

## Main Street Group – 2022 Housing Study Executive Summary Report

### **Project Background**

Similar to many communities across Vermont and New England, Waterbury is facing a “housing crisis.” Affordability of homes (for rent and for sale), as well as low inventory across all price points are primary issues warranting correction. In addition, a lack of housing options that can meet the needs of current buyers and renters remains another prominent barrier that mirrors similar trends observed nationally.

To be clear, housing shortages and affordability issues endured long prior to 2019. However, the Covid-19 pandemic intensified these issues. As individuals and families deemed cities less safe from a public health perspective, and with remote work options gaining popularity, the area has noted a significant increase in new full-time residents. Some of these residents were already second homeowners turned year-round, while others are perceived as true newcomers. In addition, low interest rates, a byproduct of COVID-19 response measures, catalyzed an uptick in second-home acquisitions within the region which further limited availability of properties.

### **Project Brief**

The following summary is of the comprehensive Housing Study, hereby referred to as, “the Study.” The Study identified Waterbury’s housing needs, analyzed encumbrances and barriers preventing the town from meeting those needs, and culminated in strategic and realistic recommendations to mitigate identified barriers. The recommendations of the Study are not necessarily required to be implemented in succession, nor do they hinge on each other’s foundation.

Short term rentals such as Airbnb and VRBO were also analyzed to evaluate the true extent of this relatively newer phenomenon on Waterbury’s housing availability and affordability. Finally, the Study evaluated input received from the Community Housing Survey that Main Street Group and Revitalizing Waterbury worked together to distribute. Collectively, the data analyzed provided a reliable depiction of Waterbury’s current housing status. This baseline served as the foundational blocks from which recommendations were derived, leading to strategies that will help Waterbury plan for the appropriate balance for its current and future

housing needs.

### **Fast Facts**

\$98,155.18 – The amount by which the median sale price of Waterbury homes rose between 2019 and 2021 (approximately 30.4%)

51 – Short term rental operational in Waterbury

92.2% - The percentage of housing survey participants who felt repurposing existing structures was most appropriate way to create more housing

33 – The number of short term rentals that can easily and inexpensively be converted to year-round use

87.5% - The amount of housing survey participants who felt Studio, 1-bedroom, or 2-bedroom houses best fits their current and future needs

### **Summary of Recommendations**

- Permanently adopt the Interim Zoning Bylaw to maintain increased density within Waterbury and to provide for increased ADU size to meet One and Two-bedroom housing needs.
- Town Planning Staff should recruit developers who will construct housing intended for year-round residential. Additional covenants may be utilized to ensure a percentage of new housing remains in use for full time residences and/or for those who qualify for housing assistance.
- Conduct a review of existing structures (commercial, industrial) within town that can be repurposed into housing.
- Work with local landlords, builders, and developers to maximize the use of underutilized structures while simultaneously planning for legitimate new housing development opportunities.
- Partner with other nearby municipalities to identify mutually advantageous locations for construction of higher density housing.
- Create an outreach campaign to short term rental owners that appeal to their sense of community and bottom-lines to convert studio, one and two-bedroom units into annual

or six-month leases.

- Waterbury should prioritize development of Studio, One, and Two-bedroom homes. The town should not focus on construction of three+ bedroom dwellings because a faction of existing residents (ex. seniors scaling back, empty-nesters etc.) will move into smaller new builds. In turn, this will free up existing three-bedroom+ units to satisfy the modest demand for them.
- Waterbury should create a streamlined process including reduced application requirements and decreased fees to increase ADUs throughout town.
- The town and/or local nonprofit should create a revolving fund that provides assistance to create ADUs providing certain requirements are met (ex. Utilization of local labor to construct and must not be used as a short-term rental).