

# City Plans Effort To Ensure Shelter, Jobs for Workers

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Although Burlington is in good economic health, traditional economic development strategies alone are not enough to ensure that the city's workers will continue to have places to live and work, Mayor Bernard Sanders said Friday.

Instead, the city's new Community and Economic Development Office is trying two innovative strategies, Sanders said — encouraging worker ownership of businesses, and creation of a non-profit land trust to maintain permanent stocks of low-cost housing.

Sanders and Peter Clavelle, director of the new office, called a news conference Friday to describe the new initiatives. Creation of the Community and Economic Development Office was approved by the Board of Aldermen in May, but the office is subject to review after a year, when aldermen will decide whether to continue the program.

Worker ownership of businesses would protect workers against unemployment caused when a company pulls out of the area, Clavelle said. Workers wondering about acquiring their businesses would be given advice and would be told about the Industrial Cooperative Association in Somerville, Mass., which has a revolving loan fund for workers, he said.

"At this point, our economic

incentives are rather meager," he admitted.

The community land trust now being organized not only would create low-cost housing, it would preserve it, Clavelle said.

Under traditional housing programs, homes that are rehabilitated with federal money eventually find their way onto the open market, where they become too expensive for low- or middle-income people, he said.

The land trust would buy buildings and land. The buildings would be sold under terms advantageous to the buyer, but the land trust would retain ownership of the land and lease it to the homeowner. An agreement would prevent the homeowner from realizing excessive profits from the sale of the land, and the trust, as owner of the land, could veto any sale. Furthermore, the trust would have first option to buy the building, he said.

Aldermen allotted \$200,000 in "seed money" for the trust, with which Clavelle said he hopes to "leverage" another \$800,000.

"There's a whole phenomenon of socially responsible investment which had not been tapped in our community," said Brenda Torpy, who heads the office's housing programs. The trust will seek investments from churches and others at less than market interest rates, she said.

# Land Trust Hopes to Help Housing

3B

**From Page 1B**

in value of the home, but not the land, according to trust bylaws.

The trust is not allowed to sell its land titles. "The sale of land does not conform with the philosophy or purposes of this corporation," the bylaws state.

The land trust is looking at three possible acquisitions, Torpy said, and it hopes to buy one property within the next two weeks. Although she would not give an address, she said the house was in the Old North End and would provide six apartments.

Torpy said the trust designated the Old North End as a target area because of the need to provide people in that neighborhood with low-cost housing and because of the potential for rising property values.

"Wards 2 and 3 are clearly the places that are most subject to gentrification, if the development activity in Burlington continues to increase," McKenzie said. Gentrification occurs when upper-income

residents move into low- or moderate-income neighborhoods, boosting rents and property values.

The writing on the wall calls for major developments, McKenzie said, pointing out plans for the Lake Champlain waterfront and a 16-story hotel at St. Paul and Pearl streets.

Torpy said the trust hopes to rehabilitate houses it purchases with funds from the city's Housing Improvement Program. That fund is run by the Community and Economic Development Office to upgrade houses for low- and moderate-income owners in wards 2, 3 and 5.

The trust plans to rely on investments for its main financial support and officials are confident that they will be made. "There is a trend in people," McKenzie said, "who would prefer to see the results from their investment and feel secure to know it's not presenting them with a moral dilemma between returns and polluting rivers and building bombs."