

## 11-10-2021 Town Council Meeting Responses to Council Questions

### **ITEM #8: Authorize the Conveyance of Town-Owned Land at 107 Johnson Street for the Development of Permanently Affordable Housing**

#### **Council Question:**

Could you please explain how EmPOWERment is determining the proposed rents? The subsidy for the smaller units is much higher than for the larger units - what is the reasoning behind that approach?

#### **EmPOWERment Response:**

*When determining the amount of rent a tenant could afford to pay for a unit at the PEACH Apartments, EmPOWERment took into consideration two factors. First, we determined our target population by examining closely the waitlist of those who we had not been able to serve in the past, and secondly, we looked at their income levels. Those earning below 30% of the median income that did not hold subsidy vouchers, appeared to have the greatest need. Generally, that's the group of applicants that earn minimum wage or whose source of income is from disability. For instance, an applicant earning \$7.25/hr would earn just \$15,080 annually. Therefore, they could only afford to pay \$377 in monthly rent. This is why we proposed the increased subsidy to ultimately lower their rent burden.*