

Project Criteria #2

The development includes new housing that is affordable to the majority of residents living within the municipality and is developed at a higher density than at the time of application.

Table 1 below shows the approximate current housing supply available within the Town Core TIF District and the average market value (assessed value) per unit. The assessed value was used and is assumed to be representative of market value, since a reassessment was conducted during 2006. Additionally, several units located within the Town Core TIF District that have recently been on the market have been offered at prices close to their assessed value. The average market values are per unit; therefore, multi-family housing buildings’ market value would be higher (for example, for duplex buildings, triplex buildings, apartment buildings, and senior housing buildings), based on the number of units within each building.

Table 1. Approximate number of existing housing units within the Town Core TIF District and average assessed value per unit (assumed to be close to market value).

Type of Housing Unit	Number of Individual Housing Units Per Type	Average Market Value (Assessed Value) Per Unit
Single-family Detached	229	\$ 209,179
Mobile Home	28	\$ 100,234
Multifamily/Condo	166	\$ 155,148
Duplex	54	\$ 129,934
Triplex	15	\$ 83,196
Apartments	51	\$ 95,945
Senior Housing	41	\$ 52,654
Total Number of Units & Average Market Value for all Unit Types	584	\$ 157,157

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Table 2 table below shows the expected number of net new housing units to be built in the Town Core TIF District during the life of the district, the type of housing units expected to be built, and the expected average market value per unit. Refer to the Town Core TIF District Plan for additional information on how the development was projected. For example, some numbers are based off of known plans, while others used the formulas developed by the Town’s consultant in the Land Use Study and Economic Development Strategy. For those projects which were based off of the consultant’s formulas, the projected residential square footage in the Town Core TIF District Plan was divided by 1,800 square feet to determine the projected number of housing units (assuming an average of 1,800 square feet per new residential unit). The types of housing units to be built were determined either by the developer’s known plans or based on similar types of development that have been built in this section of Town. The expected market values are based off of similar market values for similar types of development in this section of Town.

Table 2. Estimated number of new housing units projected within the Town Core TIF District over the life of the District and the estimated average market value per unit.

Development Name	Estimated # of Total New Units	Estimated # Single-family Units	Estimated # of Multifamily Units (Condo or Apartment/Rental)	Estimated # of Duplex Units (Condo or Apartment/Rental)	Estimated # of Elderly Housing Units (Condo or Apartment/Rental)	Estimated Average Market Value
Cameron's Run	35	35	0	0	0	\$240,000 (15 units perpetually affordable through Champlain Housing Trust - w/ down payment grant, net cost to buyer approximately \$175,000)
Turner Estates	19	0	3	16	0	\$280,000
Bonnie's Way	26	0	26	0	0	\$225,000
Habitat for Humanity	5	5	0	0	0	\$150,000
Meadowlane	16	0	0	0	16	\$150,000
Southerberry	96	0	96	0	0	\$210,000
Blackberry Commons	68	28	0	0	40	\$200,000
Bove Brothers Realty	24	0	24	0	0	\$ 150,000

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The Atriums	10	0	0	0	10	\$ 150,000
Houston Commons	10	0	10	0	0	\$ 200,000
Wagner Wood Estates	12	0	0	12	0	\$ 275,000
Cary/Marketplace Development	38	0	38	0	0	\$ 200,000
McCormick	307	0	157	0	150	\$ 225,000
DeVarney	2	0	0	2	0	\$ 175,000
Michaelides - Middle Road	3	0	3	0	0	\$ 175,000
Papaseraphim	14	0	14	0	0	\$ 175,000
Goodrich	26	0	26	0	0	\$ 225,000
Leblanc	41	0	41	0	0	\$ 225,000
Delaney	2	0	0	2	0	\$ 150,000
River Street	5	0	5	0	0	\$ 150,000
Lafountain	29	29	0	0	0	\$ 240,000
Michaelides - W. Milton Rd.	10	0	10	0	0	\$ 250,000
Brault	91	40	51	0	0	\$ 225,000
Labell	45	0	45	0	0	\$ 225,000
Total Number of Net New Units & Average Market Value Per Unit	934	137	549	32	216	\$ 216,370

The overall estimated average market value for the projected new development is higher than the existing average market value likely for the following reason. To obtain the average market value per unit for the existing housing supply, the assessed value for each property within the Town Core TIF District was summed then divided by the total number of units within the District per housing type and for the overall housing supply; these averages were presented in Table 1. Included in Table 1 are average values per unit for

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multifamily buildings who were assessed at the market rate for the entire building; therefore, some of the average per unit values are low compared to if each unit were assessed individually. Table 2 contains estimated average values per unit, as if the multifamily buildings' units were all assessed individually like a condominium. This results in higher values per unit in Table 2, although it is likely that if in Table 1, the duplexes', triplexes', apartment buildings', and senior housing buildings' units were likewise assessed individually, the numbers would also be higher in Table 1.

Based on the estimated market value per unit shown on Table 2, Table 3 below estimates the expected mortgage payment per month (principal and interest) assuming a 30-year fixed rate mortgage at 6% interest with 12 payments per month. The table assumes a 20% down payment or housing grant (with the exception of Cameron's Run, whose affordable housing grants average approximately 27%). Table 3 also estimates the annual amount spent on housing costs including estimated taxes (using 2008 rate of 0.3938 municipal and 1.089 education) and \$500 per year for insurance. The final column shows the amount of household income needed per year to afford the estimated housing cost, so that no more than 30% of a household's gross income is spent on housing (this is the definition of affordable housing cited in the 2008 Comprehensive Plan from "Affordable Housing in Chittenden County: The Necessity of Regional Housing Coordination" by Justin Dextradeur, Research Associate at the University of Vermont, March 2002).

Table 3. Estimated annual expenditures on housing using estimated market value for new units.

Development Name	Estimated Average Market Value	20% Down Payment or Affordable Housing Grant	Amount to Finance/Net Cost to Buyer with Grant	Mortgage Amount Paid Each Month	Total Taxes Paid Per Year (Using 2008 Rate)	Total Paid Per Year for Housing (Mortgage + Taxes + \$500 Insurance)	Household Income Needed to Afford Housing
Cameron's Run	\$240,000	\$ 48,000	\$ 192,000	\$ 1,151	\$ 3,559	\$ 17,872	\$ 59,575
Cameron's Run w/Housing Grant	Approximately 15 units perpetually affordable through Champlain Housing Trust - w/ down payment grant, net cost to buyer approximately \$175,000	\$ 65,000	\$ 175,000	\$ 1,049	\$ 2,595	\$ 15,685	\$ 52,285

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Turner Estates	\$280,000	\$ 56,000	\$224,000	\$ 1,343	\$ 4,152	\$ 20,768	\$ 69,226
Bonnie's Way	\$225,000	\$ 45,000	\$180,000	\$ 1,079	\$ 3,336	\$ 16,787	\$ 55,955
Habitat for Humanity	\$150,000	\$ 30,000	\$120,000	\$ 719	\$ 2,224	\$ 11,358	\$ 37,859
Meadowlane	\$150,000	\$ 30,000	\$120,000	\$ 719	\$ 2,224	\$ 11,358	\$ 37,859
Southerberry	\$210,000	\$ 42,000	\$168,000	\$ 1,007	\$ 3,114	\$ 15,701	\$ 52,336
Blackberry Commons	\$200,000	\$ 40,000	\$160,000	\$ 959	\$ 2,966	\$ 14,977	\$ 49,923
Bove Brothers Realty	\$ 150,000	\$ 30,000	\$120,000	\$ 719	\$ 2,224	\$ 11,358	\$ 37,859
The Atriums	\$ 150,000	\$ 30,000	\$120,000	\$ 719	\$ 2,224	\$ 11,358	\$ 37,859
Houston Commons	\$ 200,000	\$ 40,000	\$160,000	\$ 959	\$ 2,966	\$ 14,977	\$ 49,923
Wagner Wood Estates	\$ 275,000	\$ 55,000	\$220,000	\$ 1,319	\$ 4,078	\$ 20,406	\$ 68,019
Cary/Marketplace Development	\$ 200,000	\$ 40,000	\$160,000	\$ 959	\$ 2,966	\$ 14,977	\$ 49,923
McCormick	\$ 225,000	\$ 45,000	\$180,000	\$ 1,079	\$ 3,336	\$ 16,787	\$ 55,955
DeVarney	\$ 175,000	\$ 35,000	\$140,000	\$ 839	\$ 2,595	\$ 13,167	\$ 43,891
Michaelides - Middle Road	\$ 175,000	\$ 35,000	\$140,000	\$ 839	\$ 2,595	\$ 13,167	\$ 43,891
Papaseraphim	\$ 175,000	\$ 35,000	\$140,000	\$ 839	\$ 2,595	\$ 13,167	\$ 43,891
Goodrich	\$ 225,000	\$ 45,000	\$180,000	\$ 1,079	\$ 3,336	\$ 16,787	\$ 55,955
Leblanc	\$ 225,000	\$ 45,000	\$180,000	\$ 1,079	\$ 3,336	\$ 16,787	\$ 55,955
Delaney	\$ 150,000	\$ 30,000	\$120,000	\$ 719	\$ 2,224	\$ 11,358	\$ 37,859
River Street	\$ 150,000	\$ 30,000	\$120,000	\$ 719	\$ 2,224	\$ 11,358	\$ 37,859
Lafountain	\$ 240,000	\$ 48,000	\$192,000	\$ 1,151	\$ 3,559	\$ 17,872	\$ 59,575

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Michaelides - W. Milton Rd.	\$ 250,000	\$ 50,000	\$ 200,000	\$ 1,199	\$ 3,707	\$ 18,596	\$ 61,987
Brault	\$ 225,000	\$ 45,000	\$ 180,000	\$ 1,079	\$ 3,336	\$ 16,787	\$ 55,955
Labell	\$ 225,000	\$ 45,000	\$ 180,000	\$ 1,079	\$ 3,336	\$ 16,787	\$ 55,955

Table 4 below shows the median household income for Chittenden County and for Milton in 1999 dollars and the median cost of owner-occupied dwellings from the 2000 Census. Table 3 also includes 2006 Census estimates for Chittenden County median household income and median housing cost for owner-occupied dwellings. 2006 estimates are not available for Milton. However, the county estimates reflect a 15% increase in median household income and a 72% increase in median owner-occupied dwelling cost. Using the same percentage increase based on the 2000 census data for Milton results in estimates of \$56,786 for median household income and \$212,240 for median cost of an owner-occupied dwelling.

Table 4. Median household income and median housing cost for Chittenden County and Milton.

	2000 Census		2006 Census Estimates	
	Median Household Income	Median Housing Cost (Owner-Occupied)	Median Household Income	Median Housing Cost (Owner-Occupied)
Chittenden County	\$ 47,673	\$ 139,000	\$ 54,897	\$ 238,500
Milton	\$ 49,379	\$ 123,500	Unavailable	Unavailable

As noted in the 2008 Milton Comprehensive Plan, it would benefit the Town of Milton to provide moderate income housing to those residents earning 80% to 120% of Milton’s median household income and to provide affordable housing to residents earning less than 80% of Milton’s median household income. Since the census data available for median household income for Milton is from the 2000 census and is in 1999 dollars, this data is nearly 10 years old at this point (Milton’s median household income was higher than the county’s in the 2000 census, so it likely would not be lower than the county’s at this point). Therefore, it seems to make more sense to use the 2006 census estimates for Chittenden County, as this data is likely more accurate at this point. Using the Chittenden County

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median household income 2006 census estimate of \$54,897, a household making between \$43,918 and \$65,876 could afford a moderate income house while those making less than \$43,918 could afford an affordable income house. Comparing this information to the last column in Table 3, 9% of the projected new housing units would be considered affordable and 88% of the projected new housing units would be considered moderate. Therefore, the majority of the projected new housing units would be considered affordable to the majority of the residents within the Town of Milton and would meet the housing goals set forth in the 2008 Comprehensive Plan.