

## South Burlington Affordable Housing Committee

Members: Chris Trombly, Chair; Sandy Dooley, Vice Chair; Leslie Black-Plumeau; Vince Bolduc; Patrick O'Brien; and John Simson

To: Jessica Louisos, Chair, South Burlington Planning Commission  
From: Chris Trombly, Chair, South Burlington Affordable Housing Committee  
Date: February 2, 2021  
Subject: Recommendation on Expansion of Inclusionary Zoning

The purpose of this memorandum is to inform you that, at its meeting on this date, the members of the Affordable Housing Committee voted unanimously to recommend that the Planning Commission include in the package of land development regulations you are preparing, a section that will expand the application of Inclusionary Zoning rules to the entire City. We believe this expansion is necessary to make our land development regulations more congruent with the **2016 Comprehensive Plan**. We summarize our reasoning below (all quotes are in *italics*).

First, we cite the first goal stated under the Plan's **Vision & Goals**: *Here and into the future, South Burlington is . . . **Affordable & Community Strong**. Creating a robust sense of place and opportunity for our residents and visitors. ♦ Be affordable, with housing for people of all incomes, lifestyles, and stages of life.* (p. 1-1).

In the Plan's Housing chapter, the opening paragraph includes the following: *"Provision of safe and affordable housing that is well-matched to residents' circumstances is an essential requirement for the City to maintain its quality of life, retain existing businesses and support economic development, and attract future residents."* (p. 2-10). Further down this page the first of the key issues and needs identified is: *"Preserving and promoting the development of additional housing that is affordable to households of all income levels **throughout the City**."* (Emphasis added.)

Later in the chapter the Plan states, *"To meet the City's goals for diversity and affordability, a wider spectrum of housing will have to be built in South Burlington."* (p. 2-12). To emphasize the importance of this need, the plan includes numerical targets for the number of affordable housing units to be constructed by 2025 *"to maintain a housing profile similar to what presently exists in the City with a diversity of housing types across the price range."* These targets are, by 2025, 1,080 new affordable housing units – 840 housing units affordable to households earning up to 80% of the AMI (Area Median Income) and 240 housing units affordable to households earning between 80% and 120% of the AMI. (p. 2-13)

These targets are useful because they provide the bases for measuring the City's progress in this area. At 2021, we are midway to 2025; if new affordable housing units have been added in even proportions annually and we met our target, we would have added 540 new affordable units by this date. According to our land development regulations, an affordable or inclusionary dwelling unit must have an affordable price, the household that rents or purchases the housing unit must have an income that does not exceed the applicable income maximum, and the unit must remain affordable in perpetuity. In addition, for rental units, there are limits on increases in rent.

The initial data below refer to housing units that meet these criteria or are owned by a nonprofit housing organization for which there is a high probability that these criteria will be met even though not required. The number of new affordable housing units built (or converted to residential use) since 2016 is 127; three affordable Kirby Cottage units were lost when the City of Burlington (airport) purchased them. This yields a net gain of 124 housing units that meet the City's regulatory definition. The number approved by the Development Review Board but not yet built or completed is 84. In addition, Champlain Housing Trust (CHT) purchased Dorset Commons because its rents were already affordable; plus, the property owner wanted them to remain affordable. Of the 99 units, 78 meet the official definition of affordability; the remaining 21 do not but likely have affordable rents. While this did not add to the number of South Burlington units having affordable prices, CHT's purchase gives assurance that the units will remain affordable in perpetuity. In addition, two local developers have separately indicated plans to build 43 and 78 units, respectively, of which 12 will meet the affordable definition and the remaining 109 will be affordably priced but will not require income-testing for potential occupants and have no perpetuity guarantee. The City's Inclusionary Zoning rules were likely the primary factor in the development of 53% of the new or to be built affordable units, whether officially affordable or affordably priced.

Clearly, we are making progress. The total, combining the units approved (built and unbuilt), the anticipated units (both officially affordable and only affordably priced), and the 99 Dorset units (whose prices are not newly affordable), is 428 units or 112 fewer units than our target for 2021. Unfortunately, should the numbers added continue at this pace, we will not reach the targets established for 2025. Meanwhile, about one in eight City households pays half or more of its income for housing.

What is the City's role? The Plan goes on to address this question. Note: *"The proportion of new affordable residential units, both rental and owner-occupied, built in South Burlington in the coming decade must increase substantially in order to support its economic vitality and maintain its current housing profile. It is clear that the market alone will not produce that supply."* (p. 2-14) Several techniques are mentioned, one of which follows: *"Location of affordable, elderly, and/or higher density housing near schools, parks, shopping centers, employment centers, daycare facilities, transportation corridors, emergency services, and public transportation."* (p. 2-15) Based on our knowledge of the City, we have not identified a single location in the City that meets all of these criteria. Because of this, we believe the intent is to pay attention to these factors in siting affordable housing, but not say that all must be present for the location of affordable housing. For example, *"transportation corridors"* are mentioned. When considering the Southeast Quadrant, locations near Spear and Dorset Streets and Hinesburg Road would be appropriate.

The housing targets described above are referenced in the first of the Housing chapter's four objectives, which reads as follows, *"Offer a full spectrum of housing choices that includes options affordable to households of varying income levels and sizes by **striving to meet the housing targets set forth in this plan.**"* (p. 2-14, emphasis added) What tools should the City use to meet these targets? The chapter's first strategy (Strategy 4) sets forth a wide array of potential policies: *"Implement a variety of tools and programs to foster innovative approaches to preserving and increasing the City's supply of affordable and moderate income housing. Potential tools should be explored and could include form-based codes that would allow a variety of residential and mixed use building types, transferable development rights, neighborhood preservation overlay districts, household definition regulations, **inclusionary zoning** (emphasis added), bonuses and incentives,*

*waivers and expedited review processes, and/or a housing retention ordinance.”* (p. 2-16) To its credit, South Burlington has already put in place many of these strategies. The fifth strategy stated is: *“Explore innovative land development regulations that allow for a range of residential building and neighborhood types, including but not limited to cottage housing, clustered housing and infill residential development.”* The Planning Commission’s work on Planned Unit Development regulations is fully consistent with this strategy.

Some assert that affordable housing should be located solely or primarily in the City’s Transit Overlay District. While the Plan mentions increasing the supply of **rental** affordable housing within City Center and transit corridors, increasing the supply should not be read to mean all affordable housing should be located in the City Center area or along transit routes. It should be noted that the Comprehensive Plan’s section on the Southeast Quadrant includes a paragraph on **“Affordable Housing in the SEQ.”** (pp. 3-32-33) The challenge that the high cost of SEQ land presents is cited, as well as the fact that affordable ownership units are part of the Dorset Farms and South Village Master Plans. Two statements included in the SEQ section demonstrate the recognition that methods of addressing the challenge of affordability have been explored: *“The SEQ Concept Plan has evaluated how increased ‘buildable’ densities might increase the opportunity for affordable housing as well.”* (p. 3-33) *“With the completion of the SEQ planning process, there has been strong interest in building neighborhoods at higher densities in order to conserve more of the SEQ’s priority open space lands.”*

In addition, there is growing awareness of the role that zoning provisions have played in creating and/or perpetuating neighborhoods segregated by race and/or socio-economic status and the negative consequences flowing from these effects. The City of Portland, Oregon, has articulated this new awareness by distinguishing its prior housing strategy that focused on transit-oriented neighborhoods from its new “equitable housing strategy” that incorporates *“values of inclusion, equal access to opportunity, and diversity in our communities. This strategic approach will help leverage affordable housing investment dollars, services and protections, ensuring that all people—regardless of race, ethnicity, family status or disability—have a range of choices for where to live now and in the future.”* A related finding comes from a study of local (Vermont) immigrants’ transportation needs, which concluded that even for immigrants living in transit-served municipalities a car is necessary for the household to access jobs, health care appointments, language classes, and childcare, all of which are essential for healthy family functioning.

In conclusion, the committee reiterates our recommendation that the Planning Commission include expansion of our Inclusionary Zoning rules to apply City-wide. We believe this change is supportive of the Comprehensive Plan, compatible with and complementary to the PUD land development regulations that you are in the last stage of defining, necessary to continue progress toward meeting the affordable housing targets included in the Plan, and consistent with efforts to promote greater equity and opportunity in our City’s neighborhoods.

**Request:** The committee seeks to have this recommendation included as an agenda item for an upcoming Planning Commission meeting. Please share this memorandum with all members of the Planning Commission. Thank you for listening/reading and your ongoing service to our community.

cc: Paul Conner, Director of Planning and Zoning

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