

IX. HOUSING

Housing is a key element of any sustainable community. The supply of housing should be adequate to house those who work in the community and should expand at a rate that can accommodate economic growth. In addition, housing should be available to house the Region's expanding elderly population and to maintain a population of families that bring students to area schools. Housing issues in the Region vary dramatically from one town to another. While towns on the northern end of the Region are becoming bedroom communities of the Hanover/Lebanon area, Springfield is experiencing economic challenges, a declining population and deteriorating housing stock. In resort areas and towns with a large percentage of seasonal housing, high housing costs have created a shortage of housing that is affordable to those who work locally and in the service industries.

The amount and type of housing available for sale and for rent can have a direct effect on the nature of the landscape and the costs of municipal services. With careful planning and use of available resources, housing that is both affordable and attractive can serve area residents and can enhance the character of a community. This chapter addresses regional concerns through an assessment of the housing stock, and the goals, policies and recommendations as set forth by the RPC .

A. Housing Trends

Growth in the housing stock has slowed substantially in southern Windsor County. Whereas the housing stock increased by 18% (2085 housing units) between 1980 and 1990, the increase was only 7.9% (508 units) between 1990 and 2000 (see **Table 9.1** below). This contrasts dramatically from the 26% increase in housing stock between 1970 and 1980. The number of households in the Region increased by 780 between 1990 and 2000, more than the number of housing units built in the same period. This may explain the decrease in the number of seasonal units over the last decade. While the number of seasonal or second homes more than doubled (from 1,424 in 1980 to 3,096 units in 1990, or 217%) during the 1980s, the number decreased slightly to 3003 units (a decrease of 3%) in 2000. This decrease indicates that some seasonal units may have been converted to year-round housing to compensate for the slower growth in housing development.

From 1990 to 2000, housing stock increased in all towns except Windsor, West Windsor, and Springfield, which all lost housing units. The largest increase in the number of housing units occurred in Ludlow, which gained 324 housing units. Most of these (226) were seasonal. Andover, Baltimore, Cavendish, Chester, and Weathersfield all gained units overall, but lost seasonal units. According to the U.S. Census, West Windsor lost almost 50 units of seasonal housing since 1990.

Baltimore, Springfield and Windsor continue to have the smallest proportion of seasonal housing stock in relation to the total number of housing units in the towns. In Baltimore, 6.6% of the total units were seasonal according to U.S. Census 2000, while in Springfield and Windsor less than 3% of the total units were seasonal. Less than 10% of the total units in Weathersfield were seasonal (8.8%); all other towns had at least 15% seasonal units, with Ludlow having the greatest percentage of seasonal units; 62% of total housing stock.

Table 9.1 SWCRPC Regional Housing Data					
	1990	% of 1990	2000	% of 2000	% Change 1990-2000
Total Households	9,815	100.00	10,595	100.00	7.95
Family households (families)	6,799	69.27	6,972	65.80	2.54
Married-couple family	5,572	56.77	5,559	52.47	-0.23
Nonfamily households	3,016	30.73	3,623	34.20	20.13
Householder living alone	2,480	25.27	2,995	28.27	20.77
Householder 65 years and over	1,215	12.38	2,004	18.91	64.94
Total Housing Units	13,697	100.00	14,205	100.00	3.71
Occupied Housing Units	9,815	71.66	10,595	74.59	7.95
Owner Occupied	6,848	50.00	7,603	53.52	11.03
Renter Occupied	2,967	21.66	2,992	21.06	0.84
Vacant Housing Units	3,882	28.34	3,610	25.41	-7.01
Seasonal, recreational or occasional use	3,096	22.60	3,003	21.14	-3.00
Total ownership units	6,969	50.88	7,723	54.37	10.82
Total rental units	3,261	23.81	3,215	22.63	-1.41
Vacant ownership units	121	.88	129	.91	6.61
Vacant rental units	294	2.15	223	1.57	-24.15

Source: 2000 Decennial U.S. Census

The total number of rental units available in the Region declined by 46 units (1.4%) region-wide between 1990 and 2000. The largest decrease in rental units occurred in the town of Springfield, where 70 units were lost over the decade. This decrease is likely due to a reduction in the number of units in two subsidized housing developments (Westview and Southview). Ludlow and Windsor also lost almost 30 units each, probably due to strong housing markets in both these towns. All of the other towns in the Region gained a small number of rental units, except Chester, which gained over 50 units (17% higher than 1990).

B. Household Characteristics

The total number of households in the Region grew by 8% between 1990 and 2000. This compares to a 5% growth in housing stock. The average household size decreased during that time period in most towns, meaning the size of housing units desired may have shifted to smaller-sized units. The total number of householders living alone grew by 21%, compared to the total number of family households which grew at only 2.5%. This transition was especially evident in the towns of Andover, Cavendish, Chester, and Ludlow, where the number of householders living alone grew by more than 25%. The number of households in which the householder was 65 or older also grew by 13% region-wide. Cavendish, Chester and Weathersfield showed the largest growth in these households, each with a greater than 30% gain.

C. Housing Availability

Ownership and rental vacancy rates give some sense of how the supply of housing is meeting the demand. A healthy vacancy rate is 5%, this number indicates that there is a selection of housing available. Lower vacancy rates can mean too much demand for housing and resulting higher prices; higher vacancy rates may mean there is a surplus of housing available due to overproduction or a loss of jobs and outmigration of population. Over the last decade, vacancy rates in the Region have generally declined. According to U.S. Census 2000 data, ownership vacancy rates are below 4% for all towns in the Region. Rental vacancy rates were higher than ownership. The towns of Springfield, Reading, Ludlow, Cavendish and Baltimore all had renter vacancy rates between 8 and 12% in 2000. With the low vacancy rates in surrounding towns, these high vacancy rates may be due to a large number of substandard units that are undesirable to many renters. Many rental units in Ludlow and the surrounding towns are rented as ski houses and are therefore not available to those who work in lower paying jobs in town. Renter vacancies in Andover, Chester, Weathersfield, West Windsor and Windsor all fell below 5%, indicating there may be a need for more rental housing in those communities.

D. Housing Types

Communities that sustain a variety of housing types can offer housing for the variety of residents who live, work and grow up in their towns. Rental units are usually located in multi-family structures, including accessory apartments, and are generally more affordable than ownership units. Rental units are also more likely to meet the needs of smaller households and single people. Mobile homes and manufactured housing provide another source of housing that may be affordable to lower incomes; however, the cost of land in the Region is high. Towns with larger shares of multi-family housing units or mobile homes may be able to serve broader income spectrums than towns with greater proportions of single-family homes. In terms of multi-family structures (2 or more housing units in a single structure, including condominiums), the Region had a total of 3,555 units in 2000 (approximately 25% of the total housing stock as compared to 22% and 23% for Windsor County and the State of Vermont respectively) (see **Table 9.2** below). This was a drop of 109 units since 1990.

Towns with greater than 30% of their total housing in multi-family units included Windsor (37%) and Ludlow (39%). The high percentage of multi-family units in Ludlow is attributable, in part, to the condominiums at Okemo Mountain Resort. Many of these units are used as resort homes, and therefore may not be included in the town's affordable housing stock. Towns with less than 10% of their housing in multi-family units included Andover (4.9%), Baltimore (8.8%), Reading (3.0%), and Weathersfield (2.6%). The remaining towns ranged between 13 - 29% of total housing as multi-family units.

Mobile homes accounted for about 7.2% of the total housing units in the Region, slightly less than that for both the State of Vermont and Windsor County. The towns with the greatest percentage of their housing stock in mobile homes included Baltimore (10.6%), Cavendish (11.7%), and Weathersfield (23.6%). Towns with less than 5% of their housing in mobile home units included Andover (3.1%), Ludlow (4.8%), West Windsor (1.7%), and

Windsor (4.3%). The other three towns in the Region ranged between 5% and 9% of housing units as mobile homes.

Location	Total Units	2000 Units by Type							
		Single Family ¹		Multi-Family ²		Mobile Home		Other ³	
		Total	% Total	Total	% Total	Total	% Total	Total	% Total
Vermont	294,382	203,309	69.1	67,768	23.0	22,631	7.7	674	.2
Windsor Co.	31,621	22,135	70.0	7,003	22.1	2,410	7.6	73	.2
Andover	350	322	92.0	17	4.9	11	3.1	n/a	
Baltimore	113	91	80.5	10	8.8	12	10.6	n/a	
Cavendish	852	630	73.9	117	13.7	100	11.7	5	.6
Chester	1,611	1,242	77.1	245	15.2	116	7.2	8	.5
Ludlow	3,001	1,682	56.0	1,175	39.2	144	4.8	n/a	
Reading	404	346	85.6	12	3.0	36	8.9	10	2.5
Springfield	4,232	2,782	65.7	1,232	29.1	218	5.2	n/a	
Weathersfield	1,315	971	73.8	34	2.6	310	23.6	n/a	
West Windsor	716	587	82.0	117	16.3	12	1.7	n/a	
Windsor	1,611	945	58.7	596	37.0	70	4.3	n/a	
Region	14,2005	9,598	67.6	3,555	25.0	1,029	7.2	23	.2

Source: U.S. Census Bureau, 2000 Decennial Census

1 Single family units are attached or detached from other buildings.

2 Multi-family units are structures containing 2 or more residential units.

3 Other is units used as permanent residence, including campers, vans or other structures

E. Housing Costs

According to figures from the Vermont Department of Property Valuation and Review, the average Fair Market Value (FMV) of a single-family house on less than six acres (R1) in southern Windsor County increased from \$93,123 in 2001 to \$196,546 in 2007, an increase of 111%. Ludlow remains the most expensive town to purchase a single R1 home with an average cost of \$306,174.

Moreover, the cost of land itself in the Region has increased dramatically thus making housing even less affordable. As an example, West Windsor has primarily five acre zoning, and can cost from \$125,000 to \$140,000, which for most people is not affordable. Factoring in the cost of building a home at \$150 sq./ft., a 1,500 sq./ft. home would cost \$225,000 without even factoring in utilities such as sewer and water. Since ones housing costs should not exceed more than 30% of ones annual income, this scenario is well beyond the median income of any Windsor County resident.

Department of Housing and Urban Development (HUD) reports the median family income in 2008 for Windsor County is \$61,600 and \$61,628 for Vermont. According to a recent report published by the Vermont Housing Council, the median cost for a single family house in Vermont in 2007 was \$317,900. A family would have to have an annual income of \$103,000 a year to own a house at the median price. Considering these figures and the values of homes, families earning the median family income would have great difficulty purchasing a single-family house on less than six acres in the towns of Ludlow and West

Windsor. Those earning less than the median income, or single-householder households would have difficulty purchasing homes in other towns in the Region as well. A family with an income of \$30,000 could afford a home that costs approximately \$75,000. According to **Table 9.3**, these families would only be able to afford to purchase mobile homes at current fair market values.

Town	R1		R2		MHU		MHL		Commercial Apt.	
	Count	Avg. FMV*	Count	Avg. FMV*	Count	Avg. FMV*	Count	Avg. FMV*	Count	Avg. FMV*
Andover	152	222,540	195	375,953	11	8,848	8	107,159	0	0
Baltimore	37	149,140	37	234,745	1	3,270	9	66,667	0	0
Cavendish	317	166,080	131	295,199	60	7,456	60	81,673	2	232,326
Chester	827	186,231	414	290,353	22	16,844	126	104,156	9	591,382
Ludlow	613	306,174	148	441,067	92	24,831	53	123,832	4	8,173,108
Reading	152	202,809	199	470,494	0	0	12	86,614	0	0
Springfield	2,544	136,832	376	235,465	102	10,984	84	73,814	36	319,739
Weathersfield	602	175,456	412	286,425	155	25,077	139	107,661	0	0
West Windsor	311	260,054	297	499,355	0	0	10	205,622	1	208,675
Windsor	945	160,144	94	280,008	40	22,940	29	89,327	21	546,137
Region	6,500	196,546	2,303	340,907	483	15,031	530	104,652	73	1,678,561

Source: Figures based on 2007 Vermont Department of Taxes, Division of Taxes, Division of Property Valuation and Review: FY 2008 Annual Report "Municipal Equalized Values by Category"

* FMV: Fair Market Value determined by dividing the equalized total value for each category by the number of properties represented. "Equalized Values" are 411 listed values that have been adjusted to reflect current market values

Property Definitions are as follows:

R1 - Residential on less than six (6) acres

R2 - Residential on greater than 6 acres, not including working farms

MHU- Mobile Home Unlanded -(set up on land not owned by the owner of the mobile home, as in mobile home parks)

MHL- Mobile Home Landed -(set up on land owned by the owner of the mobile home)

Commercial Apt - Commercial apartments with five (5) or more units.

Fair market rents (FMR) for an average two-bedroom apartment in 2000 was \$623 per month in Windsor County, in 2005 the FMR had risen to \$659 per month. Estimates from HUD for 2008 show an additional increase of \$76 since 2005. See **Table 9.4** for additional rental information. When developing housing elements of town plans, towns should collect primary data on rental costs to get a better picture of rental costs and needs.

Year	Efficiency	One BR	Two BR	Three BR	Four BR
2000 ¹	441	484	623	774	922
2005 ²	500	560	659	897	1,067
2008 ³	581	651	735	1,043	1,240

Source: HUD 2008 Fair market value rent information www.huduser.org

1 2000 Census Base Rents

2 2005 FMR Summary developed and updated starting with the 2000 Census benchmark and including any subsequent rebenchmarking using local Random Digit Dialing (RDD) or American Housing Survey (AHS) data.

3 The Final FY 2008 2-Bedroom FMR is the product of the 2000 Census Base Rent for a non-metropolitan county area times the 2000-to-2005 Update Factor (1.2074) and the 2005-2008 Update Factors (1.0744 x 1.0376) for Windsor County Vermont

One measure of whether wages are keeping up with housing costs is the “housing wage.” The housing wage is the wage a household would have to earn so that it would not pay more than 30% of its income for housing. Using the fair market rent value of \$735 per month for a two-bedroom rental, a household would have to make an average annual wage of \$29,400. **Table 9.5** shows the average annual wages in the Region for 1990, 2000 and 2005. Wages have increased in all towns except Springfield since 2000. Approximately two people in a household would have to collect above the average annual wage in order to meet the median family income level for the area.

Town	1990 ¹	2000 ¹	2005 ²
Andover	17,991	31,414	32,546
Baltimore	n/a	n/a	32,947
Cavendish	15,473	23,651	26,621
Chester	15,762	23,866	26,839
Ludlow	14,664	21,766	25,229
Reading	20,161	16,100	30,105
Springfield	20,730	29,477	26,670
Weathersfield	17,409	23,745	32,251
West Windsor	16,799	22,559	41,197
Windsor	19,609	24,919	27,039

Source: 1 US Census Bureau, 1990 & 2000 Decennial Census;
 2 Vermont Economic and Demographic Profile Series 2007; n/a denotes Not Applicable

F. The Affordability Gap

A State Planning Goal established under 24 V.S.A. §4302(c)(11), is “to ensure the availability of safe and affordable housing for all Vermonters.” The price for most housing in the Region is far above what the average person working in the region can afford. The value of ownership housing is rising rapidly in all towns except for Springfield, especially compared to wages in those towns, meaning most people who work in town must live elsewhere if they want to own a home. Likewise, those who want to live in many of the towns in the Region must work where wages are higher. According to the Vermont Housing Council study, “the gap between what a household can afford and the income necessary to purchase a home is likely to grow unless there is a significant increase in the supply of houses affordable to first-time homebuyers, and unless the buying power of Vermont families keeps up with the rising prices of homes.” Some other reasons for the affordability gap are:

- High utility and child care costs.
- High construction costs compared to other parts of the country.
- Market demand for existing and new units to be used as second homes.
- Changing demographics that created a greater need for single person housing, and more initial homebuyers.
- Lack of steady, high wage jobs – many jobs in the Region are seasonal and therefore not regarded as steady employment by banks. In addition, many service industry jobs do not bring in incomes sufficient for homeownership.
- Greater perceived value for saleable housing units and homeownership than for rental units.

- Lower lending appraisals on new construction. For most lower income families, being able to purchase a new house that has low maintenance costs is a much safer and more workable option than purchasing an older home. However, bank appraisals on newly built homes often do not cover the costs of construction. Nor do they value energy conservation features such as Energy Star certifications that document lowered energy costs.
- Vermont’s property tax relief program does not help first-time homebuyers as banks do not allow rebate to be taken into consideration.

Housing is generally considered affordable if total housing costs, including rent or mortgage principal and interest, taxes, insurance, utilities and other related housing costs are at or below 30% of household income. According to the definition of affordable housing in state statute (24 V.S.A. §4303 (1)), housing is affordable if total housing costs do not exceed 30% of the income of a household’s inhabitants who’s income does not exceed 80% of the country median income. Thus, in Windsor County, at 80% the 2008 estimated median household income (\$61,600), no more than \$1,232 per month would go for total housing costs. Since many of the Region’s households fall below the Windsor County median income, providing housing that is safe and affordable for all residents is necessary (see **Table 9.6**).

Table 9.6 Affordable Housing Costs by Income Category in Southern Windsor County			
Household Income as a % of the 2008 Median Family Income	Income Category	Household Income Range (\$) ¹	Affordable Monthly Housing Costs(\$) ²
81 – 100	Moderate	49,896 – 61,600	1,247 – 1,540
51 – 80	Low	31,416 – 49,280	785 – 1,232
31 – 50	Very Low	19,096 – 30,800	477 – 770
30 and less	Lowest	18,480 and below	Less than 462

Source: HUD guidelines for Median Family Income
 1 MFI for Windsor County in 2008 is \$61,600, as reported by HUD Data
 2 30% of monthly gross income for housing expenses

Some of the changes made to the Vermont Municipal and Regional Planning and Development Act (24 V.S.A. Chapter 117) in 2004 were intended to better address affordable housing needs. Under the equal treatment of housing provision (24 V.S.A. §4412 (1)), no local bylaw may have the effect of excluding affordable housing for low and moderate income populations. In addition, this statute enables accessory dwelling units for single-family residential dwellings. An accessory dwelling unit is an efficiency or one-bedroom apartment that is clearly secondary to the owner-occupied residence, but it does not need to be physically attached to it.

G. Subsidized Housing

A number of housing units in the Region are maintained for families with lower incomes. These properties are managed by State or local housing authorities or by organizations such as the Rockingham Area Community Land Trust (RACLT) whose mission is to develop and manage housing for low and moderate income families in their service area. **Table 9.7** lists

housing that is available for low-income and very low-income residents in towns within the Region.

Table 9.7 Subsidized Housing Units in Southern Windsor County

Town	Housing Facility	Income Group*	# of Units	Units Sizes	# of Units w/Features
Cavendish	Cavendish Sr. Housing	Low and Very Low	6	1 (BR)	E-5, WC-5
Cavendish	Proctorsville Green	-	16	1, 2	E/D-6, WC-1
Chester	Chester Depot	Very Low	6	1, 2	E-2
Chester	Chester Elderly Apts.	Very Low	36	1	D-4, E-32, WC-3
Chester	Pleasant Brook Apts.	Very Low	24	1, 2, 3	WC-2
Ludlow	Gill Terrace Retirement	Low	24	1	E-24, WC-3
Ludlow	Black River Overlook	Very Low	25	2, 3	WC-2
Ludlow	Tuckerville MH Park	Low	25	MH lots	-
Springfield	Evergreen Heights	Very Low	44	1, 2, 3	D-4, WC-5
Springfield	Edwin L. Huber Bldg	Low	60	1 & eff.	E-60, WC-3
Springfield	Louis H. Whitcomb Bldg	Low	72	1	E-72, WC-7
Springfield	The Maples	Subsidized	28	1	E-28, WC-4
Springfield	Mountain View Apts.	Low & Very Low	72	1, 2, 3	-
Springfield	Southview Apts.	Very Low	69	1, 2, 3, 4	WC-6
Springfield	Wall Street Apts.	-	13	1, 2, 3	WC-2
Springfield	Westview Terrace Apts.	60% of Median (tax credit property)	58	1, 2, 3, 4	E-11, WC-4
Springfield	Allenson Apts	Moderate	30	1, 2, 3	-
Springfield	154 Paddock Road	Low	6	1, 2, 3	-
Springfield	12 Valley Street	Low	2	2, 3	-
Springfield	54 South Street	Low	2	1, 2	-
Springfield	Red Maple MH Park	Low	7	MH lots	-
Springfield	Windy Hill Acres MH Park		74	MH lots	-
Windsor	NAMCO Block	Mixed Income	58	2, 3	2, 3 – BR
Windsor	Central Street	-	44	2	-
Windsor	Cox House	-	7	1	-
Windsor	Olde Windsor Village	Low Income	77	1, 2	E-67, WC-4
Windsor	Phelps Court	Very Low Income	14	1, 2	WC-2
Windsor	Bunker Hill MH Park	Affordable	20	MH lots	-

Source: Vermont Housing Data, 2008

*Private Ownership

E= Elderly; D= Disabled; WC= Wheelchair Accessible Residents; BR= Bedroom

Most of the subsidized housing units are located in higher density neighborhoods where residents have access to services and public transportation. These connections are important in order for residents who might not be able to afford automobiles to have access to employment, retail areas and health services. The majority of subsidized units in the Region are located in Springfield and Windsor. Although these areas are ideal for providing higher density housing, outlying towns must also begin to make efforts to provide housing for those who work in their communities but cannot afford to live in them.

H. Homelessness and Transitional Housing

Homelessness is a problem in the Region and the State that is not easily quantified. Families and individuals may find shelter in tents, cars, or with relatives. These people are not counted in the U.S. Census, but may seek shelter from the few shelters that exist in or near the Region.

Currently there are no overnight shelters available for homeless individuals or families in the Region. The Upper Valley Haven (Haven) in White River Junction has the capacity to house eight families and also provides educational programs (See **Table 9.8**). The typical stay for a

Table 9.8 Statistical Comparison for the Upper Valley Haven			
SHELTER	2007	2006	2005
Total Persons	118	150	166
Total Families	38	45	51
Total Children	60	85	96
Total Bednights	8,483	9,465	9,827
Average Persons per Night	24	26	27
Average Length of Stay (Days)	88	79	54
Median Length of Stay (Days)	87	86	48
TURNAWAYS			
Total Persons	1,025	783	825
Total Children	421	349	387
Total Families	230	195	202
Total Couples	42	28	35
Total Single Men	114	64	76
Total Single Women	91	91	84
FOOD SHELF			
Total Number Different Families	1,401	1,395	1,268
Total Number Food Referrals	4,360	4,046	3,654
Total Number Individuals	11,680	11,721	10,720
Percent Children	38%	41%	42%
Average Referrals Per Month	364	337	305
FREE BREAD PROGRAM			
Total Number of Visits	8,403	6,903	7,535
Average Visits Per Month	701	576	627
FREE CLOTHING PROGRAM			
Total Number of Visits	3,996	3,940	3,798
Average Visits Per Month	333	329	317
SALVATION ARMY			
Total Bednights	216	152	145

Source: Upper Valley Haven, 2008

family is two to three months. The Springfield Family Center provides a day shelter and food kitchen for Springfield residents and those who are homeless. Located across the Connecticut River in Claremont, NH is the Sullivan County Housing Coalition which also provides shelter. In addition, the Morningside shelter in Brattleboro offers shelter for singles and couples. According to statistics gathered by the Haven, clients are staying at shelters longer because they are unable to find affordable housing. The average length of

stay at the Haven rose sharply from 54 days to 88 days between 2005 and 2007. As a result, the shelter was able to serve fewer families, and over 1000 people were turned away in 2007.

According to observations by the Haven staff, the largest growing populations of homelessness are teens and the elderly. Teenagers who have been in foster care are often without a home after they turn 18. The Windsor County Youth Services located in Ludlow, oversees the operations of Mountainside House and The House at Twenty Mile Stream. Mountainside House is a residential teen shelter and transitional living facility serving young men in crisis located in Ludlow. The House at Twenty Mile Stream, is a similar facility serving young women which is located in Proctorsville. In addition, there is a transitional housing for those ages 18-22 that also provides housing. The growing elderly population includes a number of individuals who worked in low paying jobs which have resulted in lower social security payments. This population requires housing that is close to services and public transportation.

Housing that is supported by social service agencies, sometimes called “transitional housing” or “housing with supportive services” is also of great need in the Region for families or individuals who do not qualify for subsidized housing, or are looking for subsidized housing that is not yet available. A housing situation that is supported with counseling from social service agencies can help families eventually move into a longer term housing situation. Currently these people must rely on the scarce shelters outside of the Region, or stay with family or friends.

I. Fair Housing Laws

State and federal fair housing laws help protect against housing discrimination. Under the Federal Fair Housing Act and the 1988 amendments, individuals may file complaints alleging housing discrimination on the basis of race, color, national origin, religion, gender, handicap, or familial status. Those individuals may also allege related acts of discrimination that are governed by other federal laws such as the Civil Rights Act of 1964. Vermont law (9 VSA §4503) prohibits any person from engaging in “unfair housing practices” such as the refusal to sell or rent and many other actions involved in the advertisement, financing, and brokering of a dwelling.

1. Municipal Responsibility in Fair Housing

Fair housing laws also protect homeowners and residents from being victimized by practices such as steering potential residents to only certain communities, neighborhoods, or developments. A municipality has fair housing responsibilities regardless of whether or not the federal or state government has funded the activity that is the basis for the complaint. A fair housing violation does not require a discriminatory intent: a violation can be found simply because municipal officials carried out regular activities in a routine way and failed to recognize their special fair housing responsibilities.

Municipalities carry out four broad categories of activities that affect housing. Each category can trigger municipal fair housing responsibilities:

- 1) Regulatory Activities - When a municipality enacts and administers regulations (e.g., zoning or building/housing codes) that affect existing or potential residential properties;
- 2) Provision of Services - When a municipality provides routine services in residential areas or to residents;
- 3) Provision of Subsidies - When a municipality offers financial incentives (e.g., grants, loans, or loan guarantees) or special services (e.g., special infrastructure projects or housing rehabilitation services) to residential property owners or to residents; and
- 4) Proprietary Activities - When a municipality buys or sells real property, particularly if the property was used or will be used as a residence.

Under the Fair Housing Act, a person who believes that he or she is a victim of housing discrimination may file either a complaint with HUD or a lawsuit in federal or state court. If a municipality must defend itself against a complaint based on the Fair Housing Act, or if it is found to have violated the Act, the costs can be considerable. Municipal officials who are considering a new ordinance, expenditure, or action, or reviewing an existing one can begin to avoid allegations of failing to meet its obligations by asking, “What are the fair housing implications in undertaking this action?”

2. Fair Share Housing

One issue that has received recognition nationwide and has been addressed by planners at all levels of government is the inability of low and moderate income households to locate in desirable areas at affordable costs. Court decisions and legislation in many states have required that each town meet its share of the need for affordable housing. As **Table 9.9** shows, the towns of Springfield and Windsor carry a disproportionate number of housing units for low- and very low-income households, while the towns of Andover, Baltimore, Reading, Weathersfield and West Windsor have no subsidized housing. In Weathersfield, 23.6% of total housing units were mobile homes in 2000, serving some affordable housing needs. Baltimore dropped from 25% of total housing units in mobile homes in 1990 to 10.6% in 2000. Cavendish has mobile homes accounting for 11.7% of total housing stock.

Town	Total Households	% of Total	Subsidized Units	% of Total
Andover	215	2.03	0	0
Baltimore	92	0.87	0	0
Cavendish	617	5.82	6	0.79
Chester	1,296	12.23	66	8.70
Ludlow	1,060	10.00	74	9.75
Reading	286	2.70	0	0
Springfield	3,886	36.68	450	59.29
Weathersfield	1,167	11.01	0	0
West Windsor	456	4.30	0	0
Windsor	1,520	14.35	163	21.48
Total	10,595	100.00	759	100.00

Source: US Census Bureau, 2000 Decennial Census

In creating a Fair Share housing policy for the Region, towns may choose to work together to meet regional housing needs. For example, one town may contribute services to another town that has a larger supply of affordable housing units, and thereby share affordable housing responsibility. In order to develop a Fair Share housing policy in the Region, a study of the available stock and current and future housing needs of the Region's residents would first have to be conducted.

J. Regional Housing Needs

According to the Upper Valley Housing Needs Analysis (Analysis), a recent study completed in 2002 by Applied Economic Research (AER) of Laconia, NH, there is a housing crisis in the Upper Valley. The Analysis covers three Labor Market Areas (LMAs): Hartford/Lebanon, Springfield and Claremont. The Region falls mostly in the Springfield LMA, except for the three northern towns which fall in the Hartford/Lebanon LMA. According to this report, housing production in the larger region (made up of all three LMAs) will have to increase from the pace of the 1990s, during which 4,150 units were added, to a total of 9,700 units during the next decade. According to the Analysis, "this level of production would resolve current vacancy shortfalls, meet the needs of the expanding economy, provide expanded housing choices and keep housing appreciation in line with area income growth".

The housing shortage is most acute in the Hartford/Lebanon LMA, where the economy continues to grow in spite of economic slow-downs in other parts of the State. Over the last decade this combined area added 5000 new households but only 2500 new housing units. Housing affordability in this region is a significant problem. During the 1990's, home prices rose by 33% while incomes increased by only 10% during the same period. The towns of Windsor, West Windsor and Reading lie at the southern end of the Hartford/Lebanon LMA. These towns, and to some extent other towns in the Region, may be impacted by the housing shortage further north. Already the Park & Ride lots at I-91 exits 7, 8 and 9 are well-used by commuters and are typically close to or at capacity. The number of the Region's workers commuting to the Upper Valley increased to 17 percent of workers in 2000. (See commuting discussion in Chapter 2 of Volume 2: Regional Transportation Plan.)

The Analysis describes the housing need in the Claremont and Springfield Labor Market Areas in terms of rehabilitation of existing housing stock more than development of new housing. On the Vermont side of the river, this is true for the town of Springfield in particular which has a supply of housing that is fairly affordable but often in disrepair. The ongoing economic shift that has occurred in the Region from high-paying manufacturing jobs to lower wage service jobs, as well as recent plant closings in both Windsor and Springfield, makes the need for housing that is affordable to lower income groups especially strong. **Figures 9.2 – 9.4** illustrate the demand and supply for housing types by different income levels within the four labor market areas in the study, and the resulting affordability gaps.

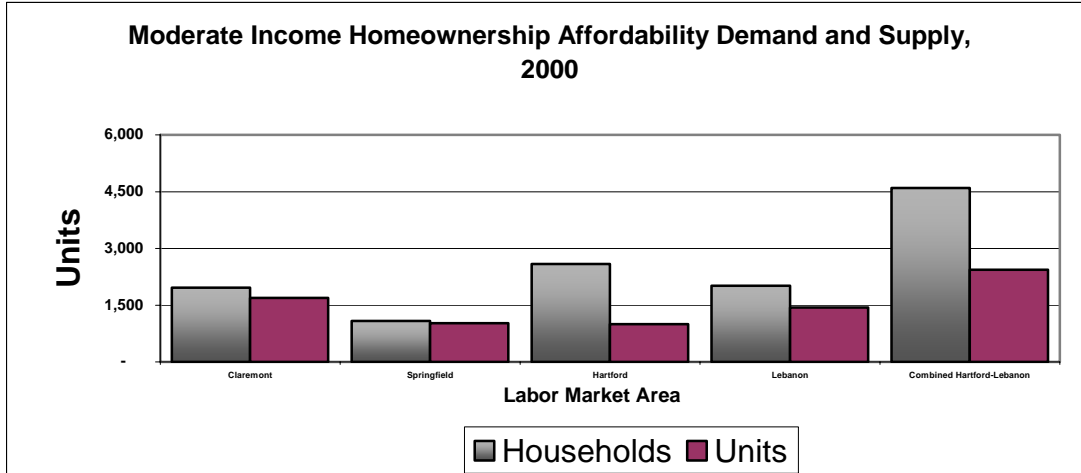


Figure 9.2

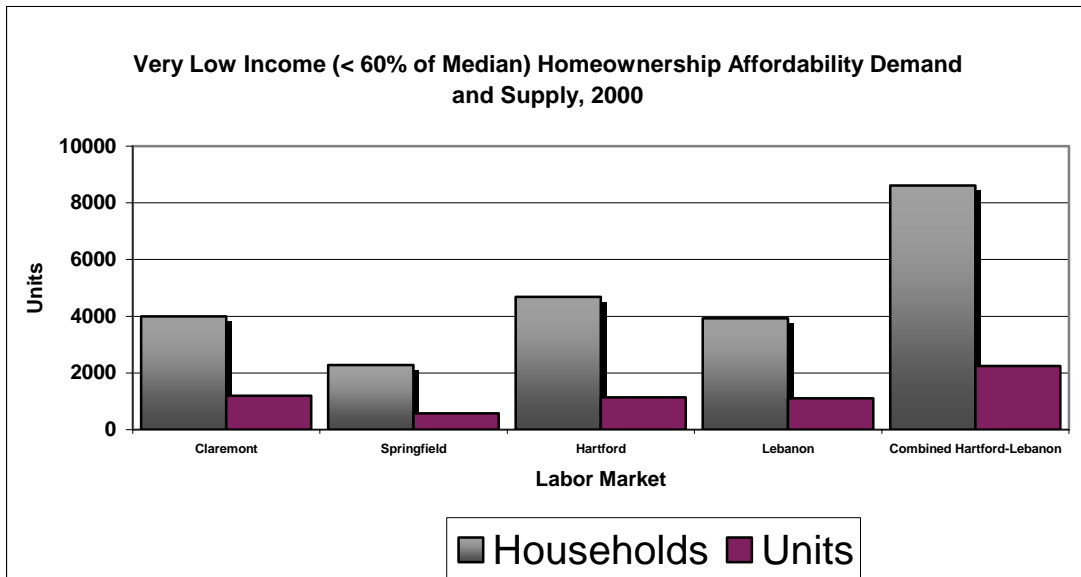


Figure 9.3

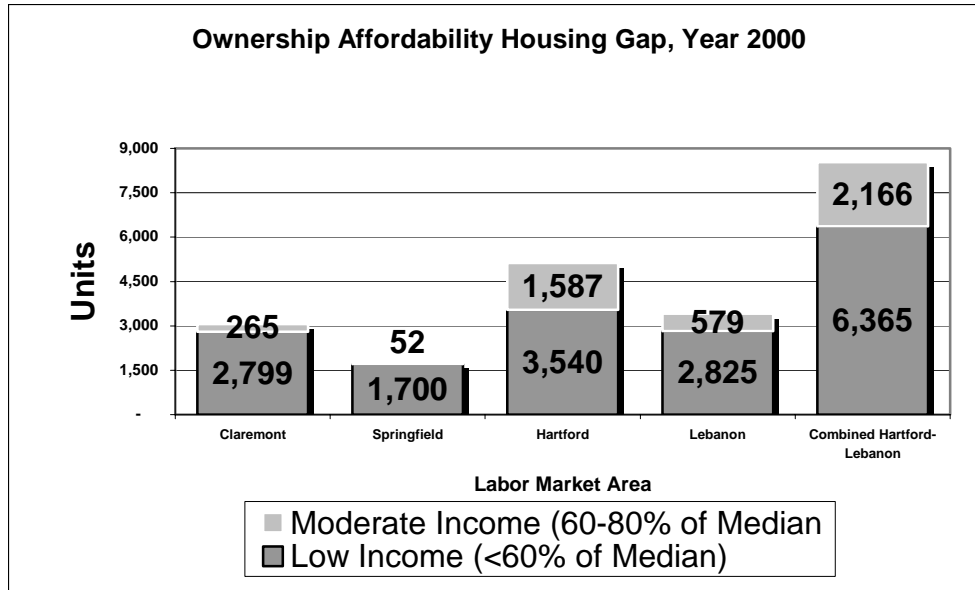


Figure 9.4

Source: Figures 9.2 - 9.4 are from the Upper Valley Housing Needs Analysis, AER Associates (2002)

For the Analysis, AER Associates developed a model to determine the number of housing units that would be needed over the next decade. The most striking need in all LMAs is the need for rental housing whereas only 150 rental units were developed over the past decade in the entire study area, 2850 units are needed in the next decade. Most housing needs were found in the combined Hartford-Lebanon LMA, where over 4500 ownership units and 2100 rental units will be needed over the next decade. In the Springfield LMA, only 389 ownership units and 253 new rental units will be needed from 2000-2010. The majority of the need in this LMA will be in rehabilitation of existing units.

The Analysis is useful in its broad-based overview of the housing situation in the Upper Valley. However, it is important for towns to conduct housing needs analyses as part of their local planning processes. Local knowledge and local data on housing inventories and costs will enable more precise assessments of local housing needs assessments.

Where a clearly identified need is demonstrated, providing housing for the lowest income groups will free up housing for those with moderate incomes that may have been living in housing below their means. In southern Windsor County, the housing need spans the income levels. Towns with little or no subsidized housing should consider methods for developing or encouraging housing for lower incomes in order to provide places to live for those who work in their communities. Towns with larger supplies of subsidized housing should continue to focus on rehabilitation programs for dilapidated housing. These towns should also consider mixed use developments that provide economic growth as well as housing for low to moderate incomes in downtown areas.

The Department of Housing and Community Affairs (DHCA) lists five factors for communities to consider when planning for their housing needs:

- To what extent does the project meet the identified housing needs of the municipality (or region)?
- How closely do households meet the goal of spending no more than 30% of their gross income on housing costs?
- How closely does the total project meet the goal of assessing an average initial rent of no more than 30% of the gross income of a household earning 80% of the county median income?
- How long will the project continue to provide affordable housing to households at or below the median income?
- How wide a range of income groups will be served by the development?

Depending on the need for affordable housing, municipalities may wish to review planning documents and offer incentives for the development of certain types of housing. The following are examples of methods that may be used to enable development of a variety of housing types and encourage affordable housing projects:

- Review local regulations for cost considerations related to housing.
- Identify community infrastructure and services available to support housing capacity.
- Seek community financing to develop appropriate housing and services.
- Eliminate exclusionary practices such as large lot size minimums in densely settled areas where water and sewer are available.
- Allow conversion of larger homes to multiple units.
- Permit and encourage densities of development compatible with affordable housing and with traditional village and downtown development.
- Encourage Planned Unit Developments (PUDs) that allow for density, coverage, and setback variations within specific districts.
- Allow density bonuses for the development of some percentage of affordable housing (inclusionary zoning).
- Develop a streamlined permit review process for affordable housing.
- Use a Development Review Board to expedite permit review.
- Require replacement of lost affordable housing units.
- Establish and maintain an appropriately balanced mix of housing across the full range of cost levels.
- Develop or continue partnerships with Rockingham Area Community Land Trust and other affordable housing developers.

In order to standardize the types of subsidies that municipalities offer for the development of affordable housing, DHCA recommends that towns set up categories of affordable housing and the income levels they serve. Towns may then structure the allocation of subsidies based on local needs. For example, a development that offers permanently affordable housing units and serves a mix of income groups reflective of community needs might receive a higher density bonus and faster review than a project offering only short-term affordable housing for moderate income groups. The following two sections are based on DHCA's suggested categories for types of affordable housing and income groupings.

Length of affordability - DHCA defines categories of affordable housing according to the number of years in which it will remain affordable. Housing which will remain affordable for 99 or more years is termed “permanent” and includes community land trusts, equity cooperatives, nonprofit rentals, and public housing. “Long-term” affordable housing is guaranteed to be affordable for 15 to 98 years through legally binding agreements which stabilize rent or restrict resale values. Such agreements include loan agreements, land covenants, deed restrictions, zoning permit conditions, and lease agreements. “Short-term” affordability includes housing that is affordable for less than 15 years and may include low-cost condominiums without resale restrictions, low-cost rentals without stabilization agreements, and projects with balloon mortgages or adjustable rate mortgages which may require refinancing in less than 15 years.

Income groups - DHCA and other housing experts encourage housing developments that will accommodate a mix of income levels with a certain percentage serving the lowest income groups. Concentrating the very lowest income levels in one place has proven to have negative impacts in many communities.

K. Implementing Affordable Housing Plans

Once towns have established the need for low and moderate income housing and have developed a plan for addressing that need, there are a number of methods for developing affordable housing. In addition to creating incentive programs to attract developers of affordable housing, towns may wish to work with nonprofit housing organizations in order to take a more proactive role in the development of affordable housing. State and federal grant and loan programs are available for financing new development or rehabilitating existing affordable housing. Some of these programs come in the form of block grants that may be distributed by local housing groups. Towns may wish to establish revolving loan funds in order to finance affordable housing projects as they come up or to enable homeowners to rehabilitate deteriorating housing. A list of organizations that can help towns to develop capacity and resources for developing affordable housing is included in **Appendix B**.

HOUSING GOALS

1. To promote sufficient availability of safe and affordable primary housing for all residents of the Region, in accordance with Vermont state legislative mandates.
2. To ensure that housing is available in a variety of types that meet the needs of diverse social and income groups and is located conveniently to employment, services, retail centers, and educational and recreational facilities.
3. To ensure that new housing in village and downtowns conforms with the existing traditional development patterns.
4. To educate the public about housing needs within the community.

5. To preserve and maintain the existing housing stock throughout the Region, especially in existing areas of concentrated residential development.
6. To promote innovative planning, design and construction of housing in order achieve greater energy efficiency, reduction in housing costs, and minimize environmental impacts.

HOUSING POLICIES

1. In town and village centers, existing housing stock should be rehabilitated as long as it is economically feasible. Incentive programs that encourage owners to rehabilitate existing units should be supported.
2. In town and village centers, mixed-use districts that allow both commercial and residential uses shall be encouraged.
3. Housing developments with mixed income and age groups shall be encouraged.
4. Housing that is newly constructed or rehabilitated through the use of public funds should remain permanently affordable.
5. Housing development and rehabilitation which result in concentrations of poverty, blighted residential areas and the segregation of various income groups should be discouraged.
6. Funding opportunities should be focused on blighted residential areas.
7. Encourage the development of rental housing on a scale and design compatible with existing neighborhoods.
8. Existing and potential siting of manufactured housing and mobile homes should be considered when addressing affordable housing needs.
9. The use of innovative construction and design techniques that enhance the affordability, energy efficiency, and environmental suitability of housing for all residents should be promoted.
10. Minimize long-term living costs through high quality design, energy efficient construction, and proximity to employment and/or service centers.
11. Encourage new rural housing development to be sited so as to preserve the greatest amount of open space and blend harmoniously with the natural environment.
12. Multi-family housing, assisted living facilities and group homes should be encouraged in close proximity to services in village and urban centers or along public transportation fixed routes.

13. Mechanisms such as cluster development, planned unit development, inclusionary zoning, conversion of single-family to multi-family homes, and linkages should be promoted in towns where there is significant need for affordable housing.
14. Encourage a balance of housing for low, medium and high incomes, maintaining a proportionate balance of affordable housing units as new housing units are developed.
15. Innovative strategies for conversion of suitable units of the existing housing stock to serve the needs of the elderly and special needs groups should be encouraged.

HOUSING RECOMMENDATIONS

1. Create and maintain a regional housing inventory and related data (including comparisons with other geographic areas) and provide information to member communities to assist in needs assessment and prioritization of housing-related activities.
2. Continue to assist member communities in the identification of housing needs and in the development of implementation strategies for community housing plans.
3. To facilitate the coordination between public and private agencies involved with planning, financing and development of affordable housing.
4. To educate the public about housing needs within the community.