

No growth cloaked as affordable housing

No one predicted that the hot-button issue of the 2008 legislative session would be a pitched battle over affordable housing for Vermont's middle class. But it is, and that's a good thing. It's a debate that exposes both myth and hypocrisy, and it's not until both are wrung out of the system that Vermont will be able to make any substantive progress on affordable housing, or any other economic development issue.

Affordable housing was again the topic in Montpelier Tuesday as the Vermont Housing Financing Agency released its annual report comparing the availability of housing with the ability of Vermonters to afford it.

In short, the gap is huge, and growing. In 2007, the median price of a home in Vermont reached \$201,000, which is almost double the 1996 figure. It would take an income of roughly \$65,000 to afford that home, a figure out of reach for almost two-thirds of Vermont's wage earners. [And the \$65,000 income does not take into account the cash needed for a down payment, which, even with a not-recommended rate of five percent down, would mean needing \$10,000 in cash plus closing costs.]

Agency officials believe things will get worse. The fastest growing occupations are centered on the low-end of the wage scale, and although the price of new construction has leveled off, it's not declining, and a \$200,000 home is far beyond the means of working class Vermonters.

The report sheds little light on the issue or its causes. Nor was it intended to. It reemphasized the obvious, which is that most Vermonters can't afford what is being built, and that our economy is not generating the sorts of jobs that will bridge the gap. To the contrary, we're speeding in the opposite directions. The salient message of the day was offered by Sen. Vince Illuzi, R-Essex-Orleans: "We have direct evidence that Vermont's economy is suffering because we don't have adequate housing around the state. The tendency is to look at housing and economic development as two separate issues. In reality, they are one."

Yes, they are.

The myth is that our affordable housing crisis can be met through public subsidies. We haven't the money for the 12,000 homes the Agency says we will need within the next five or so years. Not even close. The myth is that affordable housing needs can be met by focusing on high-density building within existing growth centers. That's often the most expensive place to build, and, again, the money required – taxpayer dollars – aren't sufficient to meet the need. Not even close. The myth is that expensive housing would become affordable housing if Act 250's restrictions were lessened. Act 250's requirements are part of the issue, but a relatively small part.

All of these myths are being perpetrated on Vermonters within a single bill, H. 863, which passed the House last week and is now before Mr. Illuzi's Senate committee. Proponents have seized upon the agency's report Tuesday as evidence that H.863, while not perfect, is at least a good beginning.

It's not, and we would hope the legislation would be used as the lever necessary to pry past the layers of public misperception on the issue. We would hope that people would begin to understand the bill for what it is, which is stunning use of hypocrisy to cloak no-growth initiatives behind the politically pleasing cover of affordable housing. It's a land-use bill, not an affordable housing bill.

What the bill does is to push housing development into existing growth centers by making it more expensive, if not impossible, to build anywhere else. There are very few growth centers in Vermont, but lots of rural area. Pushing development into a few areas, and restricting it everywhere else?

That's just blindingly dumb if the objective is to build affordable housing. If, as we suspect, the objective is to limit growth in all areas other than designated growth centers, then it's a smashing success, but the bill's proponents should say as much. That would at least clarify which groups are on which side.

It's also the more honest approach for the advocates behind H. 863. In their heart of hearts, limiting growth is a more important objective than affordable housing, which is why many of the same affordable housing advocates have allegiances with the land conservation and environmental groups. The two are barely indistinguishable from one another and their political power in Montpelier is considerable.

But their motives, while perhaps pure in intent, are elitist in effect. H.863 is the embodiment of this elitism, an elitism that has pushed Vermont's quality of life beyond the reach of the working class

Vermonters' pocketbook. To dress up a no-growth initiative in affordable housing garb is the sort of political sophistry that has occupied Montpelier for years. It's a game most Vermonters can't afford, and if the debate on this proposed bill finally exposes the true intent of its advocates, it will be a battle worth the effort.

by Emerson Lynn