

Testimony on the 3/30/15 Draft Housing Action Plan
Submitted to the Burlington City Council by
John Emmeus Davis, 52 Booth Street
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The Administration should be applauded for its attempt to be comprehensive in addressing so many different housing problems and for its willingness to be transparent about its own intentions and priorities. The eighteen proposals presented in the current draft of the *Housing Action Plan* contain many good ideas. A few proposals, like reforming the building code (Proposal #3) and re-planning the South End along the Pine Street corridor (Proposal #6), are especially innovative and impactful – and long overdue.

In too many cases and in too many ways, however, these proposals are not yet a “plan.” They do not say nearly enough about what “action” will be taken, by whom, or when. There are also significant holes in the panoply of proposals, omitting key concerns that any plan that aspires to being both equitable and sustainable should include.

The 3/30/15 draft is a solid start. Actually it is more than a start, since it has improved significantly since the first version was submitted for review and revision by the Community Development and Revitalization Committee. But it is still a *draft*. In its current form, it is not yet ready for the City Council’s stamp of approval.

My recommendation would be for the City Council to give *conditional* approval to the Plan, asking for its flaws to be corrected and its omissions to be addressed by the Administration within a month’s time, or for the City Council to *return* the Plan to the Community Development and Revitalization Committee for further work.

Either way, I believe that more attention needs to be paid to: (1) reconsidering unsubstantiated assumptions that underpin the current draft, (2) filling in essential pieces that are missing from the current draft, and (3) converting incomplete proposals into an actual “plan.”

UNSUBSTANTIATED ASSUMPTIONS

There are three assumptions underpinning the 3/30/15 draft that are asserted or implied with little evidence to back them up. Whenever these unsubstantiated assumptions are invoked, they should trigger a demand from the City Council and the public for additional data and analysis. Accepting these assumptions as proven would be a mistake.

1. Production of new housing will solve all affordability problems. An assumption of the *Downtown Housing Strategy Report* and an assumption underlying the *Housing Action Plan* is that all production is equally desirable, since any increase in the total supply of housing will eventually moderate the cost of housing for everyone, no matter how poor. This assumes that filtering works; that is, even housing added at the top of the market will have benefits that trickle down to the bottom. But there is little evidence that Burlington’s housing market actually behaves like this. The burden of proof rests with those who believe it does.

2. Excessive regulation is the main cause of low production. Although I would agree with the 3/30/15 draft that regulatory barriers have a “dramatic impact on the cost and feasibility of new housing,” let’s not focus on regulation alone since many other factors contribute to making housing an excessively expensive commodity. Nor should we jump to the conclusion that most regulations are “unnecessary or ineffective.” Most of them do what they were meant to do; in a word, they are *effective*. Whether or not they should be deemed “unnecessary” will require close scrutiny and substantial proof.

3. Workforce housing is in short supply. There is a high-priority concern in the 3/30/15 draft for alleviating the plight of “those who make enough money that they are not eligible for subsidized housing” but who “struggle to compete” in the housing market. Goal II, for example, proposes to tilt governmental assistance toward this demographic. Proposal #9 proposes to identify changes in inclusionary zoning in order to more effectively meet the needs of this “workforce.” Although nowhere defined as such, this workforce presumably refers to households earning between 80% and 120% of Area Median Income – which, for a family of four, would presently be between \$64,000 and \$96,000 per year. This may, indeed, be a population that deserves more attention and more assistance, but much more evidence and analysis is needed before we begin shifting public resources and regulatory requirements *away* from households earning less than \$64,000. The following questions should guide this inquiry:

- How *big* is this “workforce” demographic?
- How *serious* is the plight of these households, compared to those earning *below* 80% of AMI?
- What is the *minimum* amount of regulatory relief or financial aid from city government that might be needed to expand housing production for this demographic?
- Would municipal assistance that serves this demographic have a greater and longer *impact* if invested in workforce housing produced by nonprofit developers – or would the municipality’s investment go just as far if directed toward for-profit developers?

These kinds of questions don’t need to be fully answered in the Plan itself, but the refinement and implementation of the Plan’s proposals should not assume these questions have *already* been answered. They haven’t.

MISSING PIECES

Despite the draft Plan’s admirable attempt to be comprehensive in its approach to the housing problem, there are important concerns that are nowhere to be found. That is not a complete surprise. After all, a city government cannot do everything. It has to have priorities, choosing some things and rejecting others in order to focus its resources most effectively and efficiently. Even so, there are some serious omissions from the 3/30/15 draft that seem worthy of being included in a plan of this sort. It is reasonable to ask why they are missing – and to press for their consideration.

1. Preservation. The current Plan, as written, is so heavily weighted toward the production of new housing that it gives short shrift to preserving the affordably priced rental housing and affordably priced ownership housing that already exists. There are only two places where improving the condition and preventing the loss of existing housing are mentioned – Pro-

posals #4 and #7 – and these are the *least* developed proposals in the entire document. My recommendation would be to add a NEW GOAL to the Plan, putting preservation on a par with production. Proposals #4 and #7 could then be moved from Goals I and II, where they don't really belong, and grouped under a new goal focused on the preservation of existing housing. Preservation should be expansively defined, moreover, to encompass:

- preventing the loss of older housing;
- improving its condition and accessibility;
- preserving historically significant features; and
- perpetuating the affordability of any housing created through the investment of public dollars or the exercise of public powers.

Under such a goal might be included, as well, an entirely new proposal (discussed below), making energy efficiency an essential part of preservation.

2. Energy. A key to improving the condition and affordability of the city's housing, especially for persons of modest means, is controlling the cost of operating the housing *after* it is built. Energy is a huge component. For a Plan that contains proposals to "help reduce the cost of housing," it is disappointing not to have a single proposal that mentions energy efficiency – a surprising omission for a city that prides itself on its commitment to sustainability.

3. Tenants. The current draft acknowledges that a majority of Burlington's households are renters and that many are cost burdened. Almost nothing in the current draft, however, expresses support for measures that protect tenants' rights, preserve tenant housing, or remove discriminatory barriers for renters trying to gain access to housing. The most serious omission is the lack of concern for protecting tenants against displacement. Only in the South End strategy (Proposal #6) is there acknowledgement that "over-gentrification" might become a problem in Burlington. Tenants may not warrant a separate goal or proposal all their own, but consideration should be given to adding to the Plan's Introduction a statement that the City will "continue supporting efforts" to protect tenants' rights, to prevent displacement, and to ensure fair housing – similar to the Introduction's current commitment to supporting and expanding nationally recognized "approaches" for the production of new housing.

4. Suburbs. While I have a number of reservations about the comparisons and conclusions contained in the *Downtown Housing Strategy Report*, its suggestion that affordable housing should be viewed as a *regional* problem is worth considering. As the Report pointed out:

"The Burlington region suffers from an imbalance in the distribution of where low-wage workers are employed and where they live, resulting in longer commute times and an increased transportation and housing cost burden. Expanding the use of IZ to neighboring jurisdictions would improve access to affordable, compact and well-located housing."

I had hoped, in light of this observation, that the Housing Action Plan might include a commitment to seek *regional* solutions to housing problems, where *every* town in Chittenden County does its fair share. It is disappointing, therefore, to find nothing in the Plan that mentions the surrounding towns, except for a lament that Burlington's downtown has been "lagging" behind the rest of the region in its competition for investment in new housing.

5. Partners. The presence of an exemplary network of nonprofit housing providers is acknowledged in the Plan’s Introduction, but then disappears – with two exceptions. There is a commitment to supporting HomeShare Vermont (Proposal #10) and there is mention of various nonprofits working on Housing First (Proposal #14). Otherwise, there is no mention of the role that the City has played – and should *continue* to play – in helping to create, to expand, and to sustain a nonprofit network that has worked in partnership with city government “for over 30 years,” serving people and tackling projects that for-profit developers cannot.

6. BIG projects. If Burlington is to add a large number of new housing units during the next decade, there are three locations with the greatest potential: the Pine Street Corridor, the North Avenue Corridor, and Downtown. In the *Housing Action Plan* only **one** of these three warrants a proposal “assessing the full range of community needs,” the South End. Proposal #6 will consider whether opportunities exist for re-planning and re-zoning the Pine Street Corridor to increase housing development *without* squeezing out large employers, small businesses, artists, and low-income residents. There is no comparable commitment, however, to re-planning the North End Corridor or the Downtown so as to achieve an equitable balance between housing and other “community needs” (including open space) or to protect against “over gentrification.” These are glaring omissions, given the multi-million-dollar projects already announced for the sites owned by Burlington College and the Burlington Square Mall.

INCOMPLETE PROPOSALS

The proposals contained in the current draft are worth pursuing, but rarely do they rise to the standard of being a “plan,” collectively or individually. For too many of them, there is not a clear rationale for selecting the proposal as one of the “highest housing-related priorities” (WHY?); there is not a measurable objective, identifying the outcome or impact a particular proposal is expected to have (WHAT?); there is not an identified strategy for achieving the expected outcome (HOW?); there is not an assignment of responsibility, saying which department within city government will play the lead role in implementing a proposal (WHO?); or there is no timeline or deadline for a proposal’s implementation (WHEN?).

My purpose here is improvement, not rejection. Accepting at face value the proposals put forth by the Administration, my intent is to say how each might be made stronger, with particular attention to what is missing.

1. Consider eliminating parking minimums

Commentary

This proposal has a complete and compelling rationale for how it would advance Goal I and why it was chosen as one of the City’s highest priorities. Reducing parking minimums is a clear objective. There is an implied strategy (i.e. finish studies and amend “current regulations”). The proposal does not say, however, which department will be taking the lead in implementing it, nor does it set forth a timeline or deadline for implementation.

What is missing?

- No department is assigned responsibility for implementing this proposal.
- There is no timeline or deadline for implementing this proposal.

2. Implement form-based zoning

Commentary

This proposal has a complete and compelling rationale for how it would advance Goal I and why it was chosen as one of the City's highest priorities. There is an implied strategy and an implied assignment of responsibility – presumably the Planning Department will be staffing the “joint committee with the Planning Commission” and will take the lead in drafting amendments to the zoning code. The proposal does not set forth, however, a timeline for implementation (although the City Council was told in March that recommendations would be forthcoming within the next four – five months).

What is missing?

- There is no timeline or deadline for implementing this proposal.

3. Reform the building code

Commentary

Except for saying “numerous parties have raised concerns,” there is no clear rationale explaining *why* the building code needs to be reformed nor why it's assumed that reform might lead to new housing production (Goal I). Also lacking is a timeline or deadline for implementation. On the other hand, this proposal does lay out clear objectives, a clear course of action for achieving them, and assigns lead responsibility to a specific department. Two minor concerns: it is unclear why CEDO will be taking the lead here, rather than Public Works; and it would be important to include the Fire Department in any discussions about reforming the building code.

What is missing?

- There is no rationale for this proposal, explaining why the building code needs to be reformed nor how it would remove “disincentives to new housing production.”
- There is no timeline or deadline for implementing this proposal.

4. Explore rehabilitation code

Commentary

There is no clear explanation of what a “rehabilitation code” would entail or how it might advance Goal I. Considering that such a code might *increase* the regulatory burden that Goal I is intended to reduce and might eventually *add* to the cost of rehabilitating existing housing, it would be better to remove this Proposal from Goal I and to put it under a NEW GOAL (“Preservation of existing housing”). It may be assumed that CEDO would take the lead in implementing this proposal, since Proposal #4 is linked to Proposal #3, but this assignment of responsibility is not explicit – nor is there a timeline or deadline.

What is missing?

- There is no rationale for this proposal, explaining why a rehabilitation code would “reduce regulatory barriers and lead to new housing production.”
- No department is assigned responsibility for implementing this proposal.
- There is no timeline or deadline for implementing this proposal.

5. Reduce zoning and building fees

Commentary

Although there is no timeline or deadline for implementing this proposal, the other elements that constitute an “action plan” are here. One quibble: the fees for *building* permits and the staffing costs for inspecting new (and old) buildings are much larger than the fees and costs associated with *zoning* permits. Perhaps the Department of Public Works should be taking the lead on this proposal instead of Planning & Zoning – or should at least be sharing responsibility with Planning & Zoning.

What is missing?

- There is no timeline or deadline for implementing this proposal.

6. Review South End zoning and housing policies

Commentary

Although there is no timeline or deadline for implementing this proposal, the other elements that make a “good idea” an “action plan” are present here. Indeed, this is one of the most complete and best thought-out proposals in the current draft. As suggested earlier under “Missing Pieces,” consideration should be given to adding similar proposals for balanced, equitable redevelopment along the North Avenue Corridor and Downtown.

What is missing?

- There is no timeline or deadline for implementing this proposal.

7. Prioritize affordable housing preservation

Commentary

Preservation is given far less attention in the current draft of the Housing Action Plan than production. This overlooks the compelling reality that plugging holes in the bottom of the rusty bucket containing a city’s existing stock of affordable housing is just as important as pouring new housing into the top of that bucket. Proposal #7 is the *least* developed proposal in the current Plan. There is no rationale for why preservation should be “prioritized” or what “preservation” might encompass (except for an ambiguous commitment to “engaging and supporting the affordable housing stock at Farrington’s Mobile Home Park”). Nor is there an identified strategy, a departmental assignment of responsibility, or a timeline for planning or taking “active steps to preserve affordable housing.”

Since this proposal does not “expand housing construction,” which is what Goal II is intended to achieve, consideration should be given to removing this Proposal from Goal II and putting it under a NEW GOAL (“Preservation of existing housing”), joining Proposal #4. This would give preservation more of the attention it deserves.

What is missing?

- There is no rationale.
- There is no measurable objective (except for “engaging and supporting” Farrington).
- There is no identified strategy.
- There is no department assigned responsibility.
- There is no timeline or deadline for implementing this proposal.

8. Focus and expand the Housing Trust Fund (HTF)

Commentary

There is a clear rationale for adding money to the HTF and there is a clear objective, at least for FY16, but there is no strategy for expanding revenues beyond FY16 “in a tax-neutral” manner. Nor is anyone assigned responsibility for implementing this proposal.

A more substantive question is *who* the Housing Trust Fund will serve in the years ahead if Proposal #8 is put into effect. The objective of expanding the HTF’s money is clear; the possibility of changing the HTF’s focus is not. The ordinance governing the HTF already prioritizes very low, low, and moderate income housing. Given the way the ordinance is presently written, it is fair to say that HTF disbursements must be used *exclusively*, not “primarily,” for projects benefiting households earning less than 100% of AMI. The language of Proposal #8, however – and the language of Goal II (“better assist those ineligible for subsidy but unable to compete in Burlington’s housing market”) – imply that future disbursements from the HTF may *not* be going exclusively to projects that benefit households earning less than 100% of AMI. If a change in policy and an amendment to the HTF ordinance *are* being contemplated under Proposal #8, these changes should be added to the proposal’s rationale and to its strategy.

What is missing?

- There is a measurable objective (more money), but no rationale for (possibly) changing the “focus” of the HTF.
- Beyond FY16, there is no strategy for implementing this proposal.
- There is no department assigned responsibility.
- There is no timeline or deadline (beyond FY16) for implementing this proposal.

9. Consider revisions to inclusionary zoning

Commentary

The main rationale for this proposal is that IZ is a regulatory disincentive to new housing production. As such, it would seem to belong more properly under Goal I. On the other hand, the focus of Proposal #9 is two-fold: not only to expand production but also to make IZ “an effective tool for meeting workforce housing needs.” The latter places it squarely within Goal II, which is aimed at raising income limits and expanding the pool of people and projects eligible to receive municipal assistance. “Workforce housing” is not defined, however, nor is there a clear rationale for revising IZ to favor this demographic.

A more serious flaw of Proposal #9 is that it ignores the question of whether IZ has been an “effective tool” in doing what it was designed to do; i.e., does it help to achieve the social goal of producing housing and creating neighborhoods that are *inclusive* of all classes? If the answer is *no*, revisions to IZ might be better aimed at requiring *more* of developers, instead of *less*; and making it *harder* for them to buy their way out of providing affordably priced units within their projects, instead of *easier*.

What is missing?

- No department is assigned responsibility for hiring and supervising the IZ consultant.
- No timeline is specified for completing the evaluation or revising the IZ ordinance.

10. Continue assistance for Home-Sharing

Commentary

HomeShare Vermont does wonderful work. Continued funding for its program is a fine idea. Nevertheless, I would offer two suggestions for improving Proposal #10. First, it is better to commit public resources to a program, a strategy, or a designated pool of eligible applicants, instead of singling out a specific beneficiary by name. Second, Proposal #10 is not a *production* strategy (Goal II). It might be better placed under a NEW GOAL (Preservation) or alongside other “Housing Options for an Aging Population” (Goal V).

What is missing?

- There is no strategy for “exploring other support for homeowners entering into home-sharing arrangements.” (Nor is it clear what this phrase might mean.)
- There is no timeline or deadline for implementing this proposal.

11. Create student housing/12. Extend college agreements

Commentary

These are excellent proposals, but they should be combined into one, since Proposal #12 is the strategy for implementing Proposal #11. Taken together, this is one of the most complete “action plans” in the current draft, clearly and fully answering the questions of why, what, how, and when. The only missing piece is “who” will be assigned responsibility.

A more basic question for Proposal #11 is “where.” Proposal #12 wants to see more students housed on campus, but Proposal #11 implies that housing them on campus or housing them downtown would be *equally* acceptable. But the point of saturation may soon be reached downtown, once the Eagles project is done. Turning large parts of the downtown into one big dorm would have an impact that Proposal #11 says it doesn’t want: “distort the vibrant life of the downtown for all residents.” Too much student housing downtown – especially too much *undergraduate* housing – would make that distortion unavoidable.

What is missing?

- There is no department assigned responsibility for the proposals’ implementation.

13. Create a neighborhood stabilization program

Commentary

This is one of the most complete proposals in the entire Housing Action Plan, except for the lack of any discernable timeline for completing the “overall strategy and toolkit.” It is also unclear what “study” is being referred to in the proposal’s final sentence.

What is missing?

- There is no timeline or deadline for implementing this proposal.

14. Explore Housing First

Commentary

There is a clear rationale, a measurable objective, an identified strategy, and an assignment of responsibility (CEDO). I would offer only two cautions. Like most anti-poverty

strategies, Housing First has worked well in some places, but not in others. The “examination” of this model may require CEDO to hire the same sort of outside expertise that is contemplated in several other proposals. Second, “housing 2.5 percent of the homeless per month” seems to be an accumulative goal; i.e., nonprofits would be asked to provide permanent housing for an *additional* 2.5 percent of the homeless population every month. This would require either new funding for the creation of such housing or the diversion of existing funding away from projects serving other constituencies.

What is missing?

- There is no timeline or deadline for implementing this proposal.

15. Explore a permanent low-barrier homeless shelter

Commentary

There is a clear rationale for Proposal #15 and there is a measurable objective (a low-barrier shelter on a permanent basis). Less apparent is what the actual strategy may be for carrying out this exploration or for securing such a shelter. Nor is any city department given the lead for pursuing this strategy and no timeline is specified for getting it done.

What is missing?

- There is no discernable strategy.
- There is no department assigned responsibility.
- There is no timeline or deadline for implementing this proposal.

16. Explore strategies to expand accessibility

Commentary

This is clear and concise proposal, complete with all of the elements required for an “action plan.” My only two suggestions for improvement would be to **connect** the accessibility analysis of Proposal #16 with the consideration of other supports for home-sharing in Proposal #10 and to consider **combining** Proposal #16 and Proposal #18.

17. Review Accessory Dwelling Units

Commentary

This is a clear and concise proposal, having all the elements required for an “action plan.”

18. Expand use of Universal Design

Commentary

Linking this proposal with Proposal #4 makes sense, at least with regard to asking the same consultant to look at both issues. One caveat: Universal Design is not solely or primarily about *rehabilitation*; it is also about the way that *new* housing gets built. Since it can add to the cost of construction, Universal Design might qualify as one of the “regulatory barriers” that Goal I seeks to remove.

What is missing?

There is no timeline or deadline for implementing this proposal.

Summary of Key Elements Missing from Individual Proposals

Administration's Highest Housing Priorities (PROPOSALS)	Rationale for Proposal Being a Priority (WHY?)	Measurable Objective (WHAT?)	Identified Strategy (HOW?)	Responsible Department (WHO?)	Timeline & Deadline (WHEN?)
GOAL I: Reduce regulatory barriers and disincentives to new housing production					
1. Consider eliminating parking minimums	YES	YES	YES	NO	NO
2. Implement form-based zoning	YES	YES	YES	YES	NO
3. Reform the building code	NO	YES	YES	YES	NO
4. Explore adoption of a rehabilitation code	NO	YES	YES	YES	NO
5. Reduce fees	YES	YES	YES	YES	NO
6. Review South End zoning	YES	YES	YES	YES	NO
GOAL II: Construct affordable housing & provide assistance in meeting "workforce" housing needs					
7. Prioritize affordable housing preservation	NO	NO	NO	NO	NO
8. Focus and expand the HTF	YES, BUT	YES, BUT	NO	NO	YES, BUT
9. Consider revisions to inclusionary zoning	YES, BUT	YES	YES	NO	NO
10. Continue assistance for Home-Sharing	YES	YES	YES, BUT	YES	NO
GOAL III: Reduce student impact on residential neighborhoods					
11. Create student housing	YES	YES	YES	NO	YES
12. Extend agreements with colleges	(Combine #11)				
13. Create a neighborhood stabilization program	YES	YES	YES	YES	NO
GOAL IV: Develop new approaches to chronic homelessness					
14. Explore Housing First	YES	YES	YES	YES	NO
15. Explore permanent low-barrier homeless shelter	YES	YES	NO	NO	NO
GOAL V: Multiply housing options for an aging population					
16. Explore expanded accessibility	YES	YES	YES	YES	YES
17. Review ADUs	YES	YES	YES	YES	YES
18. Expand Universal Design	YES	YES	YES	YES	NO

YES = this element is *present* in the proposal's description

NO = this element is *missing* from the proposal's description

YES, BUT = this element is *partially* there, but vaguely written or incomplete