TO: Members of the Development Review Board

FM: Carl Bohlen on behalf of the HAHC

CC: Brett Grabowski, Mitch Cypes, Alex Weinhagen

RE: HC2 Comments

DATE: December 19, 2022

Background: Brett Grabowski has met with the Hinesburg Affordable Housing Committee (HAHC) a number of times to discuss the Hinesburg Center 2 project, with him meeting with us recently on May 24, 2022 and November 29, 2022. He has been willing to work with us as he works to finalize his plan to meet the inclusionary zoning requirements for constructing the required perpetually affordable units (PAUs) as part of the overall project.

There will be a total of nine required PAU's when looking at the complete project that includes both Phase 1 and Phase 2. When Hinesburg Center Phase 1 was built, one PAU was required and exists currently. With Hinesburg Center 2, an additional eight PAU's are required.

The current plan before the DRB has six of the nine required units in Phase 1 and three in Phase 2. All nine proposed units are rental. The only building in Phase 2 that has rental units is the 34-unit multi-family Building C on lot 52, so all three PAU's would be in Building C.

The staff Report on the project raised concerns with a) the lack of PAU's being integrated throughout the development and b) the PAU's bedroom mix not being similar to the market rate unit bedroom mix.

In addition to Brett attending our HAHC meeting on November 29, Alex Weinhagen and Mitch Cypes also attended. The discussion included adding a 3-bedroom unit to Building C and having more of the PAU's in Phase 2.

HAHC Recommendation: After the discussion with all parties on November 29, the HAHC encourages Brett to undertake the following PAU plan.

- > Three PAU units be in Phase 1 with no more than one unit in any building.
- ➤ Six PAU units be in Phase 2 with one being a 3-bedroom unit and one being one of the units with the private entrance. With only Building C having rental units, all six PAU units will be in Building C.

Other Comments: The information below were factors that led to our recommendation above.

- While the HAHC had wanted to see some of the PAU's be ownership ones, it seems clear
 the project cannot commit to this due to the high construction cost due to materials cost,
 infrastructure cost and the current housing market. That makes the subsequent difference
 between market price and affordable price too large to cover.
- Building C units are fully handicapped accessible with the building entrances and an elevator meeting ADA requirements. This is the primary reason for recommending more units in Phase 2.
- With a 3-bedroom unit added to the other eight units that will be a mix of studio, 1bedroom, and 2-bedroom units, this will meet the DRB requirement to have the PAU bedroom mix be similar to the market rate mix.
- While we prefer leaving the current PAU above Dee's Physical Therapy as a PAU, we will leave this up to Brett.