Agenda
June 16, 2020
Warren Selectboard
Warren Planning Commission
Via Zoom

6:00 PM – COVID-19 Update – Jeff Campbell

6:15 PM – Mad River Planning District Summary and Interpretation of Doug Kennedy Advisors of the Mad River Housing Demand & Market Analysis - Joshua Schwartz (MRPD).

7:00 PM – Approval of Minutes from June 9, 2020, June 5th, minutes

7:01 PM – Approval of Accounts Payable and Payroll.
$7593.05 $8,125.16

7:02 PM – Other Business
Sewer Allocation- Ryan, 374 main St.

Agenda Subject to Change

Meeting ID: 456 874 542

Dial by your location:
1-312-626-6799 US (Chicago)
1-929-205-6099 US (New York)
1-346-248-7799 US (Houston)
1-669-900-6833 US (San Jose)
1-253-215-8782 US
1-301-715-8592 US

Members Present: Andrew Cunningham, Chair, Bob Ackland, Vice Chair, Randy Graves, Camilla Behn & Luke Youmell.

Others Present: Jeff Campbell, Michael Bridgewater, Michael Ketchel, Ruth Robbins, Joshua Schwartz, Kaziah Haviland-Montgomery.

6:00 PM – Meeting called to order.

6:02 PM – Public Comment – Mr. Graves wanted to thank Ms. Goss and the poll workers for their work at the polls for the Harwood Budget Vote. He also commented that anyone visiting Vermont please follow the rules as per the Governors orders.

6:05 PM – Covid -19 Update – Mr. Campbell – Mr. Campbell updated the board that there are 1131 cases in Vermont with 47 new cases from the Winooski outbreak. There were 2 more noted in Washington County. As of last Tuesday, there has been 8600 tests done by the state for Covid and no new deaths. There are testing sites throughout the state that can be found on the Town's website. The Governor extended the State of Emergency to July 15 so that he can have control of opening the state.

6:10 PM – Mad River Planning District Summary and Interpretation of Doug Kennedy Advisors of the Mad River Housing Demand & Market Analysis – Joshua Schwartz (MRVPD)

The study was conducted by Doug Kennedy Advisors that the Valley Towns contributed $1,000 towards with the MRVPD. It was finalized in February and is a study of Housing Demand & Market Analysis within the three Valley Towns. It was a qualitative analysis providing data on primary market (Valley), and the secondary Market and recommendations. The total housing increased by 7.7% in the primary market and there was no change in the secondary market. The growth in housing was due to seasonal. The study looked at a single value for a household of 2 people with 2 bedrooms or less. Warren's primary market was $324,000. In the data study it was pointed out that ownership housing is quite expensive in the Valley. The total housing supply increased but the rental housing availability decreased. Why?

1. Limited infrastructure/Rural
2. Transportation
3. Developers find it too costly to build projects.
4. Seasonal accounts for recent high demand in housing.
5. There is a mismatch between household size and housing size.
6. Rental stock is available year around only at 19%.
7. There is only a 1% rental vacancy.
8. Ownership is expensive – Median Value is $335,000.
9. Washington County value is at $217,200 – The MRV is a much higher place to live and afford a home.

Another area the study looked at was people/income.

1. There is an increase in older population.
2. Loosing younger families – In 2018-2023 the older population will increase to 23%, population under 25, and 35-64 will decrease. Why? Because of lack of housing.
3. The younger population with lower incomes move out of the Valley.
4. Lower wages industries – majority of employees work at a lower wage.
5. 68% making $48,000 or less lack of housing availability to fill positions.
6. The labor force within the Valley is shrinking.
7. Households 34 in age will account for 47% of the housing in 2023.
8. An increase of higher wage above 150,000 will accounted for 55% from 2010-1017.
9. The average median value home in the MRV is $334,000.

Affordable – What do we mean by that? - Affordable by the federal government is the average percentage of 40-35% is spent on housing.   A home cost for a medium income of $62,000 is $225,000. The private market is not providing the greatest need in units available. Most of the private are changed into family units, Air B&B's or are selling for high values.
There will be 153 households with housing needs or expected to seek a housing change in the next year below 75,000. Why?

1. The housing supple does not meet the demands.
2. Changing demographics
3. Current data reflects that younger people less than 65, with less than $100,000 – there is a lack of rental housing and homeownership   Also the current need is toward rentals for the younger and middle age people below $75,000.
4. Current issues are of necessity are: Planning & Infrastructure, Regulatory and Developers.

With this information the current housing shortage is changing the MRV demographics. The MRV must maintain middle income and working-class population to survive. The Valley needs creation of new units. How do we change this?

Kaziah Haviland-Montgomery -Vermont Housing Coalition – Ms. Kaziah Haviland-Montgomery
 presented some potential success in other areas to help with this issue that is state wide.   Somethings mentioned were:

Creation of housing with lower AMI levels. 30-60% housing stock needs tax credits
Creating Community Support
Education – NIMBY – (Not in my backyard) – to help people understand the need and invest.
Have infrastructure in place.
Reserve plots of Town owned land near amenities.
Donating to a Housing Trust Fund that is flexible helps to: create down payments housing assistance, create equity sharing (land/homeowner), home weatherization grants.
Support and assist with housing regulations to afford housing.

The Housing Coalition has been working on a s shared ADU program and is currently assisting two homeowners.

They are also providing education to combat "Not in my backyard" with public talks and they want to assist/support the Town's efforts in interpretation of the regulations. Mr. Schwartz commented that the Warren Planning Commission has worked hard on planning and accounted for quite a few incentives.

Mr. Cunningham asked how does the needs now inviting other needs. Mr. Ackland commented that public/private must prove citizenship residence commitment in place prior. Mr. Cunningham commented how to you keep people from buying it a place and flipping it. Mr. Schwartz commented that there is a housing perpetual affordability clause that is incorporated into the agreements.

Mr. Ketchel commented that the Planning commission has spent a lot of time and made provisions to support development but they keep hearing that regulations are the issues but there still is no one taking advantage of this. Mr. Ketchel commented that the Town would have to put money out there to make it attractive for developers. Also allow people to rent out their units. The Town and Housing Coalition would have to make it happen with education and community buy in and set up an account to donate some money or allocations to.

The Warren Selectboard thanked Mr. Schwartz and Ms. Kaziah Haviland-Montgomery for their input and thoughts on this. The full report is attached to these minutes and is available on the Mad River Planning District Website.

7:20 PM - Other Business:
Approval of Sewer Allocation Request for Ryan, 341 Main Street – Ms. Jones presented an application for sewer allocation for 341 Main Street. The Ryan's currently have an allocation from the original construction of the system. They are now turning the original house into two separate apartments and require an additional 245 gallons of sewer capacity. Currently there are 7,214 gallons of unreserved capacity on the system.

Motion by Mr. Ackland to approve the sewer allocation for 341 Main Street, Ryan, second by Mr. Youmell. All in Favor: VOTE: 5-0.

7:25 PM – Speed Bumps – West Hill Road – Ms. Jones shared with the board the costs and what they were and where they would be placed as suggested by Sugarbush, Ms. Wade. They are 6' heavy duty, with reflective striping that would be placed in each lane and bolted/nailed down to the pavement. They are removable for winter operations. There has to be speed bump signs put up as well for notification to all traffic to slow down and be cautious. Mr. Cunningham wanted to share the information with Mr. Bombard for his opinion.

The board did agree to two sets but wanted Mr. Bombard to weigh in on them. It was noted by all that pedestrian traffic, bicycle traffic has increased on all roads.

7:30 PM - Approval of June 9, 2020 Minutes – Motion by Mr. Youmell to approve the Minutes of

June 9, 2020, second by Ms. Behn. All in Favor: VOTE: 5-0.

7:31 PM – Approval of June 5 Minutes – Motion by Mr. Youmell to approve the Minutes of June 5, 2020, second by Mr. Graves. All in Favor: VOTE: 5-0.

7:32 PM – Amendment Approval of Minutes of May 28, 2020 - Motion by Mr. Youmell to approve the amended Minutes, second by Mr. Graves. All in Favor: VOTE: 5-0.

7:33 PM – Approval of Accounts Payable Warrant – Motion by Mr. Ackland to approve the accounts payable warrant as presented for $7,593.05, second by Mr. Graves. All in Favor: VOTE: 5-0.

7:34 PM- Approval of Payroll Warrant- Motion by Mr. Ackland to approve the payroll warrant as presented for $ 10,341.65, second by Mr. Graves. All in Favor: VOTE: 5-0.

7:35 PM – Approval of Legal Accounts Payable Warrant for Grievance – Motion by Mr. Ackland to approve the legal warrant as presented for $2,969.16, second by Mr. Youmell. All in Favor: VOTE: 5-0.

7:40 PM – Motion by Mr. Ackland to adjourn, Second by Mr. Youmell. All in Favor: VOTE: 5-0

Minutes Respectfully Submitted By,
Cindi Jones, Warren Town Administrator

The Warren Selectboard

_____
Andrew Cunningham, Chair

_____
Bob Ackland, Vice Chair

_____
Luke Youmell

_____
Randy Graves

_____
Camilla Behn

Mad River Valley
Housing Demand & Market Analysis

Prepared for: Mad River Valley Planning District
Towns of: Fayston, Waitsfield, Warren
Vermont

Prepared by: **Doug Kennedy Advisors**
PO Box 858
Norwich, Vermont 05055

February 26, 2020
v. 3.2
Job 1913

- Rental vacancy is *low* in the valley. Repeated surveys of rental listings make it clear that it is difficult to find an available rental.

- Not surprisingly, ownership housing in the core towns is expensive; a median value of $335,000 in the core towns versus a median value of $217,000 for Washington County as a whole.

- Like many communities with older housing stock, there is a significant mismatch between household size and housing size in the valley. 70 percent of the households in the three MRV towns include only one or two persons. However, only 32 percent of the occupied housing units in the valley include zero, one or two bedrooms.

- Employer Survey:

  - Valley employers indicate that 42 percent of their employees live outside the three core valley towns. Further, 46 percent of their recent hires lived outside of the three towns.

  - Employers indicate that a substantial segment of their employees that *now* live outside of the core towns would like to move to the valley. Roughly half would choose to rent, while the remainder would choose to own.

  - The lack of appropriate/affordable housing in the MRV is a significant concern for employers. Almost all report that they have had to actively intervene in order to find suitable housing for new employees. Interventions have ranged from providing referrals to landlords to development of housing units.

- Recommendations – priorities for housing development project are as follows:

  a. A mixed-income rental project oriented toward younger households. The project would include affordable Tax Credit rents ranging up to full market rate rents and include a mix of one, two and three bedroom units.

  b. A rental project oriented toward low to low-moderate income seniors. The project would include subsidy and affordable Tax Credit rents and include a mix of one and two bedroom units.

  c. An ownership project oriented toward first-time buyers. The project would be oriented toward younger/middle-aged households with incomes of 120+ percent of the median.

- Housing supply and market dynamics;

- Employer survey results;

- Summary of employer interview output;

- Analysis of broad-based housing need;

- Market and absorption-based assessment of project feasibility;

- Findings & Recommendations.

For purposes of this assessment, the 'Mad River Valley' (MRV) refers to a three-town area that includes: Fayston; Waitsfield; and Warren. Much of the data and analyses included in this report will be incorporated in current or edited form in the final project document –

Significant market findings and relevant quantitative data are contained in tables, charts and figures contained in the text of the report. The analysis and this report are based on an extensive review of available data from Federal, state, regional and local sources. In addition, a number of individuals with knowledge of local/regional housing markets have been interviewed to provide additional background material for the analysis.

This report, including all background data, findings and recommendations, is based on market conditions as assessed by the analyst at the time of report preparation. In the event that there are any significant changes in a number of factors, including; macro-economic conditions, local/regional economic conditions, interest rates, local/regional competition, changes in the project program, or other factors affecting the housing market, it is likely that the findings contained in the report will change. No guarantees are offered that the estimates, projections and findings in this report will be met. However, the findings contained in the report do reflect the judgment of the analyst, following an extensive review of housing market conditions.

- Recent data shows the following:

  o 857 of the persons employed in the Mad River Valley live outside MRV;

  o 1,005 of the persons employed in the Mad River Valley live within the MRV;

  o 1,010 persons live in the Mad River Valley but work outside the MRV.

- A separate data source indicates that following regarding commuting times for persons that work in the MRV:[3]

  o <10 Minutes – 51 Percent of Total;

  o 10 – 24 Minutes – 26 Percent of Total;

  o 25 – 50 Minutes – 13 Percent of Total;

  o 50+ Minutes – 10 Percent of Total.

- The table below provides a commuting overview for MRV residents that work:[4]

Commuting Overview: MRV Residents that Work

	Waitsfield	Warren	Fayston	Combined
Work In MRV	387	345	273	1,005
% of Total	47%	56%	47%	50%
Work Outside MRV	432	271	307	1,010
% of Total	53%	44%	53%	50%

- Available data also provides a geographic overview of persons that commute into the MRV. The tabular data and the graphic on the following page show the distribution of these commuters' residences.[5] Note that the graphic (heat map) shows the distribution of MRV workers that live *outside* both the MRV towns and the adjacent towns (Moretown, Waterbury, Duxbury, Granville). Further, the graphic does not reflect data for individual towns, but for clusters of towns; thus, the red areas near Burlington and Montpelier reflect the cumulative contributions of several communities in those areas.

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[3] Source: American Community Survey, U.S. Census Bureau.

[4] Source: On The Map, U.S. Census Bureau.

[5] Source: On The Map, U.S. Census Bureau.

Not surprisingly, MRV-adjacent communities such as Moretown and Waterbury are common residence communities for MRV commuters. However, there are also a substantial number of commuters from the Burlington and Barre/Montpelier markets.

Based on available data, review of other factors and discussions with area contacts, the residential market area has been defined as follows:

Primary Market Area – Fayston, Waitsfield, Warren;

Secondary Market Area – Duxbury; Moretown; Waterbury; Granville.

Market Area Demographics

While the MRV experienced relatively solid growth through the 2000s, virtually no absolute population growth has occurred since 2010. The table on the following page shows recent population change (2000, 2010, 2018) for each of the communities in the primary and secondary market areas, as well as projections for 2023 and 2028.[6]

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[6] Historic/current/projected population sources: U.S. Census Bureau; Vermont Department of Health; Weldon Cooper Center for Public Service; Proximity One. Vermont population projections at the town level are problematic at best. The state's last 'official' projections were completed in 2013 and have since proven to be well off the mark for most of Vermont's communities, including those in the MRV and surrounding areas. Reasonable five-year projections are available from standard demographic vendors such as ESRI; however, even these projections will fall off the mark if there are any significant local events, such as a major new housing development. Longer range (2028) projections are even less certain, and have primarily been based on the 2010 to 2023 trend.

Household Change & Projections: Primary/Secondary Communities (2000 – 2028)

	2000	2010	2017	Change 2000-'17	Estimated 2023	Estimated 2028
Primary Area						
Fayston	484	518	565	+16.7%	585	603
Waitsfield	734	796	793	+8.0%	821	847
Warren	742	771	764	+3.0%	791	816
Sub-Total Primary	1,960	2,085	2,122	+8.3%	2,197	2,265
% Change		+6.4%	+1.8%		+3.5%	+3.1%
Secondary Area						
Duxbury	498	598	520	+4.4%	528	534
Moretown	650	683	748	+15.1%	756	764
Waterbury	2,011	2,176	2,124	+5.6%	2,170	2,212
Granville	127	152	144	+13.4%	147	150
Sub-Total Secondary	3,286	3,609	3,536	+7.6%	3,601	3,660
% Change		+9.8%	(2.0%)		+1.9%	+1.6%
Combined Area	5,246	5,694	5,658	+7.9%	5,799	5,925
% Change		+8.5%	(0.6%)		+2.5%	+2.2%

The projections suggest that the number of households in the combined Primary/Secondary market may increase by 135+/- between 2017 and 2023 and 260+/- between 2017 and 2028.

The aging population is very much in the forefront of media reports regarding national demographics. Aging is particularly relevant in Vermont, the 'oldest' state in the U.S. The graphic on the following page compares each of the towns in the Primary/Secondary market areas in terms of current distribution of households by age group.[8] For purposes of comparison, the Vermont-wide distribution is as follows:

- < 25 Years – 4 Percent;

- 25 – 44 Years – 27 Percent;

- 45 – 64 Years – 42 Percent;

- 65+ Years – 27 Percent.

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[8] Sources: U.S. Census Bureau; ESRI.

Projected Household Change by Age Group:
Primary, Secondary & Combined Market Area (2018 – 2023)

	HH Age Group	Households							
		<25	25-34	35-44	45-54	55-64	65-74	75+	Totals
Primary Market	2018	46	212	297	423	518	402	224	2,122
	2023	44	243	295	390	492	461	271	2,196
	Change	(1)	+31	(3)	(32)	(27)	+59	+47	+74
Secondary Market	2018	96	425	582	730	840	549	314	3,536
	2023	81	444	535	674	796	660	397	3,588
	Change	(16)	+19	(46)	(56)	(43)	+111	+83	+52
Combined Market	2018	142	637	879	1,153	1,358	951	538	5,658
	2023	125	687	830	1,064	1,288	1,121	668	5,784
	Change	(17)	+50	(49)	(88)	(70)	+170	+130	+126

Projected Household Change by Age Group:
Combined Market Area (2018 – 2023)
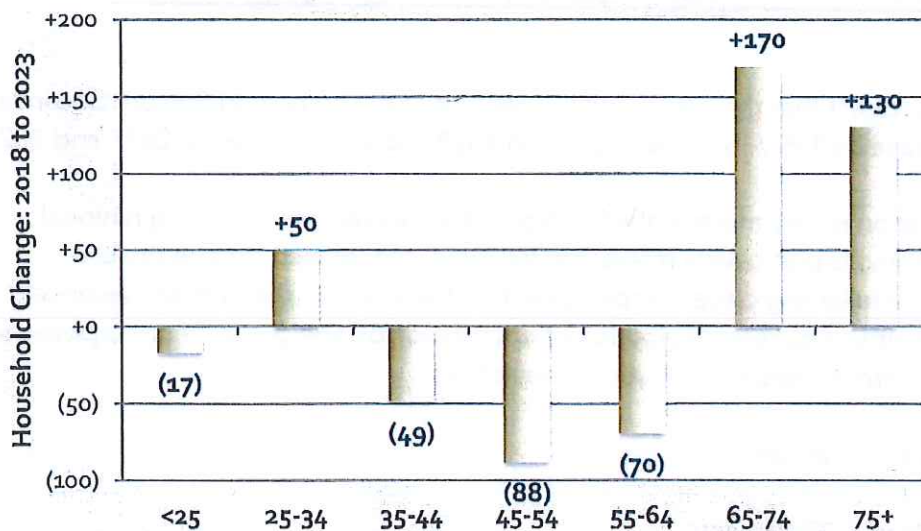
Like many northeastern markets, the number of 65+ years households in the market areas will increase dramatically over the next five years. While total households are projected to increase by six percent, households aged 65+ years households will increase by 20 percent. It is also significant to note that the number of households aged 25 to 34 years is projected to increase by eight percent during the projection period.

- Worker ages breakdown as follows:

    o   <30 Years – 26 Percent of Total;

    o   30 – 54 Years – 49 Percent of Total;

    o   55+ Years – 25 Percent of Total.

    We also note that Warren's workforce is significantly 'younger' than that for the other two MRV towns.

- Worker annual wage levels breakdown as follows:

    o   <$15,000 – 37 Percent of Total;

    o $15,000 to $39,999 – 31 Percent of Total;

    o $40,000+ - 32 Percent of Total.

    Overall, Warren's wage distribution is lower than that for the other two MRV towns.

- The four largest sources of employment – by industry - in the three towns are:

    o   Accommodation & Food Services (29 Percent of Total):

    o   Retail Trade (13 Percent of Total);

    o   Educational Services (11 Percent of Total);

    o   Construction (8 Percent of Total).

Household Age X Income: Primary Market (2018, 2023, Change)

2018

HH Income Group	<25	25-34	35-44	45-54	55-64	65-74	75+	Totals
$0-$34,999	16	37	43	47	85	105	93	409
$35-$74,999	16	84	90	118	138	115	91	636
$75-$99,999	7	29	52	72	94	53	16	317
$100-$149,999	4	35	49	78	97	77	12	348
$150-$199,999	0	16	40	74	49	22	7	208
$200,000+	1	10	25	34	54	31	4	159
Totals	46	212	297	423	518	402	224	**2,076**

2023

HH Income Group	<25	25-34	35-44	45-54	55-64	65-74	75+	Totals
$0-$34,999	13	44	38	32	68	113	109	405
$35-$74,999	16	85	72	90	112	118	102	579
$75-$99,999	7	31	44	57	78	52	19	281
$100-$149,999	4	41	54	80	106	100	19	401
$150-$199,999	1	27	57	96	71	37	15	302
$200,000+	1	15	28	35	57	41	7	184
Totals	44	243	295	390	492	461	271	**2,151**

Change 2018-'23

HH Income Group	<25	25-34	35-44	45-54	55-64	65-74	75+	Totals
$0-$34,999	(3)	+7	(4)	(15)	(18)	+9	+16	(4)
$35-$74,999	+0	+1	(18)	(28)	(27)	+3	+10	(57)
$75-$99,999	+0	+1	(7)	(15)	(16)	(1)	+3	(35)
$100-$149,999	+0	+6	+6	+1	+9	+24	+7	+53
$150-$199,999	+1	+10	+18	+22	+22	+15	+7	+94
$200,000+	+0	+4	+3	+1	+3	+10	+3	+25
Totals	(1)	+31	(3)	(32)	(27)	+59	+47	**+75**

Household Age X Income: Combined Market (2018, 2023, Change)

2018

HH Income Group	<25	25-34	35-44	45-54	55-64	65-74	75+	Totals
$0-$34,999	51	121	142	144	245	267	251	1,169
$35-$74,999	59	260	280	326	368	292	205	1,731
$75-$99,999	15	95	145	193	242	120	29	824
$100-$149,999	12	95	148	224	264	165	29	926
$150-$199,999	3	41	91	179	118	49	15	493
$200,000+	3	26	73	87	121	58	8	373
Totals	142	637	879	1,153	1,358	951	538	**5,516**

2023

HH Income Group	<25	25-34	35-44	45-54	55-64	65-74	75+	Totals
$0-$34,999	45	124	120	105	195	285	303	1,131
$35-$74,999	49	259	220	247	301	304	238	1,569
$75-$99,999	13	93	121	155	203	128	36	734
$100-$149,999	11	114	161	233	291	232	46	1,078
$150-$199,999	4	65	129	232	167	88	31	712
$200,000+	3	31	80	92	131	85	14	434
Totals	125	687	830	1,064	1,288	1,121	668	**5,659**

Change 2018-'23

HH Income Group	<25	25-34	35-44	45-54	55-64	65-74	75+	Totals
$0-$34,999	(6)	+4	(22)	(39)	(50)	+18	+52	(38)
$35-$74,999	(10)	(1)	(60)	(79)	(67)	+12	+32	(163)
$75-$99,999	(2)	(2)	(24)	(38)	(39)	+8	+6	(89)
$100-$149,999	(1)	+20	+13	+9	+27	+67	+18	+153
$150-$199,999	+2	+24	+38	+54	+49	+38	+16	+219
$200,000+	+0	+5	+7	+5	+11	+27	+6	+62
Totals	(17)	+50	(49)	(88)	(70)	+170	+130	**+143**

Projections are necessarily based on recent trends. As such, the household age x income projections for the markets show that the household groups that will increase the most over the next five years are those aged 65+ years, with incomes in excess of $100,000. Increases are also projected among households aged 25 to 34 years, but only for those with incomes in excess of $100,000. These trends are inevitable. However, it is also possible that a concerted

The table below shows occupied housing change for the market area communities.[14]

Occupied Housing Units: Market Area (2000 – 2017)

	2000	2010	2017	Change 2000-'17
Primary Area				
Fayston	484	594	565	+16.7%
Waitsfield	734	776	793	+8.0%
Warren	742	771	764	+3.0%
Sub-Total Primary	1,960	2,141	2,122	+8.3%
% Change		+9.2%	(0.9%)	
Secondary Area				
Duxbury	498	547	520	+4.4%
Moretown	650	696	748	+15.1%
Waterbury	2,011	2,207	2,124	+5.6%
Granville	127	152	144	+13.4%
Sub-Total Secondary	3,286	3,602	3,536	+7.6%
% Change		+9.6%	(1.8%)	
Combined Area	5,246	5,743	5,658	+7.9%
% Change		+9.5%	(1.5%)	

The *total* number of housing units in the market areas increased in recent years. However, the number of *occupied* units decreased slightly. The decrease may be result of conversions to seasonal use – or conversions to short-term rental use.

The table on the following page shows renter-occupied housing as a percent of occupied housing for each of the market area communities.[15]
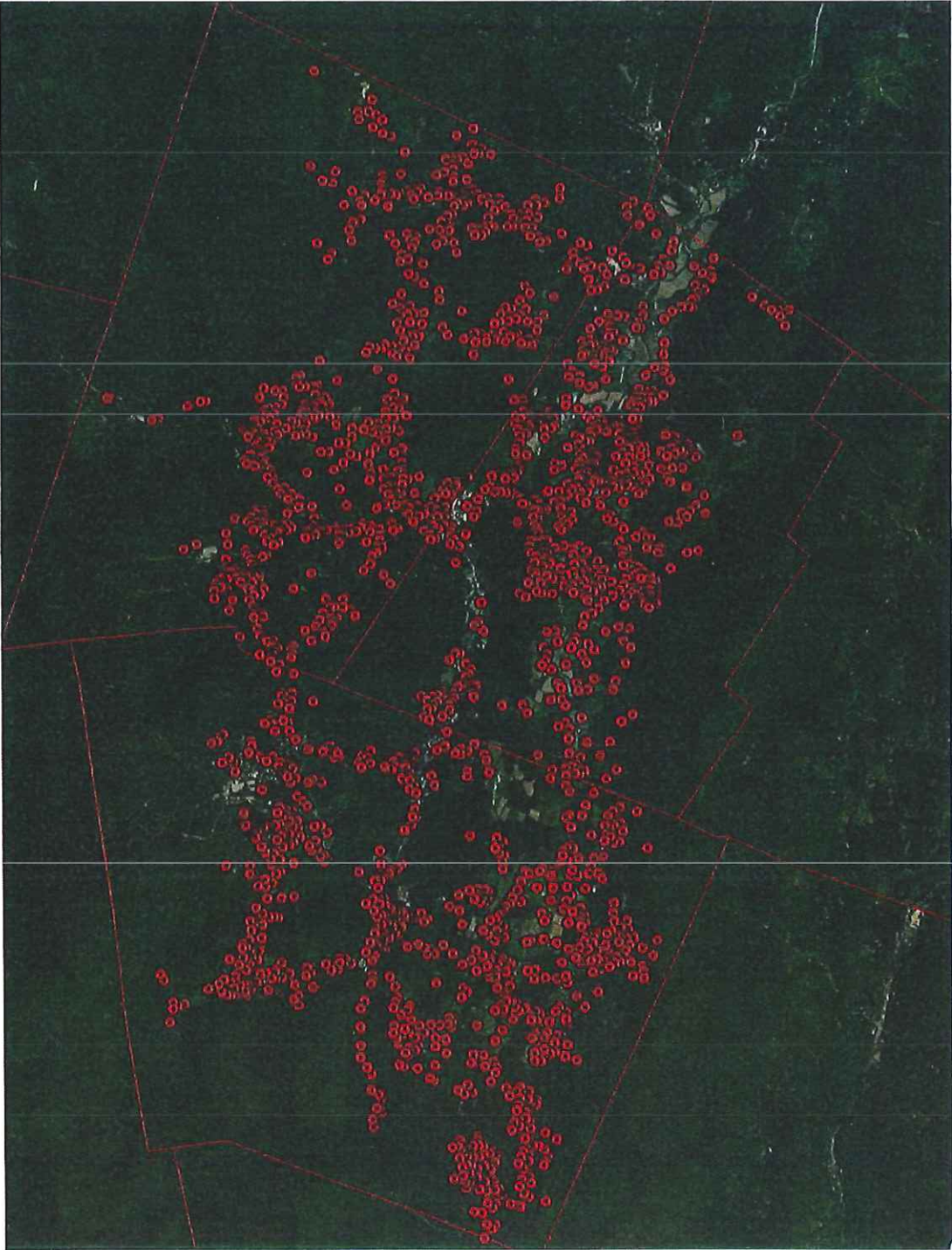
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[14] Source: U.S. Census Bureau.

[15] Source: U.S. Census Bureau.

Seasonal Housing Units: Market Areas (2000 – 2017)

	2000	2010	2017	Change 2000-'17
Primary Area				
Fayston	401	469	583	+45.4%
Waitsfield	174	198	198	+13.8%
Warren	1,336	1,493	1,708	+27.8%
Sub-Total Primary	1,911	2,160	2,489	+30.2%
% Change		+13.0%	+15.2%	
Secondary Area				
Duxbury	58	49	68	+17.2%
Moretown	77	73	97	+26.0%
Waterbury	95	76	52	(45.3%)
Granville	81	65	114	+40.7%
Sub-Total Secondary	311	263	331	+6.4%
% Change		(15.4%)	+25.9%	
Combined Area	2,222	2,423	2,820	+26.9%
% Change		+9.0%	+16.4%	

The table on the following page shows seasonal housing units as a percent of total housing units for the market area communities. For purposes of comparison, seasonal housing accounts for 16.3 percent of the total statewide.

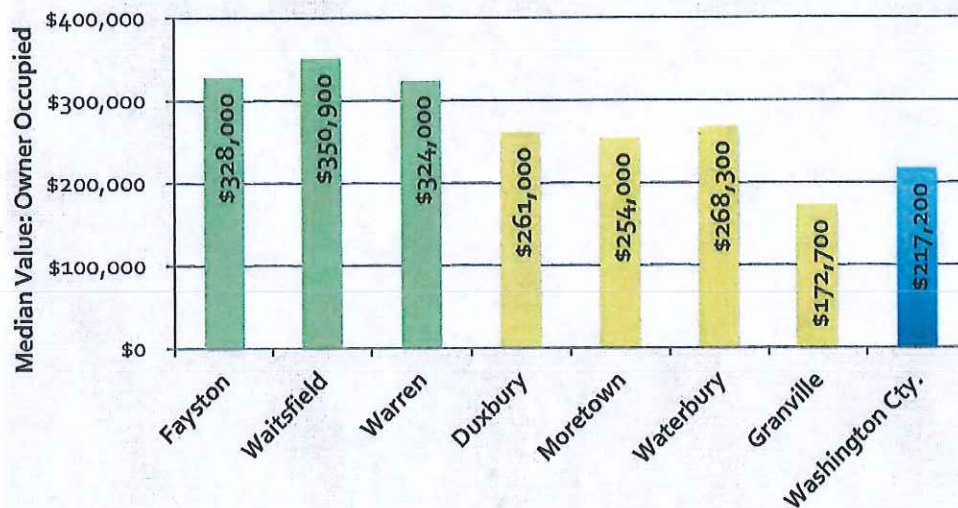Single Family Primary Units: Locations within Primary Market

The graphic below compares median values for owner-occupied units in the market area towns and for all of Washington County.[18]

Median Values: Owner Occupied Units (2017)

With an overall median value of $334,300, Primary market owner occupied units have substantially higher values than those in the Secondary market ($239,000) or Washington County ($217,200).

The graphic on the following page compares market area towns in terms of the percent of renter households that pay more than 35 percent of their household income toward rent.[19]

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[18] Source: U.S. Census Bureau.

[19] Source: U.S. Census Bureau.

Comparison: MRV Households by Size vs. MRV Occupied Housing Units by Size
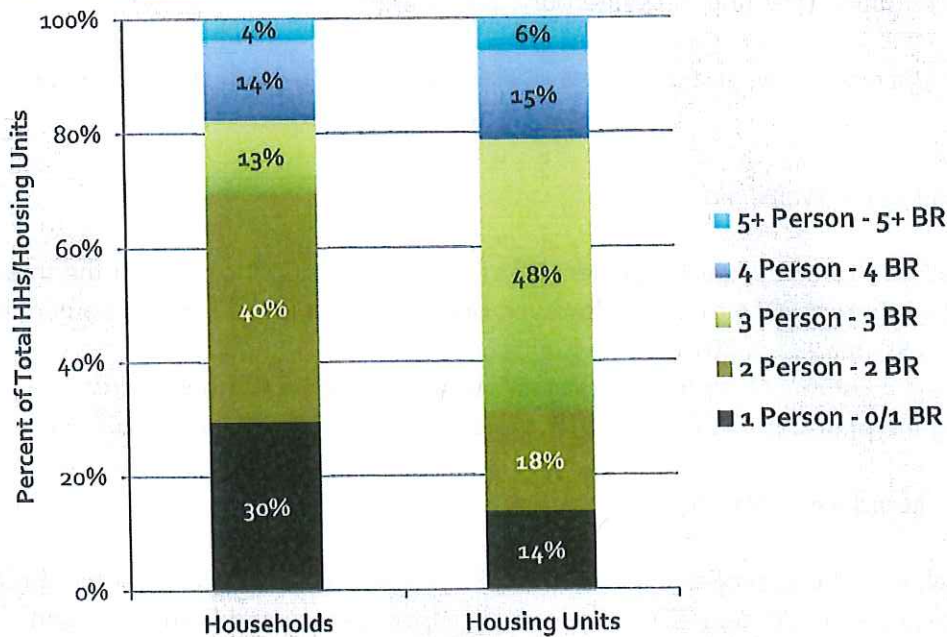
Note that 70 percent of the households in the three MRV towns include only one or two persons. However, only 32 percent of the occupied housing units in the valley include zero, one or two bedrooms. 69 percent of the valley's occupied housing units include three, four or five⁺ bedrooms, yet only 31 percent of the valley's households include three or more persons. Clearly, there is a mismatch between the valley's housing stock and the reality of current household size.

The primary and secondary market communities host a number of subsidized and affordable housing projects. The table on the following page summarizes these projects along with summary data regarding bedroom mix, rent type, age/disability limits, current vacancies and other factors.[22]

There are relatively few (60) subsidized/affordable units in the three Mad River Valley towns but a significant concentration (157 units) in Waterbury.

The following occupancy and waitlist data are available for two of the projects in the MRV towns:[23]

- *Evergreen Place – Waitsfield*

  o Overall, the 18 unit project experienced a 94 percent occupancy rate for the three year period from 2016 to 2018. However, occupancy increased from 91 percent in 2016 to 99 percent in 2018;
  o As of the most recent report, the project's waitlist included 42 households;
  o During the period from 2016 to 2018, the project experienced nine turnovers.

- *Mad River Meadows – Waitsfield*

  o Overall, the 24 unit project experienced a 95 percent occupancy rate for the three year period from 2016 to 2018. However, occupancy increased from 93 percent in 2016 to 96 percent in 2018;
  o As of the most recent report, the project's waitlist included 50 households;
  o During the period from 2016 to 2018, the project experienced ten turnovers.

It is clear that demand for affordable and subsidized housing far outweighs supply and that qualified households on project waitlists will have long wait period before securing a unit.

Housing Market Dynamics

A number of relevant housing market factors are summarized below:

Rental Market - Rental Vacancy

Nationwide, rental housing vacancy rates were up during the mid-2000s but have fallen since their high point in 2009. Northeast vacancy rates have also declined in recent years. Vermont vacancy rates have generally fallen well below U.S. and northeastern rates, with a statewide average of 4.2 percent during the 2015 to 2Q 2019 period. Vacancy rate trends for the three areas are compared in the graphic on the following page.[24]

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[23] Source: Downstreet Housing & Community Development.

[24] Source: U.S. Census Bureau. Data for 2019 through 2Q only.

and that, to some extent, property owners' switch to short-term rental as a business strategy has taken housing units out of the year-round market.

Ownership Market

The table below summarizes recent sales trends for the year-round market.[28]

Market Sales Trends: MRV Towns (2014 – 2018)

		2014	2015	2016	2017	2018	% Change 2014 - '18
Fayston	Sales	13	15	12	16	16	
	Volume ($Millions)	$3.67	$3.48	$3.24	$4.34	$5.34	+45%
	Median	$311,538	$246,997	$265,377	$233,500	$363,125	
Waitsfield	Sales	23	29	18	29	37	
	Volume ($Millions)	$5.93	$8.59	$4.51	$10.21	$8.15	+37%
	Median	$258,161	$249,621	$221,333	$323,603	$240,162	
Warren	Sales	20	13	10	20	18	
	Volume ($Millions)	$5.17	$2.15	$2.97	$5.40	$6.90	+34%
	Median	$240,800	$155,000	$259,800	$209,000	$421,667	
Totals	Sales	56	57	40	65	71	
	Volume ($Millions)	$14.77	$14.22	$10.72	$19.95	$20.39	+38%
	Median	$264,352	$227,350	$244,163	$266,162	$313,887	

Overall, sales volume in the combined MRV towns increased by 38 percent between 2014 and 2018. By comparison, Washington County sales increased by 35 percent between 2014 and 2018 and Vermont sales increased by 41 percent during the same period. We also note that the median sale increased by 19 percent between 2014 and 2018 – for the combined towns.

An assessment of sales pricing for the primary home market over time is summarized in the graphic on the following page. The graphic shows the trend in sales over the period 1/1/14 to current (February 2020) using the median of 30 trailing sales over the six+ year time period.[29]

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[28] Data reflects sales for R1, R2, MHnoLand, MHwithLand categories only. Only 'market' sales included. Source: Vermont Department of Taxes, Division of Property Valuation.

[29] Source: Vermont Real Estate Sales database. Data for market sales of primary homes in Fayston, Waitsfield, Warren only. Graphic represents median of 30 most recent sales for each time period.

Community Input – Qualitative Assessment

Employer Survey

A survey of MRV employers and other interested persons was conducted in July of 2019. The following is a summary of survey responses and critical findings. The survey was distributed via three channels:

- A list of employers developed by the MRVPD. The survey was distributed via email with a cover letter explaining the methodology and purpose from MRVPD. The letter contained a direct link to the survey;

- The survey was distributed to the Mad River Valley Chamber of Commerce's membership email lists. Again, the survey was distributed via email with a cover letter explaining the methodology and purpose from MRVPD. The letter contained a direct link to the survey;

- The survey was distributed via an entry in the Front Porch Forum. Again, the survey was distributed via email with a cover letter explaining the methodology and purpose from MRVPD. The letter contained a direct link to the survey.

Detailed survey responses are included in Appendix B to this report.
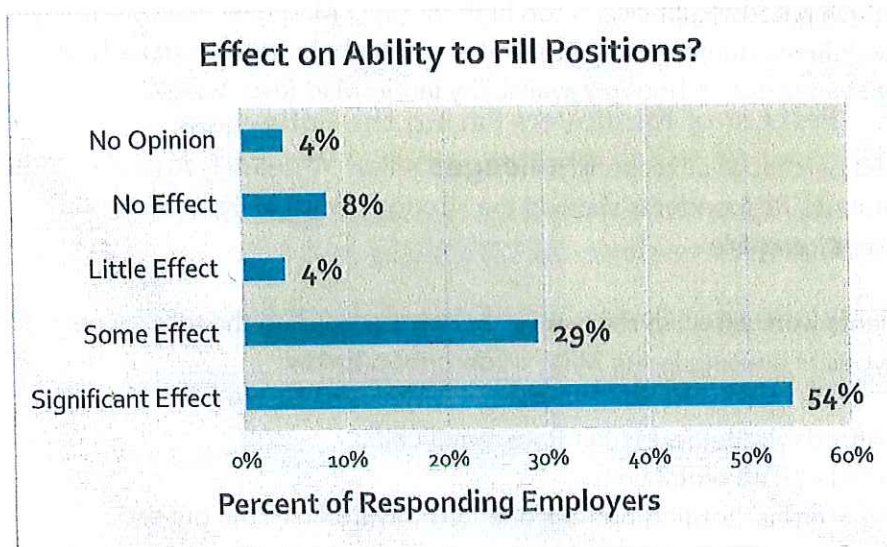
Respondents & Employment

- There was a total of 78 responses to the survey; 57 of the responses were from persons who are employers in the MRV, while the remaining 21 responses were from other individuals;

- Among employers, the highest frequency of responses was in the following industries:

  o Retail Trade – 30 percent of respondents;
  o Leisure & Hospitality – 23 percent of respondents;
  o Other Services (Repair/Maintenance; Landscaping; Wellness; Laundry) – 11 percent of responses;
  o Real Estate – 6 percent of responses;
  o Professional Services – 6 percent of responses.

- Respondent employers represent significant experience in the MRV. Respondents' businesses have operated from three to 115 years, with an overall median of 24 years of operations.

their employee base will decrease, pointing to increased housing demand over time. This is summarized in the graphic below.
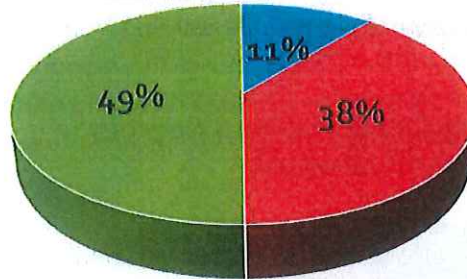
- Expect Employment to Decrease
- Expect Employment to Stay at Current Level
- Expect Employment to Increase

- A majority (62 Percent) of responding employers indicated that their business currently has unfilled positions. While this reflects employer experience throughout Vermont, the data again points to future increases in housing demand.

- Further to the previous query, a majority of responding employers indicate that the lack of housing options in the Mad River Valley has a 'significant effect' on their ability to fill positions. Responses are summarized in the graphic below:

Effect on Ability to Fill Positions?

Category	Percent
No Opinion	4%
No Effect	8%
Little Effect	4%
Some Effect	29%
Significant Effect	54%

Percent of Responding Employers

Housing Opinions & Options – <u>All</u> Survey Respondents

- Employers and other respondents were asked if 'a lack of housing choices in the Mad River Valley is having a negative effect on area businesses?' As shown in the graphic below, the response was overwhelmingly affirmative.

Is a Lack of Hosing Choices having a Negative Effect on Businesses?
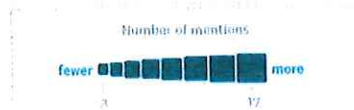

10%   12%
79%

■ Unsure   ■ No   ■ Yes
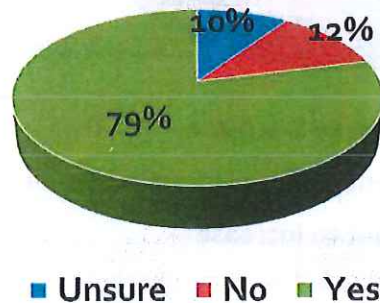
- Respondents were asked to respond to the extent of their agreement/disagreement with the following statements:

  1. There is a shortage of rental housing in the Mad River Valley.
  2. Mad River Valley rents are too high for most Mad River Valley employees.
  3. There is a shortage of ownership housing options in the Mad River Valley.
  4. Ownership housing pricing is too high for most Mad River Valley employees.
  5. Growth in the number of short-term rentals (airbnb, VRBO, etc.) is having a negative impact on housing availability in the Mad River Valley.

  Overall, 80 percent of *all* responses indicated either 'Absolutely Agree' or 'Agree' to the statements. Respondents showed the strongest level of agreement with statements #1 and #4.

- Respondents were asked to share their thoughts regarding the relative need for various types of housing in the MRV, as described below:

  o   Affordable/Below Market Rate rental units:
  o   Market Rate rental units:
  o   Ownership housing options oriented toward first-time buyers:
  o   Single Family ownership housing:

- Finally, respondents were offered an 'open-ended' opportunity to comment on housing as well as to offer any recommendations. Detailed comments are available in Appendix B to this report. The 'word cloud' below highlights the words and terms used most frequently in respondent comments.

one affordable housing work wage rent pay live business need employees housing affordable rental afford valley jobs people years apartment good

Number of mentions

fewer ▯▯▯▯▯▯▯ more

Community Interviews

As a follow-up to the survey, a number of persons with insight into the housing market in the MRV were interviewed. Interviewees included: Employers based in the MRV; Persons with development interests in the MRV; and other interested individuals.

The following summarizes some of the major points drawn from the conversations – the opinions reflect interviewee comments:

- Every employer contacted made it clear that housing is a major issue and problem for their business. While the level of direct involvement varied, every employer is involved in securing housing for their employees;

- A majority of employers feel that transportation issues are closely linked with housing. In particular, they feel that a strong priority should be place on locating any new housing development along a public bus route. This is particularly true for seasonal employees that do not own a vehicle and is regarded as a strong positive from an environmental and land use perspective.

- Similarly, a number of interviewees felt that it would be important to develop new housing where infrastructure (Water/Sewer systems) is available. To that end, a number advocated for the improvement/extension of infrastructure in the Waitsfield Village/Irasville area.

Housing Need and Market-Based Feasibility

Demand/Need Analysis

Households' behavior with respect to need and demand for housing can be closely tied to the combination of age and income. While a single household may make a move at any point, household *age by income* data is by far the best predictor of broad-based household decision-making/behavior and with respect to frequency of moves and housing preferences. Not surprisingly, young, relatively low income households' housing needs are different than those for upper age, upper income bracket households. (It should also be noted that lower income households have significantly fewer housing choices than do upper income households). Further, young/lower income households move much more frequently than do older/upper income households.

The tabular data on the following page shows detailed and summarized projected change in number of households by age/income cross-tabulation – for the combined Primary/Secondary market. In addition, shading provides simplified grouping of households by:[32]

- Younger Households (18 to 34 Years) – Lower Income ($0 - $34,999), Moderate Income ($35,000 - $99,999) and Higher Income ($100,000⁺);

- Middle-Aged Households (35 to 64 Years) – Lower Income ($0 - $34,999), Moderate Income ($35,000 - $99,999) and Higher Income ($100,000⁺);

- Older Households (65⁺ Years) – Lower Income ($0 - $34,999), Moderate Income ($35,000 - $99,999) and Higher Income ($100,000⁺).

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[32] Data Source: ESRI.

The data makes several points clear:

- The most significant increases will occur among middle-aged bracket, higher income households; however, all age brackets will experience increases among higher income households;

- Dramatic decreases will occur among middle-aged households in the lower and moderate income brackets.

The age/income data can be used as a basis for estimating annual activity in the housing market – the number of households that will be seeking a housing change in a given year - broken down by age/income bracket. The analysis uses 'propensity to move' factors for each age/income group, as a basis for estimating the number of households that will be seeking new housing. A relatively small segment of households will seek a change in housing at any given time. As such, it is helpful to assess the 'propensity to move' within household age/income groupings in order to estimate the number of housing changes likely to occur in any given year.

Households in various age and income groupings display markedly varied propensities to move within the course of a year. Most significantly, the propensity to move declines with increased age and income. Thus, younger, lower income households are most likely to move, while older, higher income households are least likely to move. In addition, households in rental housing have a higher propensity to move than do homeowners.

The 2023 age/income cross-tabulations have been applied to propensity to move factors specific to each age/income group, based upon a variety of available data. The result of these calculations is an estimate of the number of study area households – by age/income group - likely to be moving within the course of one year. Note that these figures include moves to all types of housing. Again, shading has been used to group the data by broad age/income category. The data is shown in the table on the following page.

households will increase dramatically in absolute terms, they are only expected to account for 16 percent of the housing market.

Rental Demand and Supply by Market Segment– a finer-grained assessment of rental housing need by low to moderate income rental market segment is summarized below. For background purposes, the table below shows Washington County Area Median Income (AMI) level limits for households at the 30, 50, 60, 80, 100 and 120 percent of AMI levels. [33] Note that income limits vary by household size.

Income Limits by Household Size: Washington County (2019)

	Household Income Limits (2019)					
	30.00%	50.00%	60.00%	80.00%	100.00%	120.00%
1 Person	$16,530	$27,550	$33,060	$44,080	$55,100	$66,120
2 Person	$18,900	$31,500	$37,800	$50,400	$63,000	$75,600
3 Person	$21,270	$35,450	$42,540	$56,720	$70,900	$85,080
4 Person	$23,610	$39,350	$47,220	$62,960	$78,700	$94,440
5 Person	$25,500	$42,500	$51,000	$68,000	$85,000	$102,000
6 Person	$27,390	$45,650	$54,780	$73,040	$91,300	$109,560

The study area's households have been broken down by age and income as follows:

- Incomes less than 30 percent of the Washington Area Median Income (AMI). For an average study area renter household (1.94 persons), the income limit is $18,853. Households in this extremely low income bracket may qualify for 'deeply subsidized' housing assistance, if available;

- Incomes ranging from 30 to 50 percent of the AMI. For an average renter household (1.94 prersons), the income range is $18,853 to $31,421. Households in this income bracket might quality for deeply subsidized housing or Low Income Housing Tax Credit rents, if available;

- Incomes ranging from 50 to 60 percent of the AMI. For an average renter household (1.94 persons), the income range is $31,421 to $37,705. Households in this income bracket might quality for Low Income Housing Tax Credit rents, if available;

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[33] AMI is an income value based on all incomes in a defined geographic area (in this instance, Washington County), and calculated annually by HUD. The AMI is the "middle" number of all of the incomes for the given area; 50% of people in that area make more than that amount, and 50% make less than that amount. Income limits source: HUD.

- *Present Unmet Need* – an estimate of total current housing demand by age/income group. The estimate assumes that all households living in deficient housing have unmet demand and that 75 percent of the households with rent more than 35 percent of household income have unmet demand;[34]

- *Change 2018 – 2023* – projected change in number of households by age/income group over the five year period.

- *Future Need* – estimated number of future (projected) households that will have unmet demand. Assumes segment of future households with unmet demand will equal the current segment that have unmet demand in each group.[35]

Housing Need – Young Households (<35 Years)

	Households < 35 Years						
	HH Income Level						
	< 30% AMI	30-50% AMI	50-60% AMI	60-80% AMI	80-100% AMI	100-120% AMI	Totals
Total HHs (2017)	73	76	35	117	95	93	489
Living in Deficient Housing	3	3	1	5	4	4	20
Rent > 35% of HH Income	32	21	8	20	14	12	107
Present Unmet Need	27	19	8	20	14	12	100
Change 2018 - 2023	7	(7)	(4)	(11)	1	1	(13)
Future Need	3	-2	-1	-2	0	0	(2)
Present + Future Need	30	17	7	18	14	12	99

[34] While household increases and households living in deficient housing represent pressing needs, it is less clear that all households paying rents that exceed 35 percent of household income have a pressing need for change. When rent exceeds 50 percent of more of household income -- the need becomes acute. However, there are households for whom rent at more than 35 percent of income is a sustainable situation. We note that there are additional households having difficulty finding housing simply because of lack of supply.

[35] Future Need calculated as follows: Change 2018-23 X (Present Unmet Need/Total HHs (2017).

Housing Need – All Households

	All Households						
	HH Income Level						
	< 30% AMI	30-50% AMI	50-60% AMI	60-80% AMI	80-100% AMI	100-120% AMI	Totals
Total HHs (2017)	382	381	221	429	346	342	2,101
Living in Deficient Housing	37	26	20	23	19	18	144
Rent > 35% of HH Income	127	63	28	36	24	20	298
Present Unmet Need	132	73	41	50	37	33	367
Change 2018 - 2023	51	226	(29)	60	98	96	503
Future Need	18	43	-5	7	11	9	83
Present + Future Need	150	116	36	57	48	43	450

The estimates show a *current* market-wide (Primary & Secondary combined) housing need for approximately 365 households, with younger households accounting for 27 percent of the need, middle-aged households accounting for 38 percent of the total and older households accounting for 35 percent of the need. Future need is estimated at approximately 85 households, primarily reflective of limited expectations regarding population/household growth.

Unmet Demand by MRV Town

The tables on the preceding pages show estimated unmet demand for the entire market area. At MRVPD's request, an analysis was completed to convert these values to show unmet need at the town level, for the three core MRV communities. These estimates are shown in the table on the following page. However, it is essential to keep in mind that:

- Housing markets cannot realistically be broken down on a town by town basis. Rather, housing markets typically range over multiple communities with little regard for town boundaries;

- Unmet need is not always most efficiently addressed on a town-by-town basis. Most importantly, urbanized towns – particularly those with support infrastructure – are typically the best location for multi-unit rental housing, even if potential residents live in adjacent communities.

Town-by-Town Estimates: Current Unmet Housing Needs – Warren

Warren	Unmet Need - Households		
Income Target -	Low	Moderate	Totals
Young	8	6	14
Middle-Aged	15	9	24
Older	15	3	19
Totals	38	18	56

Age Target is shown as the row axis label.

Current Market – Households Expecting to Move

For purposes of assessing housing *projects* that make sense in the current market, housing need might be more realistically expressed in terms of the segment of households shown in the preceding tables that can be expected to move during a 12 month period. These values were estimated using 'propensity to move' factors adjusted to account for higher moving rates among those who face a housing difficulty, such as a housing deficiency or a rental level that is not sustainable. While these 'movers' may find satisfactory housing in the private market, a significant portion would benefit from some form of housing assistance.

The table below shows the number of households likely to move in each age and income segment.

Households Expected to Move (12 Months) Among Those With Housing Need

	Households Expected to Seek Housing Change						
	HH Income Level						
	<30% AMI	30-50% AMI	50-60% AMI	60-80% AMI	80-100% AMI	100-120% AMI	Totals
HHs <35 Years	29	10	2	6	8	7	62
HHs 35 - 64 Years	29	10	2	6	8	7	62
HHs 65+ Years	12	12	1	1	1	1	29
Totals	71	31	6	13	17	15	153

Ongoing rental housing needs are weighted more heavily toward lower and middle-aged households; and are clearly weighted toward the lower end of the income scale.

The market pool estimates, as broken down by age and income, were applied to propensity to move factors specific to each age/income group, based upon a variety of research studies.[36] The result of these calculations is an estimate of the number of market pool households likely to be seeking to move within the course of one year, including moves to all types of housing.

- Capture Rate - only a segment of the qualified market pool will choose to live in a particular project. A decision to choose a particular project is motivated by both economic and subjective factors: Perceived affordability; Presence of competing alternatives; Preference for certain communities; Quality of school system; Access to services; Site/Building/Unit aesthetics, etc. While site factors and design are not defined at this time, it is possible to estimate capture rates based on experience with other, similar projects in Vermont and the region, as well as the particulars of the MRV market.

The range of project-types assessed includes:

- Deep Subsidy Rental – in this instance, we have assumed that these units would only be available to households with incomes at 30 percent or less of the median. Qualified tenants pay only 30 percent of their income toward housing costs. Assessments for the Family (18 to 61 Years) and Senior (62+ Years) markets.

- Affordable/Low Income Housing Tax Credit Rental Units at 50 Percent of Median – typically available to households with incomes ranging from 35+/- to 50 percent of the county median. Qualified tenants pay a set rent that is typically well below the market rate. Assessments for the Family (18 to 61 Years) and Senior (62+ Years) markets.

- Affordable/LIHTC Rental Units at 60 Percent of Median – typically available to households with incomes ranging from 50 to 60 percent of the county median. Qualified tenants pay a set rent that is typically well below the market rate. Assessments for the Family (18 to 61 Years) and Senior (62+ Years) markets.

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[36] Sources include:
- Ernst and Young Real Estate Journal
- American Demographics
- American Housing Survey - U.S. Census Bureau
- Current Population Reports - U.S. Census Bureau
- American Community Survey 2016 - U.S. Census Bureau

Propensity to move values have been adjusted to account for lower than average propensities in the northeast.

Households: Market Pool & Propensity to Move Summaries: Rental Housing

Housing Type:		Market Pools			Propensity to Move		
		Primary	Secondary	Combined	Primary	Secondary	Combined
Subsidized: 30% Median	Family	99	167	266	38	66	104
	Senior	108	154	261	17	24	42
Afford/LIHTC: 50% Median	Family	42	102	144	11	26	37
	Senior	61	111	172	7	13	20
Afford/LIHTC: 60% Median	Family	45	92	137	10	22	32
	Senior	37	79	117	4	8	11
Market Rate: 80% Median	Family	109	198	307	22	42	64
	Senior	74	117	190	7	11	18
Market Rate: 100% Median	Family	110	212	322	21	42	63
	Senior	71	106	178	7	10	17
Market Rate: 120% Median	Family	107	202	309	17	34	52
	Senior	70	105	175	6	9	15
Totals	Family	511	974	1,485	120	231	351
	Senior	421	672	1,093	48	75	123
	All	932	1,646	2,578	168	306	475

Not surprisingly, the household totals for the Secondary Market are larger, given this market's larger total population. However, the Capture Rate screen, as summarized below, mitigates this differential by accounting for the Primary Market's higher attraction to a local project.

Ultimately, the success of a rental project is dependent on the extent to which it 'captures' the available market; how many of the qualified households seeking a new housing situation are attracted to the project. As noted above, a range of factors come into play in projecting capture rates and market penetration. An MRV-based project will be relatively more attractive to residents of the Primary Market. However, it is also apparent that a number of households now residing in the Secondary market would choose to move to the MRV.

The table on the following page summarizes the results of the Capture Rate/Penetration analyses as applied to the households with a propensity to move summarized in the table above. *Average* level annual and monthly penetration (number of households) is shown for the Primary/Secondary Market and broken down by family/senior age groups. Average penetration rates are analogous to lease-up rates.

- While standards vary by household size, households (from one to four persons) in the 120 to 140 of AMI bracket typically have incomes ranging from $66,000 to $110,000;

- Based on household age x income demographics, we estimate that there are 102 primary market area and 180 secondary market area households in the 120 to 140 AMI bracket;

- Approximately 41 percent of the target group households are currently renters. As such, there are approximately 42 primary market area and 74 secondary market area households that currently rent;

- Using propensity to move factors specific to Washington County, it estimated that approximately 10 to 15 Young and Middle-Aged *renter* households with incomes in the 120 to 140 percent of AMI range will seek to change housing within a 12 month period.

Based on the calculations summarized in the table below, households in the 120 to 140 of AMI range could typically afford a home with a market value in the $325,000 to $455,000 range. The calculations assume that total monthly housing costs (Mortgage, Real Estate Taxes, Home Insurance) will not exceed 35 percent of the household's income.

Affordable Housing Payment Calculations

	120% AMI	140% AMI
HH Income	$78,065	$91,076
Upper Affordable Monthly Housing Payment @ 30/35%	$1,887	$2,656
Monthly Payments		
Real Estate Taxes	$350	$535
Home Insurance	$90	$105
Available for P/I	$1,447	$2,016
Mortgage Value	$310,450	$432,737
+ Down Payment @ 5%	$16,339	$22,776
Home Value (Rounded)	**$327,000**	**$456,000**

The monthly housing cost for a $325,000 home would be approximately $1,885 (30 percent of 120% AMI Household's income), while the monthly housing cost for a $455,000 home would be approximately $2,655 (35 percent of 140% AMI Household's income).[37] In sum, the

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[37] The calculations were set at *30* percent of HH income at 120% AMI and *35* percent of HH income at 140% AMI to show the full range of potential pricing.

Recommendations

Based on the research and analysis as summarized above, we recommend three housing projects as priorities for the MRV. While these three projects will not fully encompass all housing demands and needs, they do address several clear realities and priorities:

- MRV Demographics – an aging population and the reality that many Vermont seniors are inadequately prepared to address the financial and housing demands of aging;

- A clear community need to address housing needs for persons that work in the MRV. 'Workforce housing' is in short supply throughout Vermont, but the problem is particularly acute in the MRV;

- Housing that will give younger households and families an opportunity to 'grow roots' and seek permanence in the MRV.

Ultimately, the location of a new housing project is the result of a number of factors coming together – and is not necessarily the result of planners' wishes:

- A property is available to the market at a price that makes the project feasible from a financial perspective;

- The desired project can be constructed within the bounds of effective local/state regulation;

- The required infrastructure can be provided either in the form of existing sewer/water systems or with on-site systems;

- The project is acceptable to neighbors.

While the preceding analyses makes it clear that there is unmet housing demand throughout the MRV, we feel that the best location for new housing projects – particularly multi-unit projects – is in one of the MRV's village areas; Waitsfield, Irasville or Warren.

- Although limited in scope and geography, there is infrastructure available in portions of the village areas. Available water and sewage treatment can be significant limiting factors for a multi-unit project. Moreover, power, internet and other services are already available in village areas;

- A location in existing village areas will give residents direct access to the valley's public transit system, reducing the number of required vehicular trips and potential

- *Amenities* – we recommend:

    - On-site laundry facilities;
    - On-site meeting/function room – available to groups or to individual households seeking to host a group event;
    - Exterior green/play space.

The recommended project is relatively large when compared with recent residential development activity in the MRV.[40] However, we note the following:

- Even at 35 units, a new workforce housing project would not come close to meeting all of the unmet demand in the MRV;

- Recent experience with workforce housing projects throughout Vermont has made it clear that small projects are not financially feasible, both from development and ongoing maintenance perspectives. At a minimum, project typically need at least 25 units to make sense from a financial perspective.

These comments regarding project size also apply to the recommended senior project, as summarized below.

- **Senior Rental Housing** – the valley's senior population is, and will continue, to grow. While a portion of this population is financially independent, a significant segment has limited financial resources and could benefit from assistance with the housing component of their budget. This project would be oriented toward a mixed-income clientele, but be focused toward the lower end of the income scale:

    - *Target Market* – very low to moderate income households, typically in the 15 to 80 percent of median range;

    - *Rental Structure* – the project should include deeply subsidized units (tenant pays no more than 30 percent of their adjusted income toward housing costs); LIHTC units at the 50 and 60 percent of AMI levels and 'market rate' units with rents slightly discounted from the going market;

    - *Project Scope & Mix* – seniors are slower to make moves than the younger market; however, we feel that a project including 20 to 25 units would make sense in the MRV market. To best respond to market demand, the project mix would include: 45 percent deep subsidy units; 35 percent LIHTC units and 20 percent 'market rate' units;

[40] Combined, the three MRV towns averaged 28 residential unit permits annually during the period from 2015 to 2018. Source: HUD, State of the Cities Data Systems.

o *Project Form* – we recommend highly efficient single family structures in a clustered layout.

o *Location* – although it is not essential that the project be located within a village setting, a site with easy walking or biking access to village services would be preferred, along with access to public transportation;

o Amenities – the site should include open green space, with potential for grilling, seating, gardening, etc.

- There are relatively fewer households in income brackets less than $50,000; and relatively more households in the $150,000 to $199,999 bracket.

Waitsfield – Detail

Waitsfield 2018	HH Age Group							Totals
	<25	25-34	35-44	45-54	55-64	65-74	75+	
<$15,000	0.0	6.2	6.8	18.5	18.5	12.5	9.5	72
$15,000-$24,999	0.0	4.8	5.2	21.6	21.4	18.2	13.8	85
$25,000-$34,999	0.0	5.3	5.7	6.5	6.5	6.8	5.2	36
$35,000-$49,999	0.0	15.3	16.7	10.5	10.5	16.5	12.5	82
$50,000-$74,999	0.0	21.6	23.4	20.6	20.4	11.4	8.6	106
$75,000-$99,999	0.0	20.6	22.4	31.1	30.9	21.0	16.0	142
$100,000-$149,999	0.0	20.1	21.9	42.1	41.9	11.4	8.6	146
$150,000-$199,999	0.0	0.0	0.0	22.1	21.9	13.1	9.9	67
$200,000+	0.0	0.0	0.0	23.1	22.9	6.2	4.8	57
Totals	0	94	102	196	195	117	89	**793**

Waitsfield – Grouped – Percentage of Total Households

	<25	25 - 44	45 - 64	65+	Totals
<$25,000	0%	3%	10%	7%	20%
$25,000 - $49,999	0%	5%	4%	5%	15%
$50,000 - $99,999	0%	11%	13%	7%	31%
$100,000 - $199,999	0%	5%	16%	5%	27%
$200,000+	0%	0%	6%	1%	7%
Totals	0%	25%	49%	26%	

Waitsfield Grouped Comparison to Three-Town Totals –
Percent Differentiation

	<25	25 - 44	45 - 64	65+	Totals
<$25,000	-1%	0%	4%	0%	3%
$25,000 - $49,999	0%	2%	-1%	-2%	-2%
$50,000 - $99,999	-1%	-1%	1%	-3%	-4%
$100,000 - $199,999	0%	-1%	4%	0%	4%
$200,000+	0%	-2%	1%	0%	-1%
Totals	-1%	-2%	9%	-5%	

*Comparison with Three Town Demographics*

- Waitsfield's population includes relatively more households in the 25 to 34 years and 55 to 64 years groups;

- Notably, there are relatively more Warren households in a low/moderate income bracket ($25,000 to $49,999) and in the uppermost income bracket ($200,000+).

Q1 Are you responding to this survey on behalf of a business that employs workers in the Mad River Valley?

Answered: 78   Skipped: 0
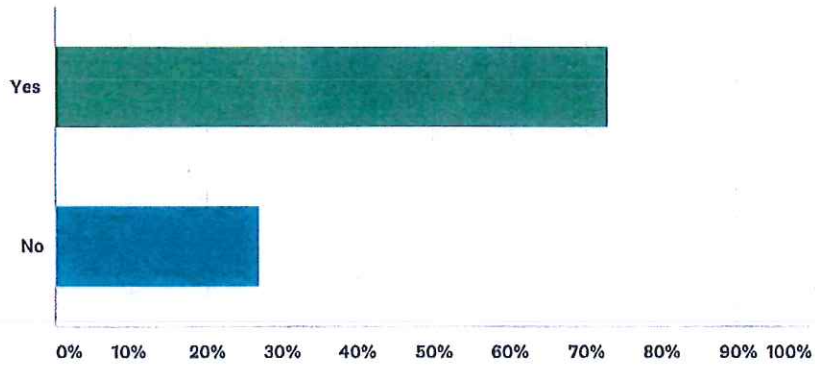
ANSWER CHOICES	RESPONSES	
Yes	73.08%	57
No	26.92%	21
TOTAL		78

Retail Trade	29.79%	14
Transportation/Warehousing/Utilities	0.00%	0
Information (Software, Video, Publishing, Telecommunications, Data Processing)	6.38%	3
Financial Activities (Finance, Securities, Insurance)	6.38%	3
Real Estate	6.38%	3
Professional Services (Legal, Accounting, Architecture, Engineering, Design, Consulting, Veterinary)	6.38%	3
Education Services	2.13%	1
Health Care Services	2.13%	1
Health Care Services	0.00%	0
Leisure & Hospitality (Arts, Entertainment, Amusements, Recreation, Accommodation, Food Services)	23.40%	11
Other Services (Repair & Maintenance, Landscaping, Wellness, Laundry)	10.64%	5
Government (Federal, State, Local)	0.00%	0

Total Respondents: 47

Q4 How many employees - of each type - did your business employ during the past year; at the peak time of year.

Answered: 42   Skipped: 36
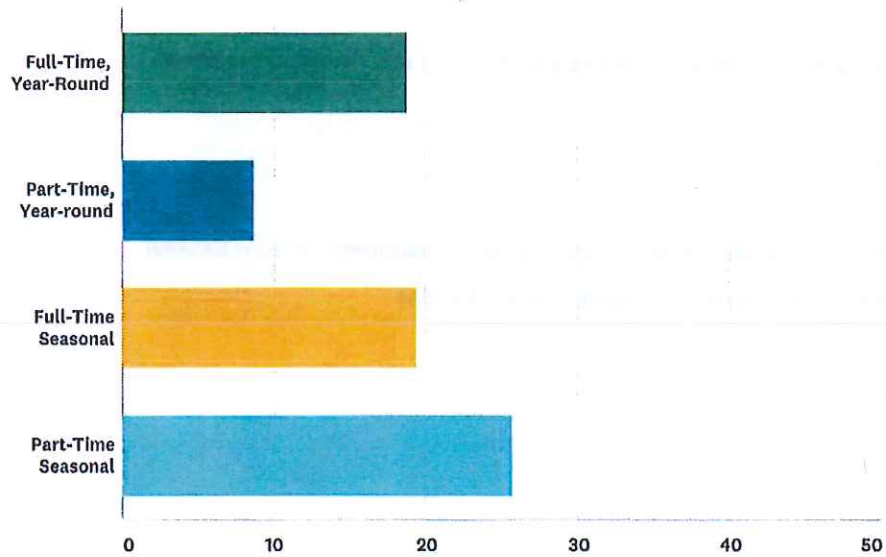
ANSWER CHOICES	AVERAGE NUMBER	TOTAL NUMBER	RESPONSES
Full-Time, Year-Round	19	736	39
Part-Time, Year-round	9	305	35
Full-Time Seasonal	19	272	14
Part-Time Seasonal	26	514	20
Total Respondents: 42			

Q6 Please estimate what percent of your employees commute more than 30 minutes to your place of business.

Answered: 36   Skipped: 42
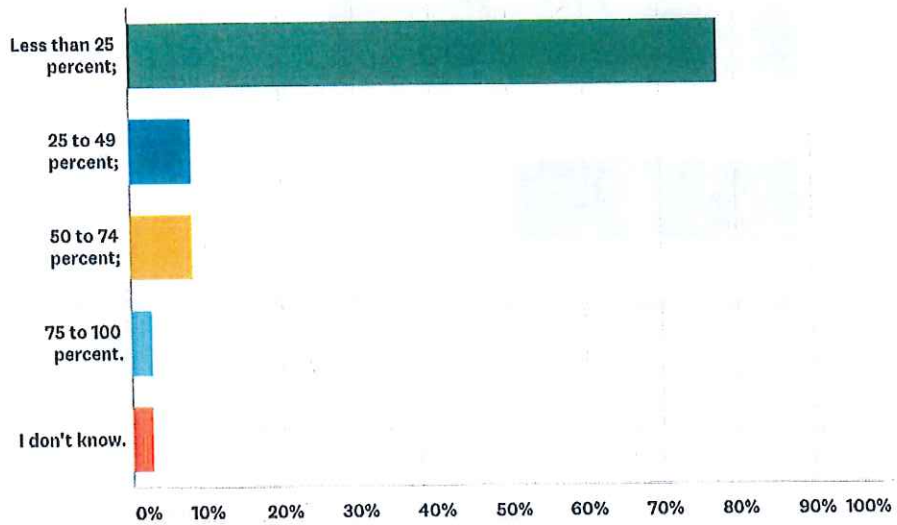
QUIZ STATISTICS

Percent Correct	Average Score	Standard Deviation	Difficulty
1%	21.7/88.0 (25%)	18.78	1/5

ANSWER CHOICES	SCORE	RESPONSES	
Less than 25 percent;	14/88	77.78%	28
25 to 49 percent;	37/88	8.33%	3
50 to 74 percent;	63/88	8.33%	3
✓ 75 to 100 percent.	88/88	2.78%	1
I don't know.	0/88	2.78%	1
TOTAL			36

Q8 Does your business currently have unfilled positions?

Answered: 37   Skipped: 41
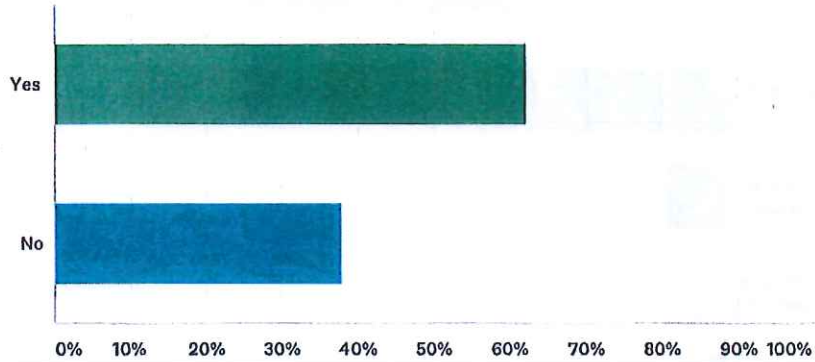
QUIZ STATISTICS

Percent Correct	Average Score	Standard Deviation	Difficulty
29%	1.6/2.0 (81%)	0.49	3/5

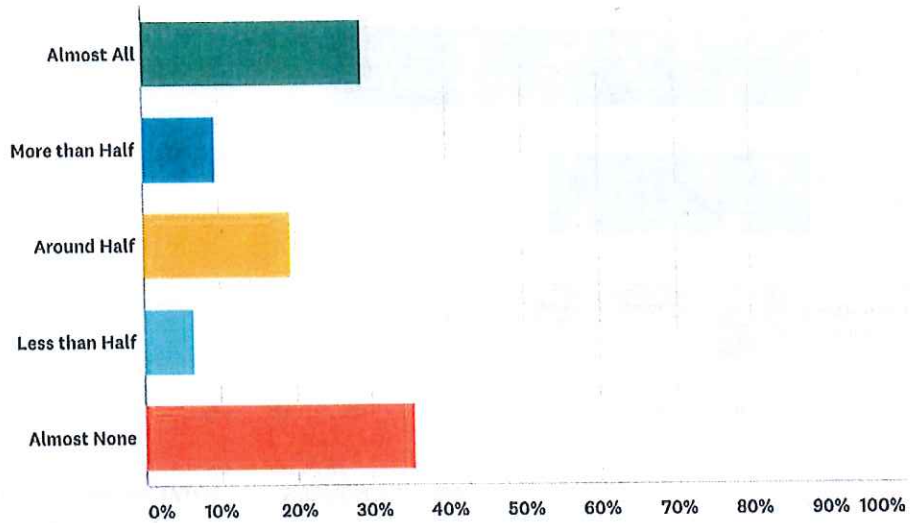| ANSWER CHOICES	SCORE	RESPONSES	
✓ Yes	2/2	62.16%	23
No	1/2	37.84%	14
TOTAL			37

Q10 Among your employees who now live outside the Mad River Valley, what segment would be likely to move to the Mad River Valley if suitable housing was available?

Answered: 31   Skipped: 47

QUIZ STATISTICS

Percent Correct	Average Score	Standard Deviation	Difficulty
12%	2.9/5.0 (58%)	1.68	2/5

ANSWER CHOICES	SCORE	RESPONSES	
✓ Almost All	5/5	29.03%	9
More than Half	4/5	9.68%	3
Around Half	3/5	19.35%	6
Less than Half	2/5	6.45%	2
Almost None	1/5	35.48%	11
TOTAL			31

Q12 Regarding new hires during the past few years, please make your best estimate regarding where the new employees lived at the time you hired them. (Please answer in percentages - total should add up to 100.)

Answered: 33   Skipped: 45
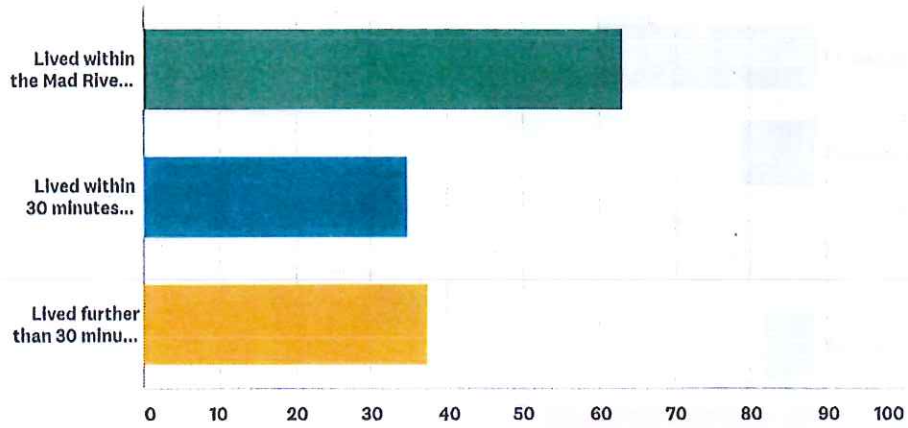
ANSWER CHOICES	AVERAGE NUMBER	TOTAL NUMBER	RESPONSES
Lived within the Mad River Valley:	63	1,895	30
Lived within 30 minutes drive-time of the Mad River Valley:	35	730	21
Lived further than 30 minutes drive-time of the Mad River Valley:	38	675	18

Total Respondents: 33

Q14 In general, do you think there is a lack of housing choices in the Mad River Valley?

Answered: 52   Skipped: 26
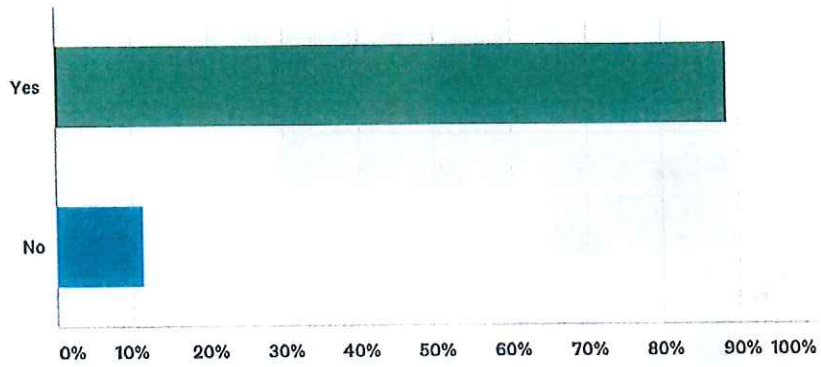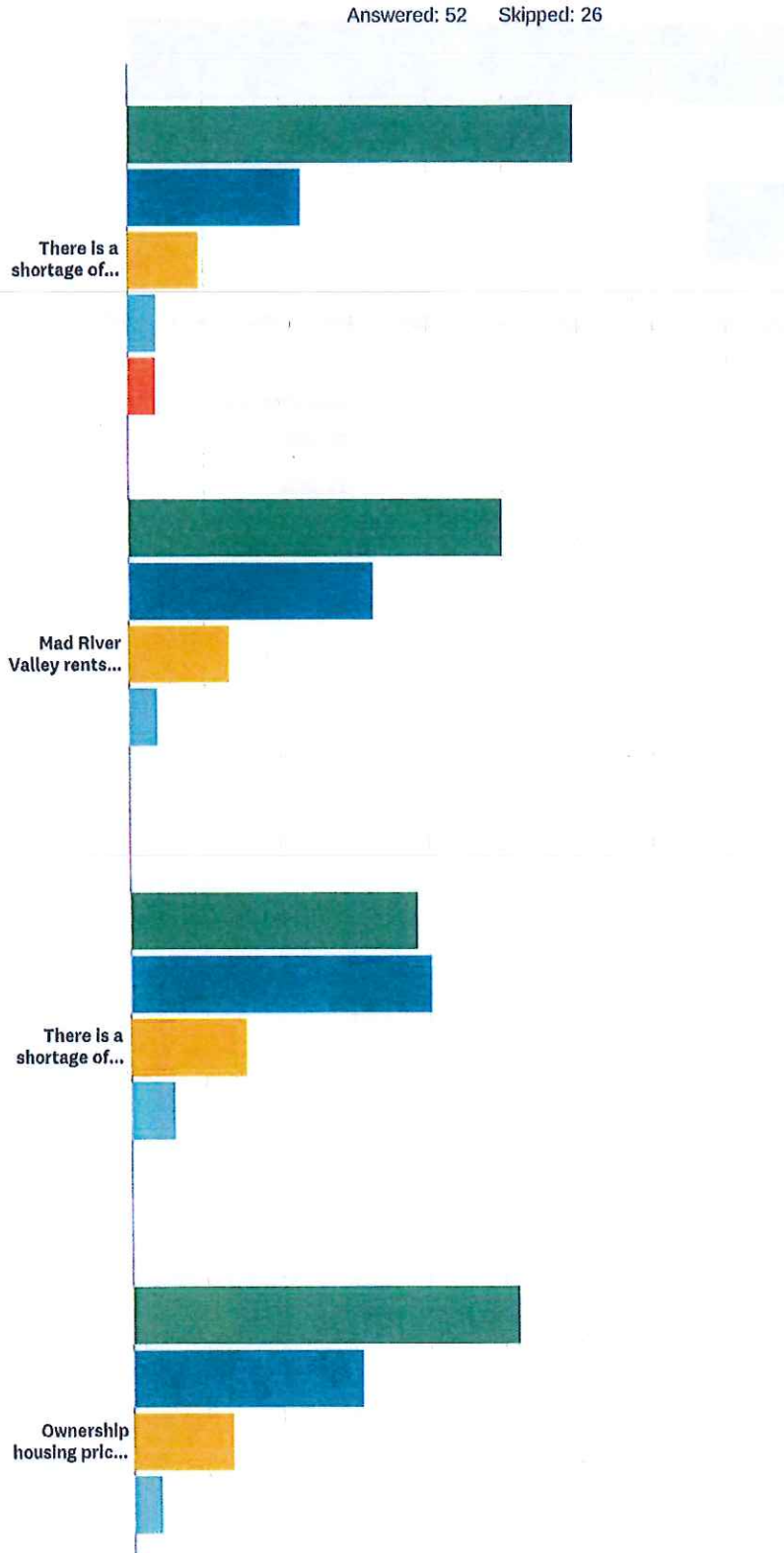

| ANSWER CHOICES	RESPONSES	
Yes	88.46%	46
No	11.54%	6
TOTAL		52

Q16 Anecdotally, lack of suitable and/or affordable housing options makes it difficult to attract and retain employees for Mad River Valley businesses. Please indicate the extent of your agreement or disagreement with the following statements:

Answered: 52   Skipped: 26

Q17 We're interested in your thoughts regarding types of housing needs. How significant is the need for each of the housing types listed below?

Answered: 51   Skipped: 27

Affordable/Belo w Market Rat...

Market Rate rental units...

Ownership housing opti...
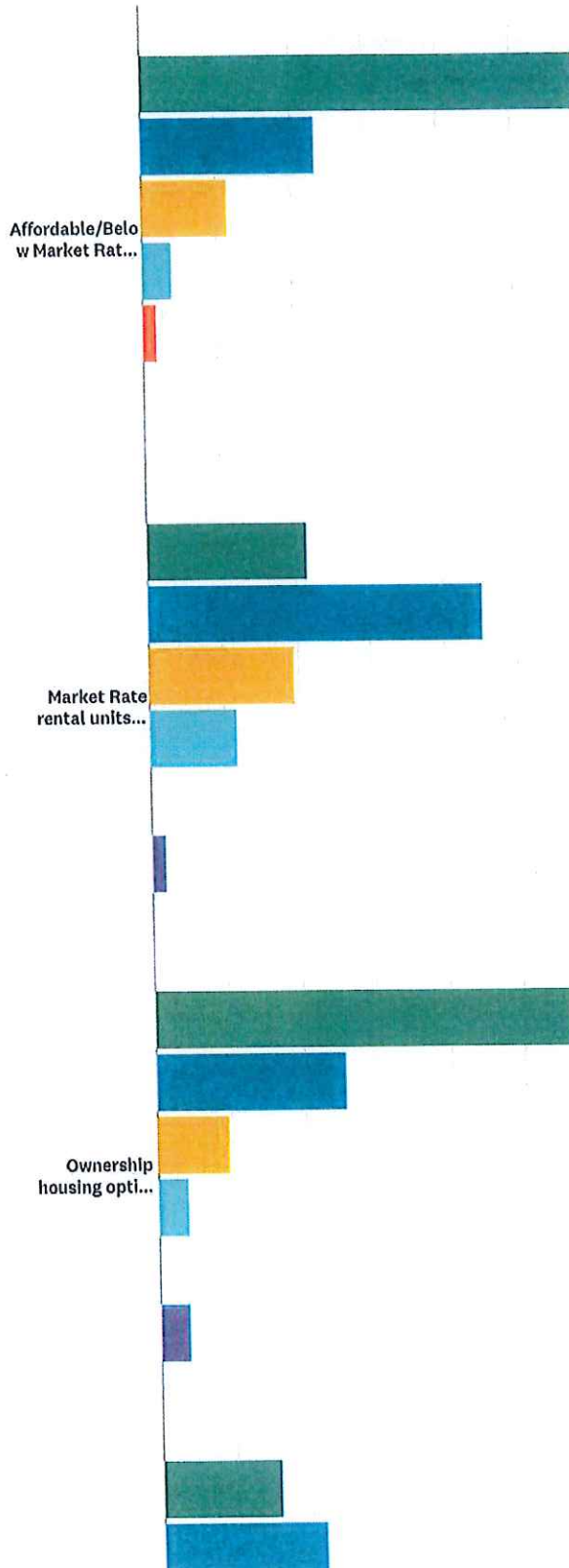
Q18 For those responding on behalf of an employer: Does your business provide any sort of housing-related assistance to current or prospective employees? (Background Information, Realtor Links, Finance, Provision of Housing, etc.) If so, please describe what you offer in the box below.

Answered: 23   Skipped: 55

Q20 We plan to follow-up with short phone interviews with a number of survey respondents. If you are willing to be interviewed by phone please insert your Name; Email; and daytime phone in the following boxes.

Answered: 23   Skipped: 55

ANSWER CHOICES	RESPONSES	
Name	100.00%	23
Email	100.00%	23
Daytime Phone	95.65%	22