



Lake Champlain Regional Chamber of Commerce

October 7, 2014

Brian Pine
Community & Economic Development Office
149 Church Street
Burlington, VT 05401

Dear Mr. Pine,

The Lake Champlain Regional Chamber of Commerce and its affiliate organization, Burlington Young Professionals, appreciate the opportunity to comment on the Draft Housing Action Plan. We applaud the City for taking action on the housing affordability crisis in Burlington, and we agree that it is crucial to increase the supply of housing across the entire income spectrum to benefit all residents and potential residents.

The Chamber and BYP have created the Young Professionals Housing and Jobs Task Force to address the high cost and low availability of housing in Burlington, looking specifically to the experiences of young professionals, who are critical to the continued economic development of Burlington. Our Chamber members report difficulty recruiting young professionals from out of state, who look at the housing prices and often choose to live in other places with lower costs of living. Young professionals report difficulty finding housing within Burlington that is in their price range, that is well-maintained, and that allows them to save for future life events such as purchasing a home. These young professionals fill jobs in our city's tech companies, law firms, and national brands, as well as in our schools, non-profits, newspapers, hospitals, and restaurants. The Burlington Housing Downtown Strategy Report gives estimated annual wages for those in the "Professional, Scientific, and Tech Sectors" as \$69,000. While there are likely young professionals in Burlington making such wages, our experience indicates that the Report's estimate is high for those in the 25-34 age range. And more importantly, the ability to afford well-maintained housing within Burlington is important for young professionals across industry sectors, including those with traditionally lower wages.

The Chamber and BYP strongly support the Draft Housing Action Plan in the following areas:

1. Elimination of parking minimums, which have unnecessarily increased the cost of developing housing while ineffectively addressing the City's parking issues. Eliminating the parking minimums will allow those building housing to create parking that responds to demand rather than meeting an arbitrary number.

2. Implementation of form-based code. The uncertainty associated with the permitting process translates into lost dollars on the part of the developer, making projects less financially feasible and reducing the number of new units built.
3. Evaluation of inclusionary zoning is a necessary step toward ensuring that affordable housing in Burlington increases while also ensuring that developers can afford to build new market rate projects. Under current IZ thresholds, developers take a major financial hit on every IZ unit and avoid developing in Burlington, limiting the number of market rate units available that are within walking distance to downtown.
4. Development of a soft second mortgage program to assist first-time homebuyers with down-payments, closing costs, and rehab for code compliance. Many young professionals struggle to envision purchasing a home in Burlington, where they have difficulty saving for a down payment because of the high percentage of their incomes that go to rent.

The Draft Housing Action Plan is a comprehensive list of problems and recommendations, and we understand that each of the recommended solutions will take time to move through approval and, ultimately, implementation. The Chamber and BYP have focused our comments on the need for market rate housing and view the four areas highlighted above as having the most impact on the financial feasibility of developing market rate housing in Burlington and ensuring that young professionals see Burlington as a place to build their careers.

Thank you,



Katie Taylor

Government Affairs Specialist