Chapter 8
HOUSING

History

Until the middle of the twentieth century, the location and type of housing in East Montpelier was directly related to a family’s means of livelihood. Those who worked the land lived in farmhouses; those employed in the village mills usually lived in rental housing, or, as in North Montpelier, in boarding houses owned by the mill operators. Others who were retired or operated small businesses owned houses in the village areas. Houses were large, often accommodating three generations as well as farm hands.

Current Status

East Montpelier today is home to people representing a variety of ages, occupations, and economic wealth. The town’s scenic beauty, conserved open land, excellent schools, and proximity to services and employment make the town a desirable place to live. Over the past few decades, the town has become a rural residential bedroom community.

Housing Stock

The number of homes in East Montpelier more than doubled between 1970 and 2000. Since then, the rate of new homes being built has slowed. In 2010 there were 1,129 housing units, increasing to an estimated 1,216 housing units in 2015.

Consistent with the town’s rural residential character, single-family homes account for 83 percent of the housing stock; mobile homes are 10 percent of the total. Multi-family homes account for only 5 percent of the total.
The Sandy Pines Mobile Home Park has 56 units, accounting for approximately half of the mobile homes in East Montpelier. Sandy Pines residents own their homes and pay a fee to rent the lot and pay for water and septic as well as trash and snow removal.

Most homes are owner-occupied. Rental homes comprise 15 percent of the total.

The age of the town’s housing stock reflects the pace of homebuilding over time. About 28 percent of the town’s homes were built before 1940. Relatively few homes were built between 1940 and 1960. Homebuilding surged starting in 1970, with 17 percent of the town’s homes built in the 1970s, 12 percent built in the 1980s and 14 percent built in the 1990s. Building slowed between 2000 and 2010, with 11 percent of homes built during this period.

Homebuilding has been very slow since 2010, with the economy recovering slowly after the Great Recession.

With 74 percent of the town’s housing stock built before 1990, there is plenty of opportunity for energy efficiency improvements such as weatherization and more efficient heating systems.

<table>
<thead>
<tr>
<th>Year</th>
<th>Households</th>
<th>Household Size</th>
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<tbody>
<tr>
<td>1900</td>
<td>827</td>
<td>2.70</td>
</tr>
<tr>
<td>2000</td>
<td>1,007</td>
<td>2.56</td>
</tr>
<tr>
<td>2010</td>
<td>1,068</td>
<td>2.41</td>
</tr>
<tr>
<td>2015</td>
<td>1,216</td>
<td>2.44</td>
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Source: US Census 1900-2010; ACS 2011-2015

Although the number of households has steadily increased over time, the number of people in a household has generally declined; however, the estimated household size for 2015 shows a slight increase since 2010.

**Housing Costs and Affordability**

East Montpelier’s attractiveness as a place to live contributes to higher housing costs relative to surrounding communities. Median home sales prices can fluctuate from year to year, depending on the number and type of homes sold. Nevertheless, homes in East Montpelier typically sell for a higher price than in neighboring towns or in Washington County as a whole.

At town forums and in town surveys over the past 25 years, residents have repeatedly identified the lack of affordable housing as a significant problem. Housing is considered affordable if housing costs (including mortgage, taxes and insurance) consume no more than 30 percent if annual gross income. Using data and the mortgage affordability calculator from the Vermont Housing and Finance Agency, a household with the town median income of $66,324 (Source: ACS 2011-2015) could afford a house priced at $224,500. For the same time period, the median owner-occupied home value in East Montpelier was $240,000 (Source: ACS 2011-2015). This means that the median-income household in town cannot afford a median-priced home.

Approximately 40 percent of all East Montpelier homes with land, regardless of lot size, are...
assessed at or below this affordability threshold. (Source: CVRPC analysis of 2016 Grand List data).

By definition, half of the town’s households have incomes below the median value. Frequently, these are young adults, working families, and seniors for whom finding affordable housing is a challenge. Federal housing programs typically focus on households making up to 80 percent of the median income. In East Montpelier, households at 80 percent of town median income (i.e., $53,059, Source: ACS 2011-2015) can afford a house costing up to $179,500. This is much less than the median value house in town. The 2015 median price of a mobile home with land was $145,000 (Source: housingdata.org, from VT Dept. of Taxes). Mobile homes, in Sandy Pines or elsewhere in town, fall within the affordable range for the town. Approximately 25 percent of homes with land, regardless of lot size, are assessed at or below this threshold (Source: CVRPC analysis of 2016 Grand List data). This percentage is relatively unchanged since 2010.

Because East Montpelier’s property values are high, with building lots costing $50,000 and up, it is difficult to build affordable single-family housing. East Montpelier does not have critical infrastructure, such as municipal water and wastewater treatment, that is typically necessary in order to achieve the density that makes affordable housing development viable. Market forces alone are unlikely to be sufficient to develop affordable housing units under existing conditions.

**Multi-family Housing**

Apartments, town houses and condominiums are considered to be multi-family housing and offer another housing option that may be more affordable options for young families and people seeking to downsize. Multi-family housing is particularly suitable for villages and growth areas where density is appropriate and transportation and services are available.

Currently, multi-family housing comprises only five percent of homes in East Montpelier. North Montpelier has many of these apartments in the former mill buildings. [Additionally, accessory apartments are located throughout the town.] Developing multi-family housing, like all uses, requires adequate wastewater treatment. The lack of a sewer system is a challenge for developing multi-family housing. However, multi-family housing developments planned with shared wastewater treatment systems are possible and are envisioned in the [East Montpelier Village Master Plan]. This approach is being considered for housing development on the Old LaPerle Farm property in East Montpelier Village. Updating the [Land Use and Development Regulations] to allow additional density for Planned Unit Developments in East Montpelier Village would help make developments with shared infrastructure more feasible in the village.

**Senior Housing**

In 2004, the [East Montpelier Senior Living Initiative (EMSLI)] formed to promote the preservation and creation of safe and affordable housing opportunities for senior citizens within our town. Community input yielded ideas ranging from creating senior apartments to developing intergenerational co-housing to providing services to help seniors stay in their own homes. In 2007, EMSLI received grants from The Vermont Community Foundation and a Municipal Planning Grant from the state Department of Housing and Community Affairs to study the need and feasibility for dedicated senior housing in town. The market analysis supported the development of at least 21 affordable units, with additional market-rate units also feasible. The
most likely location for such a facility would lie in or near East Montpelier Village. The group has explored several possible sites, but has been challenged by timely financing for site acquisition. Currently EMSLI is working with the Old LaPerle Farm Property Committee to explore whether the town’s acquisition of this 48-acre parcel in East Montpelier Village offers a viable siting opportunity for developing senior housing, possibly in conjunction with mixed-income housing.

Home Share Now coordinates home share programs in Central Vermont. Home Share Now matches people with room to share with those wanting affordable housing. This program can be especially beneficial for seniors who want to stay in their home but may need some assistance and/or rental income. The program is also beneficial for persons seeking affordable housing. Home Share Now assists with screening, matching, and conflict resolution to help ensure that the arrangement is compatible and mutually beneficial. Two of Home Share Now’s “success stories” are in East Montpelier.

**Regional Housing Distribution Plan**

In 2006, the Central Vermont Regional Planning Commission formed a Housing Committee to discuss a pro-active approach to planning for housing in Central Vermont. The result of the Committee’s work was a Regional Housing Distribution Plan for housing growth between 2000 and 2020. Municipal plans are required to address such regional housing plans.

The Regional Housing Distribution Plan asks municipalities to plan for the estimated housing need from between 2000 and 2020. Municipalities are required to demonstrate the community’s intent to meet the proposed housing unit numbers laid out in the Housing Distribution Plan or to describe in detail the obstacles that make attainment impossible. In addition to allocating new housing, based on municipal share of regional housing needs, municipal plans are required to provide a detailed map showing the town’s preferred locations for 80 percent of the identified housing needs as well as mapping updates that identify the locations and number of housing units created since the previous town plan adoption. Map 8 shows the distribution of housing in town, the number and location of homes built since 2013, and the preferred areas for future residential growth (East Montpelier Village, North Montpelier, and Gallison Hill).

According to the Regional Plan: “The Regional Housing Distribution Plan is not proposing quotas that municipalities must achieve within the time frame of their next municipal plan update; rather it is to identify the locations where the Region welcomes and encourages the housing residents need.”

The Regional Housing Distribution Plan relies on the “Economic and Demographic Forecast: Central Vermont Planning Region 2000-2020” study prepared in 2001 by Economic and Policy Resources, Inc. (EPR). The Regional Housing Distribution Plan uses the historical patterns and trends from this study to project housing needs into the future. Future housing needs are allocated to towns based on their percentage share of the region’s housing units in 2000.

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<td>2,035</td>
<td>2,126</td>
<td>3,244</td>
<td>8,835</td>
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2018 East Montpelier Town Plan, Amended

Chapter 8

East Montpelier should have developed 255 new units by between 2000 and 2015, but actually grew 161 units (63 percent). By comparison, the Central Vermont Region should have developed 5,591 new units, but actually grew 2,600 units (47 percent). While East Montpelier has not met its allocation goals, it has done better than the region.

The Regional Housing Distribution Plan acknowledges that populations, economic conditions and housing markets are dynamic and recommended that the plan be updated every five years. The housing plan has not been updated since it was developed. Since the plan was prepared, the Great Recession resulted in significant economic and housing market downturns that have taken years to recover. The forecasts underlying the Regional Housing Distribution Plan are based on pre-recession trends that are no longer accurate.

East Montpelier faces several challenges in meeting the housing allocation goals. Approximately 50 percent of the town’s land area is conserved and/or in current use. Both reduce the amount of land available for development. The town also has long had large-lot zoning regulations to encourage the continuation of the farming community. Although East Montpelier is a desirable place to live, high land costs, reduced land availability, and the lack of municipal water and wastewater infrastructure hinder the development of new homes.

Nevertheless, East Montpelier recognizes the need for more housing options, including housing that is more affordable. Various actions have been taken to promote this goal:

✔ Town zoning allows mobile homes anywhere single-family homes are permitted.
✔ Accessory dwellings are allowed in all zoning districts.
✔ Planned residential developments are allowed in all zoning districts except Zone B - Industrial. Planned residential developments may receive a 25 percent density bonus and a 50 percent density bonus if at least 20 percent of the units are affordable.
✔ The town has a revolving loan fund that was originally created to pay for sewage system upgrades to the Sandy Pines Mobile Home Park. The town has been exploring ways to use this fund to assist with making housing in East Montpelier more affordable.
✔ In 2015, the town purchased the 48-acre Old LaPerle Farm property in East Montpelier Village. This property is being evaluated for a mixed-income development that would include senior housing.

✔ In 2017, the town developed a Master Plan for East Montpelier Village. This plan proposes new village zoning with smaller lot sizes and greater opportunities for new single-family and multi-family housing.
✔ A new, passive-energy affordable home on US 2, built by Habitat for Humanity, was completed in 2017.
✔ The town has been in discussions with Habitat for Humanity for development of an affordable multi-family home in East Montpelier Village.
A buildout analysis for the Village Master Plan indicates that there is the potential for 169 new residential parcels in East Montpelier Village; this is over 80 percent of the remaining new housing goal under the Regional Housing Distribution Plan. The balance (20 percent) could be accommodated elsewhere in the town. East Montpelier believes that it will eventually meet the Housing Distribution Plan’s goal, but based on current market forces it is unrealistic to believe that the goal will be met by 2020. The Housing Map shows the location of housing in town, including new housing units developed since 2013, and the East Montpelier Village area preferred for 80 percent of new housing units.
Goals and Actions

- **Goal 8.1:** Provide a range of housing opportunities including single-family, multi-family, mixed use, and affordable and senior housing.
  - **Action 8.1.1:** Partner with other organizations to create affordable and senior housing near transportation and services.
  - **Action 8.1.2:** Evaluate expanding the Conservation Fund to include affordable housing.
  - **Action 8.1.3:** Promote and support home share programs as a way to support senior and affordable housing.
  - **Action 8.1.4:** Consider conducting a housing needs assessment and developing a housing action plan for the town.

- **Goal 8.2:** Concentrate new residential development in East Montpelier Village or an identified growth area.
  This goal cuts across other areas. See action for Land Use (10.2.1, 10.2.3, 10.2.4).