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## **National report shows Vermont rental housing grows further "out of reach"**

### **Vermont's high cost of housing highlighted in new housing affordability report**

BURLINGTON – Vermonters who rent live in the fifteenth least affordable state in the nation, according to a new report jointly released by the National Low Income Housing Coalition (NLIHC), a Washington, DC-based housing advocacy group, and the Vermont Affordable Housing Coalition.

For Vermont's renters, the news isn't good. Rural Vermont ranks in the top 10 most expensive rural areas in the nation. Vermont's "Housing Wage" has risen to \$17.70 per hour, or \$36,812 per year. This represents an increase of 54% since 2000. The national Housing Wage is \$18.44 in 2010.

The report, Out of Reach 2010, provides the Housing Wage and other housing affordability data for every state, metropolitan area and county in the country, comparing 52 jurisdictions, including the District of Columbia and Puerto Rico. A Vermont fact sheet is attached. The full report is available online at [www.nlihc.org/oor2010/](http://www.nlihc.org/oor2010/).

The Housing Wage is the hourly wage a family must earn – working 40 hours a week, 52 weeks a year – to be able to afford rent and utilities for a modest two-bedroom apartment in the private housing market at the average Fair Market Rent (FMR). “Affordable” housing is generally defined as costing no more than 30% of a household's annual income. This year's FMR for a two-bedroom apartment in Vermont is \$920 statewide. It is \$821 in all non-metro areas combined, and \$1,116 in the Burlington-South Burlington Metro Area, which includes Chittenden, Franklin, and Grand-Isle counties. In the Metro area, the Housing Wage has risen above \$20 an hour for the first time ever and now stands at \$21.46.

Even during a time of economic downturn, when rents could normally be expected to decline, decent affordable housing has remained out of reach for many Vermonters. The inability to afford housing has pushed many new families and individuals into homelessness. This year's Point in Time Count, conducted on January 27, counted approximately 2,800 homeless Vermonters statewide. This number reflects a sharp rise in homelessness in recent years – a 25 percent increase since 2008. The Point in Time Count is a 24-hour count of the homeless coordinated by the [Vermont Coalition to End Homelessness](#) and the Chittenden County Homeless Alliance and conducted by service providers throughout the state.

“With rents continuing to climb further out of reach, homeless shelters have become the housing of last resort for Vermont's working poor and people living on fixed incomes,” said Melinda Bussino, Director of the Brattleboro Area Drop-In Center and Co-Chair of the Vermont Coalition

to End Homelessness. “This report underscores the need for the State to provide sufficient funding for affordable housing, homelessness prevention and other safety net programs.”

Vermont’s rental housing market has been among the Nation’s tightest for several years. Low-vacancy rates help push rents upward. That, combined with the fact that many Vermonters work in relatively low-wage jobs, creates enormous pressures for thousands of households in the Green Mountain State struggling to pay for necessities.

The situation for Vermonters with disabilities living on Supplemental Security Income (SSI) is absolutely dire: with a monthly payment of only \$726, they can afford no more than \$218 for their housing costs—severely short of the \$751 FMR for a one-bedroom apartment, or even the \$655 FMR for a studio apartment.

The typical renter in Vermont earns \$11.28, which is \$6.42 less than the hourly wage needed to afford a modest unit. A worker making the minimum wage (\$8.06/hour in Vermont) can only afford to pay \$419 a month for rent and utilities, less than half the cost of a modest two-bedroom apartment. Working at the minimum wage, a family must have 2.2 wage earners working full-time – or one full-time earner working 88 hours/week – to afford a modest two-bedroom apartment.

An estimated 55% of renters in Vermont do not earn enough income to afford a two-bedroom apartment at the Fair Market Rent, a two percentage point increase from last year.

“I work on a daily basis with programs that provide advocacy and services for low- and moderate-income people. I am not surprised to hear that safe, affordable housing is even more out of reach today than it was a year ago for many in our state,” says Ted Wimpey, Director of Statewide Housing Services at the Champlain Valley Office of Economic Opportunity and Chairperson of the Vermont Affordable Housing Coalition. “Funding, planning, permitting and development of new and rehabilitated affordable housing, as well as availability of housing subsidies, are simply not keeping up with needs which have only increased with the economic downturn.”

The Vermont Affordable Housing Coalition is Vermont’s only statewide membership organization dedicated to ensuring that all Vermonters have decent, safe and affordable housing, particularly the state’s low and moderate-income residents, elders, and people with disabilities.

The Coalition’s 70 plus members represent most of Vermont’s non-profit affordable housing developers, community land trusts, housing and homeless advocacy groups, public housing authorities, regional planners, funders, state agencies, and other organizations and individuals with an interest in affordable housing. Together, VAHC’s members provide housing and services to tens of thousands of Vermonters.

For information on the Vermont Affordable Housing Coalition, visit [www.vtaffordablehousing.org](http://www.vtaffordablehousing.org).

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