

2.21.24 memo #3 from the Chair

A brief word on Buttermilk: I would like to clear up a misunderstanding stemming from the last meeting. 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 subsidized-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 subsidized 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 apologize to Chris for not conveying these developments as they happened, but I was out of town dealing with family issues during this timeframe.

The Housing Committee is currently working on the subsidized-affordable 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). 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 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 these entities stress their need to own and manage their own projects, and that 20 units seemed to be the minimum needed to make a project financially viable in today's market. Too much to do, too little time.

I feel that this suggestion has sidetracked us from the promising pathway we were on at our Jan. 17th meeting of developing a position where we consider how to apportion some number of units to fill the space from which we had removed the commercial requirement in Buttermilk's building 2. I am planning to have this task as the majority of our March 6 agenda. I would like to remind everyone that we need to always be clear when we talk about "affordable" housing: there is HUD designated "affordable" housing, which is **subsidized** by federal (and other) funds; and then there is "housing that is more affordable" or "**workforce**" housing. Buttermilk's project has never involved subsidized housing, and will not, per their proposal, but they do propose workforce housing, which is "affordable" in the sense that most people can afford it. I am hoping we can use terms that make it very 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 desired, at our March 6 meeting.