The Windflower Inn has recently come on the market after a prospective owner determined that their vision of workforce housing, while viable, might be beyond their expertise. Construct was approached to move forward to provide needed individual workforce housing in the Inn as well as for larger households in the cottage and house also on the 10-acre property.

- 13-bedroom Inn; 3-bedroom cottage; 4-bedroom house on 10.5 acres
- The Inn provides a full commercial kitchen and additional space for food preparation, dining, relaxation and communal living in addition to spacious rooms with in-suite bathrooms
Construct’s vision of a socially vibrant and economically healthy community with housing for everyone, including the most vulnerable residents and our vital workforces aligns with prospective buyer’s original intent. Workforce and affordable housing are needed more than ever as the already tight housing market has become more cost prohibitive since the onset of COVID-19.

Great Barrington wisely set aside $850,000 in ARPA funds to address these needs. The Windflower Inn workforce affordable housing meets the requirements for use of recovery funds by alleviating conditions made worse by COVID-19:
- Lack of affordable housing and a diminished workforce as a result;
- Public health: Housing is healthcare and
- Housing for essential workers alleviates the economic challenges those workers face when they pay more than 30% of their income for housing or travel too far to work in Great Barrington with the high costing time and money exacerbated by lack of public transportation

Construct seeks $660,000 from ARPA funds to ensure that at least 5 rooms will be rented at or below 65% of AMI and at least 1 room at or below 40% AMI.

All Construct housing provide homes for our vital workforce. While the technical definition of workforce housing, describes residents at higher percentages of AMI, most Construct tenants work at least one job and yet remain eligible for affordable housing. Area grocers, downtown businesses, Fairview Hospital, several area restaurants as well as non-profit organizations are within 3 miles of the Windflower. These crucial services have many employees and prospective employees who are income eligible for ARPA funded affordable housing.

The Windflower Inn provides an immediate response to the need for workforce housing and the space to expand multi-family rental housing on the property over time. Renting blocks of rooms to employers was the original business plan which Construct is considering. We are weighing the risks and benefits to both parties and will find a win-win approach based on experience. Models of employer-based housing exist and links to versions in Aspen follow:

- https://www.apcha.org/ArchiveCenter/ViewFile/Item/112

**Construct Offer:** $1,425,000 contingent on financing and inspection. Construct is in the process of securing financing through Greylock Federal Credit Union. Construct’s ability to keep rents low enough to create affordable workforce housing depends on making a sizeable down payment, increased staffing, replacing the roof on the cottage and addressing deferred maintenance.

Use of ARPA Funds:
Acquisition: $530,000
Repairs and Deferred Maintenance: $70,000
Staffing: $60,000

21 Year Pro Forma attached based on average rents of $800/month. If more funds are raised for acquisition, the average rent could decrease.
Next Steps for Consideration with Great Barrington Affordable Housing Trust

1. Awaiting a commitment letter from town of Great Barrington for use of ARPA funds.

2. Agreed to deed restrict the 6 affordable units for the life of the mortgage. GBAHT was proposed as the entity to receive annual compliance reports.

3. Further agreed to allow for income mobility by following Low Income Housing Tax Credit (LIHTC) standards. These specify that a tenant who meets income eligibility guidelines at move-in can increase their income up to 140% of the compliance years relevant income limit and still qualify to remain in the unit. A tenant who exceeds 140% of said limit can remain in the unit, paying market rent, until a market rent unit becomes available.

Additional Next Steps

1. Have begun a capital campaign to raise funds toward the down payment, maintenance and staffing needs. Draft available upon request but not for public use.

2. Construct is exploring models with similar goals -achieving workforce housing to meet both employee and local employer needs in similar communities.

3. Construct will share the model developed based on existing best practices, surveys of employers and employees seeking housing for information and with the hope of future iterations.

4. Central to the new model will be fair housing best practices and a racial equity lens to ensure that we do not perpetuate implicit and explicit bias in housing that brown and black people continue to experience in seeking housing.