



Squeeze: High rents, low wages

Washington County housing still tight

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Even in an economic downturn, when rents could normally be expected to decline, decent affordable housing has remained out of reach for many Vermonters, including low and moderate-income workers in Lamoille and Washington counties.

Vermonters pay, on average, the 15th-highest rents in the nation, according to a new report from the National Low-Income Housing Coalition, a Washington, D.C.-based group, and the Vermont Affordable Housing Coalition.

The report, *Out of Reach 2010*, provides housing affordability data for every state, metropolitan area and county in the country.

Vermont's rental housing market has been among the nation's tightest for several years. The state's rental vacancy rate has been running at 3.5 percent. A stable, healthy rental market will have a vacancy rate of at least 5 percent, say experts in affordable housing.

Low-vacancy rates help push rents upward, based on the rule of supply and demand. Meantime, many Vermonters work in relatively low-wage jobs.

Further, the state's tight building restrictions make it difficult for developers to build new housing, the report says. Few new low- and moderate-income projects have been built in Vermont in the past decade.

As a result, many workers with low and moderate incomes have trouble finding housing, and others wind up homeless.

This year's Point in Time Count, conducted Jan. 27, counted about 2,800 homeless Vermonters statewide. That is up 25 percent from 2008. The 24-hour count is coordinated by the Vermont Coalition to End Homelessness and the Chittenden County Homeless Alliance and conducted by service providers throughout the state.

Housing wage

Vermont's 68,660 renter households continue to face a wide gap between rent levels and what they can afford to pay.

Housing is generally considered affordable if it consumes no more than 30 percent of household income for rent and utilities, or for mortgage, taxes and insurance.

The housing wage is defined as the hourly wage a family must earn — working 40 hours a week, 52 weeks a year — to afford rent and utilities for a modest two-bedroom apartment in the private housing market at the average fair-market rent.

Vermont's housing wage is \$17.70 per hour, or \$36,812 per year, and has risen 54 percent since 2000. The average statewide fair-market rent is \$920.

The typical renter in Vermont earns \$11.28. A worker making the Vermont minimum wage of \$8.06 an hour can afford to pay only \$419 a month for rent and utilities, less than half the average cost of a modest two-bedroom apartment.

The housing wage in Washington County — statistics aren't available for individual towns — is \$16.15 per hour, or \$33,600 a year, based on the \$840 fair-market rent for a modest two-bedroom apartment in 2010.

The 2010 national housing wage is \$18.44. The housing wage in Lamoille County is \$15.33 an hour, or \$31,880 a year, based on \$797 fair-market rent.

Long waiting lists

Currently, Washington County has 47 affordable housing sites, ranging from two to 120 units. At press time, there were no vacancies.

Waterbury has four affordable-housing sites totaling 54 units, of which 26 are reserved for elderly tenants.

Lamoille County has 19 affordable housing sites, ranging from three units to 48 units. At press time, there were no vacancies.

There's often a long waiting list for affordable housing. For instance, 28-unit Sylvan Woods in Stowe is not only full, but has more than 100 people on the waiting list.

A project in downtown Johnson should help some. Last summer, the state awarded a \$1.4 million grant to redevelop the contaminated, vacant former Vermont Electric Co-op building into 24 affordable apartments for senior citizens and families.

The grant went to the Lamoille Housing Partnership and Housing Vermont, which would like to develop more housing, but it says that finding a good location and obtaining the money to build

are huge obstacles.

For the full report Out of Reach 2010: www.nlihc.org/oor2010.

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Vermont rental housing, by the numbers

68,660: Number of Vermont rental households

\$920: Average statewide fair-market rent for a modest two-bedroom apartment

\$17.70: Hourly wage needed to afford that rent

\$11.28: Typical hourly wage of Vermont renters

54: Percentage of Vermont renters who can't comfortably afford a modest two-bedroom apartment

Zero: Number of affordable housing vacancies in Lamoille and Washington counties

2,800: Number of homeless people in Vermont