

## Town of Richmond Housing Committee Notes

Date: May 13, 2021

Time Started: 7:34 p.m.

Time Ended: 9:18 p.m.

Ravi Venkataraman (Host)

Present: Virginia Clarke, Carole Furr, Mark Hall, Sarah Heim (Chair), Miranda Lescaze, Zachary Maia, Connie van Eeghen

Guest: Amy Demetrowitz; Brandy Saxton, AICP

Absent: Jackie Pichette

Quorum is 5; 5 votes to pass any motion

Recorded by MMCTV

1. Welcome and troubleshooting
2. Adjustments to Agenda
3. Approval of April 15, 2021 meeting minutes
  - a. Moved to accept: Zachary Maia
  - b. Seconded: Carole Furr
  - c. Abstained: Miranda Lescaze
  - d. Unanimously passed
4. Discussion on Vermont Community Development Loan Program
  - a. Amy is the COO at the Champlain Housing Trust, nonprofit affordable housing developer serving NW VT
  - b. Have 2500 homes in portfolio; 650 homes for home ownership
  - c. Tonight: primer on affordable housing, focusing on Richmond apartments
  - d. Borden Street is the CHT's only housing development projects, with 16 apartments, described as "perpetually affordable".
  - e. Low income housing tax credits is the main source of funding for affordable housing, administered with the IRS. It's complex, based on tax credits, and causes CHT to partner with a for profit investor. Formerly, all grants were structured as loans but no longer. Not perpetually affordable.
  - f. The investor is the 99.99% owner but has no role in management. TD Bank was the investor for the Richmond Apartments for 15 years; now CHT is the owner and managing partner while TD Bank continues to be the lender.
    - i. Housing Vermont: General partner for investor relationships
    - ii. CHT: managing General Partner
    - iii. Richmond Apartments received \$265K grant from Vermont Housing and \$205K in HOME funds.
    - iv. Also a loan with TD bank for \$351K, which was recently refinanced to support upgrades, boiler replacements, and reduced payments.
  - g. Community Development Block Grants: VT Community Development Program: Federal HUD funding, administered by VCDP at the Agency of Commerce and Community Development
    - i. Only municipalities are eligible
    - ii. Supports development that serves low income residents
  - h. In 1999, Town of Richmond received a \$300K grant and loaned it to Richmond Apartments with repayment to begin in 2014. In 2014, the Town agreed to defer payments until 2029 and reduce the interest rate to 0 from 2.5%. Balance at that time was \$412K. In 2021, CHT requested that the Town sign a new Priority Agreement to keep the loan in position behind a new refinanced primary amortizing loan with TD Bank, which means that any foreclosure provides for repayment of TD Bank first. Any repayment in 2029 would need to be placed in a Revolving Loan Fund to support future affordable housing activities in Richmond.
    - i. CHT needs to figure out how to pay the Town back while keeping the properties affordable in the next eight years. Once paid back, towns usually leave the funds in a fund for future development opportunities. CHT encourages this, as the alternatives are complicated to ensure the funds are used for further affordable housing projects.

- ii. This program has served Richmond (and other communities) well. Future projects are not supported by loans, due to changes in the Tax Credit program.
- iii. New VCDP projects do not require towns to keep the grants on the town's books and oversight responsibility. Any provided an example with the Town of Colchester.
- i. CHT receives many requests for assistance with development projects from towns; sometimes CHT reaches out to communities, such as Hinesburg, and helps find the funds to make it work.
  - i. What makes a successful project: access to infrastructure, such as municipal water and sewer. Richmond, in 1999, had no natural gas, so those apartments were built with propane which was very expensive for tenants. This led to a vacancy problem until ~2010, apartments have been converted, and no further vacancy problems. Also, access to public transportation, services, grocery stores, clear permitting process, and affordability.
  - ii. Had conversations about the Creamery lot, over ten years. Could not make it work but glad to see that someone did. They are about to start on their second phase with another 30 units. The Tax Credit program makes it infeasible to do less than 20 units, CHT usually does the whole project.
  - iii. Please let Amy know if there are projects that CHT can assist the Town with. (Amy left the meeting at this point.)

#### 5. Municipal Planning Grant update

- a. Survey questions: no changes except a request to make the race/ethnicity an "as many as apply" response; consider merging so that one link goes to both; or provide a landing page with two choices. That way, one link or website goes to all distribution channels
- b. Distribution:
  - i. FPF with weekly posts
    - 1. Sarah (week 1), Mark (also for Williston for week 2), Connie (week 3)
  - ii. Town website, if technically feasible – Ravi
  - iii. Western Slopes business association, website and email list - Virginia
  - iv. Schools in Richmond and MMUUSD – Connie will contact John Alberghini
  - v. Local churches: Carole: RCC, Connie: Our Lady of the Holy Rosary
  - vi. Local organizations: Our Community Cares Camp
  - vii. Regional Planning Commission's access to FPF – Virginia will check
  - viii. Chamber of Commerce – Sarah will check
  - ix. Senior Center – Virginia will check
  - x. Realtors?
  - xi. Email Ravi/Brandy with updates; OK to cc the rest of the Committee
- c. Paper version would have to be slimmed down
  - i. Recently: very low response rate (Underhill's was ~10)
  - ii. Provide an "on request" alternative and Brandy will prepare a paper version to print as needed
- d. Timeframe: next week continuing for about 1 month
  - i. Brandy will help with messaging; we will hear from her next week, by Tuesday
  - ii. Start the campaign towards the end of next week
  - iii. Feel free to be early testers once Brandy sends out links
- e. Interviews and Focus Groups
  - i. Beginning to develop a list of interviewees; can be interviewed in small groups
  - ii. Consider past committee members: Ruth Miller, Jackie Pichette, Andrew Mannix (real estate; as interviewee?)
  - iii. Consider interviewees, focus group members, questions and topics next time (Brandy left the meeting at this point.)

#### 6. Update from the Planning Commission

- a. Virginia updated that the PC has met twice, on 4.21.21 and 5.5.21; on 4.21.21 she updated the PC on our committee's work and Brandy Saxton's proposed survey and there were no questions
  - b. Energy proposal: State has required weatherization standards for new construction of dwellings (RBES)
    - i. Current compliance with RBES for new construction not that good by self-certification, this proposal attempts to find a pathway to require 3<sup>rd</sup> party certification to improve compliance
    - ii. Housing that is truly compliant with weatherization standards is more affordable to the residents over the life of the dwelling because of lower heating costs, and is also more comfortable, more healthful etc. so in the broad scheme of things affordable housing advocates should be in favor of this
    - iii. There seem to be several impediments to requiring 3<sup>rd</sup> party certification:
      - 1. more upfront cost – may be covered by Efficiency VT, otherwise appears as increased cost to the housing (\$1,500 - \$2,000), would be passed on to the buyer – which is the opposite of making housing more affordable
      - 2. may not be a legal pathway to requiring 3<sup>rd</sup> party
      - 3. builders are not in favor of this
    - iv. This is still being discussed; no decision made by the PC yet. Noted that enhanced building energy standard is required for property affected by Act 250 and some commercial standards
  - c. PC has discussed ADU's.
    - i. Current RZR allows ADU's wherever single-family dwelling allowed
    - ii. Proposal is to remove the requirement that the owner of the property must live in either the single-family dwelling or the ADU. It seems likely that in most cases, the owner will live in one or the other, but this allows both to be legally rented out if necessary.
    - iii. This appears to be allowed by state statute, that protects the right of any single-family dwelling to have an ADU.
    - iv. No final decision on this as yet. This may be something Brandy Saxton wishes to weigh in on (any unintended consequences?) Let Virginia know of any feedback.
  - d. Current proposal for the R/C ZD is to allow multifamily dwellings in this district as they weren't too popular in the village neighborhoods. This is to be discussed at the PC meeting of 5.21.21. Also, current proposal is to allow no housing in the 2 small commercial village "islands" (RR St and Round Church Corners). Also still under discussion is whether to include the Goodwin-Baker building in the R/C ZD, thus allowing this building to contain some housing.
  - e. Bard Hill of the SB reported to the PC about the ongoing discussions about extending the water and sewer lines to the Gateway. This might enable more housing in this area if enabled. The SB and the Transportation Committee are also trying to get the state to include more bike and pedestrian facilities in its Rt 2 reconstruction/paving project which is in the planning phase. This is one of Richmond's top bike/per concerns, and would also facilitate more housing in the Gateway if we want to go in that direction. The state has been pretty unresponsive to our concerns so far.
7. Other business, correspondence, and adjournment
- a. Next meeting: Thursday, June 17
  - b. Proposed agenda to include:
    - i. Municipal Planning Grant update
    - ii. Planning Commission update
  - c. Moved to adjourn: Connie van Eeghen
    - i. Seconded: Virginia Clarke
    - ii. Unanimously passed

Recorded by Connie van Eeghen