

### 3.20.24 - meeting memo 2 – clarification of 2.7.24 meeting outcome and “ meaning of affordable”

A brief word on Buttermilk: I would like to clear up a misunderstanding stemming from our meeting of 2.7.24. Gary suggested that the PC's approach to Buttermilk should be to ask them to sell a piece of their property to a subsidized-affordable developer who would create a housing project there. Support was expressed for this idea, as well as some negatives to it, but it was left that Keith, Chris and I would approach a non-profit developer in support of Gary's idea. This is what I understood the ask to be. If others had a different idea of what was being asked, that was not apparent to me.

Subsequently: I thought through this idea, and found that it made no sense to me to consider this an option when Buttermilk has specifically rejected this concept. I discussed this with co-chair Adam, who expressed support for the idea of a general investigation into what is needed for true, income-sensitive affordable housing in Richmond, but he agreed that this is not on the table for Buttermilk's building 2 project, as they have stated that it is not a viable option for them to incorporate true, income-sensitive housing into their project. I also discussed it with Keith, who questioned the legitimacy of the request in the absence of the developer's approval, and declined to pursue the idea. I have apologized to Chris for not conveying these developments as they happened, but I was out of town dealing with family issues during this timeframe. Our 2.20.24 meeting was on other topics, and our 3.6.24 meeting was cancelled due to the lack of a quorum, so I am clarifying this now.

The Housing Committee is currently working on the true, income-sensitive affordable housing conundrum. The Housing Committee was formed by the SB to take this off the PC's plate, as we had not been able to come to any satisfactory solution the last time we had considered the issue (back in 2019) and had had to move on to other matters. They are pursuing a more complete investigation of the issue, having had several discussions over the last 2 years, including looking into what the non-profit developers need to create such a project. As the liaison to this committee, perhaps I have been remiss in not conveying all this information to the PC, however I have mentioned that the non-profits have stressed their need to own and manage their own projects, and that they speak of needing a minimum of 20 units to make a project financially viable in today's market. The Housing Committee's further research may provide additional strategies. Buttermilk is still amenable to discussing “housing that is affordable,” that is market rate apartments that are less costly rent due to their small size.

I feel that this suggestion sidetracked us from the promising pathway we were on at our Jan. 17<sup>th</sup> meeting of developing a position where we consider how to apportion some number of units to fill the space from which we plan to remove the commercial requirement in Buttermilk's building 2. I am planning to have this task as the majority of our March 20th agenda.

I would like to remind everyone that we need to always be clear when we talk about “affordable” housing. First, there is HUD/VT designated and financed true “affordable housing”, which is generally **subsidized** by federal (and/or other) funds and requires **verification of housing expenditure as a % of income** that is **guaranteed in perpetuity or for a certain number of years**; and then there is “housing that is (just) more affordable” -- what has been called “**workforce**” or “**low to moderate income**” housing. Buttermilk's project has never involved income-sensitive affordable housing, and will not, per their proposal, but they do propose workforce housing, which is “affordable” in the sense that more people - such as teachers and firefighters - can afford it. Both of these uses of the word “affordable” may reference the Average Median Income (AMI) chart, but the details are different, and the lines are often blurred by those using the term “affordable.” I am hoping we can use these terms in a way that makes it clear what we mean.

Once again, I apologize if I have contributed to any confusion in our pathway to making progress on the Buttermilk issue. We can discuss this further if needed.