

AP-30 Methods of Distribution – 91.320(d)&(k)

Introduction:

This section summarizes the methods of distribution for State programs that administer HUD funds, as well as the National Housing Trust Fund. In each of the State programs described below, the State encourages applications for projects that include more than one goal or objective or which address more than one Priority Need (e.g. an application for a housing project that also consists of a component of commercial space; or a public facility project that also consists of a component of public services).

As required, it also provides information about locally controlled program income / revolving loan funds.

Distribution Methods

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| 1 | State Program Name: | Housing Opportunity Grant Program |
| | Funding Sources: | ESG |
| | Describe the state program addressed by the Method of Distribution. | <p>OEO’s Housing Opportunity Grant Program combines ESG funds with state homeless assistance funds to help nonprofit organizations work within their local Continuums of Care to:</p> <ul style="list-style-type: none"> • Reduce the incidence and duration of homelessness; • Shorten the length of time an individual or household is homeless; and Prevent homelessness. |
| | Describe all of the criteria that will be used to select applications and the relative importance of these criteria. | <p>Selection of applicants for ESG funding under the consolidated Housing Opportunity Grant Program will be made based on the following:</p> <ul style="list-style-type: none"> • 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 rapid rehousing services to the homeless, and of successfully operating performance-based grant-funded programs. • The applicant’s demonstrated coordination with organizations in their local "continuum of care," to address identified gaps in services for the homeless and improve outcomes for participants. All activities undertaken with ESG assistance are consistent with the State’s consolidated plan. |

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| | <ul style="list-style-type: none"> • If the applicant is requesting Emergency Shelter Operations funding: Assurance that funds will preserve or support existing shelter bed capacity. • If applicant is requesting Essential Services or Rapid Re-Housing 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. The applicant’s ability to assist homeless participants in obtaining mainstream supportive services (including medical and mental health treatment, counseling, supervision, and other services essential for achieving independent living), and other Federal State, local, and private assistance available for such individuals. • The applicant’s engagement of homeless individuals and families in the governance or operation of programming and services, to the maximum extent practicable. • Previous project performance under the program performance measures. <p>Actual funding will be based on the follow:</p> <ul style="list-style-type: none"> • Requested amount (total request and spending plan) • Available funds • Strength of application in demonstrating application criteria are met • Local need • Alignment with state and federal strategies • Previous funding and project performance |
| <p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application</p> | <p>N/A - CDBG only</p> |

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| criteria? (CDBG only) | |
| Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only) | <p>In April 2019, OEO will release a Request for Proposals for the Housing Opportunity Grant Program (which includes ESG program funds). Awards made for State Fiscal Year 2019 (July 1-June 30, 2019) will be considered for renewal first in SFY 2020, followed by requests for new projects or additional funding. Current awards (SFY 2019) were reviewed and evaluated by AHS OEO based on local need, capacity, approach and local coordination. Part of the selection process may involve a site visit of the finalists at which time documentation listed in the application will be reviewed. Vermont will make ESG sub-awards with successful applicants for ESG-funded activities under Housing Opportunity Grant Program agreements. One or more grants will be awarded by OEO to Vermont municipalities, or, with municipal approval, Vermont nonprofits whose purpose is to shelter, serve, and re-house the homeless.</p> <p>Like all awards, the second year of funding will be based on anticipated funding and performance. Grantees will report on performance measures quarterly.</p> |
| Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only) | N/A – HOPWA only |
| Describe how resources will be allocated among funding categories. | <p>Decisions on how to prioritize funding categories are based on survey and public forum input through the Consolidated Plan process, guidance and national reports released by HUD, the National Alliance to End Homelessness, and the US Interagency Council on Homelessness (USICH); the Vermont Council on Homelessness five-year plan to end homelessness; and an acknowledgement that homelessness is inherently traumatic for families and individuals. In addition, decisions were informed by survey and discussions with CoC stakeholders regarding funding priorities. Survey results revealed strong consensus that Vermont prioritize funding for Emergency Shelter, Homelessness Prevention and Rapid Re-housing. Further consultation confirmed that Vermont’s homeless prevention needs and rehousing service needs</p> |

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| | <p>could be better met outside the requirements of HUD funding. State funds will adequately support these efforts and Vermont will focus ESG Emergency Shelter funds on preserving existing shelter capacity and/or supporting seasonal capacity, as is consistent with the AHS housing policy. The survey also confirmed that promoting permanent housing through rapid re-housing activities are widely supported strategies for reducing homelessness.</p> <p>OEO estimates the following allocation to planned activities:</p> <ul style="list-style-type: none"> • Emergency Shelter (Operations & Essential Services): 60% • HMIS: 22% • Rapid Rehousing (Financial & Rental Assistance): 10.5% • Administration: 7.5% (maximum allowed) <p>Specific funding within the major categories of Rapid Rehousing and Emergency Shelter may shift based on the applications received and awarded.</p> |
| <p>Describe threshold factors and grant size limits.</p> | <p>Eligible applicants are municipalities and nonprofits including community and faith-based organizations. 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.</p> <p>Faith-based organizations are required to have separate 501c3 status established to meet eligibility requirements.</p> <p>All grantees must be in compliance with program guidelines and applicable state and federal policies and procedures, including compliance with federal nondiscrimination law. This includes certification from all Emergency Shelter applicants must certify that the assisted property will be maintained as an Emergency Shelter for the period of funded assistance. All Shelters must have passed ESG shelter habitability inspection within the past year.</p> <p>There are no grant size limits per se for ESG funds. Grants to subrecipients of ESG funds typically range from \$8,000 to \$170,000.</p> |
| <p>What are the outcome measures expected as a</p> | <p>This method of distribution will support the State’s goal of serving 500 households through rapid rehousing services and providing emergency overnight shelter to 3,000 people.</p> |

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| | result of the method of distribution? | |
| 2 | State Program Name: | Vermont Community Development Program |
| | Funding Sources: | CDBG |
| | Describe the state program addressed by the Method of Distribution. | <p>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.</p> <p>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 Housing and Community Development (DHCD). 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.</p> <p>The VCDP provides eligibility criteria, notices of funding availability, a Program Guide and Application Instructions on its website:</p> <p>http://accd.vermont.gov/community-development/funding-incentives/vcdp</p> <p>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 the application process. This outreach and communication is critical for VCDP since funding is not directly allocated or targeted to specific 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 2020 Program Year. Municipalities are encouraged to apply for funding</p> |

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| | <p>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/community-development/funding-incentives/vcdp/applicant-guidance</p> |
| <p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p> | <p>The State Act stipulates that the allocation of VCDP funds shall be competitive, ensure 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 and 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 and must meet one of three HUD National Objectives (Low and Moderate Income, Slums and Blight, and Urgent Need). The selection criterion is as follows:</p> <ol style="list-style-type: none"> 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 is 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 low and moderate-income persons directly benefiting; Longevity of the benefit; Beneficiary involvement in developing the project; Indirect benefit to low and moderate-income 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: |

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| | <p>Readiness to start/Proposed time frame is realistic; Proposed benefit is realistic; Costs are appropriate and justified; Prior VCDP performance record</p> <p>Please see the VCDP Program Guide at: https://accd.vermont.gov/sites/accdnew/files/documents/CD-VCDP-Program-Guide.pdf for a detailed description of the program including; selection criteria, funding levels and application instructions.</p> <p>All CDBG applicants seeking funding for affordable multi-family rental housing (for new units and rehabilitation of existing units) shall describe the plans and tools they have in place to achieve the goal of making available at least 15% of the units in their portfolio to those who are homeless.</p> |
| <p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p> | <p>Please see the VCDP Program Guide at: https://accd.vermont.gov/sites/accdnew/files/documents/CD-VCDP-Program-Guide.pdf for a detailed description of the program including; selection criteria, funding levels and application instructions.</p> |
| <p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p> | <p>N/A - ESG only</p> |
| <p>Identify the method of</p> | <p>N/A – HOPWA only</p> |

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| <p>selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p> | |
| <p>Describe how resources will be allocated among funding categories.</p> | <p>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 urgent community development needs (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.</p> <p>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 share of State administration funding is capped at 2% of the annual CDBG award, which must be matched by a minimum of 2% in State funds, plus 1% for technical assistance and an additional \$100,000 of unmatched HUD funding for a total HUD funded State administration of 3% of the CDBG award plus \$100,000. The State does not intend to use any Program Income for State administration.</p> <p>The VCDP will set aside \$200,000 for Accessibility Modification Grants (AM) and \$100,000 for Home Access Grants (HA) until the last funding round during the period July 1, 2020 – June 30, 2021. Any funds remaining may then be awarded to Implementation and Planning Grants (IG, PG).</p> <p>The Federal Act restricts the total funds that may be used to fund activities known as Public Services to 15% of the Annual HUD Award that is allocated for assistance to municipalities. The maximum allowable for public service activities is shown in Table – CDBG FFY2020 Distribution Plan.</p> |

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| | <p>The State may use up to one percent of the Annual HUD Awards for FFY88 through FFY2020 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 Consolidated Plan is shown in Table – CDBG FFY2020 Distribution Plan.</p> <p>FY20 is the second year that VCDP will set aside up to 25% of its annual CDBG allocation for Scattered-Site (SS) Housing Rehab Grants to be distributed at the first funding round during the period July 1, 2020 – June 30, 2021. Any funds remaining may then be awarded to Implementation and Planning Grants (IG, PG) at the last funding round during the same aforementioned period.</p> |
| <p>Describe threshold factors and grant size limits.</p> | <p>All applications for VCDP funds must meet the following eligibility thresholds 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.</p> <p>Eligible Applicant: The only eligible applicants are Vermont towns and cities and incorporated villages chartered to function as general-purpose units of local government.</p> <p>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.</p> <p>Eligible Activity: Only those activities eligible under the Federal Act may be funded under this program.</p> <p>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.</p> <p>State Objective: Each proposed VCDP activity must meet at least one State objective.</p> <p>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, to obtain 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.</p> |

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| | | <p>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.</p> <p>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 the proposed activity will result in displacement, relocation, property demolition, or property change of use. Please see the VCDP Program Guide at: https://accd.vermont.gov/sites/accdnew/files/documents/CD-VCDP-Program-Guide.pdf for a detailed description of eligibility criteria and program thresholds.</p> <p>For grant size limits - see CDBG Grant Types, Funding Limits and Match Requirements.</p> |
| | What are the outcome measures expected as a result of the method of distribution? | This method of distribution will support the State's 2020 Consolidated Plan goals in housing, economic development, public facilities and services. With a FFY20 CDBG allocation of approximately \$7.2 million, CDBG annually will create 43 rental units and 2 homeowner units, rehabilitate 44 rental units and 100 homeowner units, create or retain 30 jobs and assist 2 businesses, and serve approximately 4,590 Vermonters through public facility and service activities. |
| 3 | State Program Name: | Special Housing Projects Pilot |
| | Funding Sources: | CDBG |
| | Describe the state program addressed by the Method of Distribution. | The Special Housing Projects Pilot is intended to provide seed funds to encourage innovative projects that address housing health issues and provide net new units with limited public investment. Funds of up to \$250,000 per applicant and a annual maximum of \$750,000 will be administered through the existing Vermont Community Development Program (VCDP) protocol with the addition of several special criteria. Consideration will be made to the percentage of public investment contributing to the total project proposal, the number of public funding sources being utilized, ability of applicant to leverage 4% Low Income Housing Tax Credits and well as whether per unit development costs are below average. |

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| | <p>The 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.</p> <p>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 Housing and Community Development (DHCD). 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.</p> |
| <p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p> | <p>The State Act stipulates that the allocation of VCDP funds shall be competitive, ensure 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 and DHCD staff recommendations, and makes funding recommendations to the ACCD Secretary on behalf of the Governor. Staff analyses of the applications are written based on the following criteria and must meet one of three HUD National Objectives (Low and Moderate Income, Slums and Blight, and Urgent Need). The selection criterion is as follows:</p> <ol style="list-style-type: none"> 1. Project Need: The project must meet a documented community or regional need. Determinations will be based on evaluation of such factors as: <ul style="list-style-type: none"> Need documentation; Appropriate solution; Appropriate funding; Meeting Consolidated Plan priorities; Meeting local and regional plan priorities; Health/safety risks to beneficiaries; Impact if project is not funded; Ability of project to address recommendations identified in legislative and stakeholder reports |

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| | <p>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:</p> <p>Ability to meet the need Number/percentage of low and moderate-income persons directly benefiting; Longevity of the benefit; Beneficiary involvement in developing the project; Indirect benefit to low and moderate-income persons and the community</p> <p>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:</p> <p>Readiness to start/Proposed time frame is realistic; Proposed benefit is realistic; Costs are appropriate and justified; Prior VCDP performance record</p> <p>4. Project Cost and Leverage: Projects funded by the Special Housing Project Pilot must demonstrate an ability to achieve net new housing units with limited public investment. Factors to be considered will include:</p> <p>Per unit costs below average; Percent of project funded by public investment; Ability of project to leverage 4% Low Income Housing Tax Credits and/or other underutilized resources;</p> |
| <p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p> | <p>Application manuals and publications outlining criteria will be made available on the Agency website.</p> <p><i>At the time of this draft, additional criteria and edits to existing are to be affected by public comment. If you would like more information or to provide written comments on the Special Housing Projects Pilot, send written commentary to Shaun Gilpin, Dept. of Housing and Community Development, at shaun.gilpin@vermont.gov before May 10, 2020</i></p> |
| <p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units</p> | <p>N/A - ESG only</p> |

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| <p>of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p> | |
| <p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p> | <p>N/A – HOPWA only</p> |
| <p>Describe how resources will be allocated among funding categories.</p> | <p>All funds available through the Special Housing Projects Pilot are to be awarded to address the goal of Increasing the Supply and Quality of Housing. This Pilot will be limited to a maximum of \$750,000 annually with no individual application eligible for more than \$250,000.</p> |
| <p>Describe threshold factors and grant size limits.</p> | <p>All applications for VCDP funds must meet the following eligibility thresholds 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.</p> <p>Eligible Applicant: The only eligible applicants are Vermont towns and cities and incorporated villages chartered to function as general-purpose units of local government.</p> <p>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.</p> <p>Eligible Activity: Only those activities eligible under the Federal Act may be funded under this program.</p> |

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| | <p>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.</p> <p>State Objective: Each proposed VCDP activity must meet at least one State objective.</p> <p>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, to obtain 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.</p> <p>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.</p> <p>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 the proposed activity will result in displacement, relocation, property demolition, or property change of use. Please see the VCDP Program Guide at: https://accd.vermont.gov/sites/accdnew/files/documents/CD-VCDP-Program-Guide.pdf for a detailed description of eligibility criteria and program thresholds.</p> <p>For grant size limits - see CDBG Grant Types, Funding Limits and Match Requirements.</p> |
| <p>What are the outcome measures expected as a result of the method of distribution?</p> | <p>This method of distribution will support the State's 2020 Consolidated Plan goals in housing, economic development, public facilities and services. With a maximum annual amount of \$750,000 applied to this Pilot outcome measures will include the number of net new affordable rental units that are brought onto the market.</p> |

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| 4 | State Program Name: | Vermont HOME Program |
| | Funding Sources: | HOME |
| | Describe the state program addressed by the Method of Distribution. | <p>HOME Investment Partnerships Program (HOME) allocation for FFY2020 is \$3,000,000. The Department of Housing and Community Development (DHCD) is the agency responsible for developing the Consolidated Plan, and State statute designates the Vermont Housing and Conservation Board (VHCB) as the agency responsible for administering HOME funds.</p> <p>In FFY 2020, HOME funds will be used for the following programs with investments in the form of grants or long-term deferred loans:</p> <p>1. Acquisition and Rehabilitation Program. HOME funds will be used for acquisition and rehabilitation of conventional rental properties to make them affordable to low income households and/or to convert them to cooperatives, and to preserve existing affordable rental properties. When HOME funds are used for rehabilitation, the work must be performed according to the VHCB's written rehabilitation standards, which describe the methods and materials to be used, and the entire unit must be brought up to applicable property standards as described in 24 CFR 92.251(b).</p> <p>2. New Construction Program. HOME funds will be used for the production of conventional rental properties that serve an area or market where existing housing stock is limited and/or to provide housing for households/individuals with documented special needs. Units created under this program must be affordable to low income households.</p> <p>3. Refinancing existing debt. Multi-family rental 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 (See the HOME Refinancing Guidelines in AP-90 HOME Program Specific Requirements).</p> <p>Community Housing Development Organizations (CHDOs)</p> <p>At least fifteen percent (15%) or approximately \$450,000 of the FFY2020 HOME allocation will be used for rental projects developed, owned, or sponsored by qualified Community Housing Development Organizations (CHDOs) as defined in 24 CFR 92.2.</p> |

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| | <p>Up to five percent (5%) or approximately \$150,000 of the State's total HOME allocation may be used for general operating assistance for qualified CHDOs who are expected to receive CHDO project funds within 24 months. CHDO Operating funds will be awarded through VHCBS's organizational grant application process.</p> <p>Statewide Allocation</p> <p>The State's allocation including CHDO project funds, but not including Administration or CHDO Operating) will be distributed to projects on a competitive basis throughout the state, excluding the City of Burlington which has its own allocation.</p> <p>Program Administration</p> <p>The State's HOME program will be administered by VHCBS pursuant to a contract with DHCD.</p> <p>The State recognizes that its Consolidated Plan cycle is not consistent with the ability of its agent, VHCBS, 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 do not find this inconsistency to be a significant issue in program delivery.</p> <p>Administrative Costs</p> <p>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: DHCD and VHCBS. The State may use approximately \$300,000 (10%) in FFY 2020 funds for eligible administrative costs.</p> |
| <p>Describe all of the criteria that will be used to select applications and the relative importance of these criteria.</p> | <p>Eligible Applicants</p> <p>Information about the HOME Program is available on VHCBS's website, including links to the HOME Program Handbook, application deadlines and Board meeting dates, and the common housing application. VHCBS works closely with a statewide network of non-profit affordable housing developers who are provided this information. In addition, VHCBS provides information about the HOME Program application process and requirements to for-profit developers when inquiries are received. General</p> |

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| | <p>Information for Applicants Seeking VHCB and/or HOME Program Funds for Affordable Housing Development is available here: https://vhcb.org/our-programs/housing/housing-applications.</p> <p>Eligibility to apply for HOME funds will be no more restrictive than required by HOME regulations. Consistent with the regulations, at least 15% of the annual allocation will be used for projects developed, owned, or sponsored by qualified CHDOs, as defined in 24 CFR 92.2. Applications will be accepted on a rolling basis and acted upon at regularly scheduled VHCB Board meetings based on project readiness. VHCB uses the State's Common Housing Application with an additional VHCB/HOME application supplement and checklist.</p> <p>Threshold Criteria</p> <p>The following criteria must exist in any application to be considered for a commitment of HOME funds:</p> <ol style="list-style-type: none"> 1. The project must be perpetually affordable. 2. At least one of the Consolidated Plan housing related goals must be included. 3. Preference shall be given to projects located in the State's Designated Downtowns, Village Centers, neighborhood development areas and other areas that are consistent with the state's historic settlement pattern and "Smart Growth". <p>Consolidated Plan Affordable Housing Goals</p> <p>On a competitive basis, applications that have met the threshold criteria described above will be evaluated and ranked according to how many of the Consolidated Plan Affordable Housing Strategies are addressed by the project.</p> <p>Efficient Use of Resources</p> <p>Consistent with 24 CFR Section 92.250(b), projects seeking HOME funds will require an analysis of whether the amount of HOME funds invested is reasonable to achieve affordable housing. This analysis must 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.</p> <p>Additional Analysis</p> <p>In accordance with VHCB's Underwriting Policy and Procedures, additional analysis in the following areas will be performed by VHCB underwriting staff prior to making a HOME funding recommendation</p> |
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| | <p>to the Board:</p> <ul style="list-style-type: none"> • Development capacity and fiscal soundness of the applicant • Project location • Market demand • Budget documents • Plans and specifications • HOME requirements • Developer/owner profit standard and evaluation <p>More detailed information about VHCB's underwriting criteria is available in VHCB's Underwriting Policy and Procedures. Applicants are also encouraged to review the information contained in VHCB's HOME Program Handbook, also available on their website.</p> <p>All HOME applicants seeking funding for affordable multi-family rental housing (for new units and rehabilitation of existing units) shall describe the plans and tools they have in place to achieve the goal of making available at least 15% of the units in their portfolio to those who are homeless.</p> |
| <p>If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only)</p> | <p>N/A - CDBG only</p> |
| <p>Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local</p> | <p>N/A - ESG only</p> |

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| <p>government, and non-profit organizations, including community and faith-based organizations. (ESG only)</p> | |
| <p>Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based organizations). (HOPWA only)</p> | <p>N/A – HOPWA only</p> |
| <p>Describe how resources will be allocated among funding categories.</p> | <p>Funding will be allocated by funding category based on the merit of the proposals submitted and the demonstrated market demand.</p> |
| <p>Describe threshold factors and grant size limits.</p> | <p>In order to be considered for HOME funding, all applications must meet the threshold requirements stated above. In addition, projects must meet all HOME Program and other applicable federal requirements.</p> <p>There is no set maximum HOME award; however, applicants should be aware that demand for HOME funds is competitive.</p> <p>The HOME maximum per-unit subsidy limits are as follows: \$65,000 for 0 bedrooms, \$75,000 for 1 bedroom, \$90,000 for 2 bedrooms, \$115,000 for 3 bedrooms, and \$125,000 for 4 bedrooms. These limits represent approximately 50% of the HUD maximums. VHCB may, on a case-by-case basis, exceed these limits if there is a compelling reason to do so, as long as HUD's limits are not exceeded.</p> |
| <p>What are the outcome measures expected as a</p> | <p>This method of distribution will support the State’s 2020 Consolidated Plan goal in housing for HOME to assist 200 units in housing through creation of new rental units and rehabilitated rental units. With the</p> |

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| | result of the method of distribution? | FFY20 HOME allocation of approximately \$3,000,000, it is estimated annually HOME will assist approximately 6 rental projects, resulting in approximately 40 units affordable to low- and very-low income households. |
| 5 | State Program Name: | Vermont National Housing Trust Fund |
| | Funding Sources: | Housing Trust Fund |
| | Describe the state program addressed by the Method of Distribution. | National Housing Trust Fund (HTF) dollars will be distributed statewide, including the City of Burlington. HTF funds will be awarded on a competitive basis to locally driven projects that address the criteria outlined in AP-90, the 2020 Vermont HTF Allocation plan as well as the priority housing needs as identified in the State's Consolidated Plan. |
| | Describe all of the criteria that will be used to select applications and the relative importance of these criteria. | <p>The following threshold criteria must exist in any application to be considered for a HTF award: 1) the project must include the creation or preservation of permanent rental housing (transitional housing and shelters are not eligible), 2) the housing must remain perpetually affordable after the expiration of the HTF required period via a VHCB Housing Subsidy Covenant, 3) at least one of the State's Consolidated Plan housing priorities must be addressed, and 4) there must be a reasonable expectation that the project will be ready to proceed within 18 months.</p> <p>Applications will be reviewed by staff according to VHCB's Affordable Housing Policy (https://vhcb.org/sites/default/files/policy/housing/housing.pdf) as well as VHCB's Underwriting Policy and Procedures, (https://vhcb.org/sites/default/files/policy/housing/Project-Underwriting-Policies--Procedures.pdf), which includes analysis in the following areas:</p> <ul style="list-style-type: none"> • Development capacity and fiscal soundness of the applicant, and experience of the development team • Project location • Market demand • Budget documents • Plans and specifications • HTF and other applicable federal requirements |

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| | <ul style="list-style-type: none"> • Developer/owner profit standard and evaluation <p>In addition to VHCB’s applicable policies, applications for funding submitted by eligible entities will be reviewed, and funding will be prioritized, according to how the following criteria are met:</p> <ul style="list-style-type: none"> • the applicant's ability to obligate HTF funds and undertake eligible activities in a timely manner; • the extent to which the project has Federal, State, or local project-based rental assistance so that rents are affordable to extremely low-income families; • the duration of the units' affordability period; • the merits of the application in meeting the priority housing needs as identified in the State’s Consolidated Plan: <ol style="list-style-type: none"> 4. safe, decent, affordable housing (increase the supply and quality of affordable housing), 5. individuals and families experiencing homelessness (decrease the number experiencing homelessness, increase supply and quality of affordable housing), and 6. strong communities (increase supply and quality of affordable housing, strengthen communities and improve quality of life); <ul style="list-style-type: none"> • the extent to which the application makes use of non-federal funding sources, and • the extent to which the project Affirmatively Furthers Fair Housing: <p>Will the housing be located in an area of opportunity, with low concentrations of racial or ethnic minorities and low concentrations of poverty? If the proposed project is located in an area with a concentration of racial or ethnic minorities and/or poverty, will the housing contribute to the revitalization of a disinvested community, or help prevent displacement of residents living in neighborhoods on the verge of or already undergoing gentrification?</p> <p>Applications must include a description of the eligible activities to be conducted with the HTF funds in accordance with 24 CFR 93.200, and must contain a certification by each eligible recipient that housing units assisted with the HTF will comply with HTF requirements.</p> |
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| | All HTF applicants seeking funding for affordable multi-family rental housing (for new units and rehabilitation of existing units) shall describe the plans and tools they have in place to achieve the goal of making available at least 15% of the units in their portfolio to those who are homeless. |
| If only summary criteria were described, how can potential applicants access application manuals or other state publications describing the application criteria? (CDBG only) | N/A - CDBG only |
| Describe the process for awarding funds to state recipients and how the state will make its allocation available to units of general local government, and non-profit organizations, including community and faith-based organizations. (ESG only) | N/A - ESG only |
| Identify the method of selecting project sponsors (including providing full access to grassroots faith-based and other community-based | N/A – HOPWA only |

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| organizations). (HOPWA only) | |
| Describe how resources will be allocated among funding categories. | <p>The HTF regulations allow up to 10% of HTF funds to be used for homeownership activities; however, given the extremely low income (ELI) targeting requirements of the program and the need for rental housing affordable to ELI households in the state, Vermont will use HTF program funds exclusively for rental housing to meet the priority housing needs as identified by the State’s Consolidated Plan. In accordance with HTF regulations, up to 10% of the State’s HTF allocation will be used for administration.</p> <p>HTF project funds may be used to pay for the following eligible costs: development hard costs, refinancing, acquisition, related soft costs, operating cost assistance and operating cost reserves (not to exceed 1/3 of the state’s annual allocation), relocation, and costs related to payment of loans. Awards of HTF funds will be made in the form of grants or 0%, 30-year deferred loans in order to minimize project debt and maximize affordability to ELI households.</p> |
| Describe threshold factors and grant size limits. | <p>In order to be considered for HTF funding, all applications must meet the threshold requirements stated above. In addition, projects must meet all HTF and other applicable federal requirements.</p> <p>There is no set maximum HTF award; however, applicants should be aware that demand for HTF funds may be competitive.</p> <p>In the early years of this young program, to allow maximum flexibility while VHCB and its partners gain experience using HTF to create rental housing affordable to ELI households, the maximum per-unit subsidy limits for HTF will be set at HUD’s applicable limits for the HOME Program. These limits are currently \$147,074 for OBRs, \$168,600 for 1BRs, \$205,018 for 2BRs, \$265,229 for 3 BRs, and \$291,137 for 4BRs+.</p> |
| What are the outcome measures expected as a result of the method of distribution? | <p>This method of distribution will support the State’s 2020 Consolidated Plan goals in housing for HTF to assist 65 units through creation of new rental units and rehabilitated rental units. With the FFY20 HTF allocation of \$3 million, it is estimated that HTF dollars will assist annually approximately 3 rental projects, resulting in approximately 13 units affordable to ELI households.</p> |

Table 55 - Distribution Methods by State Program

Discussion:

DRAFT - 3/31/20

AP-35 Projects – (Optional)

Introduction:

Not applicable to State Action Plans. This is where the State of Vermont will add its Projects for the 2020 program year.

| # | Project Name |
|---|--------------|
| | |

Table 56 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

Refer to AP-25 Allocation Priorities and AP-85 Other Actions - Obstacles to addressing underserved needs.

DRAFT - 3/31/20

AP-38 Project Summary
Project Summary Information

DRAFT - 3/31/20

AP-40 Section 108 Loan Guarantee – 91.320(k)(1)(ii)

Will the state help non-entitlement units of general local government to apply for Section 108 loan funds?

No

Available Grant Amounts

N/A

Acceptance process of applications

N/A

DRAFT - 3/31/20

AP-45 Community Revitalization Strategies – 91.320(k)(1)(ii)

Will the state allow units of general local government to carry out community revitalization strategies?

No

State’s Process and Criteria for approving local government revitalization strategies

N/A

DRAFT - 3/31/20

AP-50 Geographic Distribution – 91.320(f)

Description of the geographic areas of the state (including areas of low-income and minority concentration) where assistance will be directed

In keeping with the State’s long-standing policy, the State does not plan to target assistance to specific geographic regions. CDBG, HOME, and HTF funds will be allocated on a competitive basis to locally-driven projects that address priority needs. The State anticipates CDBG-RHP funds will also be allocated on a competitive basis to meet the opioid housing need (States are still waiting for program regulations).

ESG funds are awarded as part of the statewide Housing Opportunity Grant Program (HOP). Awards are made on a competitive basis according to local needs.

Geographic Distribution

| Target Area | Percentage of Funds |
|--------------------|----------------------------|
| | |

Table 57 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

N/A - Vermont does not allocate investments geographically.

Discussion

Affordable Housing

AP-55 Affordable Housing – 24 CFR 91.320(g)

Introduction:

Each year, Vermont strives to provide as many affordable housing units as possible through production of new units, rehabilitation of existing units and preservation of subsidized units at risk of loss. However, the reality is the HUD funding provided to Vermont through CDBG, HOME, and HTF (approximately \$13 million annually) is not enough on its own to significantly address the affordable housing need in the state. 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. The State will use CDBG, HOME, and HTF to leverage these resources, and ESG will provide tenant-based rental assistance / rapid rehousing to homeless households.

| One Year Goals for the Number of Households to be Supported | |
|--|-----|
| Homeless | 505 |
| Non-Homeless | 237 |
| Special-Needs | 0 |
| Total | 742 |

Table 58 - One Year Goals for Affordable Housing by Support Requirement

| One Year Goals for the Number of Households Supported Through | |
|--|-----|
| Rental Assistance | 500 |
| The Production of New Units | 71 |
| Rehab of Existing Units | 171 |
| Acquisition of Existing Units | 0 |
| Total | 742 |

Table 59 - One Year Goals for Affordable Housing by Support Type

Discussion:

Note: If funds are reduced these goals will be adjusted proportionally according to the allocation priorities outlines in this plan.

AP-60 Public Housing - 24 CFR 91.320(j)

Introduction:

Vermont's Public Housing Authorities are operating in a changing environment. A once reliable federal funding landscape has seen year to year swings, with the general trend over the past several years being downward. Public Housing Program operating subsidies, Capital Funds, Housing Choice Voucher Program Housing Assistance Payments funding, and Housing Choice Voucher Program Administrative fees have all seen dramatic federal funding reductions. Even in this environment, none of Vermont's PHA's are considered troubled, and many are rated as high-performing.

Actions planned during the next year to address the needs to public housing

The Commissioner of DHCD will continue to review PHA plans that are submitted, to certify the Plans' consistency with the State's Consolidated Plan. Additionally, the executive directors of the Montpelier Housing Authority and the Vermont State Housing Authority are members of the Department's Consolidated Plan Advisory Board and a representative of the public housing authorities serves on the Vermont Housing Council. PHA's are eligible for VCDP funds through their municipalities.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

The Vermont State Housing Authority administers public housing funds in the form of rental assistance - the Section 8 Housing Choice Voucher program. VSHA does not own or operate traditional Public Housing. In Vermont, this is done exclusively by the eight local housing authorities.

VSHA's Section 8 funding includes a homeownership program for first-time homebuyers, a project-based voucher program and a variety of targeted programs. VSHA has operated its Section 8 Homeownership program since 1999.

To facilitate resident input into its Section 8 Housing Choice Voucher Program, VSHA has a Section 8 Resident Advisory Board (RAB), which provides VSHA with a forum for sharing information and obtaining comments about the Agency's Annual Plan. The role of the RAB is to make recommendations in the development of the PHA Plan and to provide input for any significant amendments or modification to the PHA Plan.

Each PHA in Vermont administering a Public Housing Program has at least one public housing resident serving on the PHA Board of Commissioners. This is to ensure residents have a voice on the governance/administration of Vermont's PHAs. In addition, each PHA in Vermont has organized a Resident Advisory Board to assist in the development of each PHA's Annual Agency Plan. This ensures that residents have an adequate involvement in management.

Winooski Housing Authority has a Homeownership Program whereby Housing Choice Voucher Program

clients may utilize their housing assistance to provide debt service on home mortgages. Clients who qualify must undergo Home Ownership Counseling prior to the purchase of a home.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

N/A - None of Vermont's PHA's are designated as troubled.

Discussion:

DRAFT - 3/31/20

AP-65 Homeless and Other Special Needs Activities – 91.320(h)

Introduction

This section of the draft plan lays out Vermont's one-year goals and actions for reducing and ending homelessness in the state.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

Vermont provides outreach to homeless persons through a network of local agencies, including shelters, service agencies and housing providers. United Way 2-1-1 provides a one-stop resource and referral point for all persons.

The PATH Program provides assistance to several Vermont organizations to conduct outreach efforts to people experiencing a serious mental illness or a co-occurring substance use disorder. PATH is funded by the U.S. Department of Health & Human Services and administered in Vermont by the AHS Department of Mental Health.

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.

One Year Action:

Full implementation of coordinated entry this year will streamline access to homeless assistance, assess needs using a standard CoC-wide tool, and make referrals to service providers and shelter based on well-established protocols. At this time, Coordinated Entry and Assessment has been implemented in all 13 local Continuums.

Addressing the emergency shelter and transitional housing needs of homeless persons

The State of Vermont leverages resources to address the needs of homeless individuals and families. These resources include those for prevention, rapid re-housing, transitional housing, and shelter operations. The statewide network of local emergency shelters, including shelters for victims of domestic and sexual violence, are often full in winter months and many have developed “overflow” capacity. Additional shelter beds are available seasonally through warming shelters in communities with increased need. When shelters are full, AHS’s 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.

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 and Transitional Living Programs with funding from the US Department of Health & Human Services, and with support from AHS.

One Year Action:

Vermont continues to invest in expanded community capacity as an alternative to motel stays as they are not an effective long-term solution to homelessness and often lack the appropriate supports to address underlying issues which may be contributing to homelessness.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

Through AHS, the Vermont Council on Homelessness, and local Continuums of Care, Vermont is actively engaged in developing multiple programs and strategies to shorten the duration of homelessness, ensure that people are stable after receiving assistance, and support homeless persons moving into permanent housing as rapidly as possible. ESG funds are specifically targeted to support Rapid Re-housing programs. In addition to ESG, state-funded resources include:

- The Vermont Rental Subsidy program, providing 12 months of rental assistance to formerly homeless families and individuals. Administered by AHS Department for Children and Families;
- AHS OEO administers Family Supportive Housing Program linking intensive supportive services and affordable housing to families with children experiencing homelessness, especially families with multiple episodes of homelessness.
- AHS OEO administers the consolidated Housing Opportunity Grant Program (HOP), which includes state funded short-term supported housing, rapid rehousing services, transitional housing for youth, victims of Domestic Violence and Veterans.

Vermont has a strong relationship with the Veterans Administration's grant per diem program to provide emergency shelter to veterans. Funding through the VA Supportive Services for Veterans Families supports various initiatives statewide to provide prevention and re-housing assistance. These projects are coordinated with local Continuums of Care.

Additionally, Vermont has established, through an Executive Order entitled "Publicly Funded Housing for the Homeless", a goal that at least 15% of all housing portfolios that have received publicly controlled

development funds be available and serving households exiting homelessness. After enacting the so-called “15% Goal”, the Department of Housing and Community Development led a group of stakeholders in the creation of the Housing Access Reporting Tool (HART) for the use of housing developers and managers to report on their progress towards this goal. In addition to the quantification of the number of units that are serving households experiencing homelessness at the time of application to the unit, the HART also includes information about collaborations between housing providers and the local Continuum of Care organizations. This annual report is to be reviewed by funders at the time of grant application and is intended to increase collaboration between housing providers and homeless service providers. Since implementation in 2016, the HART reports have demonstrated success in encouraging communication between shelter providers and permanent housing providers about the needs of households experiencing homelessness.

One Year Actions:

Support CoC HMIS implementation to provide systems-level performance data.

Reinforce local implementation of Coordinated Entry through new Continuum of Care McKinney-Vento funding available from the U.S. Department of Housing and Urban Development.

Continue to receive and review HART reports on progress towards the “15% Goal” and enhancing collaborations between permanent housing providers and shelter service providers. Share annual progress on increased access with the Vermont Council on Homelessness and Vermont Housing Council.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

Vermont leverages state resources to divert low-income individuals and families from homelessness. In addition to homelessness prevention activities funded under the OEO Housing Opportunity Grant Program, the following initiatives address discharge from publicly funded institutions and systems of care:

- The Vermont Coalition of Runaway and Homeless Youth Programs with AHS Department for Children & Families funding and partnerships ensure persons being discharged from the foster care system are not routinely discharged into homelessness and are accessing mainstream resources, including the Housing Choice Voucher Program and Family Unification Vouchers for youth in transition.
- State-funded Mental Health Subsidy & Care program, modeled on HUD Shelter plus Care targets assistance towards homeless persons in emergency settings such as hospitals to ensure a

successful discharge into housing, without utilizing McKinney-Vento funded programs.

- The AHS Department of Corrections (DOC) ensures persons being discharged from the corrections system of care are not routinely discharged into homelessness. If suitable permanent housing in the community cannot be located for a person exiting Corrections, DOC utilizes a comprehensive statewide system of transitional housing to ensure that persons are not routinely discharged into homelessness.

One Year Actions:

AHS will continue to review data on persons experiencing homelessness to target additional discharge planning and oversight where resources, policies or protocols fail to prevent homelessness.

Discussion

These are the activities that the jurisdiction plans to undertake during the next year to address the housing and supportive services needs identified in accordance with 91.215(e) with respect to persons who are not homeless but have other special needs:

In general, Vermont promotes supported housing integrated into non-specialized residential buildings or settings. This strategy is aided by promotion of universal design through the State qualified allocation plan, as well as mixed-income housing achieved through project and tenant-based rental assistance and on-site supportive services customized to a client's needs.

The Support and Services at Home (SASH) program provides on-site supportive and coordination services to the elderly and frail elderly through a statewide network of designated regional housing organizations (DRHOs). SASH services are funded primarily through Vermont's Blueprint for Health and State grant funds from the Department of Disabilities Aging and Independent Living.

Persons with disabilities have access to an array of housing and housing supports, with an emphasis on the least restrictive community setting and maximum consumer choice. In Vermont, Housing Choice (Section 8) rental assistance has been effectively targeted to persons with mental, physical or developmental disabilities. Unfortunately, Vermont had not been awarded Section 811 Project-Based Rental Assistance to make rental housing affordable to more non-elderly persons with disabilities.

Beyond accessing the appropriate level of residential or outpatient treatment, persons with alcohol or other drug addictions can access a limited number of transitional beds supported through grants from the AHS, Department of Health, Division of Alcohol and Drug Abuse Prevention.

In addition to the federal HOPWA program, persons with HIV/AIDS can access new, targeted state-funded rental subsidies and emergency financial assistance to prevent eviction or secure stable housing. This funding comes from the AHS Department of Health and is delivered through one of three local AIDS Service Organizations (ASOs).

AP-75 Barriers to affordable housing – 91.320(i)

Introduction:

DHCD, AHS, and VHCB and its housing partners, will continue efforts to lower the barriers to affordable housing identified in the strategic plan and below. Specific actions to be taken in the 2019 program year include:

- In coordination with VHFA, VHCB and housing developers, examine operating costs of projects with and without services and create benchmarks for use in development and funding decisions.
- In coordination with VHFA and VHCB, analyze timelines for funding applications and decisions to identify opportunities to reduce the administrative cost and cost of land holding for applicants.
- Provide technical assistance to developers and communities about neighborhood development areas and work with regulatory agencies on reducing permitting requirements outlined in Act 250 for our Designated Areas.
- DHCD will continue to respond to complaints and concerns about conditions in mobile home parks using the authority granted by the legislature in 2015 and the rules promulgated in 2016.
- Promote fair housing by conducting trainings to promote affirmatively furthering fair housing and supporting efforts to provide landlord-tenant education programming.
- Participate and ensure housing, particularly in vulnerable populations, is included in resilience and disaster preparedness efforts.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

In the 2019 program year, the State will undertake the following actions to address barriers to affordable housing.

Limited public resources, particularly decreasing funding for development, preservation, services and subsidies that support affordable housing.

6. Promote the State's commitment to perpetual affordability.
7. Maximize leveraging and seek ways to reduce operating and development costs.
8. Support the continuation and expansion of the State affordable housing, downtown and historic tax credits.
9. Support State resources for affordable housing such as rental subsidy programs, homelessness assistance and the Vermont Housing and Conservation Trust Fund.
10. Consider per unit development costs in funding applications and utilization of 4% Low Income Housing Tax Credits

Increasing standards for energy efficiency.

3. While supporting the State's energy goals, ensure a robust analysis of costs is considered in the development of State energy-efficiency standards and building codes.
4. Seek expanded and new sources of funding for energy improvements in both publicly supported and private single and multi-family housing.

State and local land use controls.

4. Continue to review State and local land use programs and policies for ways to strengthen environmental protection while reducing unnecessary barriers to residential development, particularly affordable housing.
5. Encourage and promote development and growth in Designated Downtowns and Village Centers, Growth Centers, Neighborhood Development Areas and New Town Centers.
6. Provide technical assistance to municipalities to review and reform outdated and exclusionary land use restrictions.

Permitting processes and community development standards.

4. Provide technical assistance to communities, developers and property owners seeking to provide affordable housing.
5. Provide technical assistance and funding to municipalities around zoning and land use planning.
6. Promote exemptions and streamlining of State permitting processes in areas designated for growth.

Limited funding to promote Fair Housing and address discrimination in rental and sales market housing markets.

4. Continue collaboration through the Fair Housing Committee of the Vermont Housing Council to undertake the actions recommended in 2017 Analysis of Impediments.
5. Support efforts of the Vermont Human Rights Commission, the Fair Housing Project, Vermont Legal Aid, and others to secure additional funding for fair housing activities.
6. Work with landlord and tenant organizations to increase awareness of State and federal housing law and ensure the rights and responsibilities of both are appropriately balanced in changes to State statutes.

Federal funding regulatory requirements such as the National Environmental Policy Act, Davis-Bacon and procurement standards.

4. Continue to provide technical assistance and update guidance to grantees as requirements expand and change.
5. Access and seek additional training opportunities for State administrators and grantees.

Provide federal funding and regulatory agencies with information on the benefits and challenges of statutory and regulatory requirements and recommendations for improvements.

Discussion:

AP-85 Other Actions – 91.320(j)

Introduction:

This section describes actions that will be pursued in addition to the actions described elsewhere in this plan.

Actions planned to address obstacles to meeting underserved needs

During the 2020 Outreach Meetings, there were several needs that were identified that have not been raised in previous Consolidated Plan updates, including the growing need for more affordable childcare as well as the need for greater availability of housing units affordable for farm workers. Several participants from a coalition of childcare providers articulated the need for greater availability and affordability of childcare facilities. While funds prioritized under this Plan are likely ineligible to be used for tuition assistance, there may be an opportunity to assist with building acquisition and rehabilitation in order to bring down the debt obligations of childcare providers. Farm worker housing was also mentioned as an underserved need, particularly housing for such workers that is independent from the employer. DHCD intends to continue investments in housing affordable to low- and moderate-income households and will encourage applications from municipalities that have high levels of agricultural activity to address the needs of community members who are employed in area farm work.

In addition, municipal employees stated the need for funding for infrastructure improvements to create opportunities for economic development projects, and funding to assist property owners in connecting to municipal water and sewer. In many communities, water and wastewater capacity limits the expansion of businesses as well as the construction of housing in our village centers, which has a dampening effect on maintaining a vibrant and dynamic community center.

At the time of this draft, online survey responses were still being collected and analyzed. The Department of Housing and Community Development is also taking ongoing comments on needs and priorities to best serve them. If you would like to provide written comment on underserved needs please send your comments to Shaun Gilpin, Dept. Housing and Community Development, at Shaun.Gilpin@vermont.gov before March 10, 2020

Actions planned to foster and maintain affordable housing

The Vermont Housing Finance Agency (VHFA) maintains a detailed list of all assisted housing projects in the state, including those without perpetual affordability covenants. VHFA works proactively, in conjunction with other State agencies and organizations as needed, to ensure that affordability contracts are renewed, and housing assistance is maintained. The Vermont Housing and Conservation Board also host the Preservation Council, a group of housing agency representatives, which strategizes and prioritizes efforts throughout the state to preserve existing affordable housing. These efforts will

continue over the next year and into the foreseeable future to preserve housing affordability.

Actions planned to reduce lead-based paint hazards

Vermont's ongoing activities to reduce lead-based paint hazards in housing, eliminate childhood lead poisoning, and integrate lead poisoning prevention and home health and safety efforts into affordable housing programs include:

1. 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.
2. Continue activities of the Burlington Lead Program, funded by a HUD Lead Hazard Control Grant.
3. Continue to implement activities of the State and community-based Healthy & Lead Safe Homes Program (formerly the Childhood Lead Poisoning Prevention Program), administered by the Vermont Department of Health through a cooperative agreement with the U.S. Centers for Disease Control (CDC).
4. Continue to implement activities of VHCB's state-wide Healthy Homes Vermont Program and raise awareness of the strong connections between home environments and resident health.
5. Implement the recommendations of the 2006 Get the Lead Out of Vermont Task Force.
6. 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.
7. Continue to develop and implement appropriate recommendations of Act 94 (passed in 1993) 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. The Vermont Legislature is currently considering a bill that will have the State take over administration of the Renovation, Repair and Painting (RRP) Rule and integrate it into Vermont's lead paint laws'
8. Continue to seek additional HUD funds to address the on-going need for lead-based paint hazard reduction in thousands of Vermont housing units. VHCB received another HUD award in 2019.
9. Maintain regular contact with staff at the National Center for Healthy Housing (formerly the National Center for Lead Safe Housing) in Columbia, Maryland.
10. Continue participation on the New England Lead Coordinating Committee, convened by the Tufts University School of Medicine and the University of Connecticut.
11. 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.
12. 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.
13. Continue to build a database in the Department of Health regarding incidences of childhood lead poisoning and presence of lead hazards in housing stock.

14. Coordinate lead hazard reduction efforts with activities of the State Office of Economic Opportunity Weatherization Assistance Program in low-income housing units.
15. Continue public information, education, and outreach efforts.
16. Continue to develop public and private financial resources for lead-based paint hazard control activities in Vermont's housing stock.
17. 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.
18. 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 focus on protecting the health of children and other sensitive populations in low-income households.

Continue coordination and collaboration among health, housing, and historic preservation agencies and interest groups.

Actions planned to reduce the number of poverty-level families

One in ten Vermonters live in poverty. Children are more likely than adults to live in poverty or in deep poverty (below 50% of the poverty threshold). The Agency of Human Services offers many supports for individuals and families living in poverty. The Agency also serves some of the many Vermonters who earn more than the poverty threshold but still struggle to afford housing, transportation, health care, childcare, and other essentials.

The Agency of Human Services through its Departments, primarily, the Department for Children and Families (DCF) is responsible for reducing the number of families living in poverty. For example, Reach Up is Vermont's Temporary Assistance to Needy Families (TANF) program which provides cash assistance, case management, and support services to Vermont families whose income is generally below 50% of the Federal Poverty Level. Reach Up and its related programs are managed by the Economic Services Division (ESD) and are critical to alleviating poverty. These critical programs provide nearly 7,000 Vermont children and their families with household income to help provide basic needs. In addition, DCF- Office of Economic Opportunity (OEO) manages a number of grants to make housing more affordable and prevent homelessness among vulnerable Vermonters.

Below is a list of some of DCF's most effective anti-poverty program investments that AHS will continue to administer:

- **Family Supportive Housing** is an evidence-informed model that provides permanent housing and intensive case management and financial empowerment support to families who have experienced homelessness and are at-risk of child welfare involvement. Families served by FSH tend to have high rates of housing stability (76-90% over the last four years) and most families close their child welfare case during enrollment and do not have a new case after they exit.

- **Fuel Assistance- The Seasonal Fuel Assistance Program** helps low-income families pay a portion of their home heating bills. Assistance is for homeowners or renters who pay for heat or who have heat included in the rent. The **Crisis Fuel Program**-Emergency fuel, and metered utility (disconnection, and furnace repairs or replacements. Crisis Fuel and After-Hours Emergency Fuel Program for Families with monthly gross income up to 200% of poverty level.
- **Financial Empowerment Program** Reach Up case managers use “*Your Money, Your Goals*” toolkit to help Reach Up recipients address financial barriers
- **Ready 2 Go Transportation Program** Reach Up provides rides for those with no transportation through the Ready to Go program, and helps participants develop plans to pay fines and obtain their licenses. While transportation remains a barrier to employment for people on Reach Up, programs like Ready to Go have helped decrease the rate of recipients who identify transportation as an obstacle (Reach Up Annual report 2019).
- **The Child Care Financial Assistance Program (CCFAP)** helps eligible families with the cost of childcare. Payments are made directly to childcare providers and is provided through DCF-Child Development Division. <https://dcf.vermont.gov/benefits/ccfap>

Help Me Grow Vermont: Help Me Grow is dedicated to the success and wellbeing of Vermont’s families and the communities they live in. Help Me Grow helps early childhood partners work together to build strong, connected communities and healthy, resilient families. Investing in Vermont children’s healthy development today is the foundation of our community’s future social and economic wellbeing. Help Me Grow builds families’ and service providers’ understanding of early development, promotes the importance of social and emotional skill development, and connects children to the community resources and supports they need, when they need them. <https://helpmegrowvt.org/>In addition to the Agency initiatives, AHS works closely with the State’s affordable housing community to ensure that the lowest income families in Vermont can access quality housing. The regional housing non-profits were encouraged through Vermont State Executive Order No. 3-73 to “make available at least 15% of their housing portfolio to homeless families and individuals including those with special needs...”. AHS provides input and direction to the new projects that are funded through participation in the Vermont Housing and Conservation Board (VHCB). AHS prioritize units for the lowest income Vermonters, and of the 748 affordable housing units have been funded since 2017, approximately 42% are targeted to households with incomes at or below 50% of area median income (AMI).

Actions planned to develop institutional structure

1. Continue to encourage closer coordination between housing and human service providers, particularly with 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 connected to progressive employment programs.
2. Continue to require Economic Development Projects with job creation elements 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 continue to 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 including quarterly meetings between DHCD, VHCB, and VHFA to discuss varying funding priorities and timelines.
6. Streamline service delivery and enhance local effectiveness by continuing to build and enhance the capacity of community-based homeless assistance providers and nonprofit housing providers.

Actions planned to enhance coordination between public and private housing and social service agencies

Continue, through the Department's leadership of the Housing Council, formation of State policy, to 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.

Discussion:

Program Specific Requirements

AP-90 Program Specific Requirements – 91.320(k)(1,2,3)

Introduction:

As reported throughout this plan the State will strive to; increase the supply and quality of affordable housing, decrease the number of persons experiencing homelessness, create and retain jobs, strengthen communities and improve the quality of life for all Vermonters. CDBG, HOME, HTF, and ESG funding will be leveraged and partnerships will be strengthened to maximize the available resources.

Specific priorities and goals for CDBG, HOME, HTF, and ESG funding are identified in the annual goals and objectives contained in this plan.

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.320(k)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

| | |
|---|----------|
| 1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed | 0 |
| 2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan | 0 |
| 3. The amount of surplus funds from urban renewal settlements | 0 |
| 4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan. | 0 |
| 5. The amount of income from float-funded activities | 0 |
| Total Program Income | 0 |

Other CDBG Requirements

- | | |
|---|---------|
| 1. The amount of urgent need activities | 899,632 |
| 2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan. | 80.00% |

HOME Investment Partnership Program (HOME)
Reference 24 CFR 91.320(k)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:
N/A – No other forms of investment will be used.
2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:
N/A – Vermont will not be using HOME funds for homebuyer assistance programs.
3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:
N/A – Vermont will not be using HOME funds for homebuyer assistance programs.
4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:
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 CFR 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 that disinvestment in the property has not occurred;
 4. 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;
 5. 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;
 6. Refinancing will be limited to projects that have previously received an investment of public funds;
 7. The minimum HOME affordability period shall be 15 years and all HOME assisted projects are required to be perpetually affordable via a VHCB Housing Subsidy Covenant;
 8. HOME funds may be used for refinancing anywhere in the State of Vermont with the exception of the City of Burlington;
 9. HOME funds cannot be used to refinance multifamily loans made or insured by any Federal program, including CDBG.

Emergency Solutions Grant (ESG)
Reference 91.320(k)(3)

1. Include written standards for providing ESG assistance (may include as attachment)

Please see attached State ESG written standards. The State requires that all ESG grantees submit to the Office of Economic Opportunity (OEO) written standards (policies and procedures) for providing ESG assistance. OEO approves only those standards that are in compliance with ESG regulations and

are consistent with state and federal goals.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

Both the Chittenden County CoC and the Balance of State CoC adopted coordinated entry policies and procedures in January 2018. OEO participates in the Chittenden County CoC coordinated entry committee and chairs the Balance of State CoC coordinated entry committee. OEO is also the recipient of HUD CoC Coordinated Entry project funds, which it pairs with state funding to support implementation in the Balance of State. All ESG grantees are required to participate in the coordinated entry system in their region.

Both coordinated entry systems incorporate a screening form to assist a range of partners with making a referral for homeless assistance and a uniform housing assessment tool, which evaluates severity of service need and/or vulnerability in order to support prioritization of scarce resources. In Chittenden County, the assessment form is varied for subpopulations of single adults, families, youth and victims of domestic violence. Both CoCs use a hybrid model which includes partner agencies serving as a hub or an assessment partner, and both use HMIS and a master list review process. 2-1-1 provides access to coordinated entry across the geographic area.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

OEO administers the Emergency Solutions Grants program (ESG) as part of the Housing Opportunity Grant Program (HOP). The Housing Opportunity Grant Program blends federal and state funding to help nonprofit organizations, including community and faith-based organizations; provide emergency overnight and day shelter; provide transitional housing where appropriate; offer supportive services for homeless families and individuals; and implement effective homeless prevention and rapid re-housing initiatives within the local continua of care. Vermont has chosen to allocate ESG resources towards Emergency Shelter (Operations and Essential Services), HMIS and Rapid Re-housing (Client Financial Assistance and Rental Assistance, short- and medium-term). Other activities, such as Street Outreach, Shelter Renovation, Homelessness Prevention and Rapid Rehousing Services will be funded through other funding sources and coordinated locally and/or as part of the consolidated Housing Opportunity Grant Program.

In April 2020, OEO will release a Request for Proposals for the Housing Opportunity Grant Program (which includes ESG program funds). Awards made for State Fiscal Year 2021 (July 1-June 30, 2021) will be considered for renewal first in SFY 2022, followed by requests for new projects or additional funding. Current awards (SFY 2020) were reviewed and evaluated by AHS OEO based on local need, capacity, approach and local coordination.

Eligible applicants are municipalities and nonprofits including community and faith-based

organizations. Faith-based organizations are required to have separate 501c3 status established to meet eligibility requirements. Part of the selection process can involve a site visit of the finalists at which time documentation listed in the application will be reviewed. All Emergency Shelter applicants must certify that the assisted property will be maintained as an Emergency Shelter for the period of funded assistance. 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. Vermont makes ESG sub awards under the Housing Opportunity Grant Program. One or more grants will be awarded by OEO to Vermont municipalities, or, with municipal approval, Vermont nonprofits whose purpose is to shelter, serve, and re-house the homeless. All sub awards are made on the State Fiscal Year calendar (July 1 – June 30). Please see the Methods of Distribution for selection criteria.

Spending plans will be negotiated based on ineligible activities, where activities are not in alignment with state and federal goals, when there are inadequate funds to meet all requests, and/or where proposed grantees are either ineligible or lack the capacity to carry out proposed activities. Additional guidance on eligible and ineligible uses of ESG funds are contained in the Department of Housing and Urban Development's ESG program guidelines, the Request for Proposal and in grant agreements between the state of Vermont and its subrecipients. This includes the ESG requirements for faith-based organizations.

OEO will monitor grantees and measure the performance at the grantee and statewide level.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

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

5. Describe performance standards for evaluating ESG.

Performance measures will be evaluated on both the grantee and statewide level. In addition to measuring the number of persons and families in emergency shelter, the number of shelter bed nights provided, the number of households receiving rapid rehousing assistance – Vermont uses performance-based contracting, outcome measures, indicators and targets, consistent with the goal of decreasing the incidence and duration of homelessness. Current performance standards for ESG include:

Emergency Shelter, Operations

Maintain shelter facilities that are staffed, insured, and clear of safety violations.

At least 90% of homeless households entering the shelter meet with a case manager or program equivalent within 3 days of shelter entry.

Emergency Shelter, Essential Services - Case Management

At least 90% of homeless households referred for case management meet with a case manager or program equivalent for intake and assessment within 3 days of referral.

Of those homeless households receiving case management:

- at least 70% subsequently attain employment OR are enrolled in an educational or training program, OR qualify for TANF, SSI or General Assistance within 90 days of referral;
- at least 70% subsequently are stabilized in transitional or permanent housing within 90 days AND of those housed, at least 70% continue to be stably housed for at least 90 days.

Rapid Re-Housing for Homeless Families & Individuals

Homeless households assisted have their housing stabilized.

To establish baseline data, Grantee will report on the average length of time from program entry until housing was stabilized for these households.

- At least 70% of households who are homeless have their housing stabilized within 28 days
6. At least 70% of households stabilized remain stably housed for at least 90 days following the intervention. OEO tracks performance measures for grantees quarterly. If a grantee's performance falls below 75% of a stated target, OEO in conjunction with the grantee may require a performance improvement plan. Continued failure to meet performance measures may result in loss of funding or cancellation of the grant agreement. An ability to meet or exceed performance targets will be consideration for renewal of the grant agreement.

Housing Trust Fund (HTF) Reference 24 CFR 91.320(k)(5)

1. How will the grantee distribute its HTF funds? Select all that apply:

Applications submitted by eligible recipients

2. If distributing HTF funds through grants to subgrantees, describe the method for distributing HTF funds through grants to subgrantees and how those funds will be made available to state agencies and/or units of general local government. If not distributing funds through grants to subgrantees, enter "N/A".

N/A

3. If distributing HTF funds by selecting applications submitted by eligible recipients,

a. Describe the eligibility requirements for recipients of HTF funds (as defined in 24 CFR § 93.2). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Eligibility to apply for HTF funds will be no more restrictive than required by HTF regulations. Eligible applicants/recipients of HTF funds include nonprofit and for-profit developers, public housing agencies, and municipalities. In accordance with the definition at 24 CFR 93.2, recipients must:

- Make acceptable assurances to the grantee (VHCB) that it will comply with the requirements of the HTF program during the entire period that begins upon selection of the recipient to receive HTF funds, and ending upon the conclusion of all HTF-funded activities;
- Demonstrate the ability and financial capacity to undertake, comply, and manage the eligible activity;
- Demonstrate its familiarity with the requirements of other Federal, State, or local housing programs that may be used in conjunction with HTF funds to ensure compliance with all applicable requirements and regulations of such programs; and,
- Have demonstrated experience and capacity to conduct an eligible HTF activity as evidenced by its ability to own, construct, or rehabilitate, and manage and operate an affordable multifamily rental housing development.

b. Describe the grantee's application requirements for eligible recipients to apply for HTF funds. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Entities seeking HTF dollars for eligible projects may submit applications for funding to VHCB using the Common Housing Application. A HTF application supplement, available on VHCB's website, must also be completed and submitted to VHCB.

Applications will be accepted on a rolling basis, however funding decisions shall be made by the VHCB Board at regularly scheduled meetings. VHCB board meeting and application due dates are published at www.vhcb.org.

The following threshold criteria must be met by an application to be considered for a HTF award: 1) the project must include the creation or preservation of permanent rental housing (transitional housing and shelters are not eligible), 2) the housing must remain affordable in perpetuity after the expiration of the HTF required period via a VHCB Housing Subsidy Covenant, 3) at least one of the State's Consolidated Plan housing priorities must be addressed, and 4) there must be a reasonable expectation that the project will be ready to proceed within 18 months.

Applications must include a description of the eligible activities to be conducted with the HTF funds in

accordance with 24 CFR 93.200 (Eligible activities), and must contain a certification (included in the HTF application supplement) by each eligible recipient that housing units assisted with the HTF will comply with HTF requirements.

All HTF applicants seeking funding for affordable multi-family rental housing (for new units and rehabilitation of existing units) shall describe the plans and tools they have in place to achieve the goal of making available at least 15% of the units in their portfolio to those who are experiencing homeless.

c. Describe the selection criteria that the grantee will use to select applications submitted by eligible recipients. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

Selection Criteria

On a competitive basis, applications that have met the threshold criteria described above will be evaluated according to how and the extent to which they meet the HTF criteria listed below. These criteria will carry equal importance and weight. The HTF criteria, together with the criteria and considerations in the VHCB Affordable Housing Funding Policy and the Underwriting Policy and Procedures will be used to determine "Need," "Impact," and "Quality" scores (up to 10 points each) for a project's funding recommendation to the VHCB Board of Directors.

HTF Criteria

1. The applicant's ability to obligate HTF funds and undertake eligible activities in a timely manner

- Applicants will be evaluated on their development capacity (do they have experienced development staff, are they using a development consultant, are they partnering with another development entity?); their experience with federal affordable housing programs (what other federally-funded affordable housing projects have they developed?); and their track record for developing projects within a reasonable timeframe (were those projects successfully completed in a timely manner?)

2. The extent to which the project has Federal, State, or local project-based rental assistance so that rents are affordable to extremely low-income families

- While project-based rental assistance is not a HTF requirement, applications will be evaluated based on whether any of the units in the project, including the HTF units, will have project-based rental assistance to ensure residents do not pay more than 30% of their income towards rent and utilities. The type of project-based rental assistance and the length of commitment for the assistance will also be considered.
- Other mechanisms that ensure affordability for extremely low-income households, such as

cross-subsidization or operating assistance reserves, will be considered.

3.The duration of the units' affordability period

- All HTF funded projects will be subject to a minimum 30-year affordability period. Consideration will be given to projects that propose a HTF affordability period greater than the minimum 30 years.
- After the expiration of the HTF period, all projects will be subject to perpetual VHCB affordability requirements at less restrictive income and rent levels, and every reasonable effort must be taken to structure the project in a manner that avoids displacement. The proposed number of VHCB restricted units and the level of the VHCB restrictions will be considered.

4.The merits of the application in meeting the priority housing needs as identified in the State's Consolidated Plan; i.e.

safe, decent, affordable housing (increase the supply and quality of affordable housing)

- Does the project increase the supply and quality of affordable housing?
- How many of the following Consolidated Plan Affordable Housing strategies are addressed by the application?

d. Describe the grantee's required priority for funding based on geographic diversity (as defined by the grantee in the consolidated plan). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

N/A - there will be no geographic priority

e. Describe the grantee's required priority for funding based on the applicant's ability to obligate HTF funds and undertake eligible activities in a timely manner. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

The following threshold criteria must be met by an application to be considered for a HTF award:

7. The project must include the creation or preservation of permanent rental housing (transitional housing and shelters are not eligible),
8. The housing must remain affordable in perpetuity after the expiration of the HTF required period via a VHCB Housing Subsidy Covenant,
9. At least one of the State's Consolidated Plan housing priorities must be addressed, and
10. There must be a reasonable expectation that the project will be ready to proceed within 18 months.

f. Describe the grantee's required priority for funding based on the extent to which the rental project has Federal, State, or local project-based rental assistance so that rents are affordable to extremely low-income families. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

The extent to which the project has Federal, State, or local project-based rental assistance so that rents are affordable to extremely low-income families

- While project-based rental assistance is not a HTF requirement, applications will be evaluated based on whether any of the units in the project, including the HTF units, will have project-based rental assistance to ensure residents do not pay more than 30% of their income towards rent and utilities. The type of project-based rental assistance and the length of commitment for the assistance will also be considered.
- Other mechanisms that ensure affordability for extremely low-income households, such as cross-subsidization or operating assistance reserves, will be considered.

g. Describe the grantee's required priority for funding based on the financial feasibility of the project beyond the required 30-year period. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

The duration of the units' affordability period

- All HTF funded projects will be subject to a minimum 30-year affordability period. Consideration will be given to projects that propose a HTF affordability period greater than the minimum 30 years.
- After the expiration of the HTF period, all projects will be subject to perpetual VHCB affordability requirements at less restrictive income and rent levels, and every reasonable effort must be taken to structure the project in a manner that avoids displacement. The proposed number of VHCB restricted units and the level of the VHCB restrictions will be considered.

h. Describe the grantee's required priority for funding based on the merits of the application in meeting the priority housing needs of the grantee (such as housing that is accessible to transit or employment centers, housing that includes green building and sustainable development features, or housing that serves special needs populations). If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

The merits of the application in meeting the priority housing needs as identified in the State's

Safe, decent, affordable housing (increase the supply and quality of affordable housing)

- Does the project increase the supply and quality of affordable housing?
 - How many of the following Consolidated Plan Affordable Housing strategies are addressed by the application?
11. 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.
 12. 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.
 13. 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.
 14. Promote mixed income developments to create integrated communities.
 15. 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.
 16. Preserve existing affordable housing projects in a manner consistent with prudent investment criteria.
 17. Redevelop existing properties with consideration given for projects that leverage other resources specific to the preservation of historic structures.
 18. Redevelop foreclosed properties for affordable rental housing.
 19. Provide accessible or adaptable housing for persons with disabilities.
 20. Provide service enriched housing serving persons with disabilities.
 21. Produce affordable senior rental units in regions where a market analysis identifies a shortage of elderly housing affordable to lower income seniors.
 22. Provide service enriched housing that allows seniors the opportunity to age in place.
 23. Locate affordable rental housing in close proximity to public transportation services with access to employment centers, services, recreational opportunities, and schools.

i. Describe the grantee's required priority for funding based on the extent to which the application makes use of non-federal funding sources. If not distributing funds by selecting applications submitted by eligible recipients, enter "N/A".

The extent to which the application makes use of non-federal funding sources

- Does the applicant plan to apply for and/or anticipate a commitment of non-federal sources of

funding?

- How much, and from what source(s)?
- What percentage of the total development cost do the non-federal funding sources represent?

4. Does the grantee's application require the applicant to include a description of the eligible activities to be conducted with HTF funds? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A".

Yes

5. Does the grantee's application require that each eligible recipient certify that housing units assisted with HTF funds will comply with HTF requirements? If not distributing funds by selecting applications submitted by eligible recipients, select "N/A".

Yes

6. Performance Goals and Benchmarks. The grantee has met the requirement to provide for performance goals and benchmarks against which the grantee will measure its progress, consistent with the grantee's goals established under 24 CFR 91.315(b)(2), by including HTF in its housing goals in the housing table on the SP-45 Goals and AP-20 Annual Goals and Objectives screens.

Yes

7. Maximum Per-unit Development Subsidy Amount for Housing Assisted with HTF Funds. Enter or attach the grantee's maximum per-unit development subsidy limits for housing assisted with HTF funds.

The limits must be adjusted for the number of bedrooms and the geographic location of the project. The limits must also be reasonable and based on actual costs of developing non-luxury housing in the area.

If the grantee will use existing limits developed for other federal programs such as the Low Income Housing Tax Credit (LIHTC) per unit cost limits, HOME's maximum per-unit subsidy amounts, and/or Public Housing Development Cost Limits (TDCs), it must include a description of how the HTF maximum per-unit development subsidy limits were established or a description of how existing limits developed for another program and being adopted for HTF meet the HTF requirements specified above.

For FFY20, the fifth year of the program, the maximum per-unit subsidy limits for HTF will again be set at HUD's applicable limits for the HOME Program. They will be applied statewide and are adjusted by the number of bedrooms per unit.

These limits are currently (as of 10/1/19): \$149,868 for 0BRs, \$171,801 for 1BRs, \$208,912 for 2BRs, \$270,266 for 3 BRs, and \$296,666 for 4BRs+.

The decision to use the HOME subsidy limits and apply them statewide is based on an analysis of the actual total development costs of affordable multifamily rental housing properties in Vermont. While there is significant difference in individual project costs, there is relatively little variation in the averages across the State's counties. The averages for the counties with the highest and lowest total development cost per unit both differ by less than 20% compared with the statewide average. The data do not support consistently higher development costs in some geographic areas over others.

Setting the HTF maximum per-unit subsidy limits at the existing HOME limits is allowed by HUD and cost data indicate the use of the HOME limits is appropriate as the initial baseline cap for the amount of HTF investment that may be put into any HTF-assisted unit. However, it is important to note that the cap is not the only mechanism VHCBS will use to allocate no more HTF funds than allowable and necessary for project quality and affordability. Each application for HTF funding will be reviewed and analyzed in accordance with VHCBS's Policy & Procedures for Project Underwriting, which includes a subsidy layering review. VHCBS staff has extensive experience in this area, including through its administration of HOME. The review includes an examination of sources and uses (including any operating or project-based rental assistance) and a determination that all costs are reasonable.

Through its underwriting process, VHCBS will ensure that the level of HTF subsidy provided: 1) does not exceed the actual HTF eligible development cost of the unit, 2) that the costs are reasonable and in line with similar projects across the State, 3) the developer is not receiving excessive profit, and 4) HTF funding does not exceed the amount necessary for the project to be successful for the required 30-year affordability period.

As required by HUD, the HTF maximum subsidy limits will be assessed and adjusted annually as needed.

8. Rehabilitation Standards. The grantee must establish rehabilitation standards for all HTF-assisted housing rehabilitation activities that set forth the requirements that the housing must meet upon project completion. The grantee's description of its standards must be in sufficient detail to determine the required rehabilitation work including methods and materials. The standards may refer to applicable codes or they may establish requirements that exceed the minimum requirements of the codes. The grantee must attach its rehabilitation standards below.

In addition, the rehabilitation standards must address each of the following: health and safety; major systems; lead-based paint; accessibility; disaster mitigation (where relevant); state and local codes, ordinances, and zoning requirements; Uniform Physical Condition Standards; and Capital Needs Assessments (if applicable).

Rehabilitation Standards

VHCBS's HTF Rehabilitation Standards shall apply to HTF assisted projects. The standards provide details on what work is required, how that work should be performed (methods), and what materials should be used. The standards refer to applicable codes and in some circumstances establish requirements that exceed the minimum requirements of codes. Methods and materials are specified in some of the incorporated applicable codes referenced on pages 1-2, including International Building Code (IBC). In

addition, VHCB's HTF Rehabilitation Standards include language that provides detail on methods and materials.

The rehabilitation standards address the following categories: health and safety; major systems; lead-based paint; accessibility; disaster mitigation; State and local codes, ordinances, and zoning requirements; and inspectable areas and observable deficiencies from HUD's Uniform Physical Condition Standards identified by HUD as applicable to HTF-assisted housing.

Applicants must be able to demonstrate compliance with these standards. If any particular element of the project does not meet the standards, applicants must bring this to the attention of VHCB staff. Waivers may be requested in accordance with VHCB procedures.

9. Resale or Recapture Guidelines. Below, the grantee must enter (or attach) a description of the guidelines that will be used for resale or recapture of HTF funds when used to assist first-time homebuyers. If the grantee will not use HTF funds to assist first-time homebuyers, enter "N/A".

N/A

10. HTF Affordable Homeownership Limits. If the grantee intends to use HTF funds for homebuyer assistance and does not use the HTF affordable homeownership limits for the area provided by HUD, it must determine 95 percent of the median area purchase price and set forth the information in accordance with §93.305. If the grantee will not use HTF funds to assist first-time homebuyers, enter "N/A".

Any limitation or preference must not violate nondiscrimination requirements in § 93.350, and the grantee must not limit or give preferences to students. The grantee may permit rental housing owners to limit tenants or give a preference in accordance with § 93.303(d)(3) only if such limitation or preference is described in the action plan.

While Vermont's HTF Program is not limiting beneficiaries to a particular segment of the extremely low-income population, VHCB will give funding preference to projects that include the creation of permanent supportive housing (PSH) with rental assistance and support services for persons who are homeless or at risk for homelessness. VHCB is establishing this preference in accordance with its long term commitment to creating housing for the most vulnerable, the priorities of the State's Consolidated Plan, results of the most recent Point in Time Count, and HUD's emphasis on permanent (over transitional) housing. It is also consistent with Vermont's 2016 Executive Order (No. 03-16) which establishes the following goal: "owners of publicly-funded housing [shall] make available at least 15% of their affordable housing portfolio to homeless families and individuals, including those with special needs who require service support and rental assistance to secure and maintain their housing."

In accordance with the State's Consolidated Plan guiding principle of "promoting development in State designated downtowns, village centers, neighborhood development areas and other areas that are

consistent with the State's historic settlement pattern and 'Smart Growth'," VHCB shall give funding preference to projects located in these areas.

Preference shall also be given to projects that 1) create new units or 2) preserve affordable, subsidized units in properties acquired from private owners.

Owners of housing funded with HTF dollars may (but are not required to) limit occupancy or provide preference to the following populations:

- Homeless families or individuals
- People with disabilities (including people with mental illness)
- Victims of domestic violence
- Frail elders
- Veterans

However, any limitation or preference must not violate the nondiscrimination requirements in the HTF interim rule at 24 CFR 93.350, and the applicant must have affirmative marketing procedures and requirements that apply in the context of the limited/preferred tenant eligibility for the project. Preferences and/or limitations may not be given to students.

12. Refinancing of Existing Debt. Enter or attach the grantee's refinancing guidelines below. The guidelines describe the conditions under which the grantee will refinance existing debt. The grantee's refinancing guidelines must, at minimum, demonstrate that rehabilitation is the primary eligible activity and ensure that this requirement is met by establishing a minimum level of rehabilitation per unit or a required ratio between rehabilitation and refinancing. If the grantee will not refinance existing debt, enter "N/A."

Multi-family projects developed by locally based housing organizations that receive HTF funds for rehabilitation may utilize HTF funds to refinance existing debt consistent with 24 CFR 93.201(b) if they meet the following guidelines:

24. Refinancing is necessary to reduce the overall housing costs and to make the housing more affordable and proportional to the number of HTF-assisted units in the rental project.
25. Rehabilitation is the primary eligible activity. A minimum of \$7,500 of rehabilitation per unit is required. The proportional rehabilitation cost must be greater than the proportional amount of debt that is refinanced;
26. 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;
27. The grantee must demonstrate that the new investment is being made to maintain current affordable units, to create greater affordability in current affordable units, to create additional affordable units, or to continue the affordability of units that could be lost;

28. Refinancing will be limited to projects that have previously received an investment of public funds;
29. The minimum HTF affordability period shall be 30 years. All HTF assisted projects are required to remain affordable in perpetuity after the expiration of the HTF required period via a VHC Housing Subsidy Convent;
30. HTF funds may be used for refinancing anywhere in the State of Vermont including the City of Burlington;

HTF funds cannot be used to refinance multifamily loans made or insured by any Federal program, including CDBG.

Discussion:

DRAFT - 3/31/20

Appendix - Alternate/Local Data Sources

DRAFT - 3/31/20