

Town of Essex and Village of Essex Junction Housing Needs Assessment and Action Plan

Adopted November 26, 2019

by the Essex Selectboard and the Essex Junction Board of Trustees



Prepared by the Essex and Essex Junction
Community Development Departments

With assistance from:
Vermont Housing Finance Agency
Chittenden County Regional Planning Commission

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Cover photos, clockwise from top right:

- Highland Village Apartments, 61-69 Pearl Street, Essex Jct. Photo credit Patty Benoit.
- 603 Dalton Drive, condos formerly part of Fort Ethan Allen Officers' Row, Essex. Photo credit Sharon Kelley.
- Thoughtful Growth in Action Working Group. Photo by Greg Duggan.
- Plans for Essex Residences, 5 Freeman Woods. Designed by BlackRock Construction, O'Leary Burke Civil Engineers, and Wiemann-Lamphere Architects.
- 57 Park Street, Essex Jct., by Green Mountain Habitat for Humanity. Photo credit Kyle St. Peter.

1 Executive Summary

The availability of adequate and affordable homes is an important goal for members of the Essex Community (i.e., the entire Town of Essex, including the Village of Essex Junction). However, in recent years, the stock of available homes has not kept up with increases in population and changing demographics at a regional scale. Compared to previous decades, households are becoming smaller and composed of young individuals and couples or seniors. Those households' needs and budgets are mismatched to the homes available in the area, which are often larger and located further from popular destinations. On top of this, household incomes in Essex and Essex Junction suffered a sharp decline around the 2008 recession and have only just recovered, but housing costs have risen during the same time period.

These conditions have resulted in a constricted housing market, where intense competition for homes has inflated rents and sale prices beyond what most households can afford without cutting back on other areas of their budget. Many households feel paralyzed paying high rents for apartments that do not meet their needs, or are not able to save enough for a down payment on a home. Their challenge is compounded by the trend of households aging in place rather than downsizing to condominiums or apartments, further limiting the number of available homes. Households in need of subsidized housing may face long wait lists or limited rent assistance. There is also a shortage of supportive housing for those in need of social services, such as those fleeing domestic violence, struggling with substance abuse, or living with a mental or physical handicap, including those in need of assisted living and/or memory care.

The impacts of the region's housing shortage are not limited to individual household economics – the lack of financial stability and reliable living situations can limit local spending power, discourage investment in the area, and impact public health. In addition, many households have settled in homes further from the nexus of jobs and destinations in the Burlington metro area. This has not only increased traffic congestion and household commuting expenses, it has also contributed to urban sprawl and a lack of community connections.

Though local governments have limited ability to influence larger economic trends, there are several strategies Essex and Essex Junction can use to improve housing options. Public-private partnerships and changes to zoning can encourage a wider range of home sizes or types as well as incentivize development in concentrated urban centers to utilize land more efficiently

Recommended Actions

- **Form a Housing Committee or Commission**
- **Promote wider range of home sizes and types in growth centers**
- **Consider inclusionary zoning**
- **Reduce development fees for affordable housing projects**
- **Establish a housing trust fund**
- **Explore public-private partnerships**

and better serve the needs of today's households. This could be taken further through inclusionary zoning, which would require that a portion of new homes be made available at rents or prices affordable to specific income levels. However, inclusionary zoning generally works only when there is a sufficient offset to the lost revenue from units sold or rented below market rate. These offsets can include reduced development fees, public investment in certain infrastructure improvements, or grants from a local affordable housing trust fund. All of these strategies would be most effective if overseen by an affordable housing committee or community advocacy group, ideally working jointly at the Town and Village level in coordination with other housing advocates.

2 Introduction

Housing is a basic need shared by every member of any community, and generally accounts for a large portion of a household's expenses. 24 V.S.A. §4302(c)(11) mandates that regional and municipal plans "ensure the availability of safe and affordable housing for all Vermonters."

In recent years, the lack of affordable housing has become a major issue in Chittenden County, as noted in the *2018 ECOS Regional Plan*. This is reflected in Essex as well, where rents and sale prices are higher than ever, but household earnings have not kept pace. There is a pervasive sense that many citizens struggle to afford homes that meet their needs. This has led to discussion of forming a housing committee. The 2016 Essex Town Plan calls for a study of the community's housing needs within the regional scope of housing that identifies strategies to reduce rising cost burdens for all residents.

This document undertakes a detailed analysis of current and projected trends in home availability and affordability in Essex. Based on that information, it then identifies existing barriers to the provision of affordable homes and provides an action plan with specific measures that the municipality can take to address the identified barriers and meet the goals of 24 V.S.A. §4302(c)(11) and the 2016 Town Plan.

2.1 Goals

It is difficult, if not impossible, for a municipality to control the housing market to meet each citizen's needs, as there are so many variables – construction costs, environmental constraints, financing complexities, income disparities, labor shortages, and demographic changes – that transcend local influence. Essex and Essex Junction cannot solve all of the issues surrounding housing and affordability within their borders. However, municipal programs and actions can make a significant difference in home availability for those in the most need. The Town of Essex and the Village of Essex Junction aspire to ensure that any resident (or aspiring resident) of Essex has access to a home that:

- Is affordable (no more than 30% of household income is spent on housing);
- Is a desirable type and size for their household;
- Is located with easy access to basic needs (jobs, schools, food, health care, and cultural experiences) via walking, biking, or public transit;
- Is of sufficient quality to ensure the health, safety, and enjoyment of its residents;
- Meets special needs, including senior care, ADA-accessibility, recovery housing, chronically homeless, impoverished, etc.
- Is made available regardless of race, religion, sex, sexual orientation, gender identity, age, national origin, pregnancy, disability, or status of citizenship, family, and military service

2.2 Driving Questions

Knowledge of the current conditions and major issues in the housing market is essential to understand how to meet the goals stated above. The Vermont Housing Finance Agency (VHFA) recently updated its HousingData.org website, which hosts data and resources on housing at the state, county, and municipal level. Generally, the housing market can be divided into two types: owner-occupied and rental housing. The following driving questions serve as a guide throughout the report to help navigate the wealth of information:

- (A) **Housing quantity:** Are there enough homes available in Essex to meet the current and future needs of its population?
- (B) **Housing affordability:** Do the home prices or monthly rents match the income levels of the current (and future) population?
- (C) **Housing quality:** Are there adequate, safe, and efficient facilities in the available homes?
- (D) **Municipal impact:** What effects may current housing problems have on the tax base / municipal budget? What impact would solving those problems have?
- (E) **Barriers and Actions:** What barriers currently exist to solving the housing problems in Essex? What actions could be taken to improve the quantity, affordability, and quality of homes in Essex?

2.3 Methods and Data Accuracy

This report generally follows the format of the VHFA’s guide to housing needs assessments. Except where noted, data for this report was sourced from American Fact Finder – a clearinghouse for U.S. Census and American Community Survey (ACS) data – as well as from HousingData.org, a website maintained by VHFA that displays selected Census/ACS data for Vermont as well as other datasets not maintained by the Census Bureau. Appendix A contains a list of the Census/ACS table code used to source each dataset.

The Census is a complete count of population, housing, and jobs conducted every ten years. In contrast, the ACS is a survey of a portion (or “sample”) of the population averaged over a one-, three-, or five-year survey period to reduce sampling error (at the municipal level in rural areas, 5-year averages are the most common). Because ACS data is an estimate, rather than an actual count like the Census, a margin of error (MOE) is reported with every ACS figure to denote the possible variation in the reported number due to sampling error. The MOE for Census and ACS data is reported at the 90% confidence interval, meaning that there is a 90% chance that the true figure for a given dataset falls within the reported margin of error.

Census, ACS, and VHFA data for the Town of Essex includes the Village of Essex Junction (collectively referred to “the Essex Community”), but in some cases counts the Village separately. This report generally presents the data at progressively larger geographic levels: Village of Essex Junction, Town of Essex (including the Village), and Chittenden County (which includes the Town of Essex and Village of Essex Junction as well as other municipalities).

This report analyzes data from the 2000 Census, the 2010 Census, and the 5-year ACS estimates as of 2010 and 2017 (the most recent available) to understand both long-term and recent trends. Though data for Essex and Essex Junction are generally reliable, accurate data may not be available for some sub-populations due to small sample size. Such instances are noted in the text.

Some figures presented in this report are derived from ACS estimates, such as vacancy rate or percent of households that are renters vs. owners. All derived estimates, as well as comparisons between Census and ACS data presented in this report, have been tested for statistical validity using methods approved by the U.S. Census Bureau. When data reliability is suspect, it is noted in the text. Appendix B contains full documentation of statistical testing performed for this report.

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3 Population, Demographic, and Housing Stock Trends

Within a community, home availability is a balance between supply (housing stock) and demand (population, specifically number of households competing for housing). Generally, housing costs are high when there is not enough supply to meet demand, and vice versa, though housing cost is also strongly related to household incomes. It is also important to consider the regional context of the housing market, since there are other options for housing outside the municipality's borders.

3.1 Population

The *2018 ECOS Plan*, a regional plan for Chittenden County, reports that the county's population grew by 3% over the five years from 2010 to 2015; this is higher than the growth of the overall state (0.01%) but lower than the nation (4%) over the same time period. The ECOS Plan estimates that the county's population will increase to 172,596 by 2030, a 7.2% increase over 13 years, or 0.54% per year.

The population of Essex has grown steadily over the last 15 years at a slightly higher rate than the county as a whole. More than half of the new growth has been within the Village of Essex Junction, which has grown significantly faster than the county average. Assuming the populations grow at the same rate, by 2030 Essex would add 1,925 people for a total of 22,826; Essex Junction would grow by 1,362 people for a total of 11,494.

Note that these projections, while computed with reliable methods, are still only estimates; actual growth rates may differ due to a variety of factors.

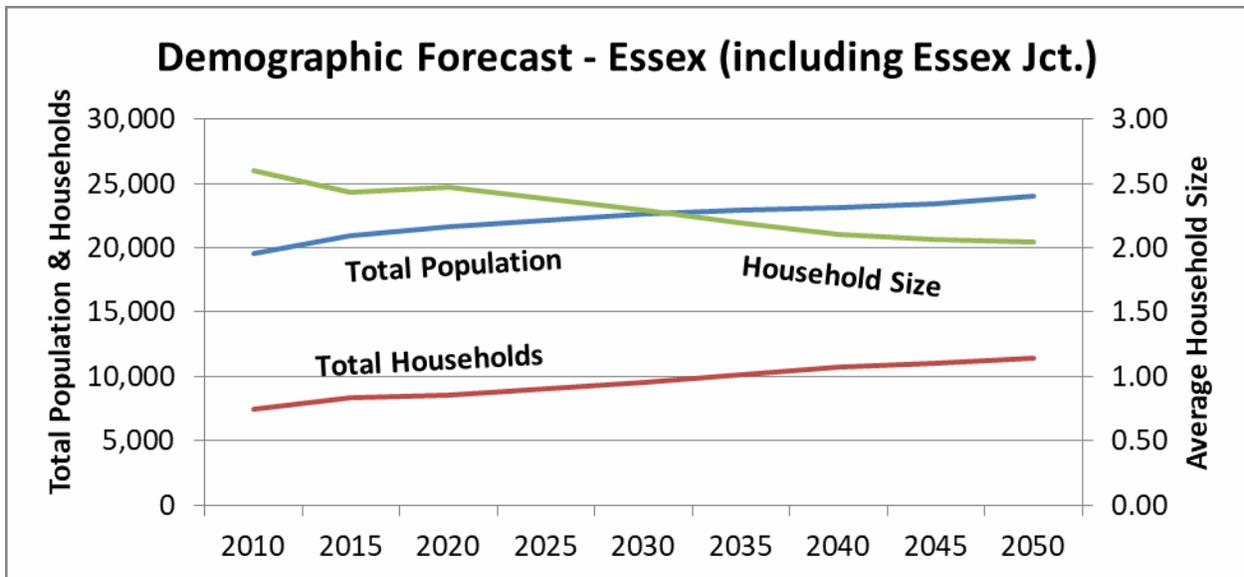
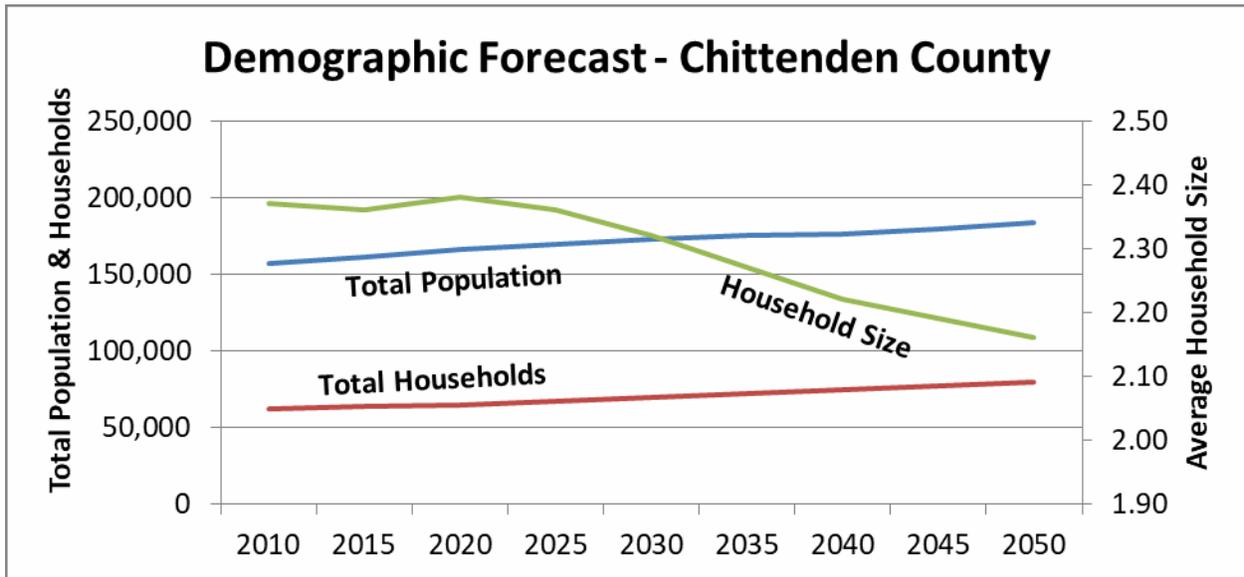
Population	2000	2010	2017	2017 MOE	Avg. Annual Change from 2000	% Change per Year
Chittenden County	145,571	156,545	160,985	N/A	907	0.59%
Essex	18,626	19,587	20,901	+/- 31	134	0.68%
Essex Junction Village	8,591	9,271	10,132	+/- 32	91	0.98%

3.2 Households

The demand for homes created by this population increase is evident from an increase in the number of households (groups of people, not necessarily related, who occupy the same dwelling). Again in this metric, growth is higher in Essex, particularly Essex Junction, compared to the county as a whole. Assuming household growth continues at the same rates, the number of Chittenden County households would increase by 7,309 to approximately 72,215 by 2030. In Essex, this growth rate would result in an additional 1,547 households (total of 10,236), of which 852 (more than half) of which would be in Essex Junction for a total of 5,167.

3.3 Household Size

In some communities, an increase in the number of households may be due in part to shrinking household size (the average number of people in a household, including children and dependents). Since 2000, household size in the Village has declined much more significantly than in the county or the Town. Note that the MOE for 2017 data was too high to confirm statistical difference for all geographic areas, but comparisons were valid for 2016 for the county and Town of Essex, so those are used here.



Number of Households	2000	2010	2017	2017 MOE	Avg. Annual Change from 2000	% Change per Year
Chittenden County	56,452	61,827	64,906	+/- 552	497	0.82%
Essex	7,013	7,887	8,689	+/- 233	99	1.27%
Essex Junction	3,409	3,875	4,315	+/- 200	53	1.40%

Average Household Size	2000	2010	2016*	2016 MOE	Avg. Annual Change from 2000	% Change per Year
Chittenden County	2.47	2.37	2.35	+/- 0.02	-0.01	-0.30%
Essex	2.62	2.48	2.44	+/- 0.07	-0.01	-0.43%
Essex Junction	2.48	2.39	2.38**	+/- 0.11	-0.01	-0.25%

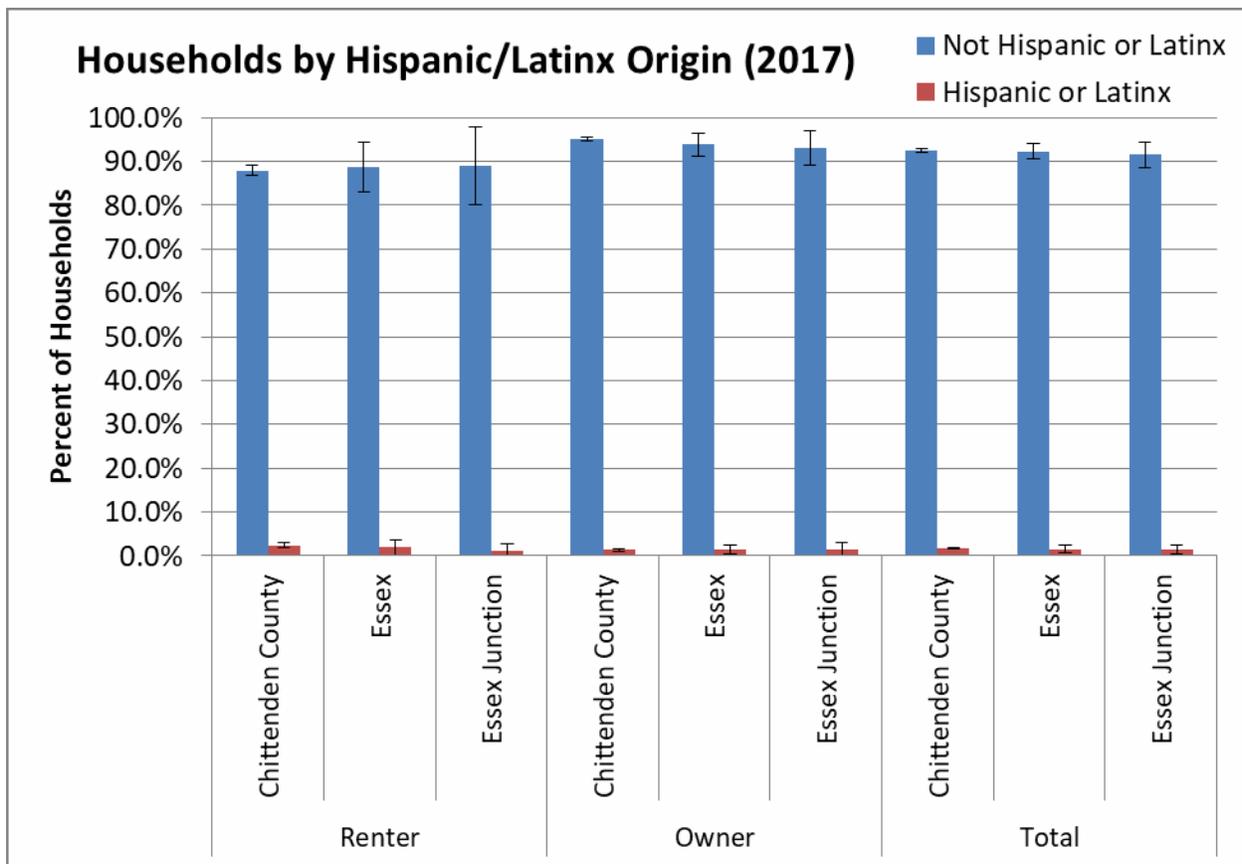
*2016 data were used because 2017 MOEs are too high to confirm a statistical difference for each of the three geographies

**MOE is too high to confirm a statistical difference between 2016 and earlier years in Essex Junction

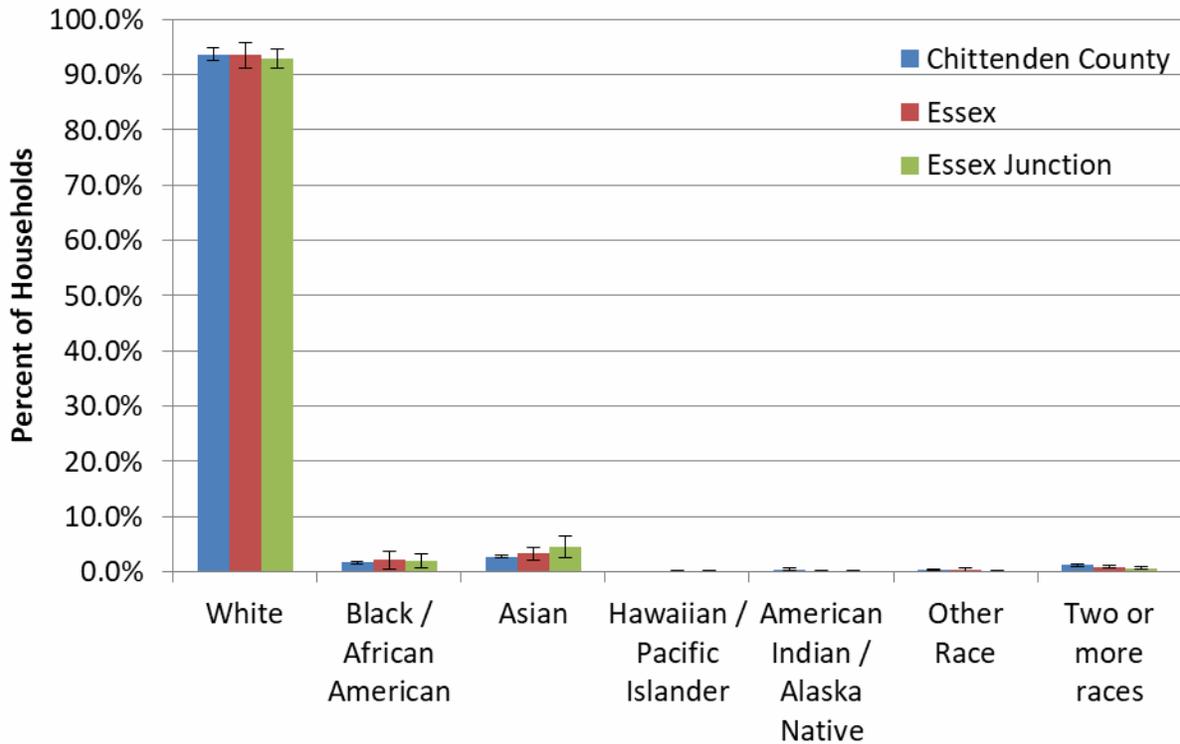
3.4 Race of Householder

Vermont’s overall racial and ethnic diversity is quite low compared to most other states – in 2017, 96.3% of Vermont householders were white, with all other races making up the remaining 3.7%. Ethnic diversity is slightly higher in Chittenden County, Essex, and Essex Junction, with non-white races making up about 10% of all householders, primarily composed of people of black / African American or Asian descent (the *2018 ECOS Plan* notes that racial and ethnic diversity is growing in the county). However, the proportion of non-white households is slightly higher among renters than homeowners, which may be an indication of lower affluence among those groups.

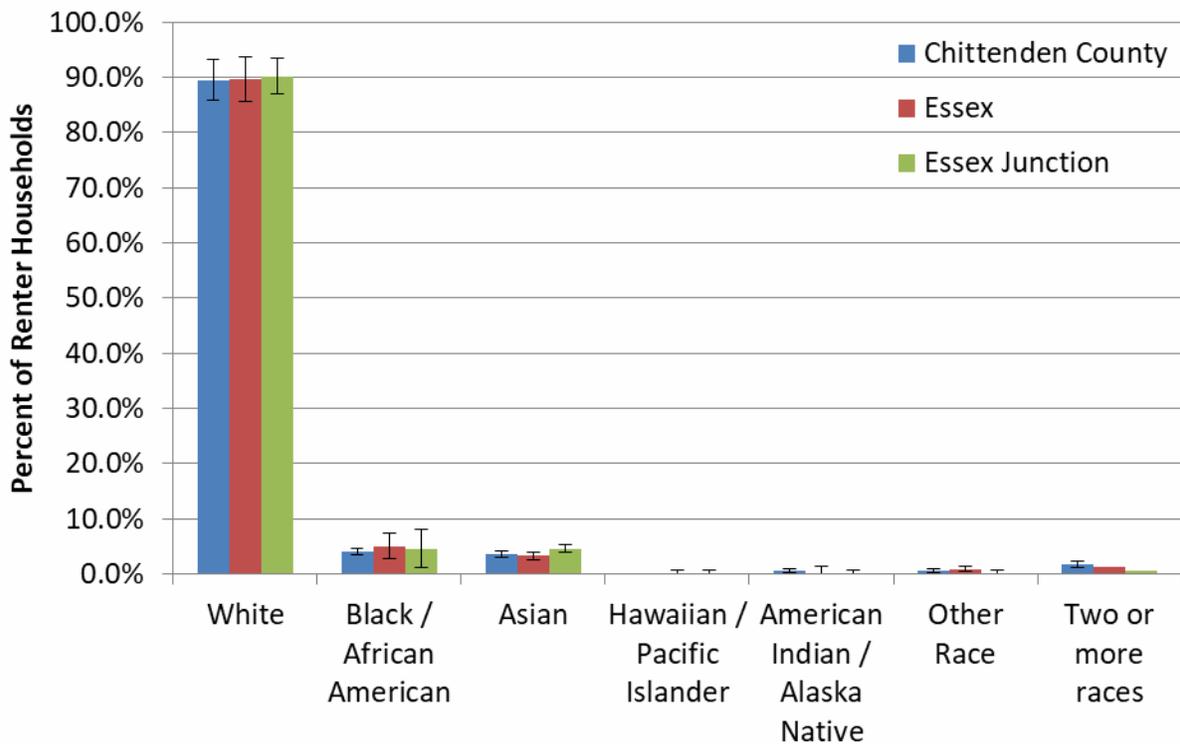
The Census and ACS collect information on self-identified race separately from those who identify as Hispanic or Latino / Latina (“Latinx” is used as a collective, gender-neutral term); for example, an individual may identify as both black / African American and Hispanic / Latinx. The latter terms attempt to encompass both those from Spanish-speaking countries across the world (“Hispanic”) as well as those specifically from Latin American countries (“Latinx”). In Chittenden County, Essex, and Essex Junction, those who identify as Hispanic or Latinx account for about 8-9% of all households, but again account for a higher proportion of renting households.



All Households by Race (2017)



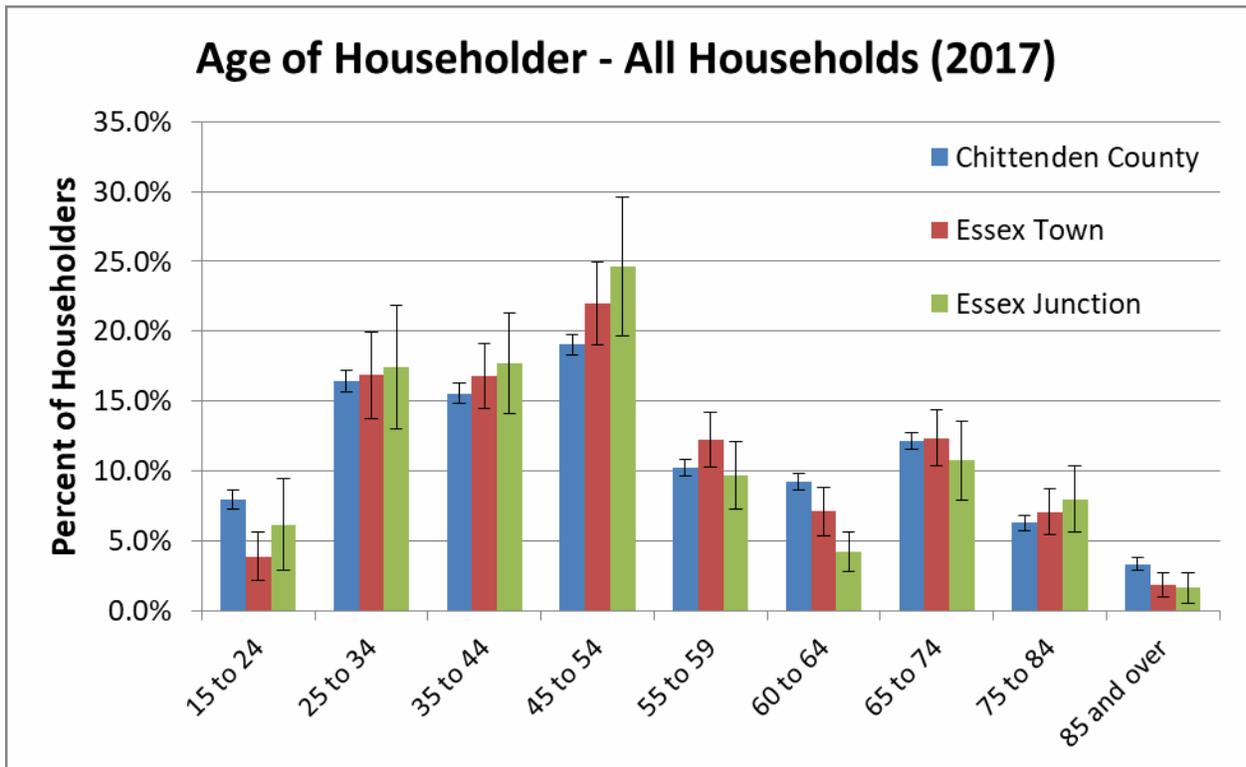
Renter Households by Race (2017)



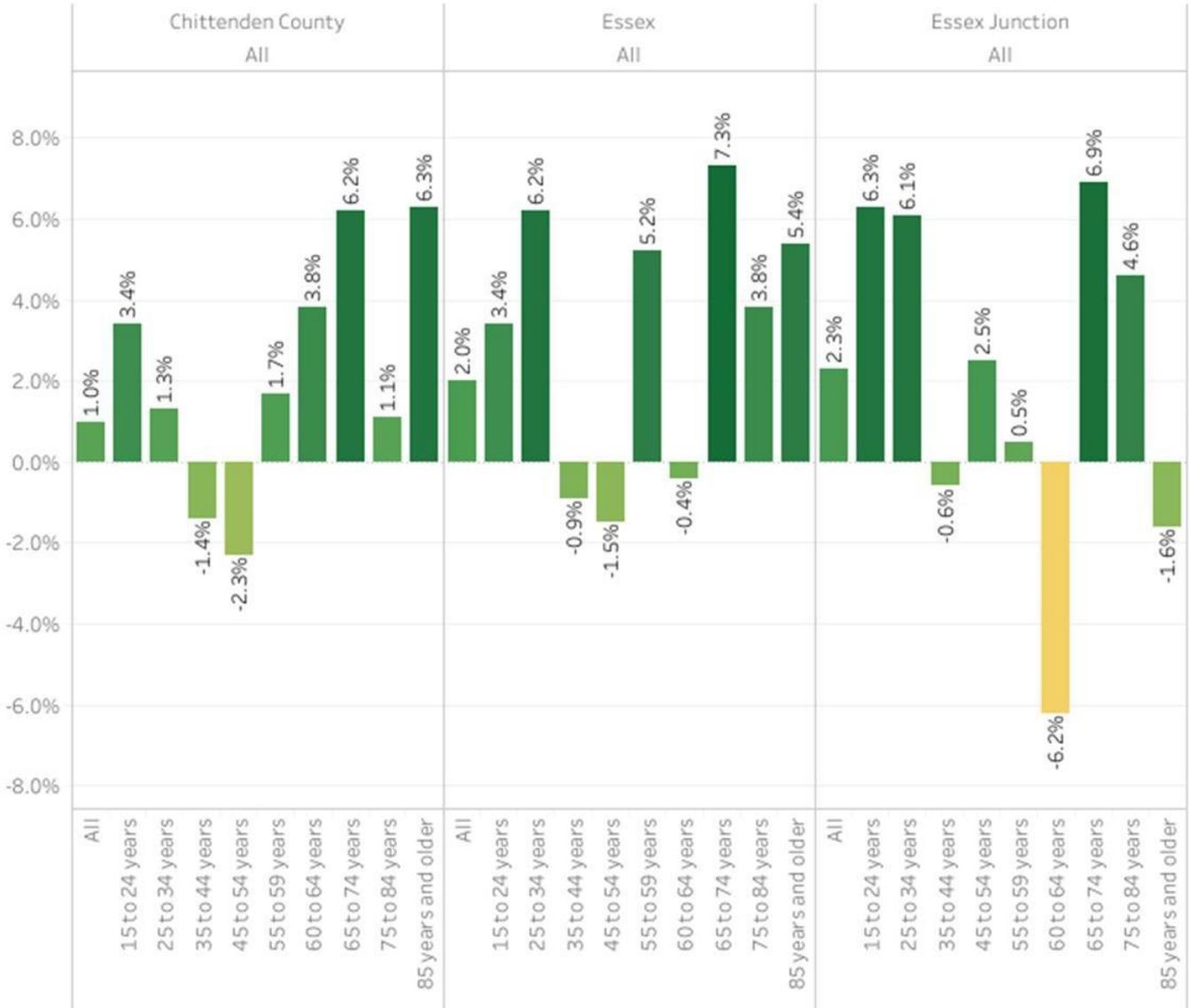
3.5 Age of Householder

The trends in household size may be explained in part by significant shifts in the age of householders since 2010. As the children of “baby boomers” (those born between the late 1940s and early 1960s) have grown up and moved out, they not only reduce the size of the household they leave but also form smaller households of their own. This also indicates why there has been significant growth in both young adult and senior households.

Though there has been a slight decrease in the number of middle-aged householders, the predominant household age group in the county, Town, and Village is still 45-54, and over half of all householders are between the ages of 25 and 54. As this cohort continues to age, there will be increasing demand for homes suitable for seniors, including those with lower maintenance obligations, greater accessibility, and greater on-site healthcare support.



Average annual estimated rate of growth since 2010



Source:

U.S. Census Bureau: American Community Survey 5-year estimates, 2013-2017 (Table B01003); U.S. Decennial Census (for 2010 data)

Description:

The average annual estimated rate of growth in the number of households is based entirely on the difference between the 2010 Decennial Census count and the most recent 5-year estimate available from the American Community Survey. A household includes all the people who occupy a housing unit as their usual place of residence. A housing unit is defined as owner occupied if the owner or co-owner lives in the unit, even if it is mortgaged or not fully paid for. All occupied units which are not owner occupied, whether they are rented for cash rent or occupied without payment of cash rent, are classified as renter occupied. The ages of household is based on the ages of the householders surveyed. The householder refers to one of the people in whose name the housing unit is owned or rented or, if there is no such person, any adult member, excluding roomers, boarders, or paid employees. If the house is owned or rented jointly by a married couple, the householder may be either partner. Since there is only one householder per household, the number of householders is equal to the number of total households.

Chart designed by Vermont Housing Finance Agency, used with permission

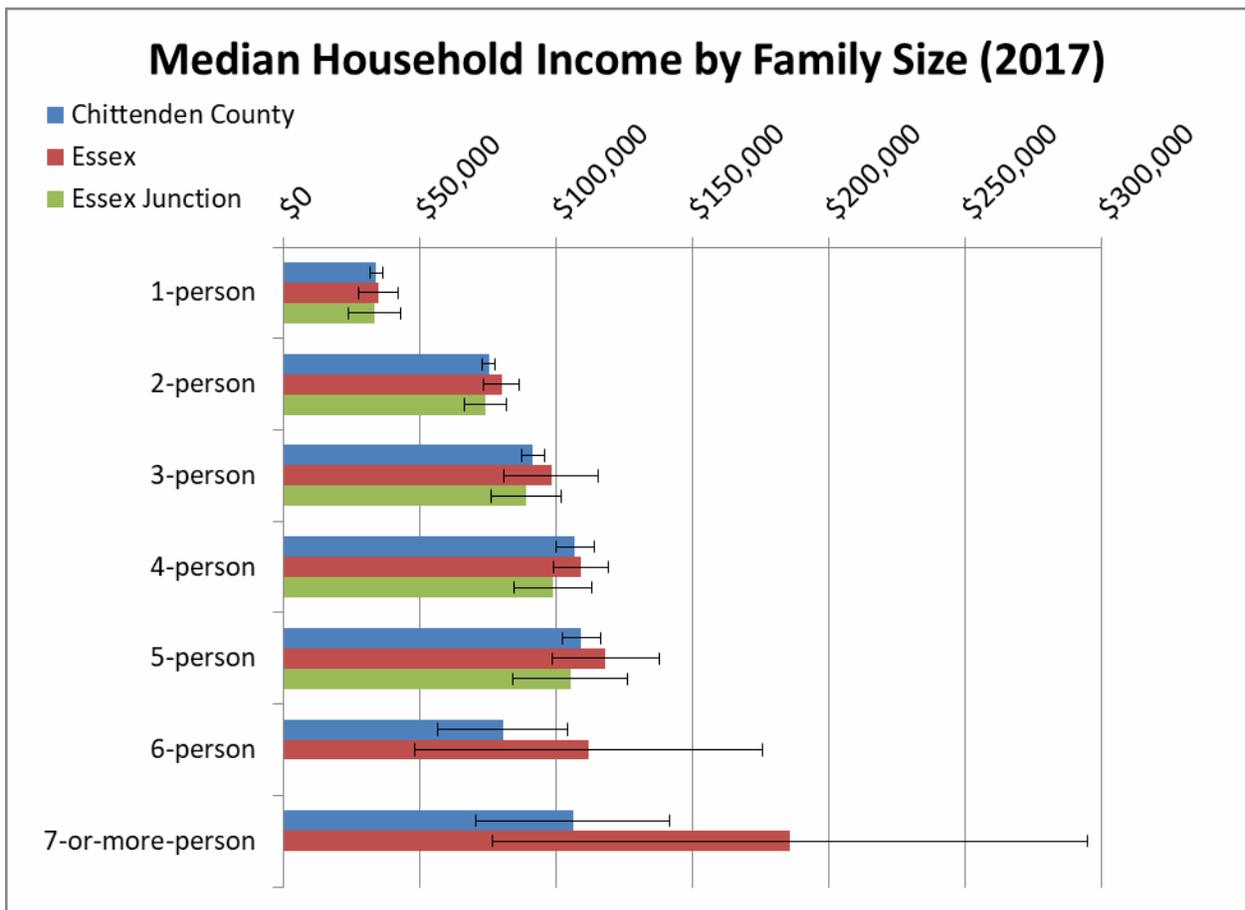
3.6 Median Household Income

The most common indicator for incomes is household income, the total amount earned annually by all members of a household. Household income is typically reported using the median of all households or families, the value at the middle of all incomes arranged in order.

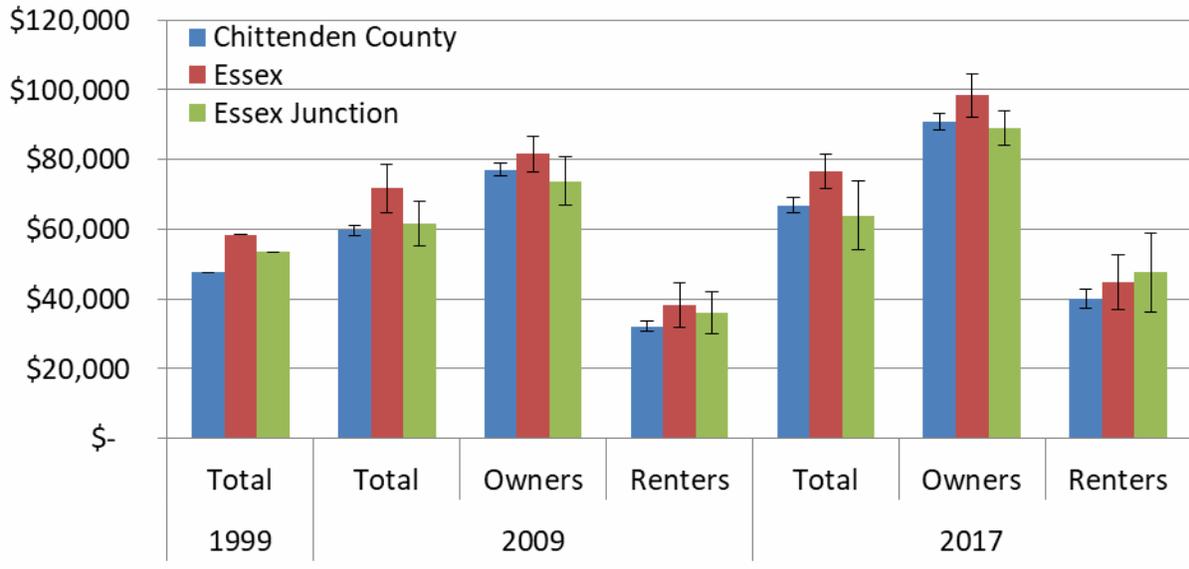
In 1999 (the closest year to 2000 that data was available), median household income was much higher in the Town and Village compared to the county overall. Since then, the county median household income has risen by 40%, while in the Town and Village, it has risen only 14% and 20%, respectively, so that in 2017, median income was fairly consistent across county, Town, and Village. Since 2009, overall household income has not changed significantly, but it has increased among owner households while renter household incomes have stayed stagnant in Essex and Essex Junction.

In 2017 one- and two-family households generally had lower median incomes than larger households. The smaller, lower-income households were likely associated with single householders with only one income earner, or pairs of young adults starting their careers in lower-wage jobs. These contrast with middle-aged, mid-career householders with higher incomes and retirees with lower incomes but potentially significant savings.

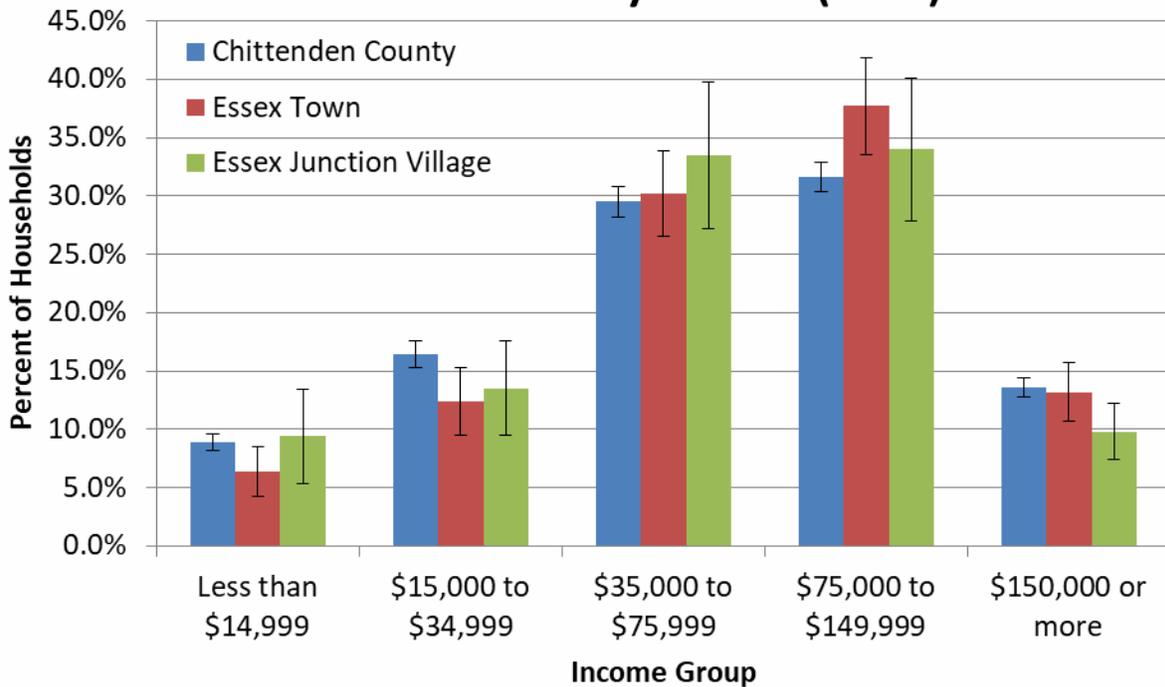
When broken down by income group, it appears that the majority of household incomes across county, Town, and Village fell just below or above the median income in 2017, though a significant number of households were spread among categories below the median income.



Median Household Incomes, 1999-2017



Households by Income (2017)



3.7 Family Income

Family income is a similar measure to household income, but it only includes households where two or more individuals are related by birth, marriage, or adoption. This Census definition of family therefore excludes single-person households; for example, in Essex, there were 8,689 households but only 5,762 families in 2017. Median family income (MFI) is the threshold used to determine eligibility for federal rent subsidies (with adjustments based on family size). The MFI for a family of 4 was \$84,000 in 2016 for the Burlington-South Burlington Metropolitan Statistical Area (MSA), which includes Chittenden, Franklin, and Grand Isle Counties.

In comparison to households, family incomes were generally higher – only 10-20% had incomes below \$35,000, and between a third and half of families earned more than \$100,000. This is likely because most families had two wage earners, possibly in career jobs with moderate to high incomes.

3.8 Income by Age Group

Incomes also vary by the age of the householder. Accurate data for income by age group is only available for the county level, but it shows that middle-aged householders comprise most of the median and higher income groups, while age is more evenly distributed among lower-income householders. This reflects the general age distribution of the population, and also the fact that middle-aged householders likely have progressed more in their career and earnings than younger households. It is also likely that retirees have reduced incomes, but may still have significant savings.

3.9 Poverty

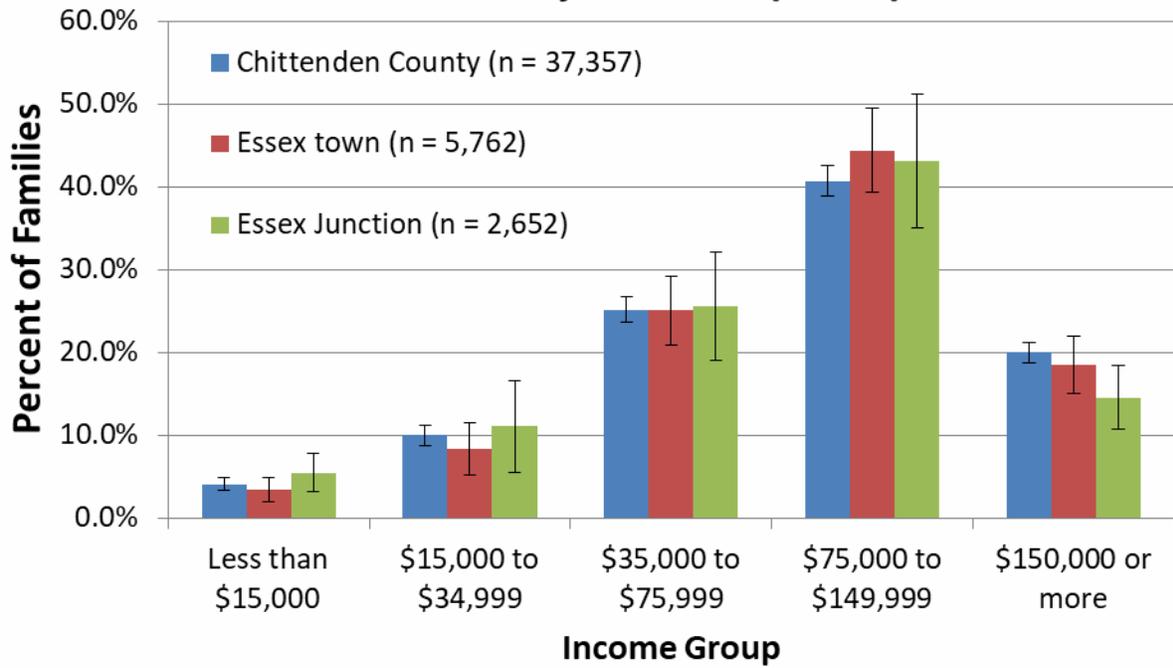
The federal poverty level is the income below which a household is considered to be “in poverty,” and is determined annually on a complex formula that takes household size into account, but not geographic area. Poverty has increased significantly in the county, Town, and Village over the last 16 years. Within Essex and Essex Junction combined, there are between 727 and 1,527 people (one out of every twenty to one out of every ten) with incomes below the poverty line today.

Population in Poverty*	2000	2010**	2010 MOE	2017	2017 MOE	Avg. Annual Change
Chittenden County	12,267	15,789	1,174	17,057	1,078	299
% in poverty	8.8%	10.8%	+/- 0.8%	11.5%	+/- 0.7%	0.17%
Essex	484	869	316	1,127	400	40
% in poverty	2.6%	4.5%	+/- 1.6%	6.9%	+/- 1.4%	0.27%
Essex Junction	248	482	215	654	197	25
% in poverty	2.9%	5.3%	+/- 2.4%	7.9%	+/- 1.9%	0.31%

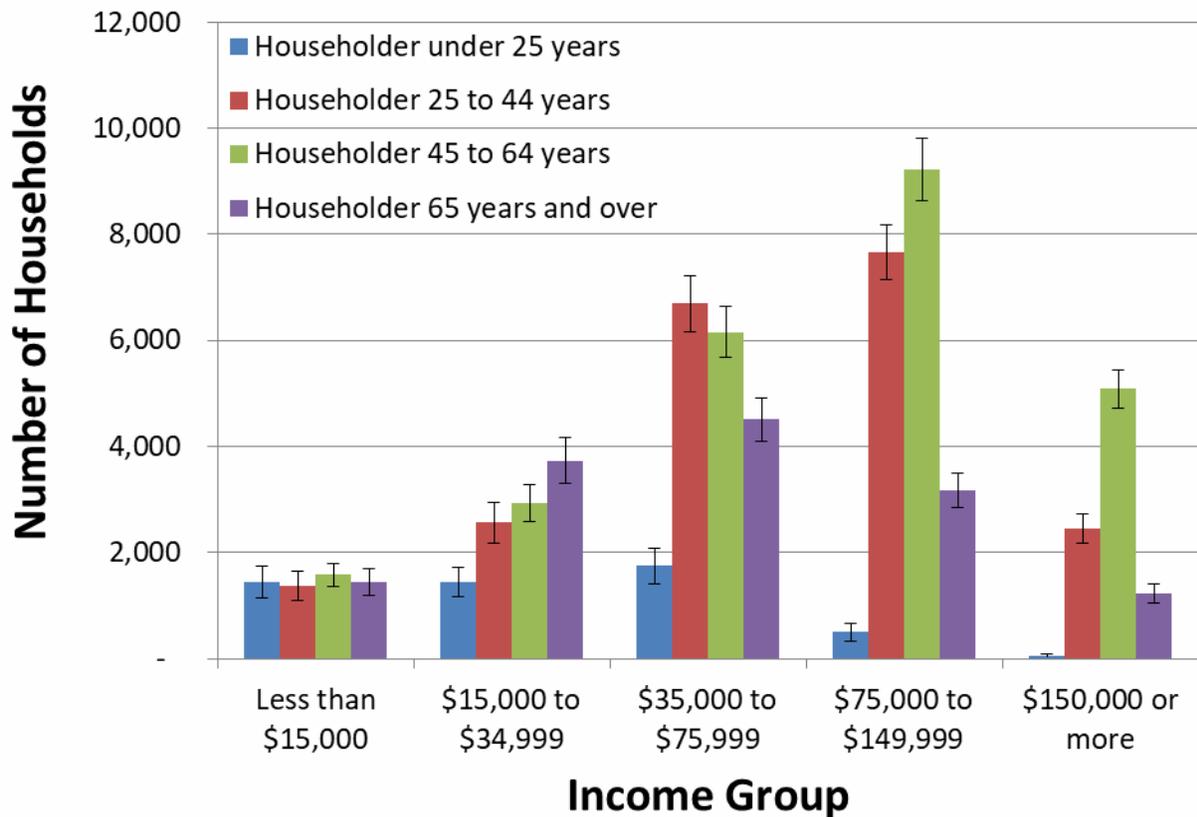
*Poverty calculations exclude those living in group quarters; percentages reported are of those counted

**Poverty was not counted in the 2010 Census, but is captured by 2010 5-year ACS estimates

Family Income (2017)



County Household Income by Age (2017)



3.10 Unemployment (Labor Force)

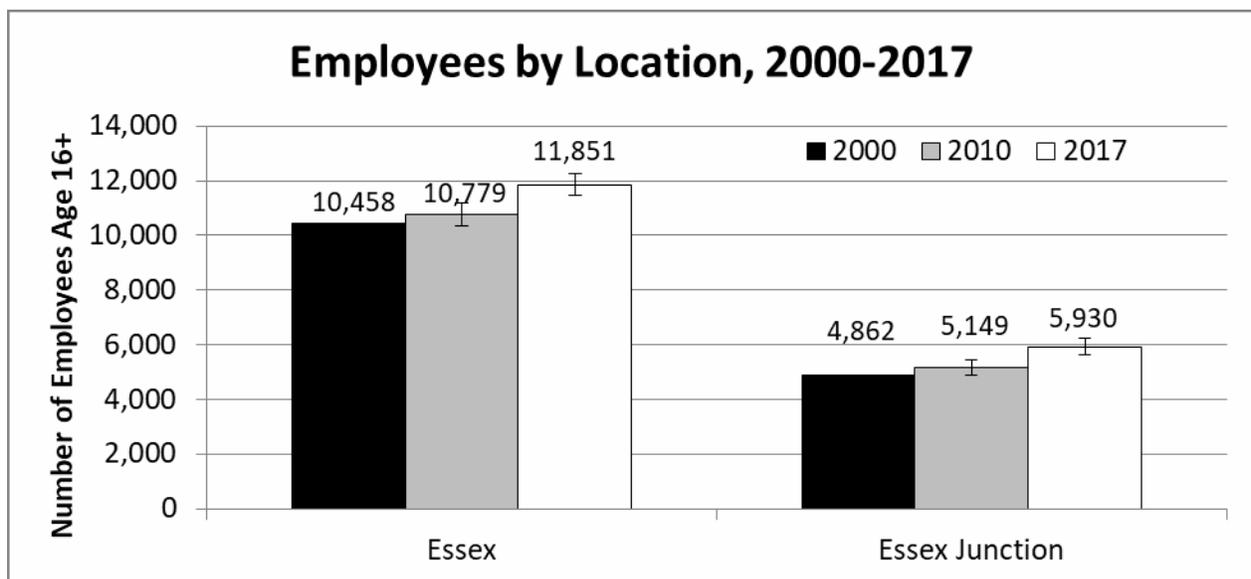
Unemployment is the number of people looking for work compared to the total available labor force (military and institutionalized workers are not included). The Vermont Department of Labor (VT DOL) tracks this data on a monthly basis, averaged annually. VT DOL only began tracking data in Chittenden County starting in 1990, and in Essex starting in 2016. VT DOL does not currently track unemployment within Essex Junction exclusively.

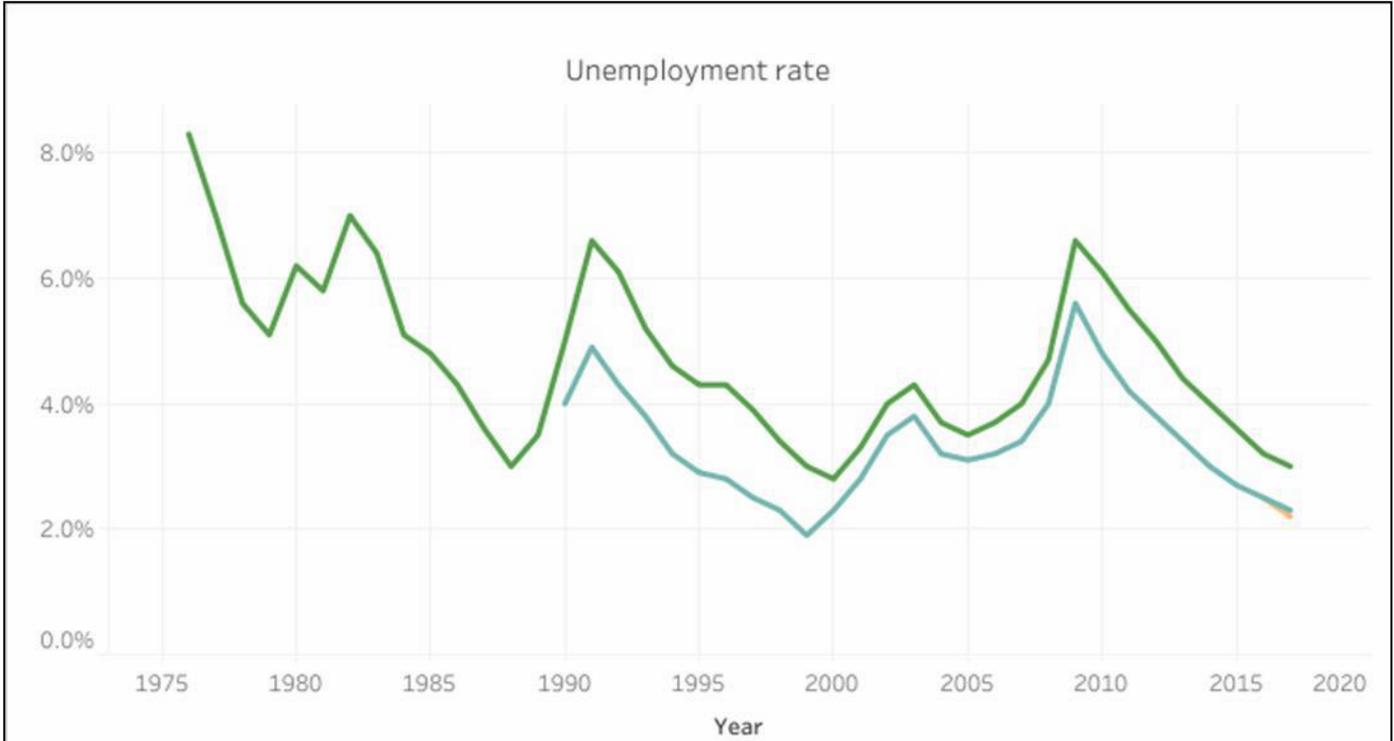
In general, unemployment has changed at very similar rates between the county and the state. It was at a low of 1.9% in 2000; between 2000 and 2010, there were two spikes in culminating at 5.6% 2009 (the height of the recession). Since then, unemployment has dropped steadily nearly back to 2000 levels (2.5%). In 2017, the 12,229 workers in the Essex community accounted for 13.08% of the county's total workers, and the unemployment rate in Essex (2.2%) was nearly the same as the county (2.3%) but lower than the State (3.0%).

Though low unemployment is generally a sign of a strong economy, it is possible that a local shortage of qualified workers (particularly in certain sectors) may have contributed to low unemployment rates, despite the fact that the total labor force has increased throughout this time. The worker shortage may in turn be due to a lack of available housing. Either way, the data indicate that, despite periodic instability in the labor market, the area has sustained steady job growth, which likely will continue in the near future. Those workers will create additional demand for homes in the county or nearby.

3.11 Employees by Location

The Census and ACS also track employment down to the Village level, but these figures tend to be far lower than those produced by the Vermont Department of Labor. Nevertheless, the Census and ACS figures can provide a glimpse at employment trends at the hyper-local level. These indicate that Essex Junction accounts for just over half of the employment of the Town as a whole, which is reflective of the population. The figures also indicate that employment trends between the Town and Village are very closely tied.





Location
■ Vermont ■ Chittenden County ■ Essex

	Vermont			Chittenden County			Essex
	2017	2010	2000	2017	2010	2000	2017
Labor force	344,760	359,402	331,404	95,645	94,581	84,114	12,504
Employment	334,378	337,488	322,129	93,463	90,040	82,190	12,229
Unemployment	10,382	21,914	9,275	2,182	4,541	1,924	275
Unemployment rate	3.0%	6.1%	2.8%	2.3%	4.8%	2.3%	2.2%

Source:
 Vermont Department of Labor

Chart designed by Vermont Housing Finance Agency, used with permission

3.12 Labor Force Wages and Earnings

Employment rates give a general sense of the labor market and the economic health of the area, but actual wages and earnings provide more insight about individuals' incomes. The following data from the Vermont Department of Labor is reported by employers, as opposed to employees and households, and serves as a different lens to examine incomes. Employer-reported wages and earnings are reported as an average annual wage – the total earnings by all workers divided by average annual employment – and therefore do not correspond to an individual's hourly or annual earnings, which vary widely. The data are reported by location of the employer (Village-level data are not available) and cover only hourly, salaried, and commission workers, but not workers who work for railroads, small agricultural enterprises, or those who are self-employed.

Prior to the recession, county wages were between 15% and 19% higher than the state as a whole in a given year, and Essex employees earned 21-27% more than the county average. Increases in earnings tracked closely among the three areas at about 3.5% per year for the State and county, and 2.7% per year in Essex. However, after the recession hit Vermont in 2009, earnings in Essex dropped sharply and have only just recovered to their pre-recession levels. As of 2017 the average annual wage in Essex was \$54,884, which is still 4.8% higher than the county and 19.0% higher than the State, but this difference is the lowest it has been since 2000.

Average wage of employees (Employer-reported)

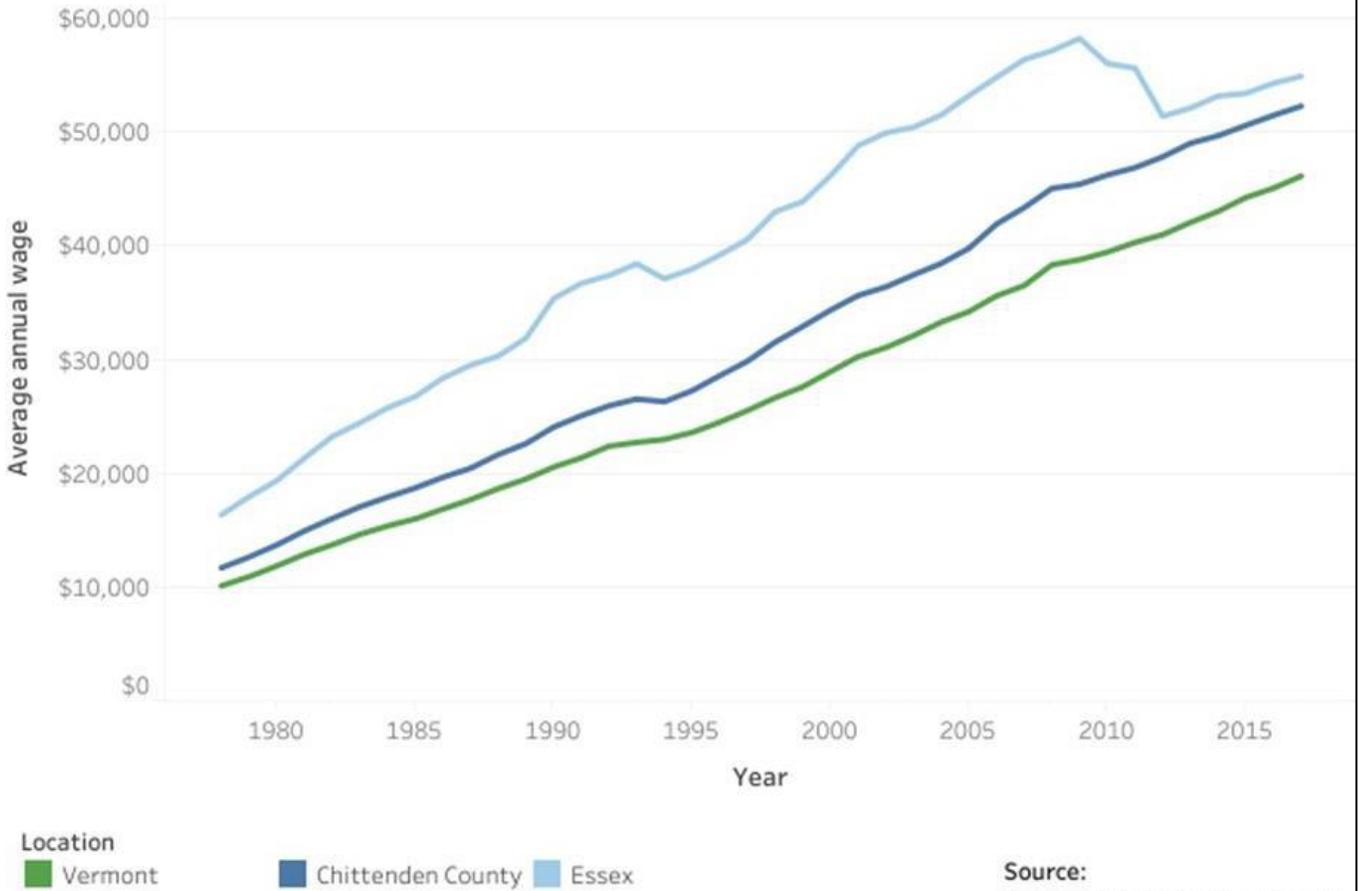


Chart designed by Vermont Housing Finance Agency, used with permission

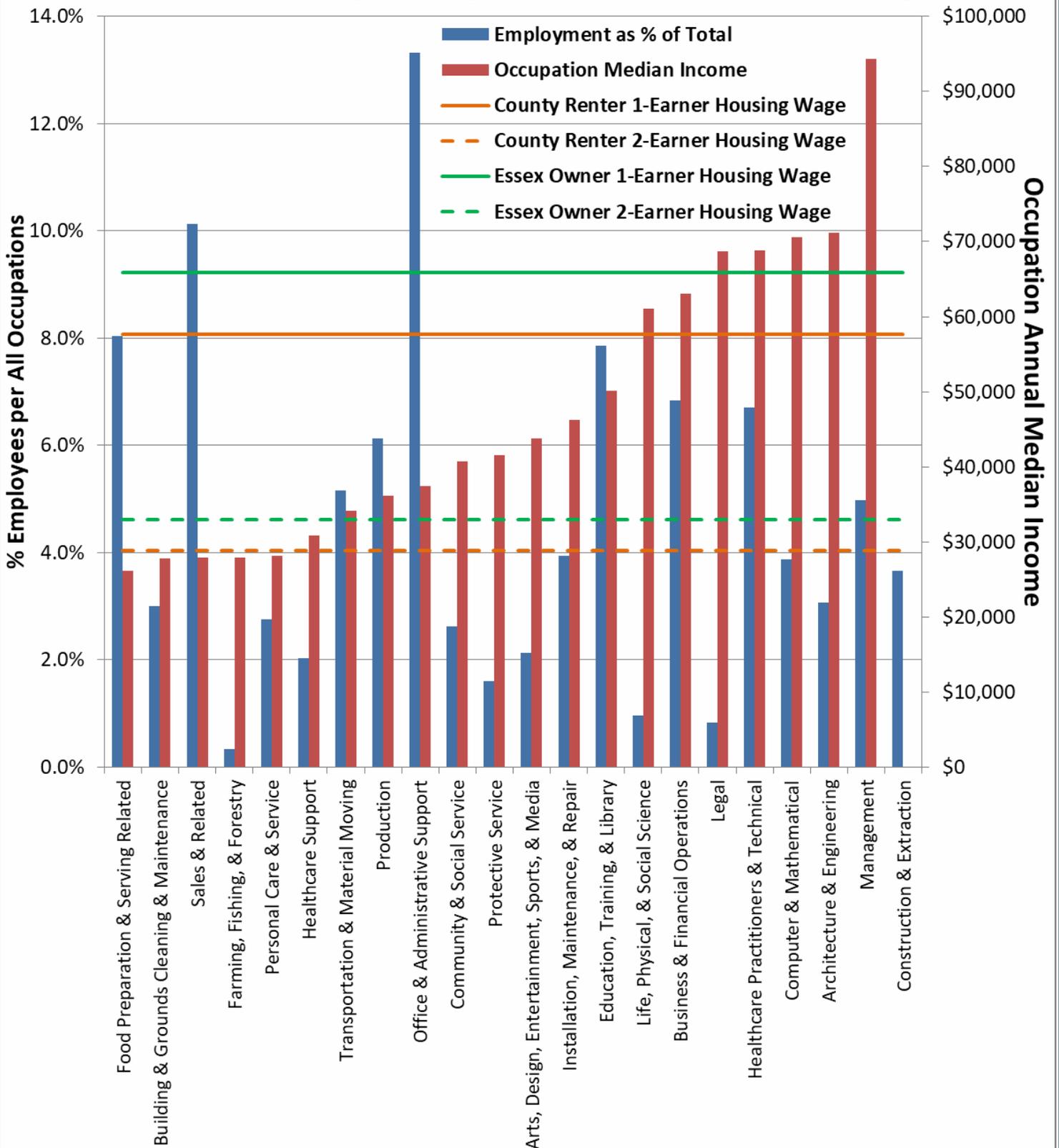
3.13 Wages by Employment Sector

The Vermont Department of Labor tracks employment levels and incomes by occupation for the Burlington/South Burlington New England City and Town Area (NECTA). This is similar to the area covered by the Burlington-South Burlington Metropolitan Statistical Area (MSA) defined by the U.S. Census to include the greater Burlington area (Chittenden, Franklin, and Grand Isle Counties), but the NECTA covers only portions of Franklin and Grand Isle Counties, as well as some towns in Addison County. The graph above shows the percent of employees in each sector relative to the total employees on one axis (blue bars), and the median income for each sector on the other axis (red bars). From this, it appears that a few sectors, such as office and administrative support, sales, and food preparation, account for a significant number of employees (31.5%), but wages for those jobs are relatively low.

The county's housing wage – the income needed to afford a 2-bedroom apartment at Fair Market Rent using no more than 30% of one's household income – is shown as a solid horizontal orange line (\$57,680 for FY2018). Households earning less than this probably struggle to afford rental housing. Over two out of three employees (70.9%) earn incomes below the housing wage, meaning that most would be unable to afford a typical 2-bedroom apartment in the area on their own. However, a 2-bedroom apartment will likely be occupied by two wage earners, who would each need to earn \$28,840 to meet the housing wage; this two-earner wage is shown as a dashed orange line. Still, 26.1% of employees earn less than this; unless they are paired in a household with a higher-salary employee, most apartments will be out of their reach, and they will seek a rent below the Fair Market Rent (the 40th percentile rent in the area).

Looking at homeownership in Essex through this lens, the salary needed to afford the median home sale price while paying no more than 30% of household income is \$65,854 (solid green line), or \$32,927 each (dashed green line) for two wage earners. This assumes a 5% down payment and average mortgage, insurance, and property tax rates. Only 21.3% of county workers can afford such a house on their own, but 71.9% could afford it with two incomes; again, the remaining 28.1% of workers will struggle to afford a median-priced home and will likely seek cheaper options. However, it is important to note that not all households in the area have two incomes, and not all workers in the county live in town or even in the county. Furthermore, many households have student loan debt that consumes significant portions of their income, requiring them to allocate less than 30% of their income to housing costs.

Wages & Employment by Sector with Home Affordability

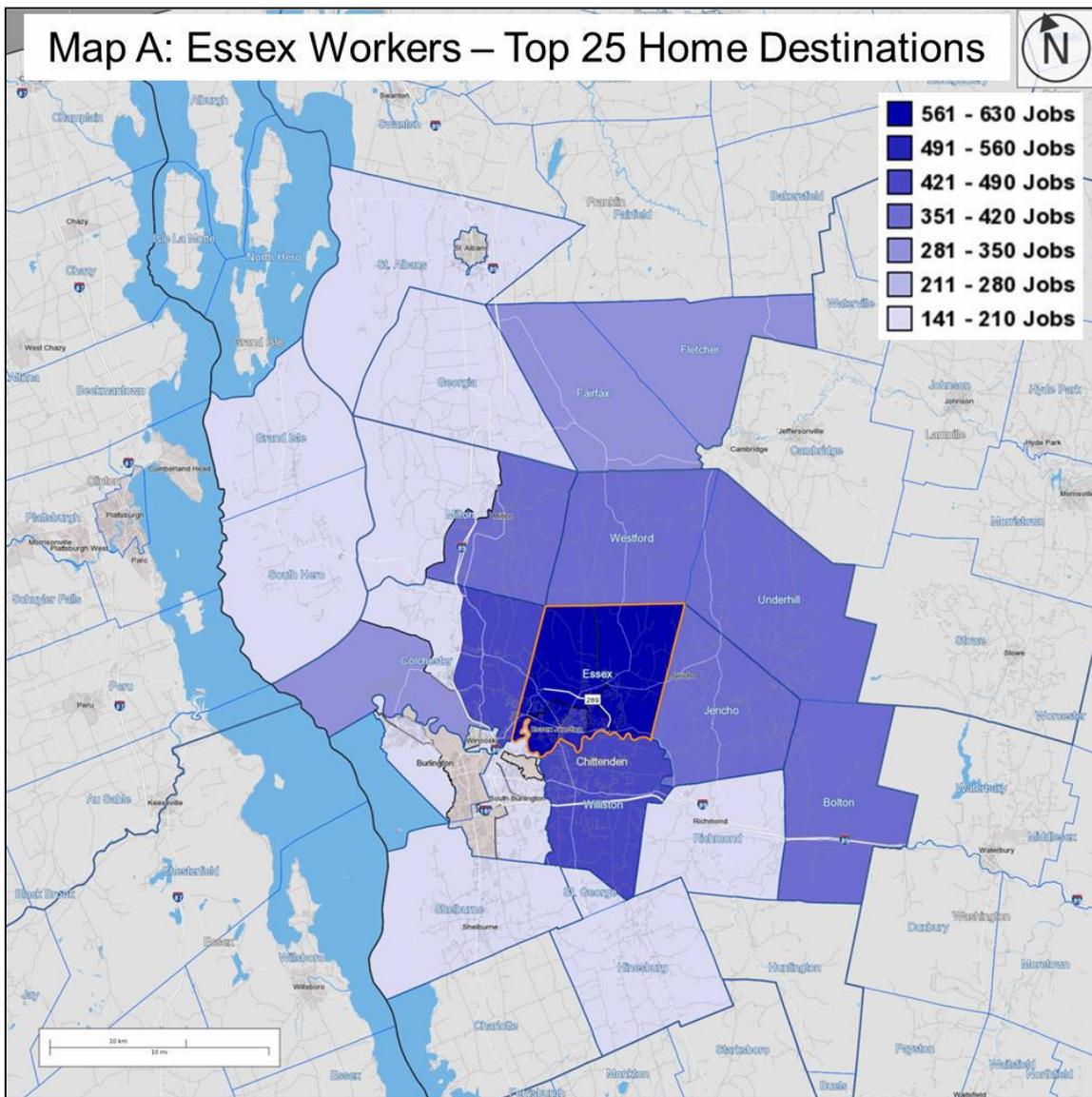


In this figure, the "housing wage" is the annual income a household needs to earn to afford their housing using no more than 30% of their income. For 2-earner households, the income each person would need is half the 1-earner income.

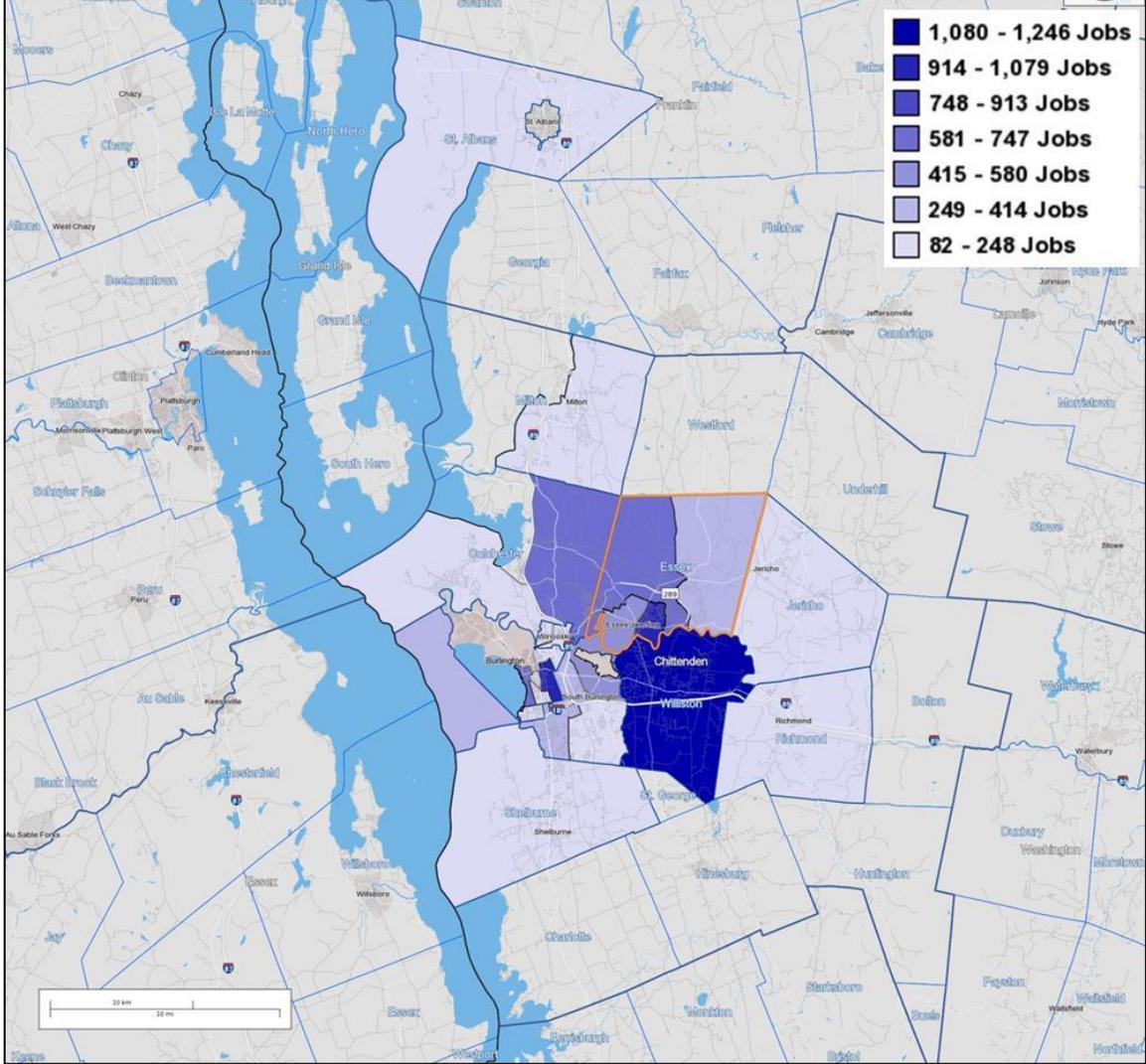
3.14 Commute to Work / Home

Commuting patterns can also provide insights into housing pressures, showing whether those who work in the municipality also live there, and vice versa. The Longitudinal Employer-Household Dynamics (LEHD) program combines Census data with state and federal labor data to determine commuting patterns down to the Census tract level. Map A below show the top 25 home origins of people who work in Essex (i.e., where are Essex workers commuting from); Map B shows the top 25 work destinations of people who live in Essex (i.e., where Essex residents commute to).

One in five people who live in Essex commute to work within Essex; one in six commute to the University of Vermont; and one in ten people commute to Williston. The rest are dispersed throughout Essex and nearby towns.



Map B: Essex Residents – Top 25 Work Destinations



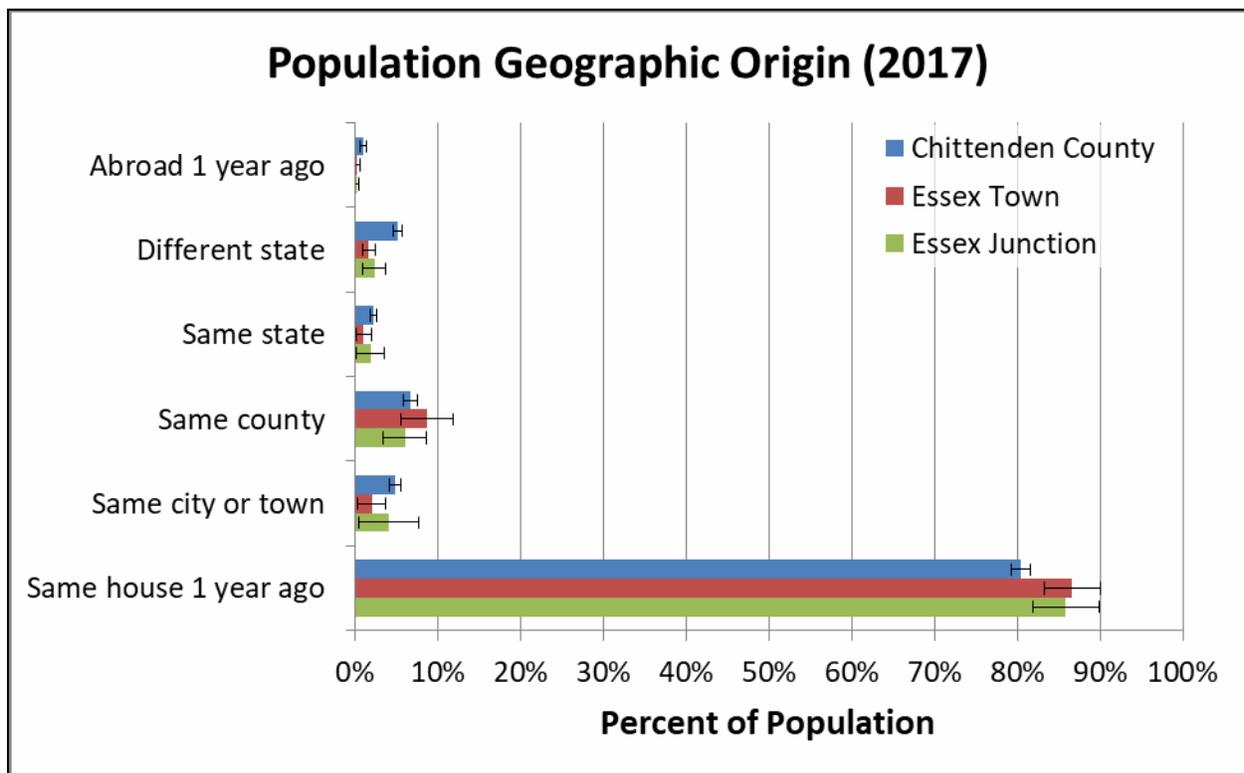
3.15 Length of Tenure

The length of time households have occupied their homes (owned or rented) indicates how much turnover there is in the housing market and how much the community may be in transition. Note that this does not indicate when a home was built – rather, how long the most recent occupant has lived in it. It also does not indicate when a resident moved to the area, only when they moved into their most recent home.

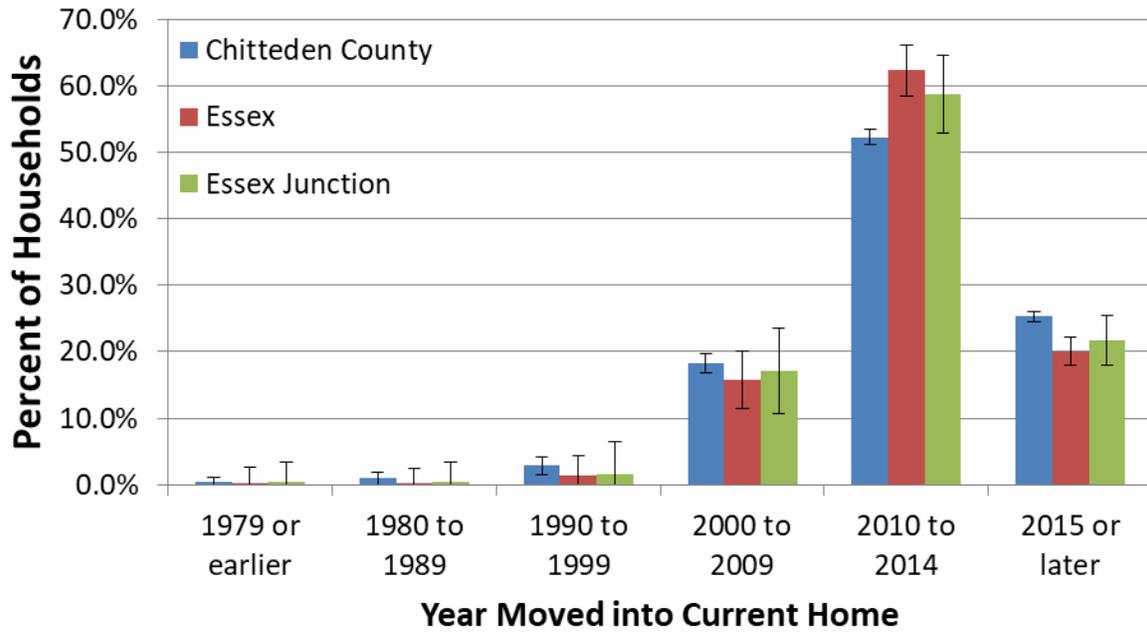
Length of tenure is relatively consistent across the county, Town, and Village. Most homeowners bought their home between 2000 and 2009 (in the lead-up to the recession), with most of the remainder just after or before that time. Nearly all renters began their leases in the last 6 years, and most of the remainder started after 2000. These patterns reflect state and national averages.

3.16 Movership

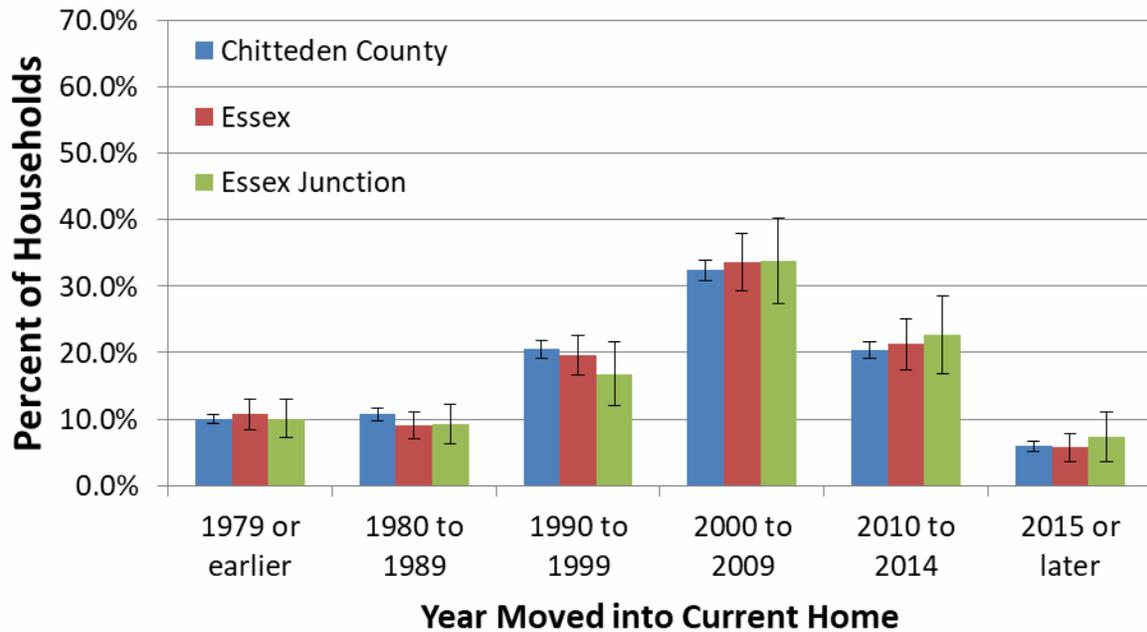
The U.S. Census tracks the origin of people who have moved to the area within the last year, providing a picture of “movership” or geographic mobility. Over 80% of county residents (over 85% of those in Essex and Essex Junction) have lived in the same house for at least a year (as noted in Section 3.13 above, most have lived in the same house for at least several years). Of those who moved recently, most have moved within the same county; fewer than 10% of the county residents and 5% of Essex residents moved from outside the county (from Vermont, other states, or other countries). However, these trends have persisted over several years, adding a significant number of new residents and households.



Length of Tenure - Renters (2017)



Length of Tenure - Owners (2017)



3.17 Tenure Type (Rental vs. Owned)

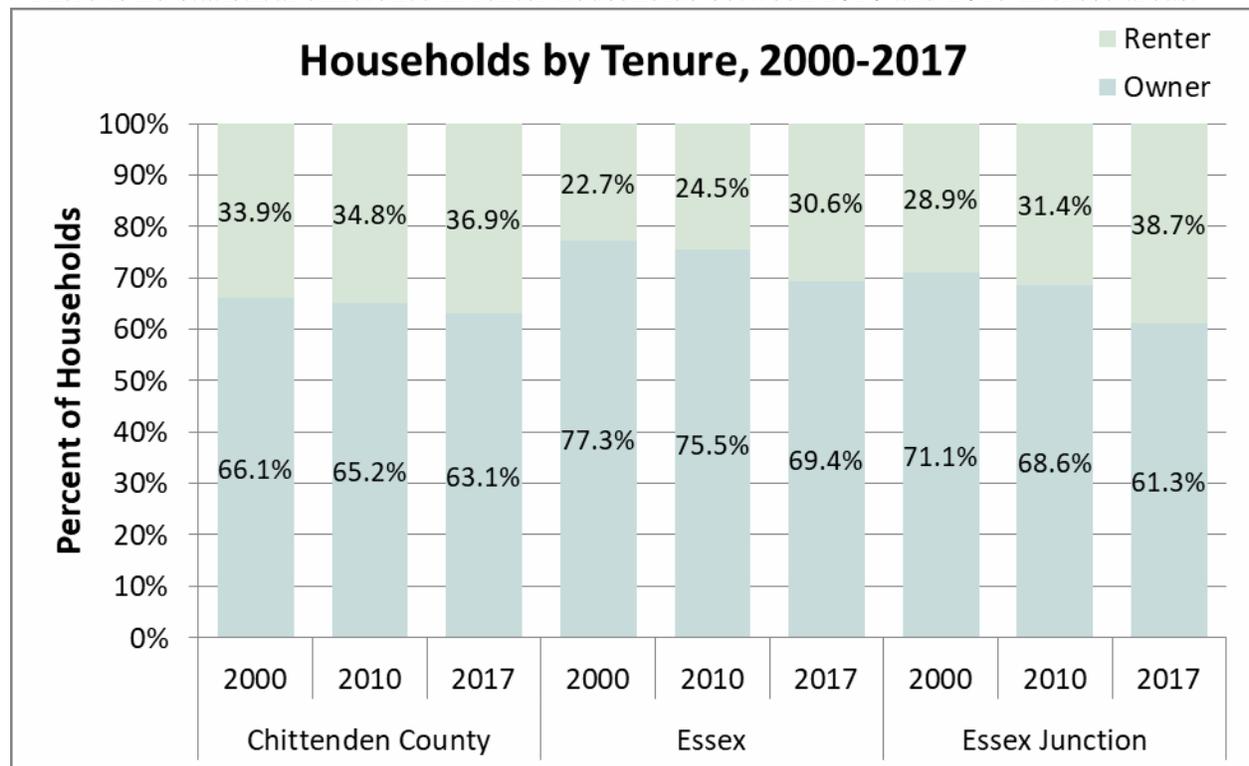
As noted earlier, the housing market is generally divided into two parts: ownership and rental. A healthy market should offer households the choice to rent or own, since a given household may prefer one tenure type over the other, or may be trying to move between them. Generally, young households who started renting are looking to own, and some senior householders seek renting as their needs change.

The number of renting households has increased since 2000, quite dramatically in the Town and Village. This reflects the increasing number of rental units that have become available, primarily in the Village, though owner-occupied homes still dominate the market in all areas and few are being converted to rental use. The rental rate across all of Vermont has remained steady.

Owner households	2000	2010	2017	2017 MOE	Avg. Annual Change since 2000	% Change per Year
Chittenden County	37,292	40,310	40,980	+/- 628	231	0.56%
Essex	5,418	5,955	6,029	+/- 274	38	0.63%
Essex Junction	2,425	2,658	2,643	+/- 214	14	0.51%

Renter households	2000	2010	2017	2017 MOE	Avg. Annual Change since 2000	% Change per Year
Chittenden County	19,160	21,517	23,926	+/- 707	298	1.32%
Essex	1,595	1,932*	2,660	+/- 234	67	3.05%
Essex Junction	984	1,217*	1,672	+/- 204	43	3.17%

*There is no statistical difference in renter households between 2010 and 2017 in these areas.



3.18 Total Housing Stock

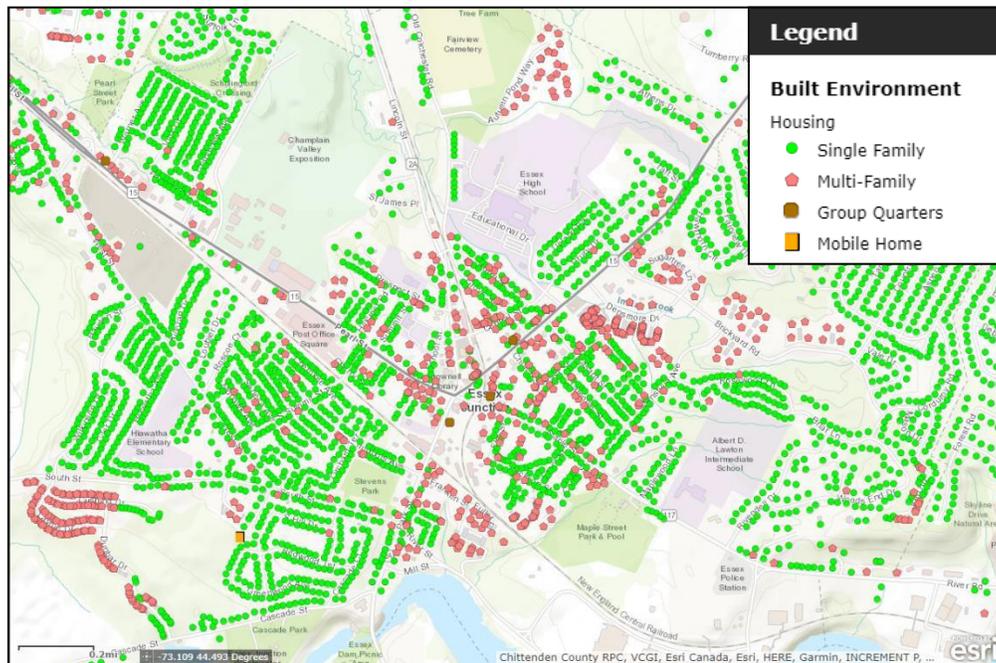
Data on certificates of occupancy (“CO’s”) from the Town of Essex and Village of Essex Junction reveal trends in home construction (only data pertaining to new dwelling units was analyzed, as opposed to remodels). CO’s were used because they are issued when a dwelling is complete and ready to be occupied, rather than zoning permits, which are issued prior to the start of construction. Single-family dwellings refer to detached buildings on their own parcel that support one household. Multi-family dwellings include buildings with more than one dwelling (such as apartment buildings or duplexes) as well as condominiums, townhomes, or other detached buildings that share land with other buildings.

Based on local CO data, the number of newly-built homes in Essex has increased since 2000, with a slow period due to the economic downturn around 2007-2010, but a swift recovery thereafter. On average, about 100 new homes were added per year; most of those new homes were part of multi-family units, including condominiums, townhouses, and apartments, while construction of single-family homes has largely leveled off. Between all home types, there were a total of 8,870 homes as of 2017.

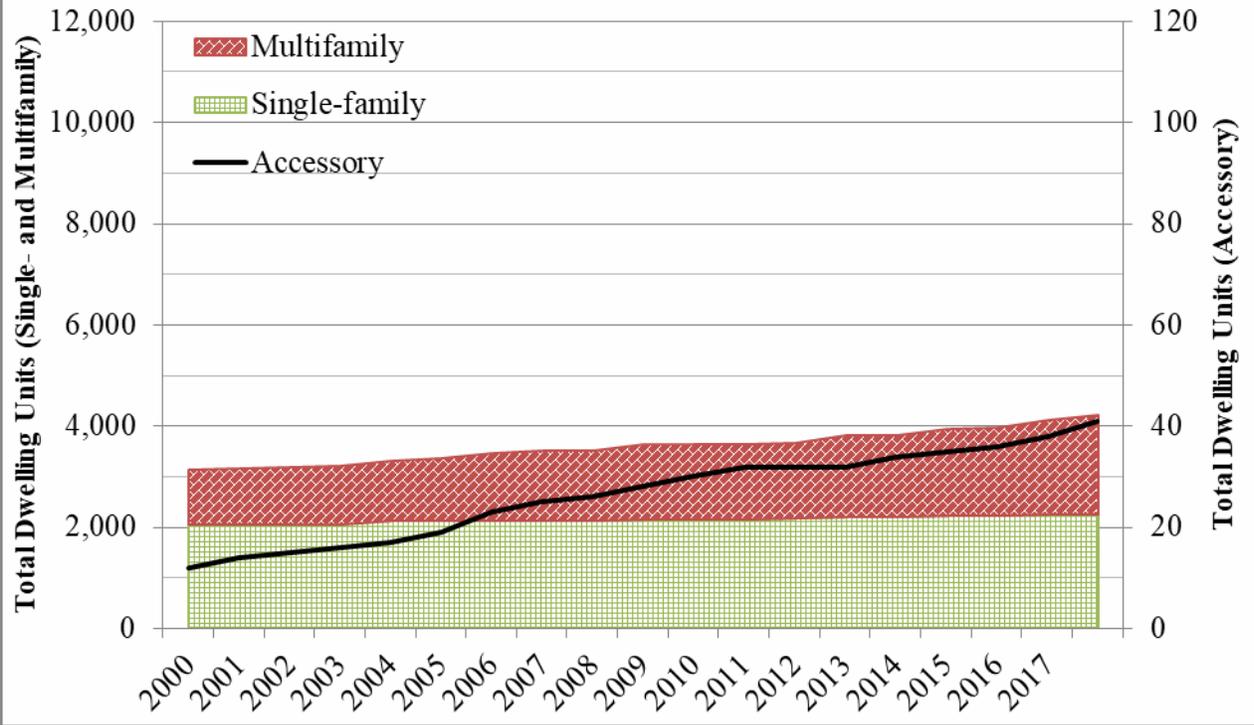
In Essex, new home development has shifted from single-family, owner-occupied homes to multi-family, renter-occupied dwellings, likely due to the gap of rental housing availability, a restricted supply of undeveloped land, and a new focus on infill development in the community. Also, conversations with permit applicants indicate that many current homeowners are downsizing and moving into units with lower property maintenance obligations.

Dwelling Units (as of 2017)	Single-family	Multi-family	Accessory	Total	Households (2017)	Households MOE
Essex	5,047	3,752	104	8,491	8,689	+/- 233
Essex Junction	2,254	1,969	41	4,290	4,315	+/- 200

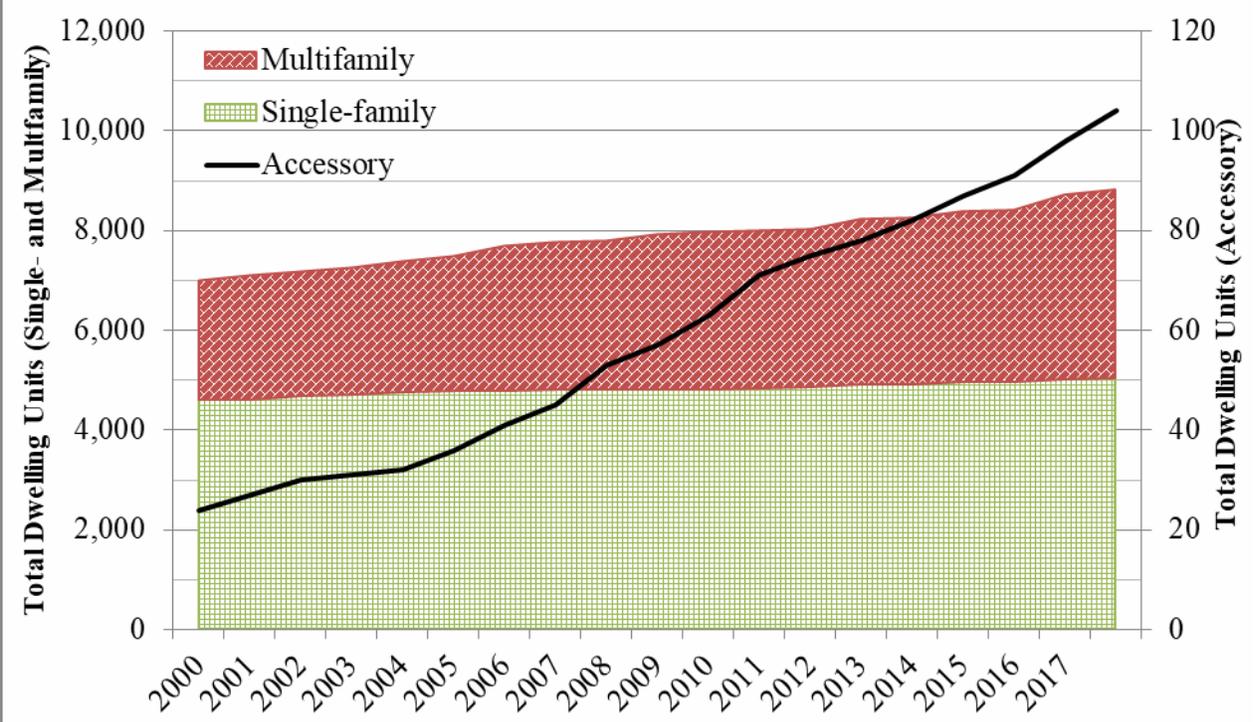
This map, developed by CCRPC, shows housing stock by unit type in parts of Essex Junction.



Total Homes in Essex Jct., 2000-2017



Total Homes in Essex (including Essex Jct.), 2000-2017

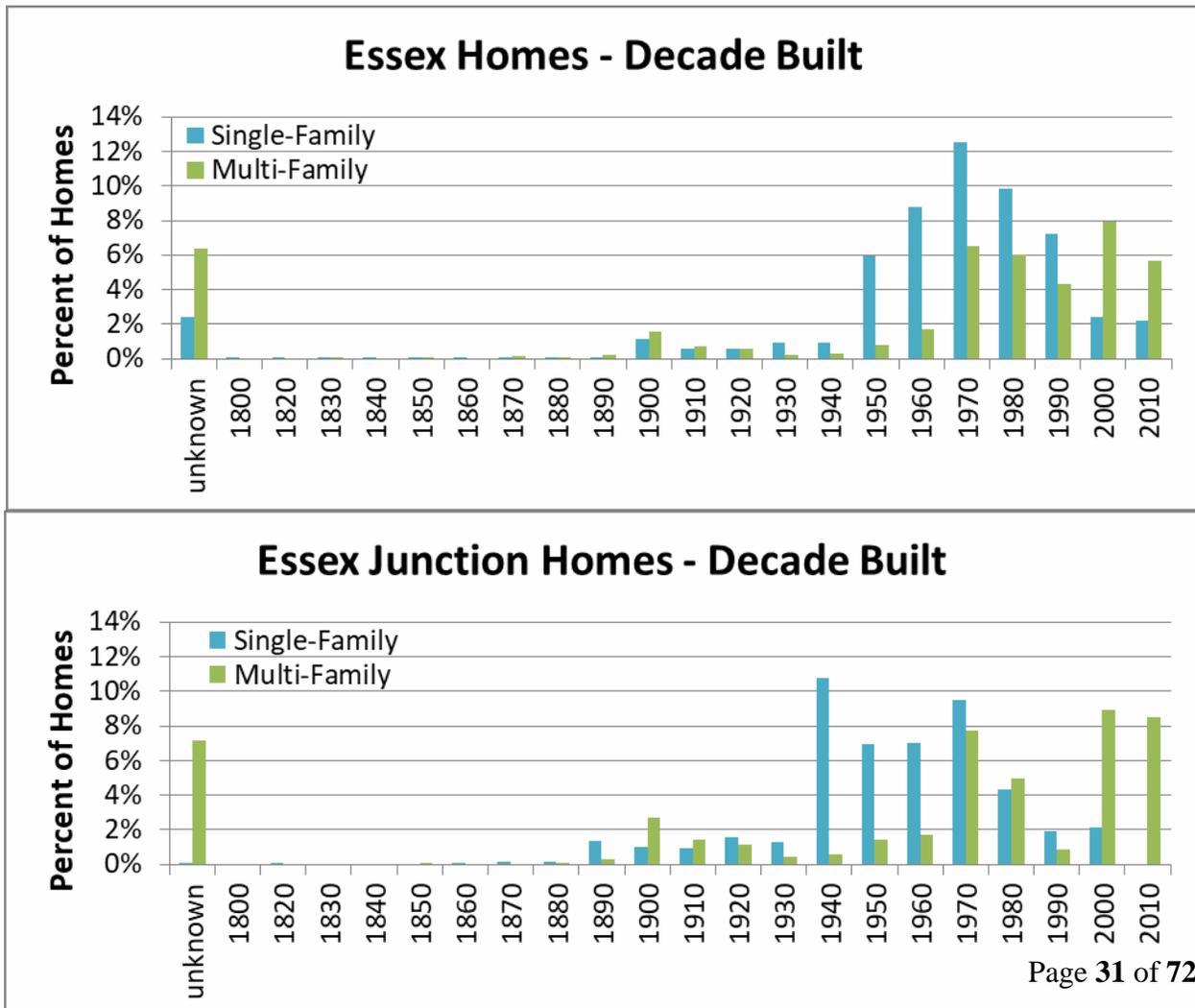


3.19 Age of Housing Stock

Older homes often are of poorer quality (unless significant renovation has been done), are less energy-efficient, and often have more lead paint and code violations. The Chittenden County Regional Planning Commission (CCRPC) maintains a database of housing structures, including year built.

The data indicate that most homes in Essex were built after World War II, though 11% homes in Essex Junction were built between 1890 and 1939, reflecting the historic development trends in each community. Notably, a vast majority of the post-war growth in the Village was in single-family homes, but since the 1980s, the majority of construction has been multi-family structures. In the Town, multi-family construction was minimal until 1970, and only since 2000 has it overtaken single-family construction. Overall, homes in Essex are much newer compared to the rest of Chittenden County.

The Town has required building permits and inspections since at least 1972, ensuring that new and renovated dwellings contain adequate plumbing, cooking, and sleeping facilities. However, it is likely that much of the older housing stock does not meet modern building codes and may have safety issues which are only discovered when the owner applies for a zoning permit. In addition, many older homes likely have inadequate or inefficient heating and insulation. The Essex Energy Committee supports homeowners in learning about home energy efficiency and how to make changes to greatly improve comfort and reduce utility costs.



4 Rental Housing

This section examines the current state of the rental market, including the availability and price of homes for rent as well as the specific needs of those seeking rental homes. In most housing markets, renters have lower incomes that prevent them from pursuing homeownership, and younger renters often aim to save money for a down payment. Renters also tend to occupy their homes for shorter periods of time, either due to changing job and family needs or to pursue better rents or conditions.

4.1 Rentership and Rental Housing Stock

As noted in Section 3, around a third of householders in the county, Town, and Village rent their homes, though there may be slightly more renters in Essex Junction. Though the Town and Village track the number of dwelling units built and permitted in their jurisdictions, there is no system to track whether these homes are renter- or owner-occupied. The ACS does track this, but overestimates the total number of units compared to municipal estimates shown in Section 3.15.

2017 Rentership	Renter Households		Total Households		% Renters	
	Estimate	MOE	Estimate	MOE	Estimate	MOE
Chittenden County	23,926	+/- 707	64,906	+/- 552	36.9%	+/- 1.0%
Essex	2,660	+/- 234	8,689	+/- 233	30.6%	+/- 2.6%
Essex Junction	1,672	+/- 204	4,315	+/- 200	38.7%	+/- 4.4%

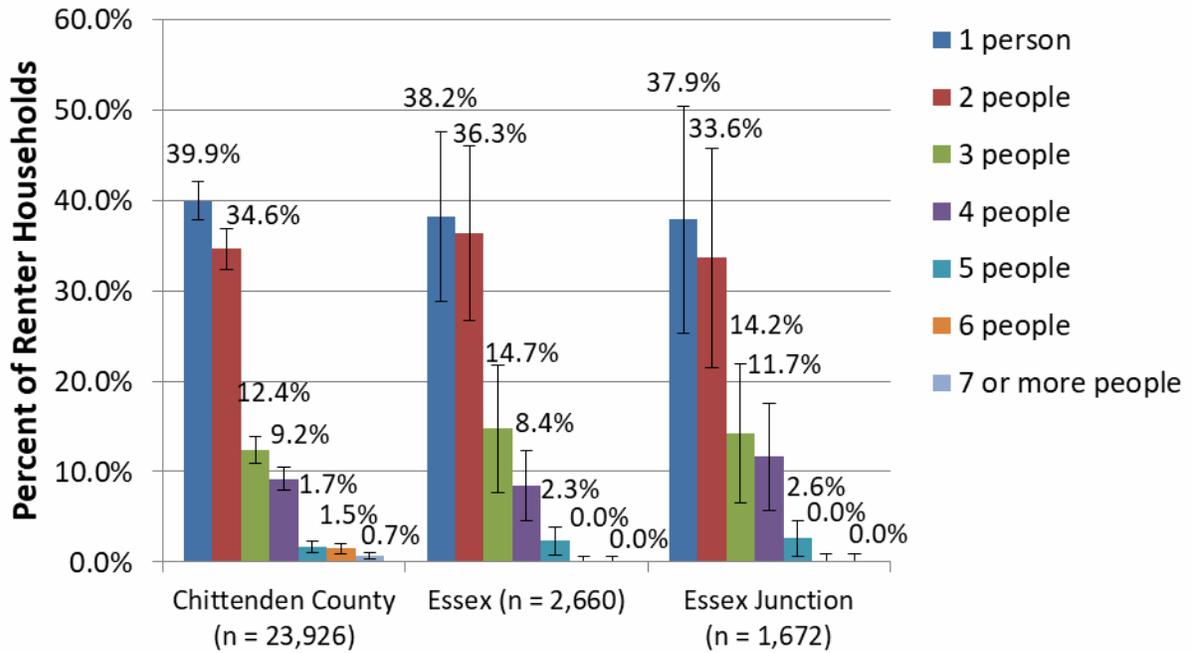
2017 Homes by Tenure	Rented Homes		Total Homes		% Renter-Occupied	
	Estimate	MOE	Estimate	MOE	Estimate	MOE
Chittenden County	24,604	+/- 746	65,949	+/- 624	37.3%	+/- 1.1%
Essex	2,695	+/- 240	8,872	+/- 270	30.4%	+/- 2.5%
Essex Junction	1,707	+/- 211	4,373	+/- 211	39.0%	+/- 4.4%

4.2 Renter Household Size vs. Rental Home Size

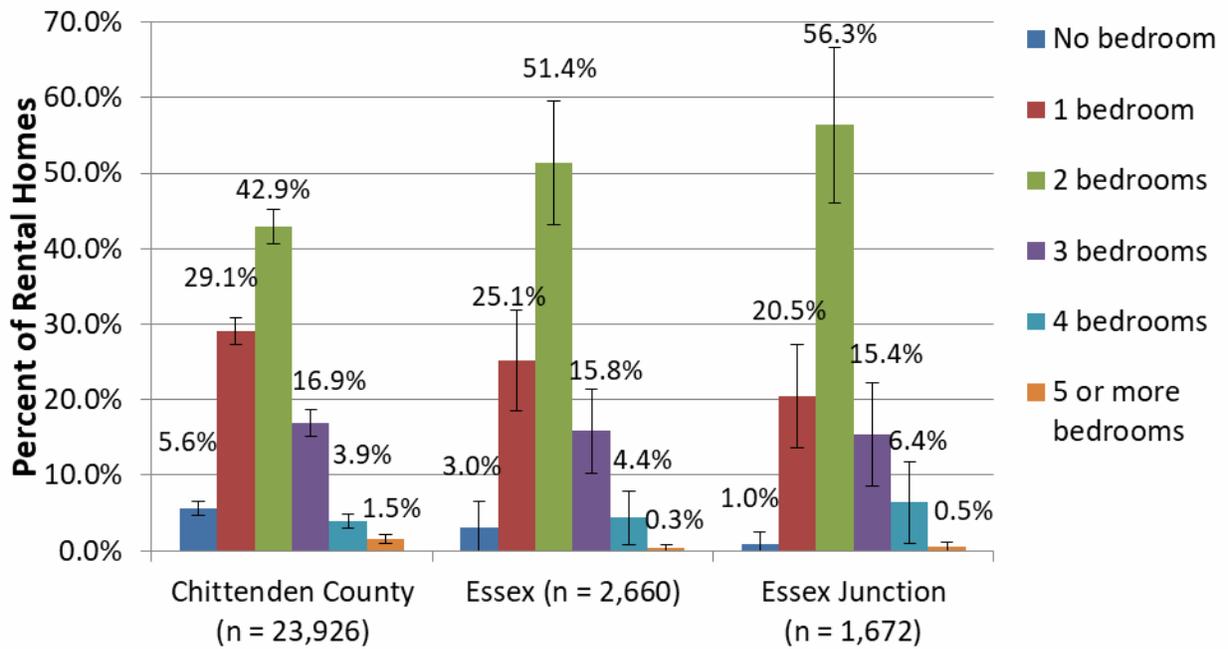
Homes available for rent may not match the size of the household (for instance, a family of 2 likely would not want to pay for a three-bedroom apartment, nor could a family of 5 comfortably fit in a studio or efficiency). The size of homes is generally tied to the number of bedrooms, which is tracked by the Census and ACS; dwellings categorized as having “no bedrooms” are studio or efficiency apartments where the sleeping area is contiguous with kitchen and/or living spaces.

When compared with the distribution of household size, it is clear that there are far more 1- and 2-person households than the rental market can bear, assuming that those households generally occupy studio, 1-bedroom, or 2-bedroom apartments. Furthermore, as noted in Section 3.5 (Median Household Income), smaller households have lower incomes than larger households and are likely even more cost-burdened in a tight market. For renters seeking to buy homes, these factors severely limit their ability to save for a down payment and reduce pressure on the rental market. The proportion of small households is expected to remain steady or continue increasing into the future (see Section 3.4, Age of Householder).

Renter Households by Size, 2017



Rental Homes by Bedrooms, 2017



4.3 Rental Building Type

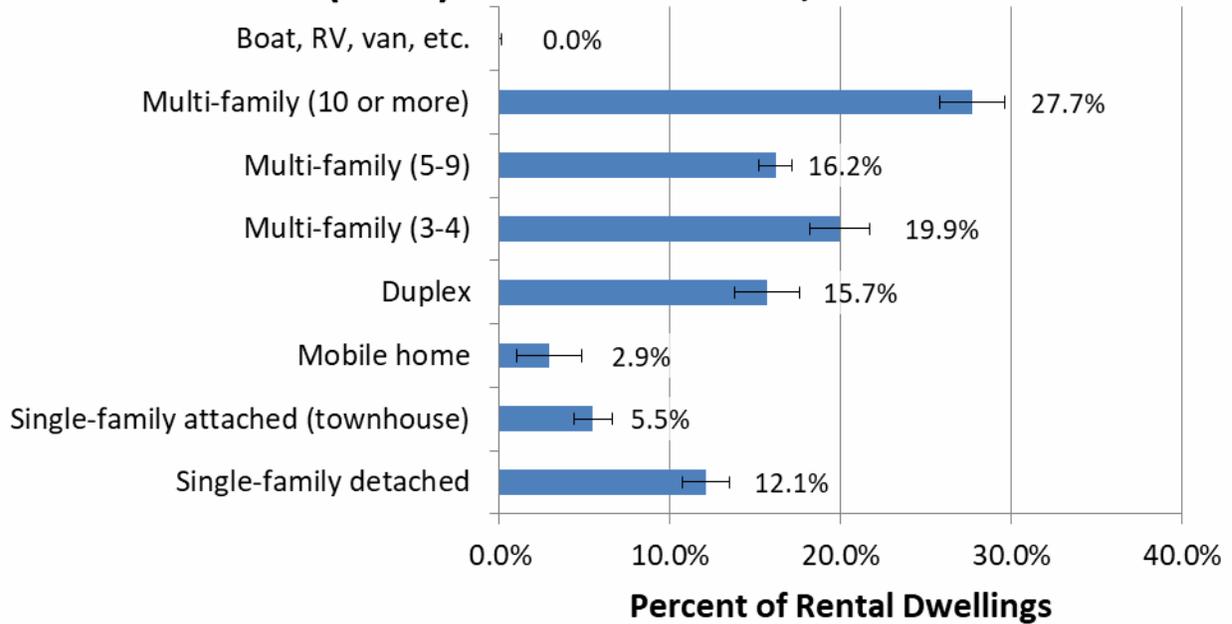
There are numerous different types of residential buildings, ranging from detached single-family homes, to townhouses, to multi-story apartment buildings. Each type can have dwelling units that are rented or owned, though smaller dwelling types without associated land such as apartments, condominiums, and mobile homes are usually less expensive and are generally rented instead of owned. Since households may prefer one building type to another, it is important to consider the mix of building types in a housing market.

Because there are relatively few rental homes in Essex and Essex Junction, when broken down by building type, the MOEs are too high to be reliable, so only county data are shown. Though most rental homes in the county are found in multi-unit apartment buildings, there are a significant number of other building types, including detached single-family homes, townhouses, and duplexes. The proportion of apartment buildings with 10-19 units is notably low. Lending practices and development laws that favor either small or very large buildings contribute to this national trend of “missing middle” housing, which can provide sorely-needed workforce and middle-income housing.

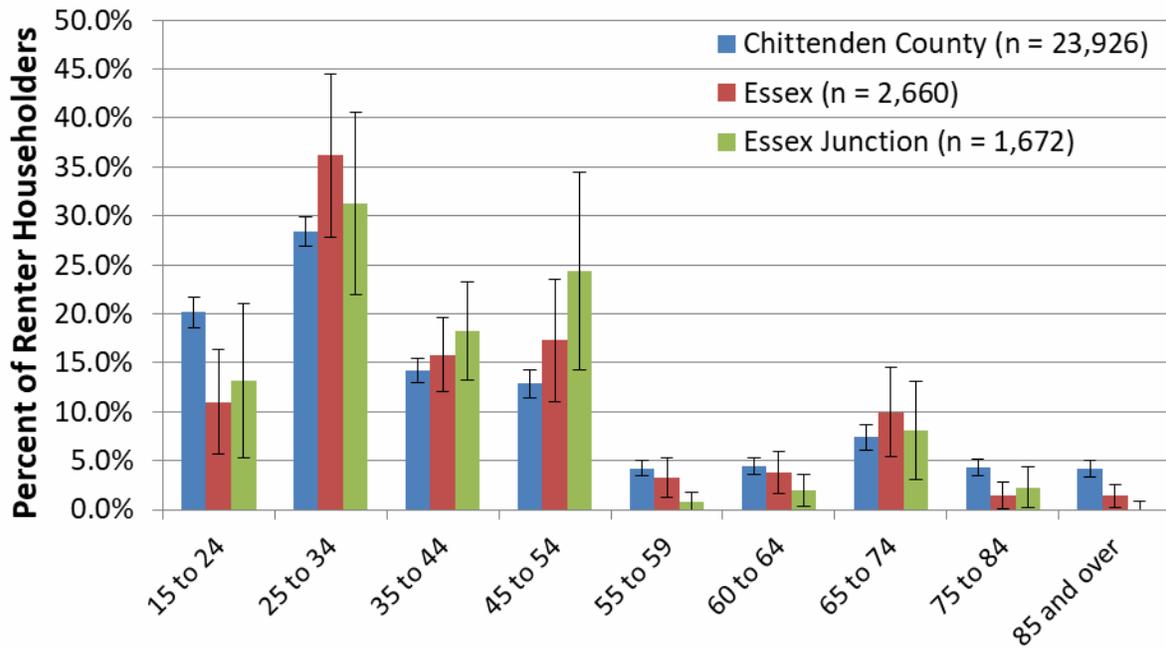
4.4 Renter Age Distribution

Compared to the population as a whole, renting households are generally young. Householders under age 35 account for nearly half of all renters, and those over age 60 account for about 20% or fewer of all renters. In the Town of Essex, there are approximately 526 renting households over the age of 55; approximately 218 of those live in the Village. These units are designed with amenities for the elderly or handicapped, but do not necessarily receive government subsidies.

Chittenden County Rental Homes by Building Type (2017) Total Homes = 23,926



Age of Householder - Renters (2017)



4.5 Vacancy Rate

Compared to the number of renter households living in Essex and Essex Junction, at first glance there appears to be a sufficient number of rental homes overall; however, this metric does not indicate how many units are actually occupied. The rental vacancy rate (the number of unoccupied rental units as a percent of all rental units) provides data on one aspect of this.

Census data indicate that rental vacancies were low in Essex and Essex Junction compared to the county prior to the recession (5% is considered a “healthy” vacancy rate; below that, tenants struggle to find homes at a reasonable price. The inverse is true for landlords renting homes). During the recession, the inverse was true and the differences were wider, but still below the “healthy” threshold of 5%. As of 2017, ACS data indicate that vacancy rates for the county have dropped, but are still higher than prior to the recession. Vacancy rates at the municipal level have margins of error that are too high to be statistically valid, but even at the highest range of error, the vacancy rate is less than 3.5% for the Town and just over 5% for the Village. It is possible that the actual vacancy rate is lower than this, so it is reasonable to conclude that it is still a constrained market.

Rental Vacancy 2017	For Rent	For Rent MOE	Total Units	Total Units MOE	Vacancy Rate	Vacancy Rate MOE
Chittenden County	470	+/- 204	24,396	+/- 736	1.9%	+/- 0.9%
Essex Town	35	+/- 52	2,695	+/- 240	1.3%	+/- 2.0%
Essex Junction	35	+/- 52	1,707	+/- 211	2.1%	+/- 3.1%

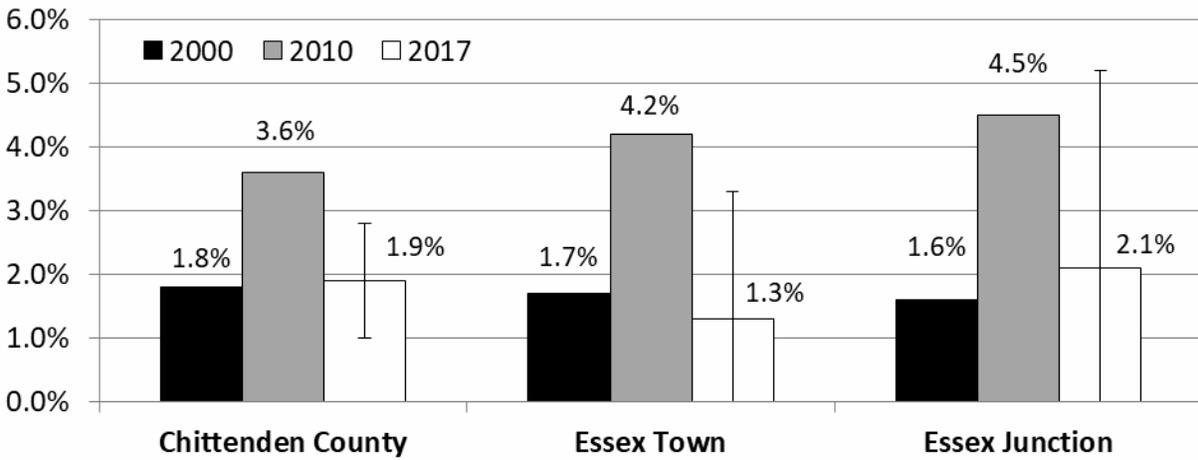
4.6 Median Gross Rent

Gross rent refers to the amount that renters pay for their housing and any utilities or fuels associated with the rental. Median gross rent is the 50th percentile of gross rents across a community (with 50% paying more than the median and 50% paying less). Rents are fairly consistent across the county, Town, and Village, but all have risen significantly higher than inflation has over the last 17 years – the average annual rent increase ranges from 3.53% to 4.23%.

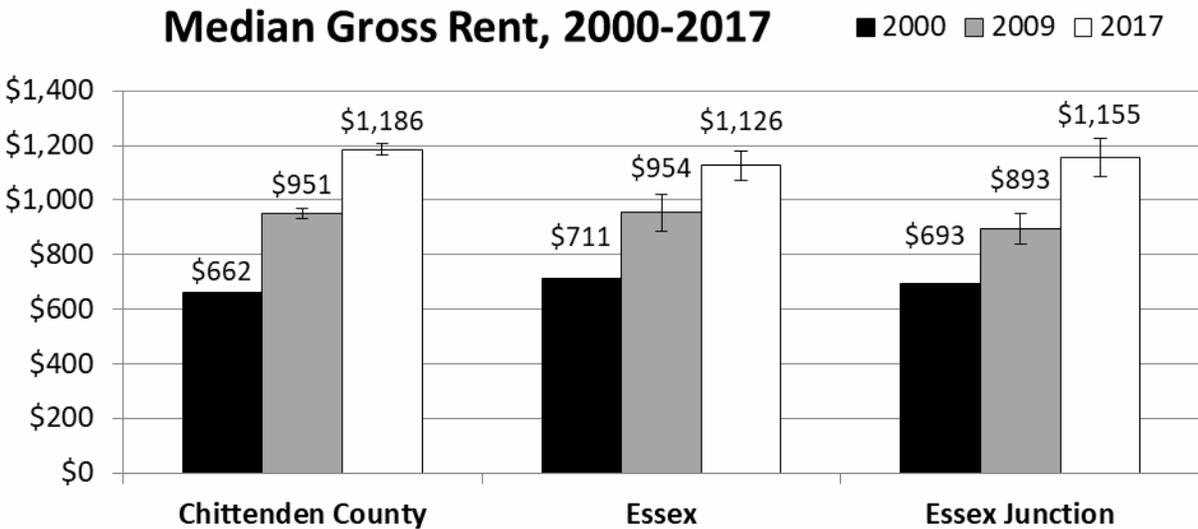
4.7 Median Gross Rent by Bedrooms

Median gross rent does not account for differences in price between rental homes of different sizes; the ACS provides a breakdown of median gross rent by number of bedrooms. The differences are consistent over each area. Rents are close to the median for 1 and 2-bedroom units, while larger units tend to be more expensive (though significantly less expensive on a per-bedroom basis).

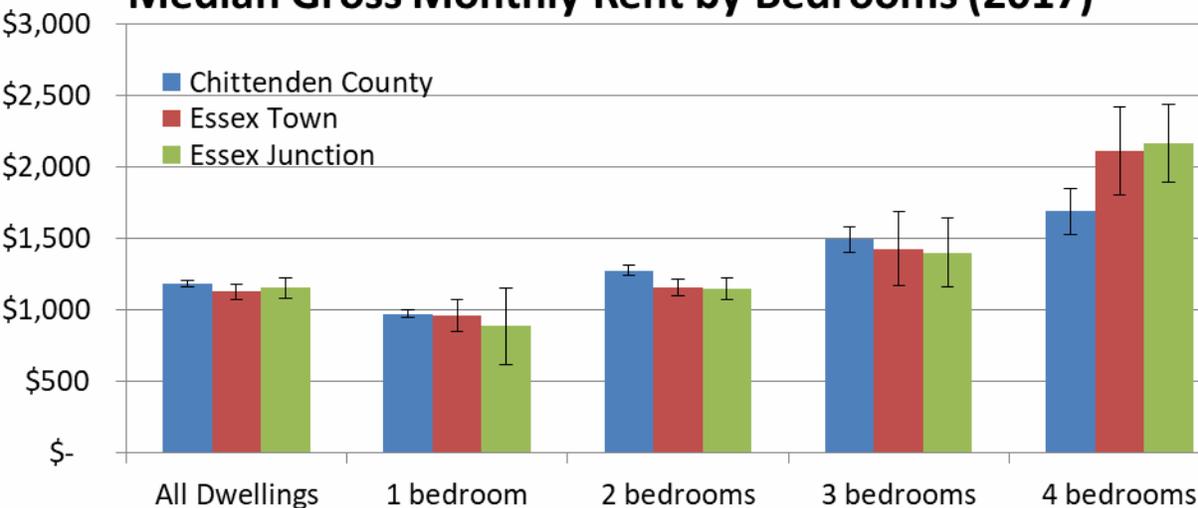
Rental Vacancy Rate 2000-2017



Median Gross Rent, 2000-2017



Median Gross Monthly Rent by Bedrooms (2017)



4.8 Renter Household Income and Rental Housing Wage

As noted in Section 3.5, median household incomes among renters are significantly lower than among owner households in the county, Town, and Village. That being said, renters in the Village have slightly higher incomes than those in the Town and the county as a whole.

The “rental housing wage” is the minimum income needed to afford a rental home at Fair Market Rent (FMR) using no more than 30% of one’s income. Fair Market Rent is the 40th percentile of gross rent (including utilities) for typical, non-substandard rental units reported by recent movers. Rental housing wage can only be calculated at a regional level since the FMR applies an entire metropolitan statistical area (MSA), but the calculation can be broken down by number of bedrooms. The Burlington-South Burlington MSA includes Chittenden, Franklin, and Grand Isle Counties.

The rental housing wage for a 1-bedroom apartment in the Burlington-South Burlington MSA is over twice the minimum wage for the area. This means that two income earners at minimum wage can barely afford a rental home that meets their needs at median rent. Renting a larger dwelling, a highly likely scenario given the limited number of 1-bedroom or studio rentals, would create significant cost burden for these households.

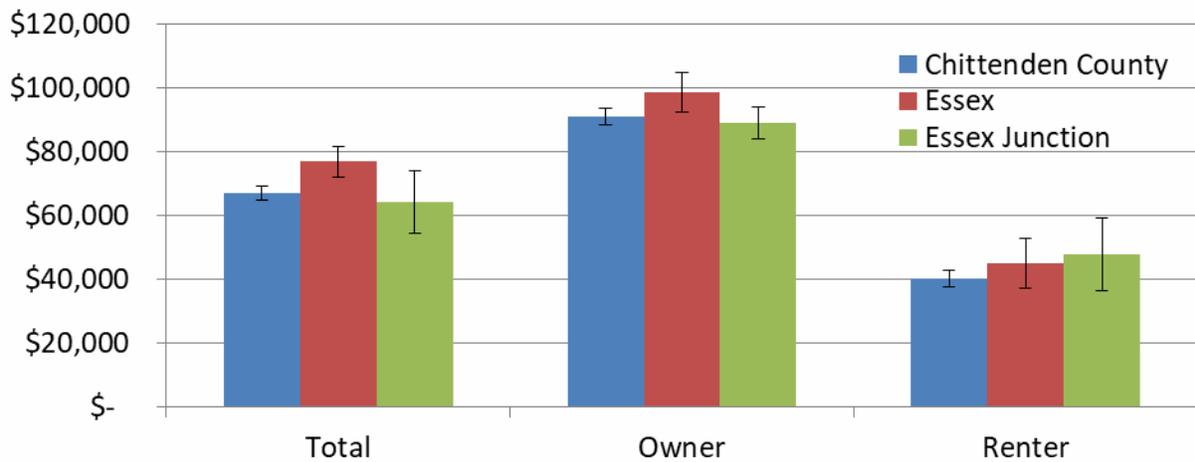
For households at median incomes, a single wage-earner at median income would pay 30% or slightly more of their income for a 1-bedroom rental home at Fair Market Rent; 3- or 4-bedroom homes would likely require two wage-earners, even for Town and Village households despite their slightly higher incomes. However, the figures here represent median incomes and

The rental housing wage for a 1-bedroom apartment is over twice the minimum wage for the area.

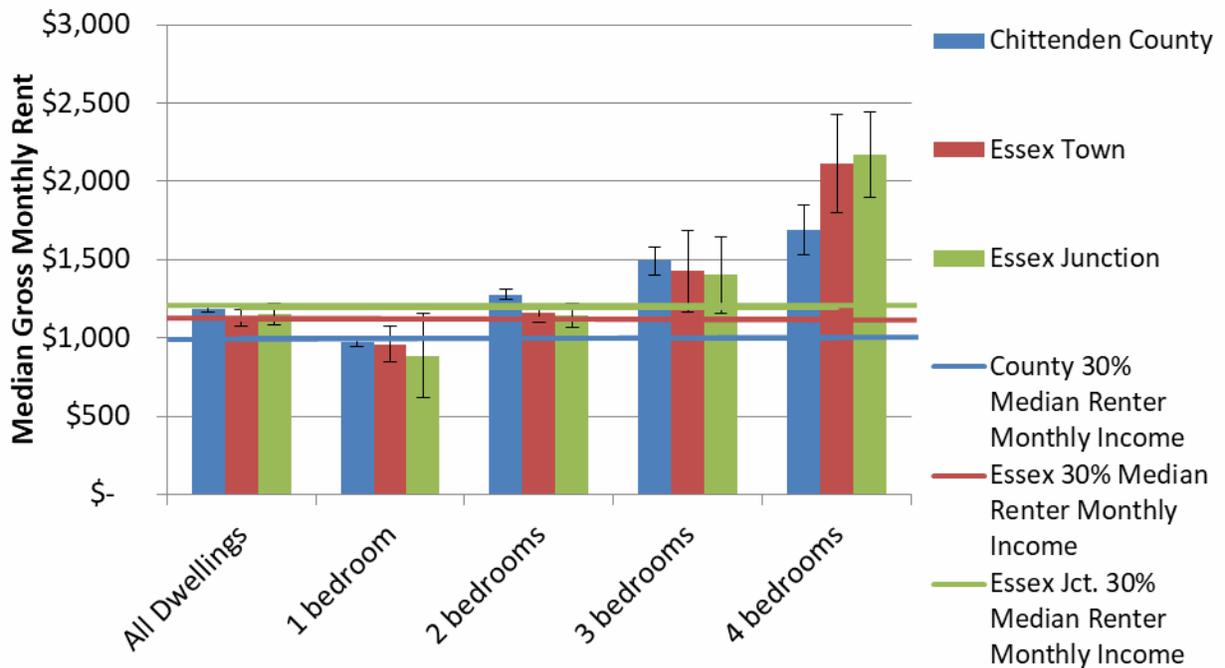
rents (or in the case of FMR, 40th percentile rents), and do not represent the real situations many renters face in a highly competitive market. The limited supply of lower-rent and smaller (studio and one-bedroom) rentals makes it clear why cost burden is high among over half of renters.

Renter Housing Wage, 2016 Chittenden County	Number of Bedrooms			
	One	Two	Three	Four
Hourly wage needed to afford FMR at 30% income	\$21.56	\$27.73	\$36.94	\$38.94
VT Minimum Wage (Hourly)	\$10.50	\$10.50	\$10.50	\$10.50
Housing Wage as % of Minimum Wage	205%	264%	352%	371%
Median Renter Income (Hourly)	\$19.23	\$19.23	\$19.23	\$19.23
Housing Wage as % of Median Renter Income	112%	144%	192%	203%

Median Household Income by Tenure (2017)



Rental Affordability by Bedrooms (2017)



4.9 Renter Cost Burden

Households that spend more than 30% of their income on housing are considered “cost-burdened.” These households often have difficulty affording food, transportation, healthcare, and other necessities. Cost-burdened households also are unlikely to be able to save for the future or emergencies, support dependents, or contribute significantly to the economy with their limited disposable income.

In general, cost burden among renters in the area has risen over the last 17 years. By 2017, around half of renters paid more than 30% of their income on rent, and between a quarter and a third paid more than 50% of their income on rent.

4.10 Rental Assistance Programs

VHFA distributes federal subsidies to rental housing developments that provide units for low-income renters (project-based assistance). Most, if not all, of these affordable housing projects are restricted to tenants whose incomes are below a certain percent of the area median income (AMI), or for other qualifications specified in housing assistance programs. Though these developments represent permanent affordable housing available in the community, because there are so many households in need, the time spent on wait lists for these units ranges from several months to multiple years.

State and local housing authorities administer federal subsidies for another rental assistance program – the Housing Choice Voucher Program (Section 8), which bridges the gap between market-rate rents and what a qualifying low-income renter can afford. Households earning 60% or less of the county median income qualify for rent assistance.

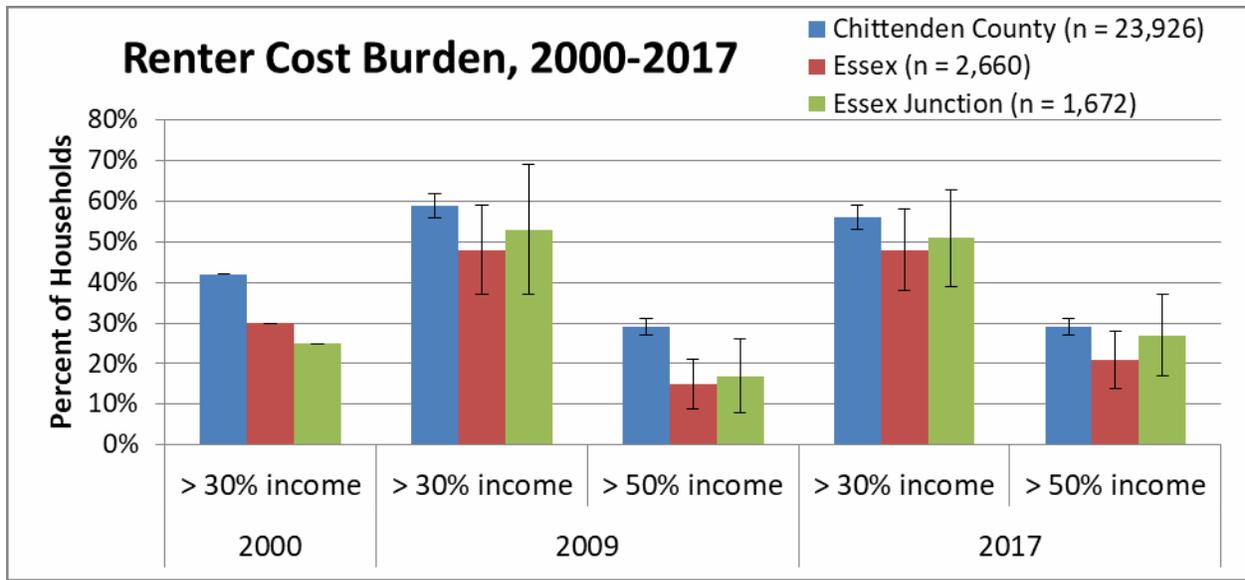
Though project-based subsidies provide permanent, high-quality projects in desirable locations, the voucher program provides more funding and helps more households per dollar spent. However, there are long wait lists for the program (only one in four households in need ever receives a voucher), and it is difficult for renters to find landlords willing to accept the vouchers or who have appropriate units. Information on project-based subsidies and rent vouchers are shown for the Village and the Town including the Village, along with the specific characteristics of the renting populations served.

VHFA estimates that up two thirds of households in Essex and up to three quarters of those in Essex Junction who qualify for rent assistance are not receiving it. This severe gap in housing assistance is due to both the limited availability of funding for rent vouchers and an insufficient number of subsidized housing projects in Essex relative to the number of households in need.

This estimate is based on several major assumptions:

1) that there is an even distribution of incomes through the ACS income brackets; 2) that the distribution of rent vouchers is proportional to the population of Essex and Essex Junction; and 3) half of all voucher holders live in a home with a project-based subsidy.

VHFA estimates that due to limited funding, up to two thirds of Essex households and up to three quarters of Essex Junction households who qualify for rent assistance do not receive it.



*Note: Comparison of estimates for Essex Town between 2000 and 2009 are not statistically significant due to high MOEs.

Subsidized apartments	Essex	Essex Jct.
Number of apartment complexes	7	3
Total apartments	285	114
Units limited to senior or disabled tenants	19	19
Units limited to tenants aged 55 and older	136	64
Units limited to disabled tenants	0	0
Accessible/adaptable units	71	25
Units with permanent supportive housing for the homeless	0	0
Units with permanent supportive housing for other types of tenants	0	0

Essex Rental Assistance*	Essex	Essex Junction
Households at or below 60% AMI	1092 (+/- 287)	697 (+/- 232)
Estimated households with vouchers in market-rate homes	77	49
Apartments with site-based subsidies	285	114
Unassisted low-income renter households	730	363
Percent of unassisted households	66.9%	76.6%

*Assumes 1) even distribution of household incomes in ACS data; 2) vouchers are distributed proportional to the municipality's population; and 3) half of all voucher-holders live in homes with project-based subsidies.

5 Homeownership

This section reviews owner-occupied homes, including home values and sales data, as well as the sizes and incomes of owning households, to understand the current state of homeownership in Essex and Essex Junction. In most housing markets, homeowners have higher incomes than renters, and are more likely to stay in the same home for long periods of time. Some homeowners, especially seniors or “empty-nesters,” may seek rental housing that provides for special health care needs, such as senior housing, or that simply allows them to downsize.

5.1 Homeownership Rate and Owner-Occupied Housing Stock

As noted in earlier sections, around two thirds of households in the county, Town, and Village own their homes; however, ownership is somewhat higher in the Town overall than in the Village or county. Though the Town and Village track the number of dwelling units built and permitted in their jurisdictions, there is no system to track whether these homes are renter- or owner-occupied. The ACS does track this, but overestimates the total number of units compared to municipal estimates shown in Section 3.15.

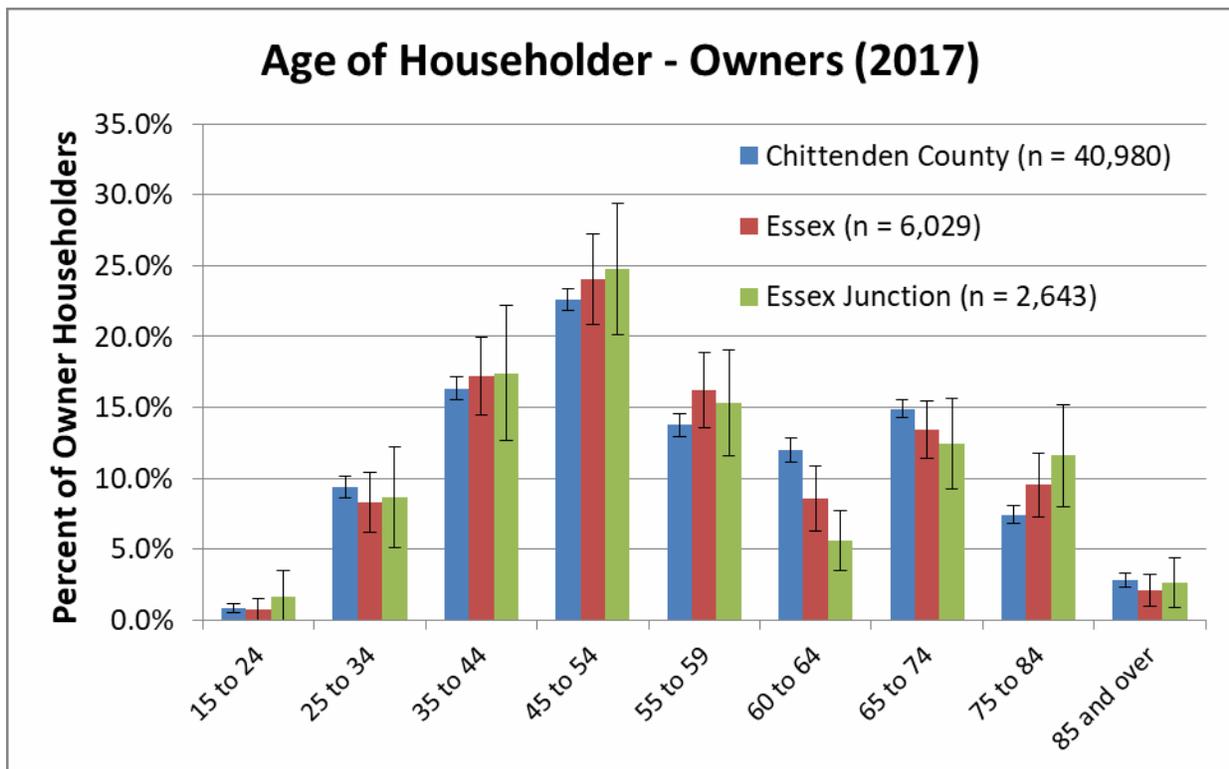
5.2 Homeowner Age

Most homeowners in the county, Town, and Village are between the ages of 35 and 59, though there are a significant number of elderly homeowners (age 65 or older) as well. Compared to the population as a whole, homeownership is skewed towards the middle of the age distribution. This is not necessarily unusual or problematic for householders aged 15 to 24, since they may not have enough savings for a down payment, or may choose not to make the long-term investment of homeownership. Most households who wish to purchase a home do so between the ages 25 to 34. However, in the county, Town, and Village, this age group, which represents about 15% of all households, accounts for fewer than 10% of owner households but over 25% of renter households.

Whether due to choice, financial circumstances, or limited homeownership choices, these households are staying in rental housing longer than is typical of a housing market. This can have repercussions on these households’ long-term financial outlook and their ability to contribute to the local economy, not just the housing market. Though homeownership is more than a financial investment (and shouldn’t be the only source of financial security), it does create equity for a household by replacing rent paid to a landlord, decreasing frequent moving expenses, and by the likely increase in home value over time. The Essex Community should encourage homeownership for those who choose to pursue it (though not at the expense of much-needed rental housing).

2017 Ownership	Owner Households		Total Households		% of Households	
	Estimate	MOE	Estimate	MOE	Estimate	MOE
Chittenden County	40,980	+/- 628	64,906	+/- 552	63.1%	+/- 0.8%
Essex	6,029	+/- 274	8,689	+/- 233	69.4%	+/- 2.5%
Essex Junction	2,643	+/- 214	4,315	+/- 200	61.3%	+/- 4.1%

2017 Housing Units by Tenure	Owner-occupied		Total Homes		% of Housing Stock	
	Estimate	MOE	Estimate	MOE	Estimate	MOE
Chittenden County	41,345	+/- 649	41,345	+/- 649	62.7%	+/- 0.8%
Essex	6,177	+/- 301	6,177	+/- 301	69.6%	+/- 2.7%
Essex Junction	2,666	+/- 218	2,666	+/- 218	61.0%	+/- 4.0%



5.3 Homeowner Household Size vs. Owner-Occupied Home Size

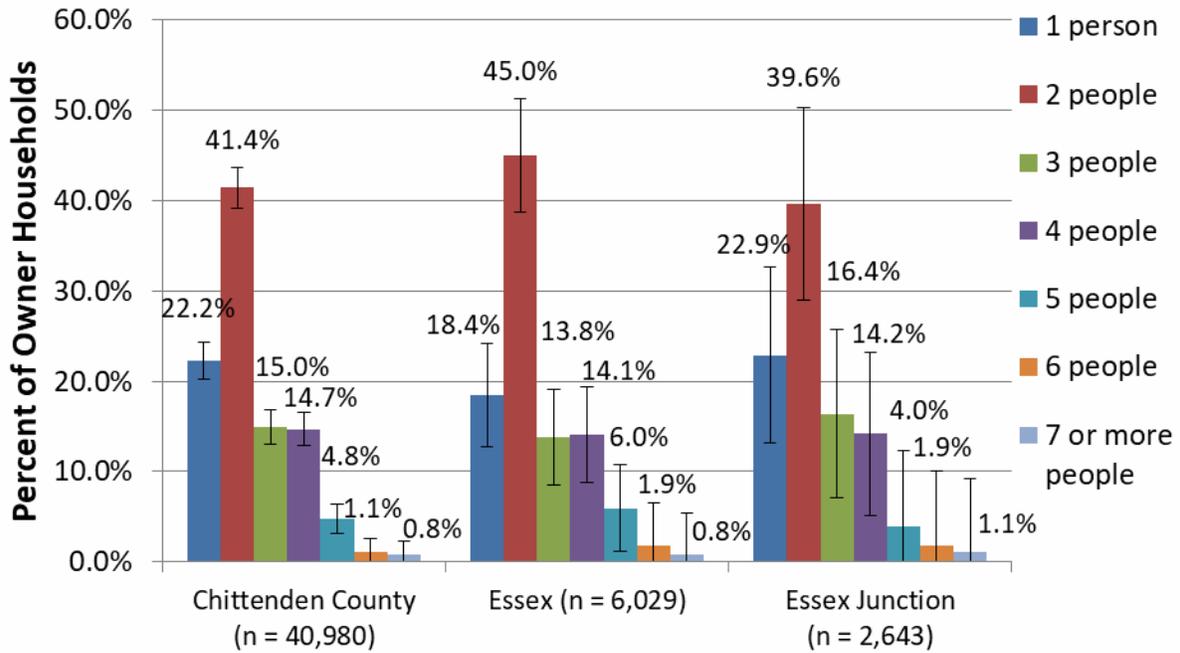
Household size among homeowners is generally higher than among renters, consisting primarily of 2-person households. There are also more 3- and 4-person households among homeowners, but still a significant number of homeowners who live alone.

The distribution of home size in terms of bedrooms is also on the larger side compared to rental homes. Most owned homes have three bedrooms, and nearly all of the rest are either 2- or 4-bedroom dwellings.

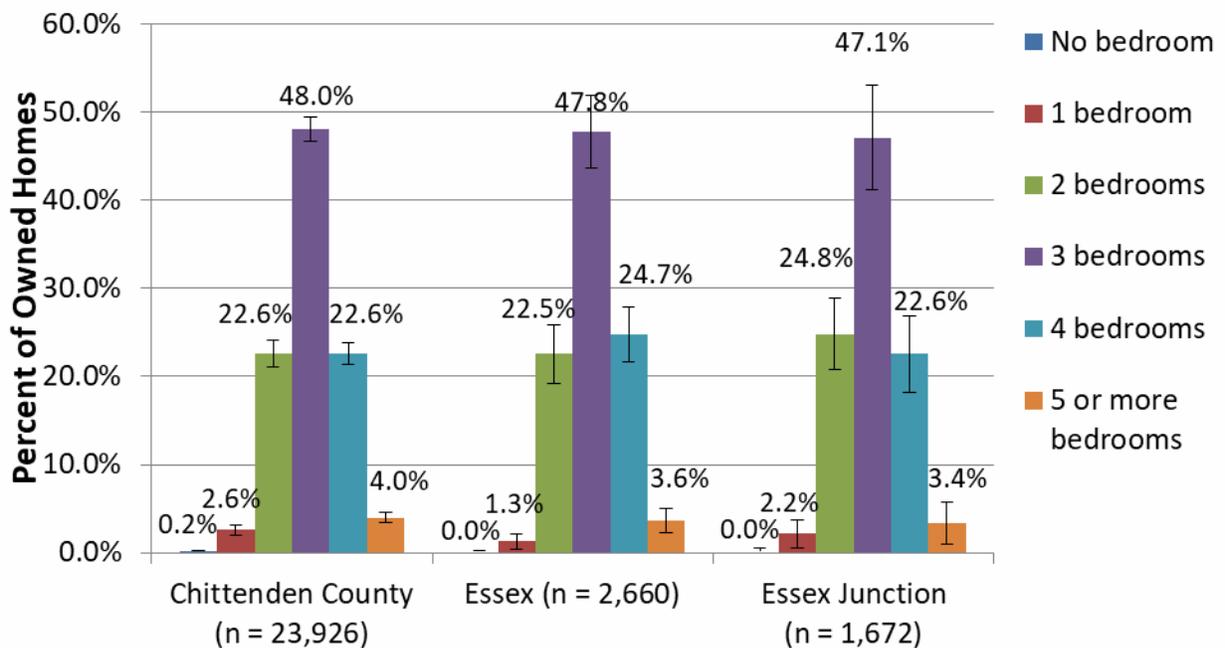
At a high-level view, home size appears well-matched to household size among homeowners, who generally won't find one extra bedroom unaffordable. Two-person households are likely comfortable in either a 2- or 3-bedroom home, assuming at least one room is shared and another is used for a child, parent, or guests. Some of these households may plan to grow or may have recently decreased in size.

However, if household size continues to decrease as it has over the last decade or so, the demand for homes with 3 or fewer bedrooms will likely increase, while demand for houses with 4 or more bedrooms will decrease. Depending on their design, these larger properties may eventually be converted to duplexes or rented out.

Owner Households by Size, 2017



Owned Homes by Bedrooms, 2017



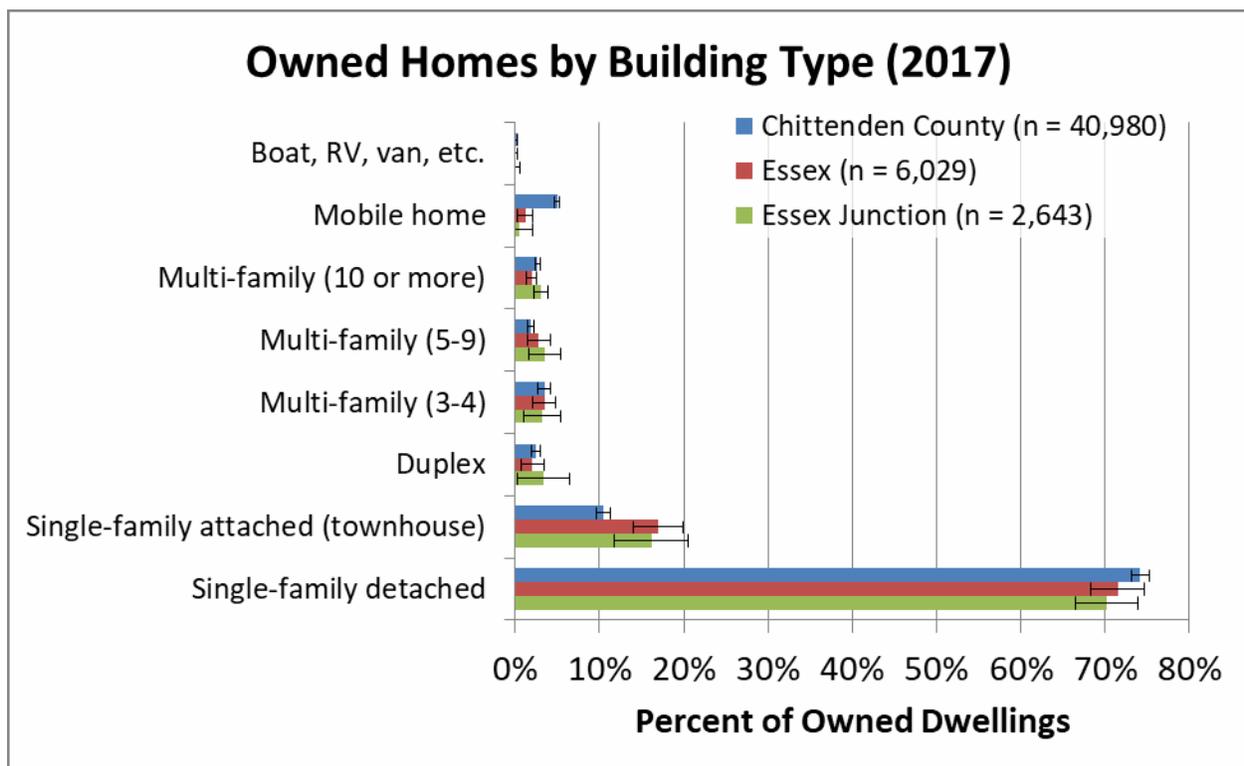
5.4 Owned Homes by Building Type

Owner-occupied homes can take on a variety of building types, from detached single-family houses to townhouse developments to multi-family apartment buildings. A vast majority (roughly 70%) of owner-occupied dwellings in the area are single-family detached houses. Most of the remainder are in the form of townhouses (individual homes with at least two floors in a building with two or more such homes), with a small number of duplexes, mobile homes, and multi-family buildings.

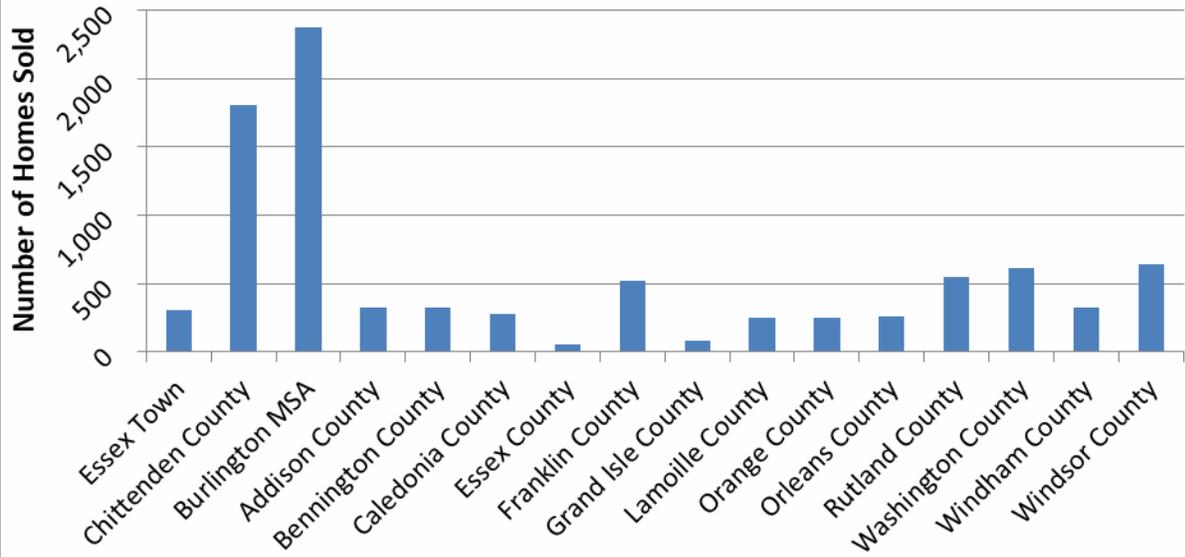
Townhouses and other multi-family homes are often less expensive because they are generally smaller and do not include the value of land surrounding them. These features better fit the needs of smaller households or those looking to downsize as well as first-time homeowners. Encouraging a greater diversity of housing types is stated as a goal in the *2016 Essex Town Plan*.

5.5 Demand for Homeownership

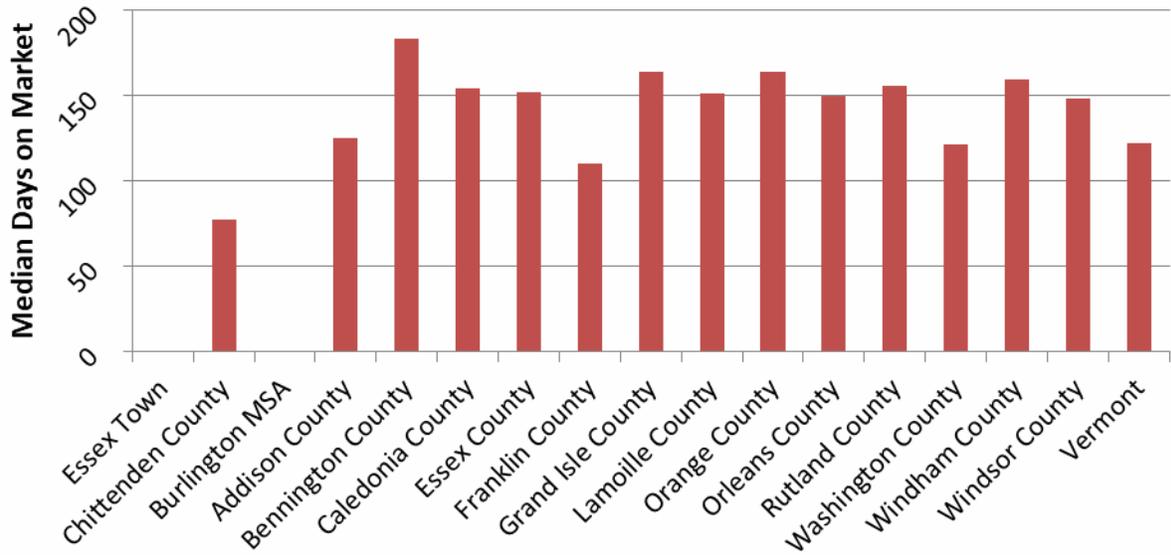
There it is possible to calculate a vacancy rate for owned homes (based on the number of homes listed for sale), it is a highly variable measure due to seasonal changes in the market, and the ACS data for small areas has very high margins of error. However, there are several other measures of demand for owner-occupied homes, including the number of primary home sales (not including vacation homes) and the median number of days a house is listed on the market. In a high-demand market, home sales are high and days on the market are low, and vice versa. In 2017, the number of home sales in Chittenden County and Essex Town were among the highest in Vermont by county and town, respectively. Chittenden County had the lowest number of days on the market by far. Both of these figures support the conclusion that homeownership is a highly competitive market in the area. The figures above represent an average of all building types (including single-family detached, condominium, and mobile homes).



Primary Home Sales (2017)



Median Days on the Market (2017)

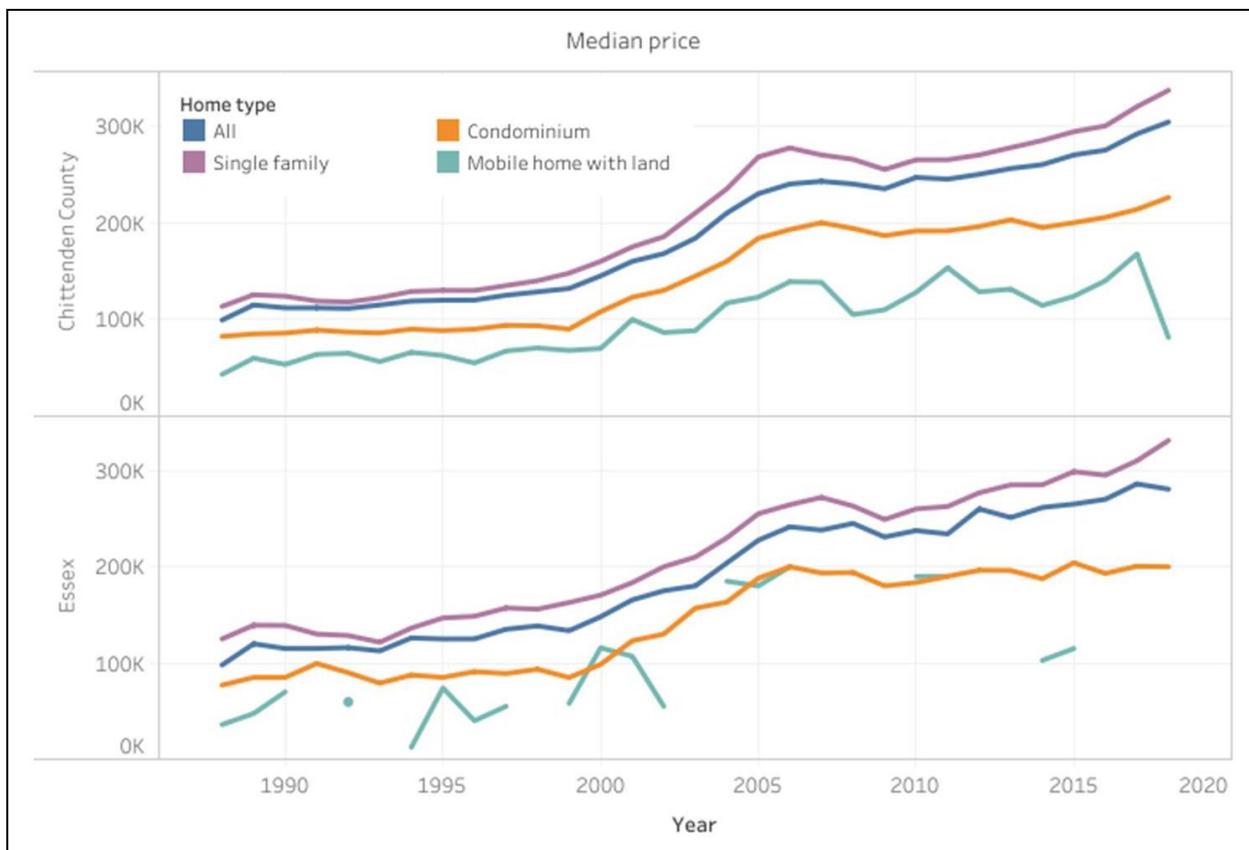


5.6 Median Home Sale Price

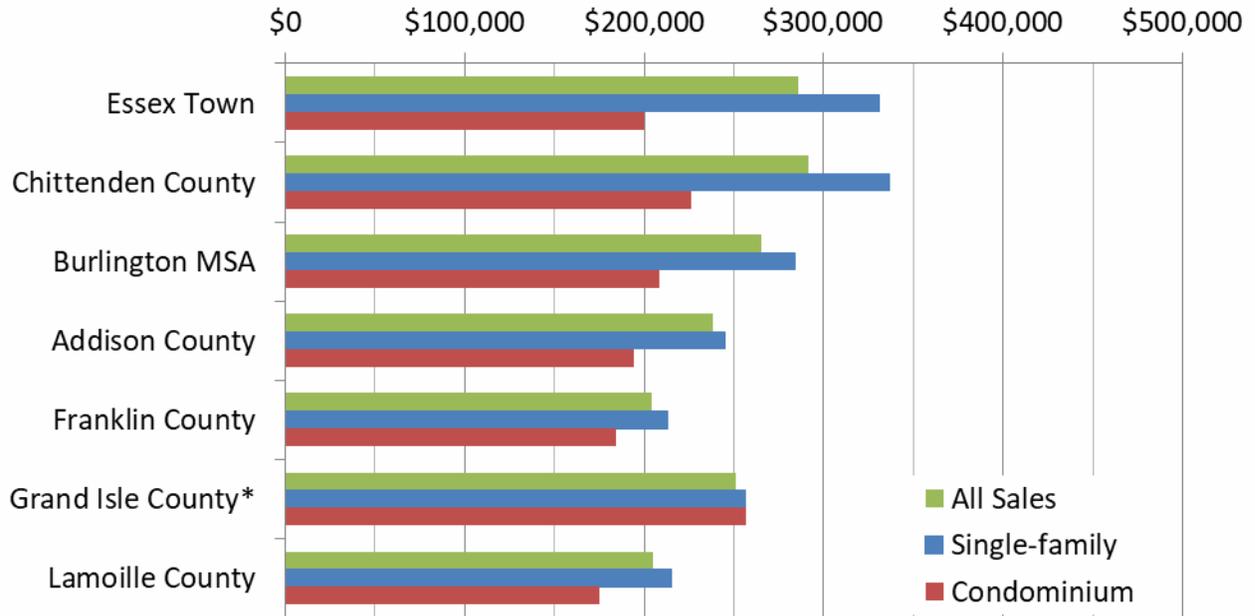
In addition to number of homes sold and days they spend on the market, demand for homeownership can be measured by the median home sale price. Home price depends on a variety of factors, including house size, type, design, location, quality, and many others. However, in general for a given home, prices are generally high in a high-demand market, and vice versa. The graphs below and to the right show data from the Vermont Property Transfer Tax records (sales data is not available at the Village level). Note that mobile homes are not always displayed due to a low number of sales (there were none in many towns), but mobile home sales are factored into the category “All Sales.”

Sale prices for single-family homes in Essex and Chittenden County are currently higher than other areas of Vermont, though condominium prices are comparable to other areas. Still, the difference between single-family detached homes and condos is much higher than elsewhere in the state. Compared to other towns in Chittenden County, homes in Essex are relatively affordable, especially condos compared to single-family homes.

Overall, home prices have steadily risen in Essex and Chittenden County over the last two decades, with only a small dip during the recession with an immediate rebound. Economic forecasts predict a recession in the next year or so, but given the market trends in the last recession, it is unlikely that home prices will decrease significantly, and likely will only continue to increase. When broken down by home type, it is clear that single-family homes are mainly driving the increase in home price, while condominium sale prices are steadier, especially in Essex. There are not enough mobile home sales to provide reliable data (many mobile homes are rented rather than owned), but they have generally followed sales trends for other home types.

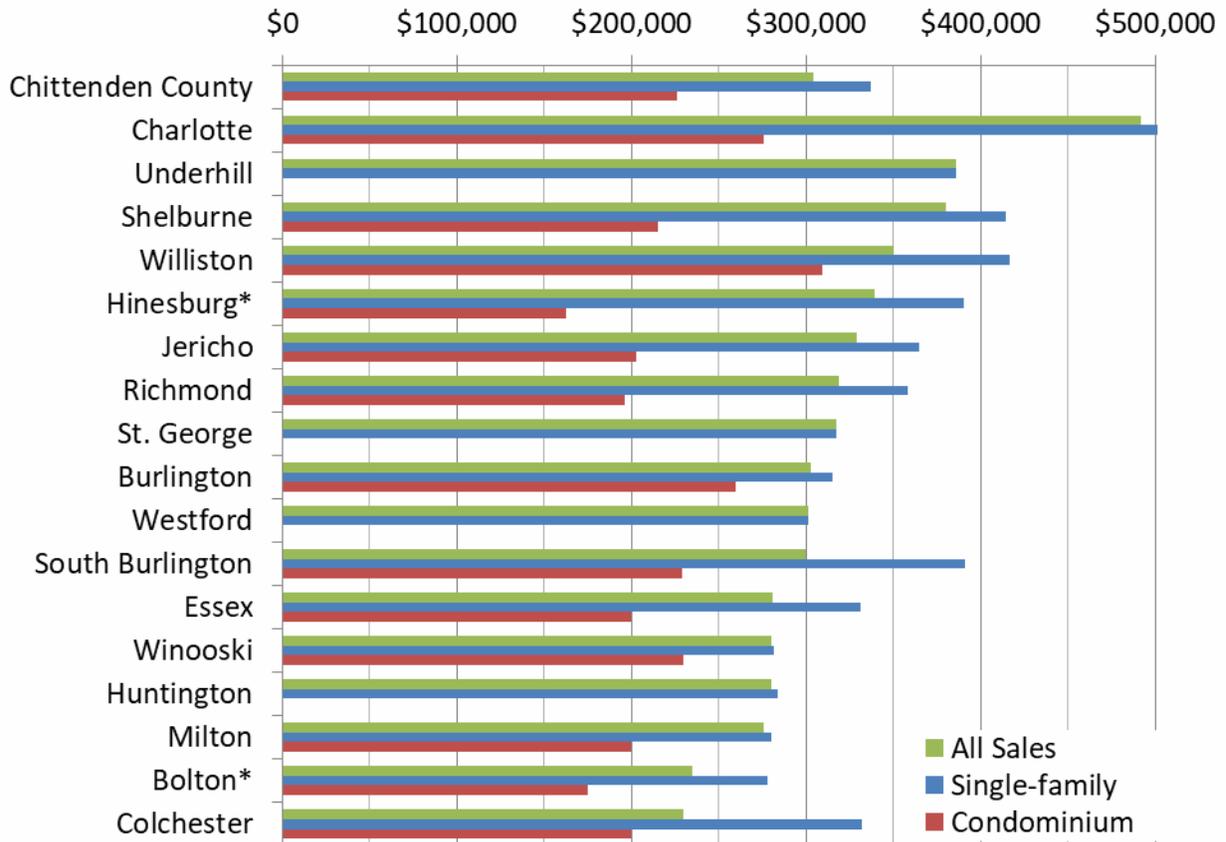


Median Home Sale Price (2017), Selected Counties



*Low reliability, number of condo sales fewer than 10

Median Home Sale Price (2017), Chittenden County Towns



*Low reliability, number of condo sales fewer than 10

5.7 Assessed Home Value

Though it is a good measure of the current market conditions, home sale price only captures a small portion of the value of all homes. Furthermore, market conditions can make home sale prices more volatile compared to the assessed value, the value of a home as judged by the municipality for tax assessment purposes. Though data are not available at the county level due to the differing assessment methods by municipalities, the Essex Assessor's Office provides assessment data for the Town and Village.

As calculated here, the median assessed value of homes includes only residential properties that have declared a homestead on their taxes (as opposed to rental properties), and also removes the value of farm, business, or small rental uses on properties (this applies to a very small portion of homes in Essex). The median assessed value was \$250,500 in the Village and \$260,400 in the Town as a whole. Looking at the distribution of home values shows that most homes in Essex lie within the range of \$200,000 to \$300,000 in assessed value, and a large portion are between \$200,000 and \$260,000. The assessed values of homes in the Village are distributed similarly, though there are more in the range of \$250,000 to \$300,000.

Currently, these are the ranges that households with incomes close to the median can afford. Such naturally-occurring affordable housing represents a significant asset to the Essex community because it allows citizens to build equity and avoid homes with a high cost burden, leaving more disposable income to contribute to the local economy. However, these assessed values are significantly lower than the median sale price for Essex; in other words, homes on the market generally are being sold for higher than the assessed value.

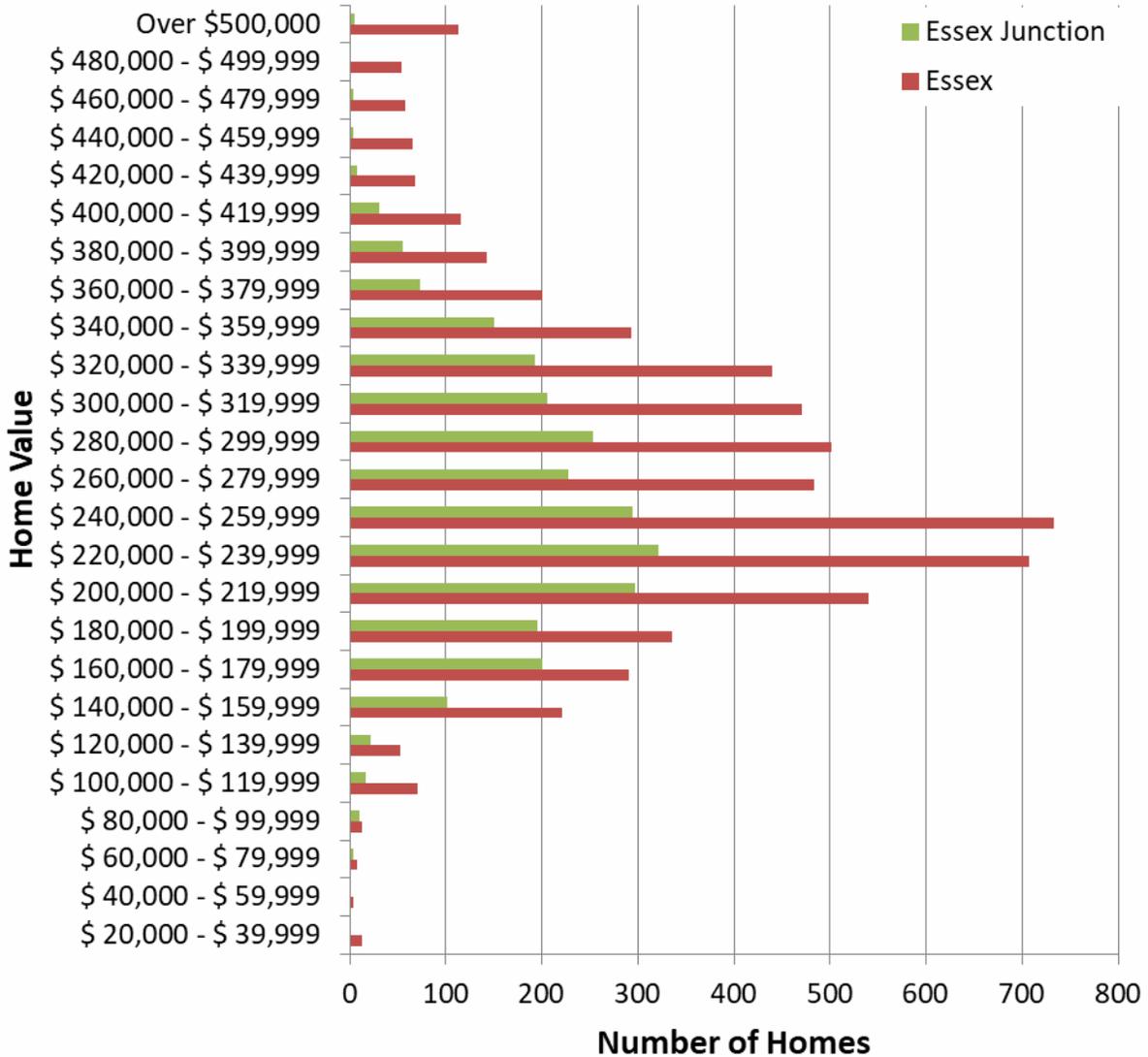
Assessed Home Value	Essex	Essex Junction
Median Assessed Value	\$260,400	\$250,500
Average Assessed Value	\$274,960	\$257,447

5.8 Price-Related Differential

Because current sale prices (or market values) often differ from assessed values, the Department of Taxes and municipalities calculate an adjustment to their assessed value for tax equalization purposes known as the Price-Related Differential (PRD). This is also useful in understanding the trends in home sales at the local level. For a given timeframe (generally a 3-year period), the PRD is calculated as the average ratio (for all sales, the average of sale price divided by assessed value for each sale) divided by the aggregate ratio (the sum of all sale prices divided by the sum of all assessed values). A PRD value greater than 1.0 (100%) means that homes are selling for more than their assessed value, an indicator of a high-demand market (the inverse is also true). PRD values presented here do not remove the value of farm, business, or small rental uses as calculated for median assessed value above.

The PRD for the Village indicates that homes are selling for just above their assessed value, but in the Town as a whole, they are selling for a fair amount higher than the assessed value. This may be due in part to the larger size of properties in the areas of the Town outside the Village (since areas of land without a house site are not factored out of these sale prices). However, it may also be due in part to recent construction of new luxury homes in areas of the Town outside the Village. A third possibility is that demand is higher in the Town outside the Village than for comparable homes in Village.

Assessed Value of Owner-Occupied Homes (2017)



Price-Related Differential (April 2015-May 2018)	Essex	Essex Junction
Average Sale Price	\$279,984	\$272,694
Average Assessed Value	\$263,833	\$256,587
Mean Ratio	95.19%	81.13%
Aggregate Sale Price	\$321,981,122	\$142,346,108
Aggregate Assessed Value	\$303,407,700	\$133,938,200
Aggregate Ratio	94.23%	94.09%
Price-Related Differential	101.02%	100.86%

5.9 Home Price Affordability Calculator

Similarly to the rental housing wage, one can calculate the income needed to afford a home at the median sale price for a given area. The VHFA maintains a “Home Price Affordability Calculator” into which a user can enter a home price to determine the income needed to afford it, or a household income to determine what sale price a household can afford. The assumptions used in this calculation include the following:

- 5% down payment
- Average mortgage interest rates
- Average property taxes
- Average closing costs
- Average property and private mortgage insurance premiums
- Allocation of no more than 30% of household income to housing costs

The calculator shows that, for the Town and the county, the median sale price for single-family homes is far above what a median income household can afford. Though households at higher incomes may be able to afford these homes, the majority cannot, and very few renting households could purchase such a home. Condominiums are more within reach for the average household, but are still expensive to most renting households. Considering that roughly half of renting households in the area are cost-burdened, they also likely are unable to save enough cash for closing costs.

5.10 Home Price Affordability Index

The ratio of home sale price to county median household income is termed the Home Price Affordability Index (HPAI), and should be no more than 3.15 for a given area (above that, households likely spend more than 30% of their income on their home). In Chittenden County, the HPAI has hovered around 4.0 for the last 10 years; when indexed to the median income among renters, the county HPAI is 8.42 for a single-family home and 5.65 for a condominium. This means that homes for sale are already unaffordable for most households, but certainly out of reach for most renting households.

When 2017 home prices in Essex are indexed to 2017 median incomes for Essex, HPAIs were lower than for the county as a whole due to higher local incomes, but the differences are consistent across home types. Even so, most households (renter or overall) can only reasonably afford a condominium. The HPAI is not calculated at the Village level because sales data is not available at that level.

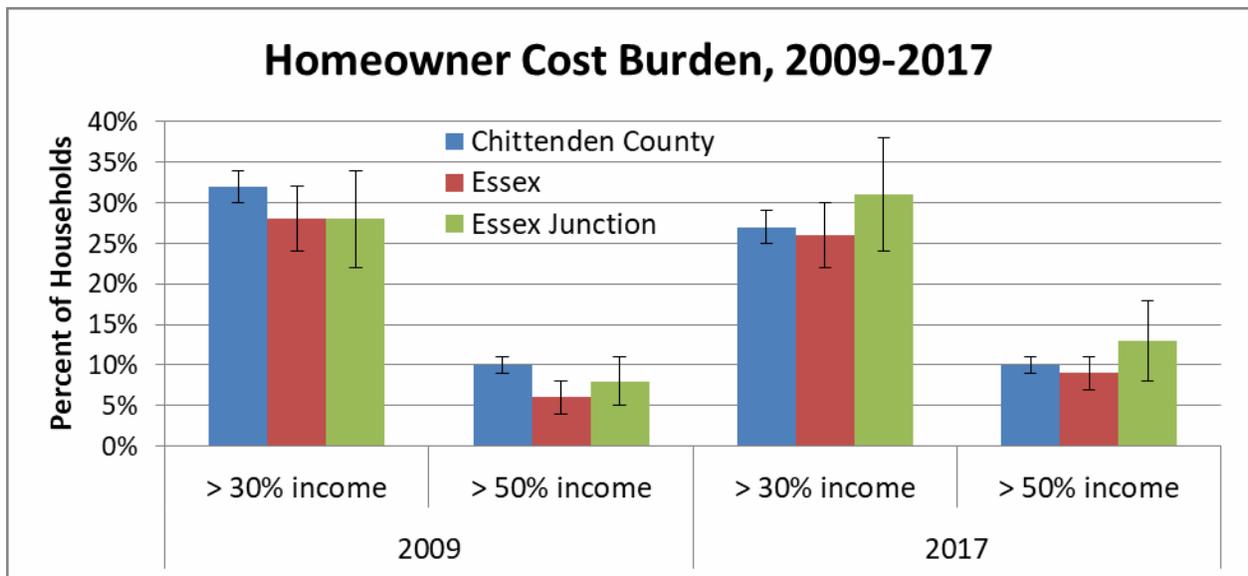
5.11 Homeowner Cost Burden

Though not as high as renter cost burden, homeowner cost burden in the area is still significant – nearly a third of homeowners in the county, Town, and Village pay more than 30% of their income on housing. Around 10% of those in the county and Town pay more than half of their income on housing, but in the Village, that is true for 8-21% of homeowners. Furthermore, the number of homeowners with >30% cost burden have decreased at the county level since 2009, but the number with >50% cost burden has increased within the Town (other comparisons between 2009 and 2017 are not statistically significant). This suggests that many homeowners are purchasing homes above their means. This could be partly because home prices have risen, while incomes for area residents have not kept pace. Another possible explanation is that the limited savings of cost-burdened renters forces them into a low down-payment on their first home, which results in a higher mortgage than they would prefer. In either case, the root cause is a misalignment of household incomes and homeownership costs.

Home Affordability Calculator Chittenden County (2017 data)	Median income approach		Median sale price approach	
	Total (Renter and Owner)	Renter	Single-Family Home	Condo
Annual Household Income	\$66,906	\$39,989	\$98,485	\$66,370
Home sale price	\$228,000	\$135,500	\$336,750	\$226,000
Cash needed at closing	\$21,551	\$14,012	\$30,394	\$21,388

Home Affordability Calculator Town of Essex (2017 data)	Median income approach		Median sale price approach	
	Total (Renter and Owner)	Renter	Single-Family Home	Condo
Annual Household Income	\$76,667	\$44,848	\$96,875	\$58,735
Home sale price	\$262,500	\$152,000	\$331,050	\$199,950
Cash needed at closing	\$24,363	\$15,537	\$29,946	\$19,269

Home Price Affordability Index (2017)		Median sale price	All households		Renting households	
			Median income	HPAI	Median income	HPAI
All homes	Chittenden County	\$304,000	\$66,906	4.54	\$39,989	7.60
	Town of Essex	\$280,500	\$76,677	3.66	\$44,848	6.25
Single-family	Chittenden County	\$336,750	\$66,906	5.03	\$39,989	8.42
	Town of Essex	\$331,050	\$76,677	4.32	\$44,848	7.38
Condo	Chittenden County	\$226,000	\$66,906	3.38	\$39,989	5.65
	Town of Essex	\$199,950	\$76,677	2.61	\$44,848	4.46



*Between 2009 and 2017, the number of homeowners spending more than 30% of their income on housing is not statistically different in Essex and Essex Junction; for those spending more than 50%, it is not statistically different in Chittenden County and Essex Junction.

6 Housing for the Elderly and Supportive Housing

Having a reliable, comfortable place to call home is crucial to a stable lifestyle – without that, challenges that some perceive as minor can severely disrupt a person’s physical, mental, and financial well-being. For instance, someone with a mobility issue may need to find adapt a unit to meet ADA standards. Another person afflicted with dementia may need to find a memory care facility or home help aide as the disease progresses. Someone with substance abuse issues exiting a treatment program may need recovery housing to help them transition back to regular housing. And someone who is recently evicted or fleeing a domestic violence situation may need temporary and safe shelter until a long-term home can be found.

These circumstances typically require different types of housing than are normally found in the market, and often require involvement of non-profits and governments. This section examines the demand for these types of housing in Essex and the availability of programs to serve those needs.

For the purposes of this assessment, the population considered elderly will be those eligible to live in congregate housing. Also sometimes referred to as senior housing, congregate housing is generally limited to occupants aged 62 years or older, or persons with disabilities. Federal, state, and Essex housing regulations also state that congregate housing developments may be occupied by those as young as age 55 as long as 80% of the dwelling units are occupied by someone at least age 55 or older, or someone with a disability. Congregate housing may be market rate, but are usually subsidized by federal and state housing programs. Congregate housing may be designed with fully independent living quarters for each dwelling unit, or with shared meal or other communal areas; however, congregate housing does not include assisted living, nursing, or memory care facilities.

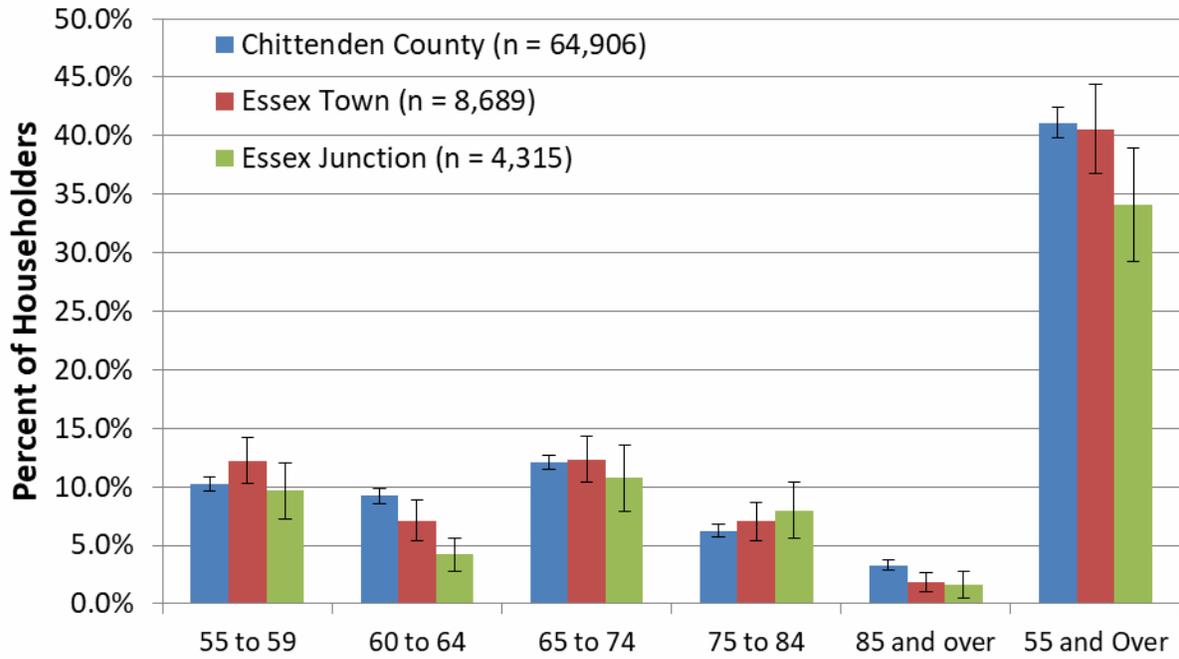
6.1 Elderly Households and Tenure

It is useful to consider the cohort of those aged 55-62 when analyzing elderly populations because even if such individuals do not currently need or qualify for certain congregate housing developments, many will within the next 5-10 years.

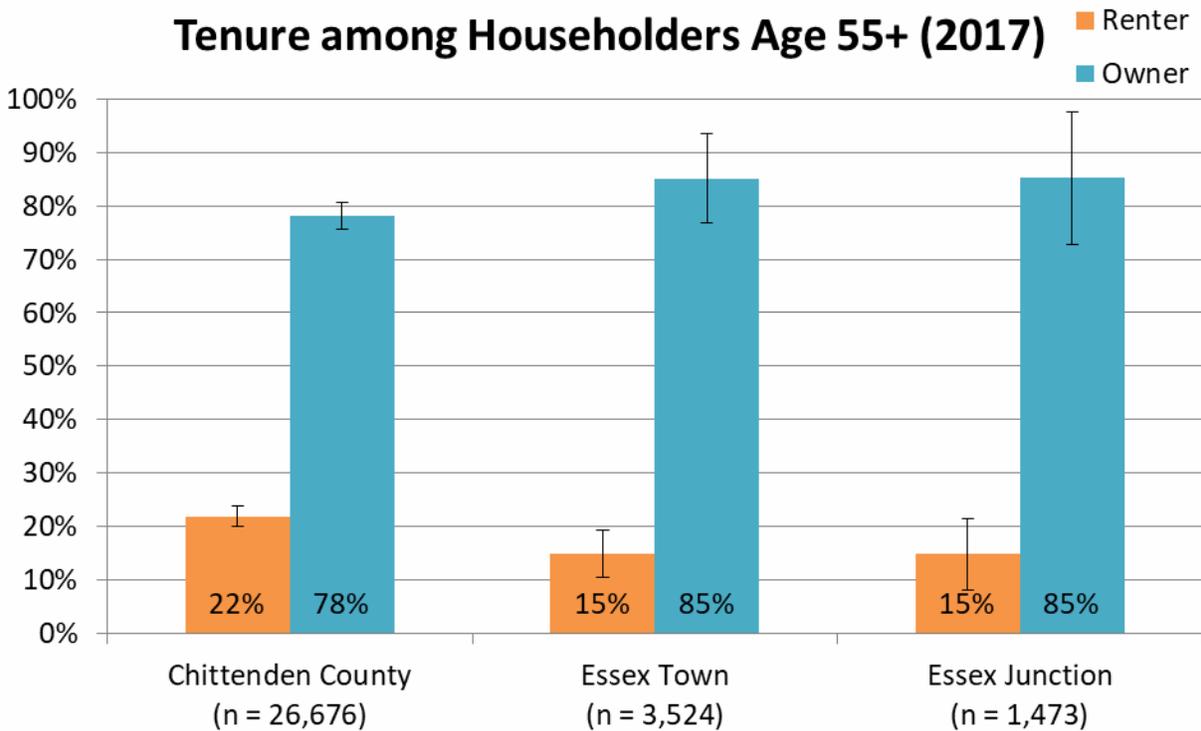
In 2017, roughly 40% of all households in Chittenden County and Essex Town were age 55 or over (the figure is closer to 35% in Essex Junction). This amounts to 3,524 (+/-332) households in the Town and 1,473 (+/-209) in the Village. In Essex and Essex Junction, 85% of these householders own their home rather than rent.

Depending on personal preference, health condition, financial resources, and limited availability of congregate rental housing (discussed further in Sections 6.3 and 6.4), many of those homeowners will choose to age in place rather than move into senior living communities. Some homes may require alterations and upgrades, such as ramps, lifts, or relocated entrances, to ensure comfort and safety as mobility issues arise for homeowners. It is difficult to know how many of these households are in need of financial or other forms of assistance because the ACS and VHFA do not specifically collect such information, and small sample sizes would skew the results if they did. Nevertheless, the Essex Community should support outreach and services such as home sharing, home health aides, and senior transportation, to ensure these households remain safe, comfortable, and as self-sufficient as possible as they continue to age.

Householders Age 55+, Renters and Owners (2017)



Tenure among Householders Age 55+ (2017)



6.2 Household Income among the Elderly

ACS statistics for income among householders aged 65 or older have high MOEs for Essex and Essex Junction, but county figures show that incomes are somewhat evenly distributed. However, financial stability among elderly households can vary widely depending on income (including wages, retirement savings, and social security), medical and household expenses, and the portion of income actually spent on housing.

Elderly households who spend more than 30% of their income on housing are generally eligible to live in subsidized rental homes. In Chittenden County, this represents roughly 60% (+/-1.5%) of all householders aged 65 years or older. Again, Essex and Essex Junction figures have high MOEs, but assuming that the proportion of cost-burdened elderly households is the same, about 130 elderly households in Essex and 59 in Essex Junction pay more than 30% of their income on housing, and likely would be eligible for subsidized housing.

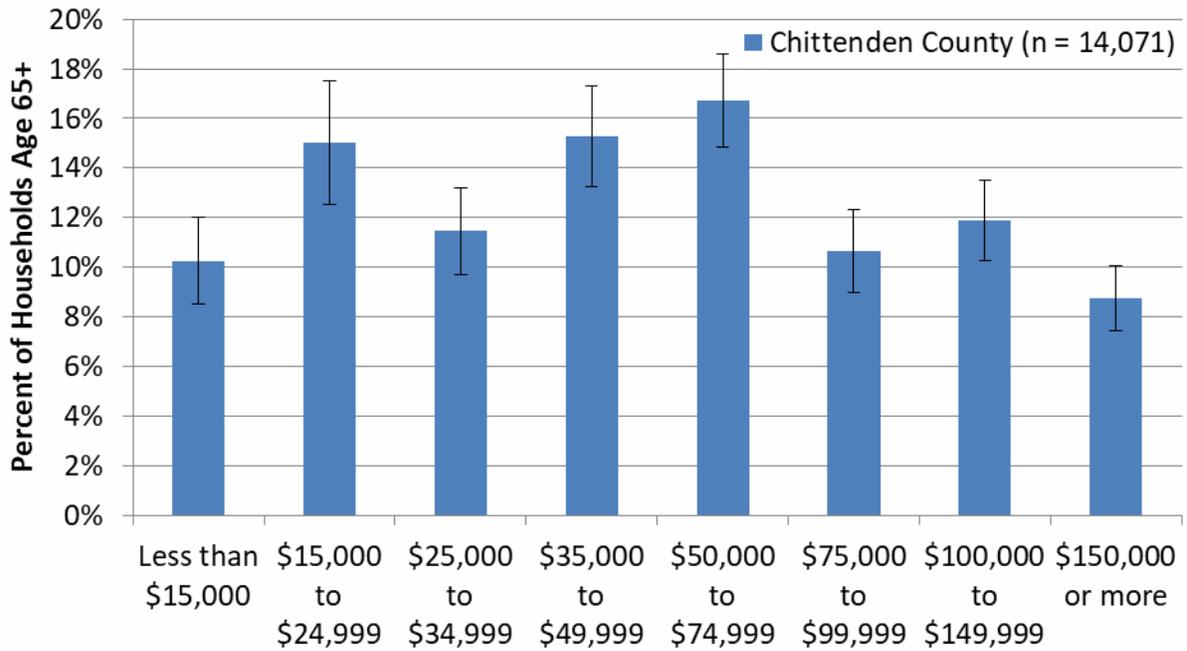
6.3 Senior Housing Stock

As noted in Section 4.10 (Rental Assistance Programs), there are 136 VHFA-subsidized apartments limited to those aged 55 and older in Essex, of which 64 are in Essex Junction. In order to provide affordable homes for the cost-burdened households (which do not currently occupy the subsidized units), Essex and Essex Junction would need to more than double the number of subsidized units available to this age group without displacing households in apartments not limited by age. As noted in Section 4.10, the wait lists for subsidized apartments are several months to a year, and sometimes multiple years for larger units.

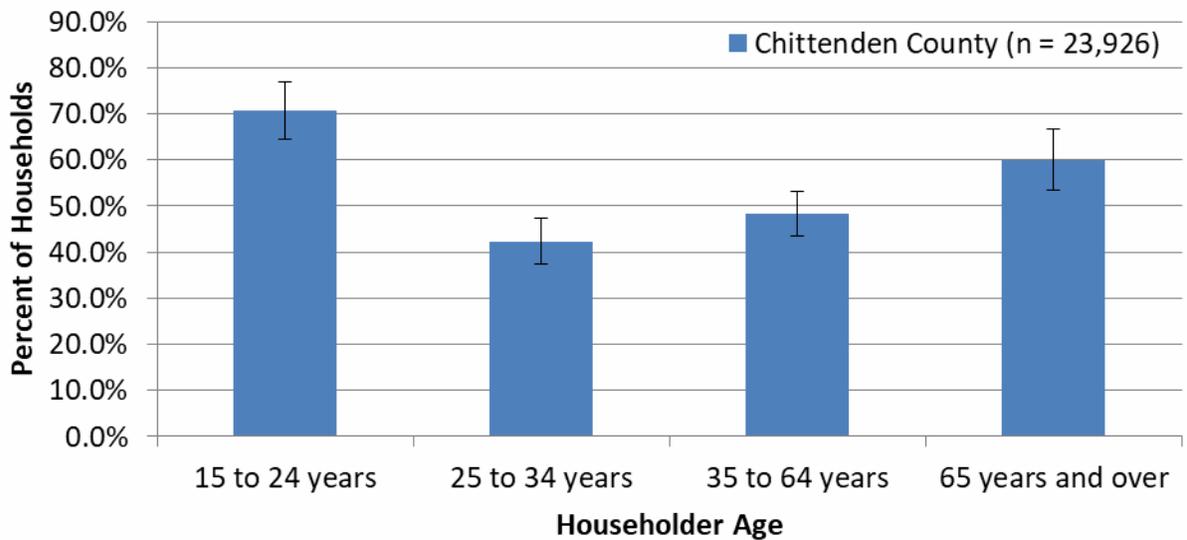
Subsidized apartments	Essex	Essex Jct.
Number of apartment complexes	7	3
Total apartments	285	114
Units limited to senior or disabled tenants	19	19
Units limited to tenants aged 55 and older	136	64
Units limited to disabled tenants	0	0
Accessible/adaptable units	71	25
Units with permanent supportive housing for the homeless	0	0
Units with permanent supportive housing for other types of tenants	0	0

In addition to the 285 apartments subsidized by VHFA, there are also several market-rate apartment buildings designed for seniors that are recently-built or under construction which do not limit potential occupants by age or qualification for subsidies. These include a 43-unit building at 15 Park Street planned to open in 2019; and a 27-unit building located at 5 Freeman Woods and planned to open in 2020. There is also a 50-bed memory care facility located at 6 Freeman Woods, and a 71-bed assisted living facility has received approval for development at 2 Freeman Woods but has not started construction yet. A 100-bed assisted living facility located at 18 Carmichael Street was completed in 2014.

Income among Households Age 65+ (2017)



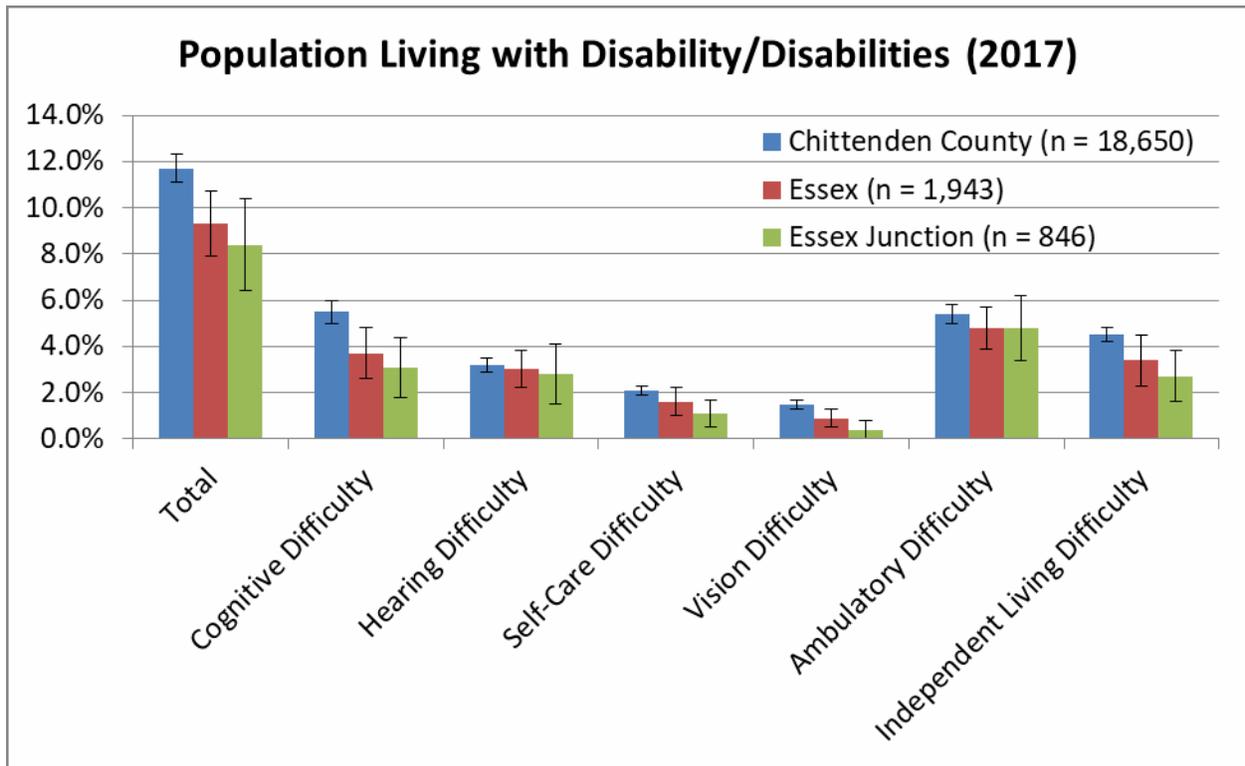
Housing Cost Burden >30% by Age (2017)



6.4 Population Living with Disabilities

The ACS estimates that around 8% of the population of Essex and Essex Junction live with some sort of disability. The prevalence of different types of documented disabilities is shown alongside the total portion of those with disabilities, but note that some individuals may have multiple disabilities.

These individuals and their households may require unique housing arrangements similar to those who are elderly. In fact, there is significant overlap in those populations – about 36% of Chittenden County residents with a disability are age 65 or older, and another 36% are age 35 to 65. Due to low sample size, figures for Essex and Essex Junction have high margins of error and are not presented here.

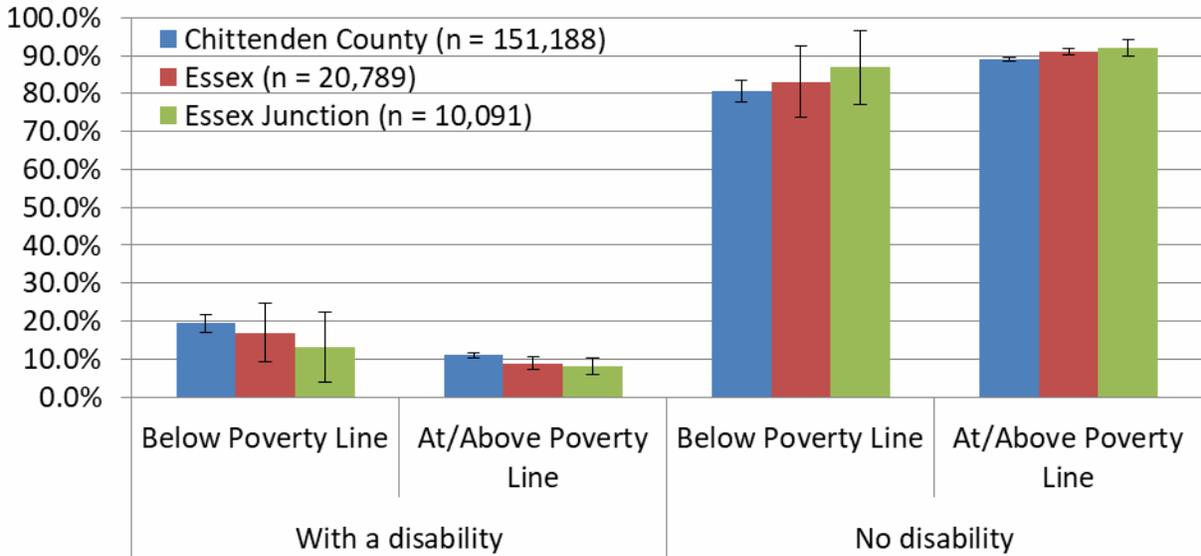


6.5 Poverty among People with Disabilities

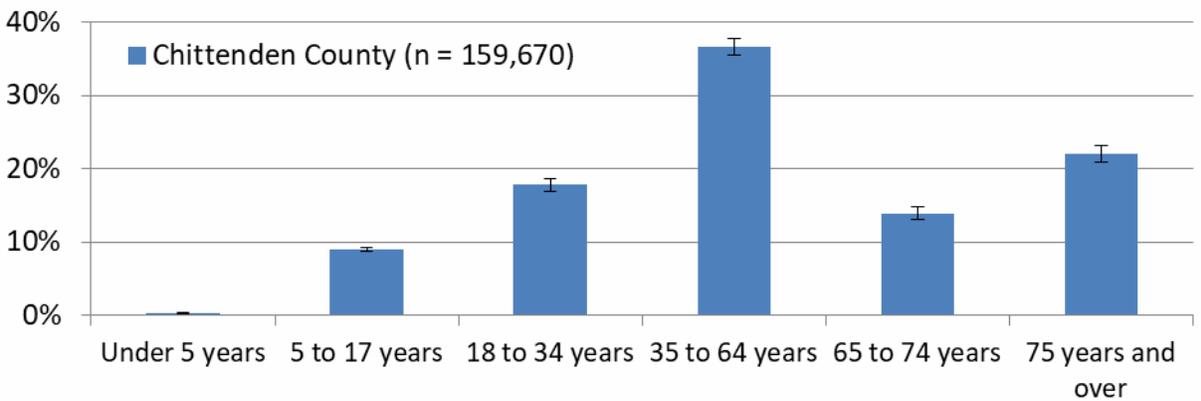
The ACS does not collect data on income specific to people living with disabilities; however, it does calculate the ratio of their incomes compared to federal poverty thresholds, which is used to determine eligibility for federal funding programs. The poverty threshold income varies by family size and household expenses; further information about how it is calculated can be found from the [U.S. Department of Health and Human Service webpage on poverty](#).

Though figures for Essex and Essex Junction again have high MOEs, it is clear that at least in Chittenden County, a person living with a disability is more likely to have an income below the poverty threshold, and vice versa. This may indicate that such individuals face difficulty in finding an affordable home, and that up to a quarter of subsidized housing could be occupied by someone with a disability. This is roughly in line with the proportion of ADA-accessible or adaptable subsidized apartments in Essex (25%) and Essex Junction (22%).

Poverty among People with Disabilities (2017)



Age of People with Disability as Percent of Disabled Population (2017)



6.6 Homelessness

In any community, there are some people who do not have a stable home situation – whether due to emergency circumstances, financial challenges, physical or mental health conditions, domestic abuse or violence, or substance abuse problems. In Chittenden County, there are services and programs available to serve these individuals, but often they are overburdened and have trouble connecting with the individuals in need, either because they don't know who is in need or don't have a way to reach them. Furthermore, most of the temporary shelters available are located in or near Burlington, posing a further barrier of distance to those located in Essex or Essex Junction.

Data on homelessness or other special needs is difficult to obtain because individuals do not have a fixed address, or such information may need to remain confidential. However, the Vermont Coalition to End Homelessness undertakes a “point-in-time” (PIT) count of households who are homeless, whether in shelters or unsheltered, in each Vermont county on one night in January. This count does not include households or individuals at risk of homelessness or living with friends or family (“couch surfing”). VHFA notes that the PIT count vastly underestimates the number of homeless individuals, and that those receiving services for homeless throughout 2017 was three times the number of those in the PIT count. Given population size of Essex and Essex Junction and the potential risk of homelessness in the community, there is likely a need for a temporary shelter located within the municipalities.

Point-in-Time Count 2018 – Chittenden County	
Type of Shelter	Number of households
Emergency Shelter	124
Publicly-Funded Hotel	105
Transitional Housing	38
Unsheltered	15
Total	282

6.7 Supportive Housing

Supportive housing refers to programs (sometimes specific housing developments) that, in addition to providing a place for people to live, also provide social services to support their physical, mental, and social well-being. The services provided can vary widely and can include treatment for substance abuse, HIV/AIDS, or mental health conditions; job and life skills training; family and foster care support; and many others. People with such challenges are often at risk of homelessness, and compared to temporary shelter programs, supportive housing can provide enough stability to help overcome those challenges in the long term.

The 2019 Community Health Needs Assessment (CHNA) for Chittenden and Grand Isle Counties identified affordable housing as the third most important community health issue, after mental health and substance use disorder. However, the report notes that housing is foundational to many other community health issues, and meeting housing needs can reduce stress, family violence, and adverse childhood events as well as other quality of life and health measures. Further information, including a directory of existing health care facilities and resources, can be found in the CHNA at <https://www.uvmhealth.org/medcenter/Documents/CHNA-March2019-web-approved.pdf>.

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7 Conclusions

This section reviews the wealth of information presented above to identify trends and connections in the data that shed light on the housing needs of the Essex Community.

7.1 Analysis of Population and Demographic Trends

The population of Essex Junction, the Town of Essex, and Chittenden County are growing faster than the rest of the state. However, household size in these growing areas is decreasing, and the age of householders is shifting from mostly middle-aged to young adult or senior. Since the region's current housing stock is predominantly composed of larger single-family detached homes, there is a growing disparity between household size and home size. Though household incomes have risen along with housing costs, household cost burden and poverty have increased

Major Demographic Trends

- **Shrinking household size**
- **More seniors, young adults**
- **Increasing ethnic diversity**
- **Stagnant incomes**
- **Increasing cost burden**

substantially in the same time period. In particular, household income among those in the service industry (including food preparation and serving; cleaning and maintenance; sales; and personal or health care) are generally lower than what is needed to afford homes in the area. Also, though racial and ethnic diversity is quite low compared to the state and nation, Chittenden County and Essex / Essex Junction are becoming more diverse.

7.2 Analysis of Rental Housing Trends

Renters in the area, which represent about a quarter to a third of households, are generally young (more than half are less than 35 years old), though renters over the age of 55 account for about a quarter of renters in the county and about a fifth of those in the town. Compared to the number of 1- and 2-person households, there is a very limited supply of studios and 1- and 2-bedroom rental dwellings. There are more 3- and 4-bedroom rental dwellings available than households of a commensurate size. Given that demand is greater than supply for some types of units, it is not surprising that rental vacancy rates are very low in Essex and the county. Cost burden is high among a significant portion of the renting market, since a majority of renters' incomes are too low to afford the homes that are available, or demand for desirable units has caused rents to rise.

Only a third of Essex households who qualify for rent assistance receive it; in Essex Junction, it is less than a quarter.

There is limited subsidized housing available for cost-burdened renters, either through project-based subsidies or the Housing Choice Voucher Program. In Essex overall, only a third of renters who qualify for assistance are receiving it; in Essex Junction, it is less than a quarter. Though creating more subsidized housing in Essex would help these households, better long-term solutions include actions that promote higher incomes for renters and increasing the number of smaller rental homes available at a reasonable rent without subsidies.

7.3 Analysis of Homeownership Trends

In contrast to renters, homeowners in the area are generally middle-aged and have larger households and higher incomes. Though home sizes are better matched to current homeowner household size, there is a lack of choice for different types of homes, such as condominiums, apartments, and mobile homes. Since renting households are smaller and have lower incomes, this presents a significant barrier to becoming homeowners. This is compounded by high demand

High home sale prices, low diversity of home types, and lower income among renters prevent them from becoming homeowners.

for homes, as evidenced by the increase in the number of home sales and sale prices along with a decrease in days on the market are low. Again, it is no surprise that homes are not affordable compared to household incomes, and homeowner cost burden is high (though not as high as renter cost burden).

7.4 Analysis of Elderly and Supportive Housing Needs

The populations of Essex and Essex Junction are aging (though there are more young people here than elsewhere in the state). Though their incomes vary widely compared to other age groups, at least half of them pay more than 30% of their income on housing. Most of these elderly households are currently homeowners, and due to changing lifestyle needs and levels of independence, many of them may struggle to stay in their homes as they age. There are also a significant number of community members who live with a disability, many of whom are seniors, and these individuals may struggle to find homes adapted to their needs.

Many elderly households are choosing to age in place rather than enter senior communities.

Though there are a number of new housing options for seniors and those with disabilities in Essex and Essex Junction, they may not be affordable for certain households or provide the support services they need. In the Essex Community, subsidized housing developments limited to seniors or those with disabilities currently can only serve about half of the population in need.

Homelessness is likely an issue in Essex and Essex Junction, but it is difficult to track data on this issue at the local level. Furthermore, there are few, if any, supportive housing resources based in the Essex Community, so most people in need are receiving assistance elsewhere, if they are receiving supportive services at all. Finding ways to keep people in stable, safe housing can make a significant difference in the overall health and wellness of the community.

8 Municipal Action Plan

The Town and Village cannot directly control factors contributing to housing need, such as household incomes, sale prices and rents, or the balance of rental and owner-occupied housing. However, local governments can establish regulations, collaborate with housing developers, and/or provide local funding for housing programs to work toward the goals identified in Section 2.1. This section outlines actionable next steps for the municipal governments of Essex and Essex Junction to help meet the identified housing needs in the community.

8.1 Establish a Joint Housing Commission

Similar to other boards, committees, and commissions appointed by municipal legislative bodies, a housing committee would be charged with monitoring local housing needs and advising the legislative body and other boards on housing issues. If managing a local housing trust fund were part of its duties, the body would be established as a housing commission (distinguished from a committee, which only serves in an advisory role).

Essex and Essex Junction have both supported forming a housing committee or commission, and given how closely tied the municipalities' housing markets are, it would be logical to form a joint body. Such a committee or commission could be composed of local housing developers, non-profit advocates, and community members at large, and could help oversee advancement of all the strategies outlined in this section.

8.2 Revise the Land Use Regulations

Land use regulations – sometimes known as Zoning Regulations, Subdivision Regulations, Development Bylaws, etc. – are the means by which municipalities manage the location, design, and type of development in their community. Generally, regulations identify zoning districts and specify whether housing is an allowed form of development and what type of housing is allowed (single-family detached, multi-family, townhouse, etc.). Though these regulations are intended to prevent conflicts of land uses, promote good community design, and manage growth to a level that municipal services can support, they can sometimes limit (intentionally or unintentionally) the availability of affordable housing.

The Chittenden County Regional Planning Commission recently completed an audit of the *Zoning and Subdivision Regulations* for the Town outside the Village to determine barriers to affordable housing development and recommended changes to address those barriers. That document is included here as Appendix C. Though its scope was limited to the Town outside the Village, certain elements are applicable to the Village's *Land Development Code*, and other opportunities to promote affordable housing may exist in the Village's regulations.

The recommendations include increasing the use of accessory dwelling units, reducing the required amount of parking for new developments, and making the development review process simpler and less discretionary (which reduces

Inclusionary Zoning

Advantages

- Ensures integration of market-rate and affordable units
- Can specify affordability levels
- Can apply to specific area

Disadvantages

- May slow total housing production
- May discourage smaller projects
- Slow implementation
- High administrative cost

the cost of development, a savings that is passed on to residents). One major change discussed in the audit is the use of inclusionary zoning, which would require that a certain portion of residential development be sold or rented at a rate affordable to area residents. This could be applied to all residential development or only to certain areas or zoning districts, and it would guarantee at some level that affordable housing will be accommodated in new development.

However, because developers are required to sell or rent at below market rate, inclusionary zoning can make certain projects not economically viable – i.e., developers would have a loss on their investment, rather than a return, and would not be able to secure project financing. Given this, inclusionary zoning is more effective when it includes some other incentive or relief commensurate to the added cost of affordable units. Such tradeoffs can include a density bonus, reduced development fees, or a mitigation option where a development is allowed to not include affordable units, but then in a different area or pays into a housing trust fund proportionally to the number of units not built. This fund could also be used to subsidize units in other developments that might not otherwise be built. The Grounded Solutions Network has developed an [Inclusionary Zoning Calculator](#) that models viability of projects based on numerous variables, including different types of regulatory requirements and market factors.

8.3 Reduce Development Fees for Affordable Housing Projects

As noted in Section 8.2 above, reduced development fees are a potential incentive to promote affordable housing development. These fees can include standard development fees, such as those for zoning permits and development review processing fees. They can also include local impact fees, which are charged when the project requires the municipality to add capacity to its infrastructure and services to serve the development (such as extending water and sewer lines), proportional to the development’s share of that cost. This strategy is essentially a local subsidy activated at the time of development that does not require the municipality to establish and manage a housing trust fund. Revenues that would otherwise go into the municipality’s general fund or, in the case of impact fees, capital funds for specific projects, are instead used to offset the cost of developing affordable units.

Reduced Development Fees

Advantages

- Easy to implement
- Low cost to municipality

Disadvantages

- Lost revenue to municipality for important infrastructure costs
- May not produce enough affordable units

The advantage of this strategy is that it allows the municipality and developer to negotiate project outcomes and costs in a way that serves both best. However, development fees in Essex and Essex Junction are relatively small compared to the total project costs, and reducing or removing them likely would not be enough of a cost saving to a developer to make affordable units viable.

8.4 Apply for Neighborhood Development Area Designation(s)

The Vermont Agency of Commerce and Community Development (ACCD) administers a designation program for downtowns, village centers, new town centers, growth centers, and neighborhood development areas (NDAs). These designations, which are applied for by municipalities and intended to encourage compact development, provide technical planning

assistance for municipalities, priority for infrastructure grants, and eligibility for tax incentives for developers, including reduction of fees for Act 250 (state-level land use review).

The Village of Essex Junction currently has both Village Center and Neighborhood Development Area designation for the Village Center district, which includes the area within about 1/8 to 1/4 mile around Five Corners. The NDA designation could be extended to 1/4 mile beyond the Village Center boundary to extend incentives for development and eligibility for state affordable housing funds to those areas. Pursuing Downtown designation for the Essex Junction Village Center area would leverage further incentives, but would require additional planning and municipal initiatives such as creation of a downtown board or special improvement district.

An additional Village Center or possibly Downtown designation could be pursued for the Essex Town Center, located along VT-15 between VT-289 and the intersection of Towers Road, VT-128, and VT-15. This would allow for NDA designation within a significant portion of the Town's planned growth area. As noted above, applying for these designations would require some additional municipal planning and financing programs, but those are in line with current efforts in those planning areas.

State Designations

Advantages

- Leverages other funding sources
- Aligned with comprehensive and capital plans
- Promotes resource protection and good urban design

Disadvantages

- Limited applicability
- No guarantee of affordability without other strategies

8.5 Establish a Housing Trust Fund

As noted above, creation of a local Housing Trust Fund (HTF) would provide a dedicated source of subsidies for affordable housing projects, in addition to providing a source of local match funds to leverage larger funding sources. If the community establishes inclusionary zoning or sets a payment-in-lieu option for density bonuses, such payments would be directed to the HTF. A HTF could also be supported through local property taxes or fees on property transfers, a common practice in many states and municipalities. If it accumulated enough money, a HTF could also be used to purchase land for or underwrite construction of affordable housing projects by non-profit developers, such as Housing Vermont.

Another key role of a HTF could be to preserve existing owner-occupied housing at affordable levels, such as through Champlain Housing Trust's (CHT's) shared equity program.

In this program, CHT purchases single-family homes and then sells just the building to low- and moderate-income first-time homebuyers. The homeowner retains the equity on any improvements they make to the home, while CHT holds the increase in equity from rises in property value. Thus, when the home is resold (to another qualified first-time homebuyer), the first homeowner has built equity to purchase a home on their own, while CHT has derived revenue from the property that is used for other housing programs. An Essex HTF could help underwrite initial purchases of such shared equity homes, especially in strategic areas that provide other community benefits to

Housing Trust Fund

Advantages

- Leverages other funding sources
- Can be used for varied purposes
- Proven effectiveness
- Municipal control of how resources are allocated

Disadvantages

- Potentially high cost
- Requires board to administer

low- and moderate-income residents, such as access to public transportation, local jobs, and social services.

Further research would be needed to determine how a HTF should be established, funded, and managed, as well as the funding levels that would make a HTF effective in Essex. This research could be undertaken by a housing committee or commission, which could also manage and approve expenditures from the fund. Alternatively, the Selectboard and/or Trustees could perform these functions with recommendations from municipal staff.

8.6 Partner with Housing Developers and Non-Profits

Partnerships between municipalities and housing developers, both for-profit and non-profit, on affordable housing projects can achieve affordable housing goals at a lower cost than through municipal regulation. Such partnerships can range from cooperative purchase and/or development of land for housing projects to cost-sharing of infrastructure to mutual technical assistance in project scoping and development. Such partnerships require a degree of flexibility

and trust on both sides to be successful, and should be guided by clearly-defined principles, desired outcomes, timelines, and budgets.

Public-Private Partnerships

Advantages

- Very flexible
- Ability to negotiate outcomes and tradeoffs
- May plug into other municipal goals and projects

Disadvantages

- High investment of time
- Less predictable outcomes
- Opportunistic; may not advance housing goals effectively

Examples of recent successful housing partnerships between municipalities and developers include Allard Square, a new senior housing development in South Burlington's City Center brought about by a partnership with Cathedral Square. Another example is the French Block and Taylor Street rehabilitation projects in Montpelier, a partnership between the City and Housing Vermont. Though not a municipal partnership, a recent Habitat for Humanity project at 57 Park Street in Essex Junction involved rebuilding a fire-damaged single-family house into a four-unit apartment building just outside the Village Center.

8.7 Closing Thoughts

As noted in the introduction, none of these actions or even all of them combined will completely eliminate housing needs in the Essex Community. However, they are important first steps to begin addressing those needs. Each person helped by such initiatives will help strengthen the economic and social resilience of the community and show that it is dedicated to ensuring everyone has a safe, comfortable, and affordable place to call home.

9 Appendices

9.1 Appendix A: Census / American Community Survey Table References

Section Number	Section Title	Page	Census Table		ACS Table	VHFA Page
			2000	2010	2010/2017	
1	Executive Summary	1	N/A	N/A	N/A	N/A
2	Introduction	2	N/A	N/A	N/A	N/A
2.1	Goals	2	N/A	N/A	N/A	N/A
2.2	Driving Questions	2	N/A	N/A	N/A	N/A
2.3	Methods and Data Accuracy	3	N/A	N/A	N/A	N/A
3	Population, Demographic, & Housing Stock Trends	5	N/A	N/A	N/A	N/A
3.1	Population	5	P001	P1	B01003	Population & Households > Population
3.2	Households	5	J007	HCT7	B25003	Population & Households > Households by Tenure
3.3	Household Size	5	H016	H16	B25010	Population & Households > Household Size
3.4	Race of Householder	7	N/A	N/A	B25003A-I	Population & Households > Tenure by Race
3.5	Age of Householder	9	N/A	N/A	B25007	Population & Households > Householder by Age
3.6	Median Household Income	11	HCT012	N/A	B25119, S1901	Income & Employment > Median Household Income
3.7	Family Income	13	N/A	N/A	S1901	Income & Employment > Median Family Income
3.8	Income by Age Group	13	N/A	N/A	B19037	N/A
3.9	Poverty	13	PCT049	N/A	B17001	N/A
3.10	Unemployment (Labor Force)	15	N/A	N/A	N/A	Income & Employment > Labor Force
3.11	Employees by Location	15	P029	N/A	B08009	Income & Employment > Workers by Place of Work
3.12	Labor Force Wages and Earnings	17	N/A	N/A	N/A	Income & Employment > Wages
3.13	Wages by Employment Sector	19	N/A	N/A	N/A	Income & Employment > Wages
3.14	Commute to Work / Home	21	N/A	N/A	N/A	N/A
3.15	Length of Tenure	23	N/A	N/A	N/A	B25038

Section Number	Section Title	Page	Census Table		ACS Table	VHFA Page
			2000	2010	2010/2017	
3.16	Movership	23	N/A	N/A	B27034	N/A
3.17	Tenure Type (Rental vs. Owned)	25	H007	HCT7	B25003	Population & Households > Households by Tenure
3.18	Total Housing Stock	26	H007, H008	N/A	B25003, B25004	N/A
3.19	Age of Housing Stock	28	N/A	N/A	N/A	N/A
4	Rental Housing	29	N/A	N/A	N/A	N/A
4.1	Rentership and Rental Housing Stock	29	H007, H008	N/A	B25003, B25004	Population & Households > Households by Tenure
4.2	Renter Household Size vs. Rental Home Size	29	N/A	N/A	B25009, B25042	Housing Stock > Housing Stock
4.3	Rental Building Type	31	N/A	N/A	B25032	Housing Stock > Residential Building Type
4.4	Renter Age Distribution	31	N/A	N/A	B25007	Population & Households > Age of Householder
4.5	Vacancy Rate	33	H007, H008	N/A	B25003, B25004	Housing Stock > Vacancies
4.6	Median Gross Rent	33	N/A	N/A	B25064	Rental Housing Costs > Median Rent
4.7	Median Gross Rent by Bedrooms	33	N/A	N/A	B25031	Rental Housing Costs > Median Rent
4.8	Renter Household Income and Rental Housing Wage	35	HCT012	N/A	B25119	Income & Employment > Median Household Income
4.9	Renter Cost Burden	37	N/A	N/A	B25070	Rental Housing Costs > Renter Cost Burden
4.10	Rental Assistance Programs	37	N/A	N/A	N/A	Housing Programs > Apartments with Project-Based Public Subsidies, Households Receiving Rental Assistance
5	Homeownership	39	N/A	N/A	N/A	N/A
5.1	Homeownership Rate and Owner-Occupied Housing Stock	39	H007, H008	N/A	B25003, B25004	Population & Households > Households by Tenure
5.2	Homeowner Age	39	N/A	N/A	B25007	Population & Households > Age of Householder

Section Number	Section Title	Page	Census Table	ACS Table	VHFA Page	Section Number
			2000	2010	2010/2017	
5.3	Homeowner Household Size vs. Owner-Occupied Home Size	41	N/A	N/A	B25009, B25042	Housing Stock > Housing Stock
5.4	Owned Homes by Building Type	43	N/A	N/A	B25032	Housing Stock > Residential Building Type
5.5	Demand for Homeownership (“For Sale” Vacancy)	43	H007, H008	N/A	B25003, B25004	Housing Stock > Vacancies
5.6	Median Home Sale Price	45	N/A	N/A	N/A	Homeownership Costs > Primary Home Sales
5.7	Assessed Home Value	47	N/A	N/A	N/A	N/A
5.8	Price-Related Differential	47	N/A	N/A	N/A	N/A
5.9	Home Price Affordability Calculator	49	N/A	N/A	N/A	Homeownership Costs > Home Price Affordability Calculator
5.10	Home Price Affordability Index	49	N/A	N/A	N/A	Homeownership Costs > Home Price Affordability for Area Residents
5.11	Homeowner Cost Burden	49	N/A	N/A	B25091	Homeownership Costs > Homeowner Cost Burden
6	Elderly and Special Needs Housing	51	N/A	N/A	N/A	N/A
6.1	Elderly Households and Tenure	51	N/A	N/A	B25007	N/A
6.2	Household Income among the Elderly	53	N/A	N/A	S1810	N/A
6.3	Senior Housing Stock	53	N/A	N/A	N/A	Housing Programs > Apartments with Project-Based Public Subsidies, Households Receiving Rental Assistance
6.4	Population Living with Disabilities	55	N/A	N/A	B19037, B25072	N/A
6.5	Poverty among People with Disabilities	55	N/A	N/A	C18131	N/A
6.6	Homelessness	57	N/A	N/A	N/A	N/A
6.7	Supportive Housing	57	N/A	N/A	N/A	N/A

9.2 Appendix B: Statistical Testing for Year-to-Year Comparisons of ACS/Census Data

Statistical Testing Tool

Statistical Testing for Two Estimates



Purpose

This spreadsheet determines whether there is statistical evidence to conclude that two estimates are different from each another.

Results

Yes	Estimates are statistically different.
No	Estimates are NOT statistically different (or are statistically tied).
N/A	Statistical testing is not applicable for one or both of the estimates.

[Overview](#)

[Instructions](#)

[Statistical Testing for Multiple Estimate Worked Example](#)

	<u>Label</u>	<u>First Estimate</u>	<u>First Margin of Error (MOE)</u>	<u>Second Estimate</u>	<u>Second Margin of Error (MOE)</u>	<u>Statistically Different?</u>
1	Population Growth 2010-2017 (B01003, P001)					
2	Chittenden County	156,545	0	160,985	0	Yes
3	Essex (including Essex Jct.)	19,587	0	20,901	31	Yes
4	Essex Junction Village	9,271	0	10,132	32	Yes
5						
6	Growth of Households 2010-2017 (B25003, HCT7, H007)					
7	Chittenden County	61,827	0	64,906	552	Yes
8	Essex (including Essex Jct.)	7,887	0	8,689	233	Yes
9	Essex Junction Village	3,875	0	4,315	200	Yes
10						
11	Household size 2000-2017 (B25010, H16, H016)					
12	Chittenden County	2.47	0	2.48	0.03	No
13	Essex (including Essex Jct.)	2.62	0	2.56	0.08	No
14	Essex Junction Village	2.48	0	2.48	0.12	No
15						
16	Household size 2010-2017 (B25010, H16, H016)					
17	Chittenden County	2.37	0	2.48	0.03	Yes
18	Essex (including Essex Jct.)	2.48	0	2.56	0.08	No
19	Essex Junction Village	2.39	0	2.48	0.12	No
20						
21	Household size 2000-2016 (B25010, H16, H016)					

22	Chittenden County	2.47	0	2.35	0.02	Yes
23	Essex (including Essex Jct.)	2.62	0	2.44	0.07	Yes
24	Essex Junction Village	2.48	0	2.38	0.11	No
25						
26	Household size 2010-2016 (B25010, H16, H016)					
27	Chittenden County	2.37	0	2.35	0.02	No
28	Essex (including Essex Jct.)	2.48	0	2.44	0.07	No
29	Essex Junction Village	2.39	0	2.38	0.11	No
30						
31	Median Household Income (Total) 1999-2009 (HCT012, B25119)					
32	Chittenden County	47,673	0	59,634	1,372	Yes
33	Essex (including Essex Jct.)	58,441	0	71,963	6,791	Yes
34	Essex Junction Village	53,444	0	61,670	6,319	Yes
35						
36	Median Household Income (Total) 2009-2017 (HCT012, B25119)					
37	Chittenden County	59,634	1,372	66,906	2,119	Yes
38	Essex (including Essex Jct.)	71,963	6,791	76,677	4,885	No
39	Essex Junction Village	61,670	6,319	63,948	9,756	No
40						
41	Median Household Income (Total) 2000-2017 (HCT012, B25119)					
42	Chittenden County	47,673	0	66,906	2,119	Yes
43	Essex (including Essex Jct.)	58,441	0	76,677	4,885	Yes
44	Essex Junction Village	53,444	0	63,948	9,756	Yes
45						
46	Median Household Income (Renters) 2009-2017 (HCT012, B25119)					
47	Chittenden County	32,169	1,486	39,989	2,644	Yes
48	Essex (including Essex Jct.)	38,259	6,351	44,848	7,768	No
49	Essex Junction Village	36,000	5,906	47,656	11,321	No
50						
51	Median Household Income (Owners) 2009-2017 (HCT012, B25119)					
52	Chittenden County	77,130	1,943	90,924	2,477	Yes
53	Essex (including Essex Jct.)	81,570	4,996	98,381	6,276	Yes
54	Essex Junction Village	73,798	7,025	88,913	4,928	Yes
55						
56	Poverty 2000-2010 (B17001, PCT049)	12,267	0	15,789	1,174	Yes
57	Chittenden County - below poverty	484	0	869	316	Yes
58	Essex Town - below poverty	248	0	482	215	Yes
59	Essex Junction - below poverty					
60						
61	Poverty 2010-2017 (B17001, PCT049)	15,789	1,174	17,057	1,078	No

62	Chittenden County - below poverty	869	316	1,127	289	No
63	Essex Town - below poverty	482	215	654	197	No
64	Essex Junction - below poverty					
65						
66	Poverty 2000-2017 (B17001, PCT049)	12,267	0	17,057	1,078	Yes
67	Chittenden County - below poverty	484	0	1,127	289	Yes
68	Essex Town - below poverty	248	0	654	197	Yes
69	Essex Junction - below poverty					
70						
71	Employees by Location 2000-2010 (B08009)					
72	Essex (including Essex Jct.)	10,458	0	10,779	426	No
73	Essex Junction Village	4,862	0	5,149	279	Yes
74						
75	Employees by Location 2010-2017 (B08009)					
76	Essex (including Essex Jct.)	10,779	426	11,851	395	Yes
77	Essex Junction Village	5,149	279	5,930	316	Yes
78						
79	Employees by Location 2000-2017 (B08009)					
80	Essex (including Essex Jct.)	10,458	0	11,851	395	Yes
81	Essex Junction Village	4,862	0	5,930	316	Yes
82						
83	Households by tenure (total) 2000-2017 (B25003, HCT7, H007)					
84	Chittenden County	56,452	0	64,906	552	Yes
85	Essex (including Essex Jct.)	7,013	0	8,689	233	Yes
86	Essex Junction Village	3,409	0	4,315	200	Yes
87						
88	Households by tenure (total) 2010-2017 (B25003, HCT7, H007)					
89	Chittenden County	61,827	0	64,906	552	Yes
90	Essex (including Essex Jct.)	7,887	0	8,689	233	Yes
91	Essex Junction Village	3,875	0	4,315	200	Yes
92						
93	Households by tenure (own) 2000-2017 (B25003, HCT7, H007)					
94	Chittenden County	37,292	0	40,980	628	Yes
95	Essex (including Essex Jct.)	5,418	0	6,029	274	Yes
96	Essex Junction Village	2,425	0	2,643	214	Yes
97						
98	Households by tenure (own) 2010-2017 (B25003, HCT7, H007)					
99	Chittenden County	40,310	0	40,980	628	Yes
100	Essex (including Essex Jct.)	5,955	0	6,029	274	No
101	Essex Junction Village	2,658	0	2,643	214	No

102						
103	Households by tenure (rent) 2010-2017 (B25003, HCT7, H007)					
104	Chittenden County	21,517	0	23,926	707	Yes
105	Essex (including Essex Jct.)	1,932	0	2,660	234	Yes
106	Essex Junction Village	1,217	0	1,672	204	Yes
107						
108	Renter Cost Burden > 30% 2000-2009 (VHFA)					
109	Chittenden County	7,905	0	10,866	556	Yes
110	Essex (including Essex Jct.)	746	0	678	157	No
111	Essex Junction Village	239	0	429	126	Yes
112						
113	Renter Cost Burden > 30% 2009-2017 (VHFA)					
114	Chittenden County	10,866	556	12,681	793	Yes
115	Essex (including Essex Jct.)	678	157	1,235	282	Yes
116	Essex Junction Village	429	126	808	220	Yes
117						
118	Renter Cost Burden > 50% 2009-2017 (VHFA)					
119	Chittenden County	5,359	389	6,620	592	Yes
120	Essex (including Essex Jct.)	213	80	536	185	Yes
121	Essex Junction Village	136	73	427	173	Yes
122						
123	Owner Cost Burden > 30% 2009-2017 (VHFA)					
124	Chittenden County	32%	2%	27%	2%	Yes
125	Essex (including Essex Jct.)	28%	4%	26%	4%	No
126	Essex Junction Village	28%	6%	31%	7%	No
127						
128	Owner Cost Burden > 50% 2000-2009 (VHFA)					
129	Chittenden County	10%	1%	10%	1%	No
130	Essex (including Essex Jct.)	6%	2%	9%	2%	Yes
131	Essex Junction Village	8%	3%	13%	5%	No

9.3 Appendix C: Affordable Housing Audit of Essex Town Land Use Regulations