



Testimony of Downstreet Housing and Community Development August 14, 2023

Downstreet Housing and Community Development is a mission-driven, not for profit organization dedicated to equitable access to opportunities for the people of Central Vermont. For the past 36 years, we've used the power of permanently affordable housing as a platform to connect people to the resources they need to thrive and to strengthen the health and future of our local communities.

We Create Permanently Affordable Homes

Downstreet develops permanently affordable apartments through new construction, adaptive reuse, and the historic preservation of existing structures. We also preserve affordable housing through extensive rehabs that improve the livability and energy efficiency of older buildings. We own and operate 452 apartments and 85 manufactured housing lots and have multiple projects in various stages of development to create new homes in Central Vermont's Washington and Orange counties.

We Make Homeownership Possible

Our Homeownership Center serves Washington, Orange, and Lamoille Counties and stewards and grows a shared equity homeownership portfolio of 163 permanently affordable homes. We provide homeownership education and support; offer foreclosure counseling; deliver a range of grants and loans for homeownership deposits, home repairs for low- and moderate-income homeowners, and rental housing repairs for private landlords; and coordinate other initiatives related to affordable housing livability.

We Support Healthy People and Healthy Communities

When paired with targeted support services, the ability of affordable housing to provide residents increased access to opportunity and foster healthier and more equitable communities is greatly enhanced. These services can mean the difference between a family staying stably housed or slipping into homelessness. In 25% of our multi-family rental homes, we partner with community service providers to offer **Permanent Supportive Housing**, combining rental assistance and housing subsidies to help people with disabilities who are exiting homelessness maintain stable housing. We administer the **Support & Services at Home (SASH)** model for Central Vermont, a Medicare-funded program that, each year, helps over 600 older adults and people with disabilities age in place. We are building a robust **Resident Services** program that promotes thriving housing communities and helps residents maintain housing stability, access community resources, and improve health and well-being.

Impact of July 2023 Flooding on Downstreet Housing

Homeownership

None of the 85 homes sited in the 4 manufactured housing communities operated by Downstreet sustained flood damage.

Of the 163 homes in our Shared Equity Housing portfolio, 13 were impacted by flooding. Two in Barre City were very severely damaged and may not be rehabbed. Six in Montpelier lost boilers that were located in the basement, one in Lamoille County had exterior damage following a landslide, and four required basement clean-outs.

Rental Homes

Most of the historic buildings that we own and operate in Montpelier and Barre City had basement-level water intrusion that required some level of minor remediation. Five buildings were impacted more severely. Twenty-six families had to be temporarily relocated and 16 are still living in temporary housing situations including other Downstreet apartments, with friends or family, or in General Assistance hotels.

North Branch Apartments – 87 and 89 Elm Street in Montpelier

The basement of 87 Elm Street filled and there was water intrusion on the first floor. The entire building (23 homes, 21 of which were occupied at the time of the flood) was evacuated on Wednesday, July 12th after the building was determined to be unsafe for occupancy. Four families were able to return on August 4th and 6 were able to return on August 14th. We hope that another 9 will be home by the end of this week. The remaining four units will be off-line for another 8-10 weeks.

There was no water intrusion at 89 Elm Street, but as part of the basement remediation, Downstreet tested the moisture levels of the ground floor apartments. Flooring needed to be replaced in 6 of the units and 3 households had to be relocated for 14-28 days.

Damages to these two buildings will exceed insurance coverage by an estimated \$450,000 and flood insurance will not cover business income loss associated with lost rental income.

French Block Apartments – 34 Main Street in Montpelier

Located on the second and third floors above Aubuchon Hardware, homes in the French Block Apartments did not sustain water and residents did not have to be evacuated. However, the basement and the first-floor entries were flooded and we are working through on-going issues including the elevator, which is not yet operational.

Good Neighbors Apartments – 81 Elm Street in Barre City

Good Neighbors is a 4-unit building that provides a Safety Net unit for Downstreet's Recovery Residence and 3 homes for families who've previously experienced homelessness. Two of the units were occupied at the time of the flooding and were evacuated on Friday, July 14th when the fire department declared them uninhabitable because there was no operable fire suppression system. Residents were able to return on August 14th.

Good Neighbors has no flood insurance. Community volunteers completed \$10,000 in basement demo work, but we are still in need of approximately \$40,000 to cover the full cost of repairs.

Yorra Building – Keith Avenue in Barre City

The Yorra Building is a commercial space occupied by the Barre Community Justice Center. In addition to their offices, the site provides housing for the people they serve. The building was vacant for the five weeks following the flooding but can now be reoccupied. Flood insurance covered the cost of repairs.

Community Members

Downstreet’s Homeownership Center is receiving daily phone calls from homeowners looking for resources to repair their homes or to purchase new homes. We are also hearing from landlords looking for resources to rehab their rental units. We are particularly concerned that local homeowners may have difficulty ensuring that their homes have insulation and operational heating systems by winter and are having conversations with state and community funders about the feasibility of more immediately increasing available resources to flood-impacted homeowners through our Homeownership Center.

Creating More Resilient Housing

Both Downstreet Apartments, where Downstreet’s offices are Headquartered in Barre City, and Taylor Street Apartments at the Montpelier Transit Center were surrounded by water but weathered the flood with no damage to building systems or interiors. Built in 2015 and 2019, respectively, these buildings are a testament to the affordable housing industry’s commitment to constructing more resilient homes.



Downstreet Apartments in Barre City



Taylor Street Apartments at the Montpelier Transit Center

However, most of the multifamily buildings in Downstreet’s portfolio are older and vulnerable to future flooding and we are working to assess the risk and develop mitigation plans. As we are rehabbing recently flooded buildings, we are doing what we can in the short-term to make them more resilient and documenting what needs to be done in the future. For example, at 87 Elm Street, we can immediately get the electric panel out of the basement, but changes to the basement-level boiler system will take time and money that we do not currently have. State and federal funds for affordable housing preservation and energy retrofits will be an important component to ensuring future resiliency of affordable homes.