**Significant Pieces of Research NOT Found in the IZ Report which are**

**Needed by the IZ Working Group Before Recommending Changes**

(1.) In the last 20 years, what is the distribution in the **SIZE** of the residential projects approved by the City for new construction or adaptive reuse?

|  |  |
| --- | --- |
| Number of total units in project\* | Number of projects |
| 5-9 | 16 |
| 10-14 | 8 |
| 15-19 | 6 |
| 20-24 | 5 |
| 25-35 | 10 |
| 36-45 | 3 |
| 46-55 | 0 |
| 56-65 | 0 |
| 66-75 | 1 |
| 76-85 | 4 |
| 86-95 | 0 |
| 95-105 | 1 |
| 105+ | 1 |
| total | 55 |

\*projects which triggered IZ only (1990 - present)

(3.) Between 1990 and 2015, 76% of all the housing units produced in Burlington were forced to comply with the IZ ordinance. That means another 545 units (24%) were NOT covered by the ordinance, presumably because they slipped below the 5-unit threshold for new units or the 10-unit threshold for adaptive reuse. A counter-factual analysis should be done asking how many FEWER projects/units would have been subject to IZ and how many FEWER IZ units would have been produced if the threshold had been higher – say 1.5 times higher, 2 times higher, or 2.5 times higher.

* If threshold was set at 8 and above then:
  + 7 fewer projects would trigger IZ
  + 8 fewer IZ units
* If threshold was set at 10 and above then:
  + 16 fewer projects would trigger IZ
  + 18 fewer IZ units

If threshold was set at 15 and above then:

24 fewer projects would trigger IZ

32 fewer IZ units

(6.) What would a $75K contribution to the Housing Trust Fund “buy” in the way of writing down the cost of a market-rate unit to the point where a household earning 65% of AMI can rent it or a household earning 75% of AMI can buy it? If $75K is too little, what amount would be necessary to achieve this affordability target?

Rental

How is this to be calculated? One way would be to calculate the capitalized gap between what is affordable (the IZ rent) and the market rent. The other way is to calculate the amount of development subsidy necessary to make that unit affordable. The latter will vary based on the size of the project, the interest rates at the time, other subsidies in the project, etc.

Homeownership

According to the Assessor’s Office, the average assessed value for a single family home (includes condos and mobile homes) is $212,000. Given that and assuming 75% of median income, 33% paid for housing costs, taxes based on $212,000, interest rate of 3.875%, then the gap between what can be afforded are as follows:

* 3 person household, 2 bedroom unit: $92,832.02
* 4.5 person household, 3 bedroom unit: $35,799.06

However, to do a proper analysis, need average sale price data based on bedroom size.