
**RICHMOND SELECTBOARD
SPECIAL PUBLIC HEARING
August 27, 2012 MINUTES**

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5 Members Present: Chris Granda, Chair, June Heston, Vice Chair; Neil Boyden; Amy Lord;
6 Ashley Lucht

7 Absent: None

8 Others Present: Clint Buxton, Town Moderator; Geoffrey Urbanik, Town Administrator;
9 Cara LaBounty; James Garris; Angela Cote; Mary Andes; Linda
10 Parent, Town Clerk; John Hamerslough; Lynn Roberts; Mike Roberts;
11 Dolores Carter; Fred Carter; Gary Grzywina; Bruce LaBounty; Tyler
12 Merrit; Betsy Cabrera; Mark Fausel; Erik Filkorn; Bruce Bailey; Sheila
13 Bailey; Darcy Spence; Melvina Spence; Lisa Littwin; Wright Preston;
14 Jon Kart; Dan Begins; Kathleen Lawrence; Marshall Billroy; Cathleen
15 Gent, Town Planner; Frank Johnson; Kathryn Wysockey-Johnson;
16 Marshall Delense, Houle's attorney; Steve Znamierowski and Ruth
17 Miller was present to videotape the meeting for MMCTV Channel 15.

18 Chair Granda called the meeting to order at 7:05 p.m.

19 Clint Buxton, Town Moderator, explained the nature of the meeting. This was a public information
20 meeting on the proposed buyout of Richard and Mary Houle's house at 2614 Cochran Road through
21 the federal hazard mitigation grant program. A brief explanation of the project would be given and
22 then questions would be answered.
23

24 The Administrator read a statement that explained the federal Hazard Mitigation Grant Program and
25 why it was available in this case. After a Presidentially declared disaster, FEMA would make the
26 hazard mitigation grant program active in that area, which covered a variety of activities. In this case,
27 the program would cover purchase and demolition of substantially damaged homes. In Richmond,
28 only the home of the Houle's qualified for this program, and they presented evidence to show that their
29 home was substantially damaged and requested the town apply to the program. The Administrator
30 also listed several qualifying factors for the program:
31

- 32 •Does your project conform to your state's Hazard Mitigation Plan?
33 •Does your project provide a beneficial impact on the disaster area, i.e. the State?
34 •Does your application meet the environmental requirements?
35 •Does your project solve a problem independently?
36 •Is your project cost-effective?
37

38 The Administrator also listed some benefits and costs to participating in the program, generally. The
39 Administrator further explained that the initial damage assessment for all of our structures damaged by
40 Irene did not produce any substantially damaged structures. Therefore, the town did not anticipate
41 anyone participating in the buyout program. In December, Mary Houle supplied Gwynn Zakov, the
42 town's zoning administrative officer, with documentation showing that repair estimates for the
43 damages exceeded 50% of the main structure's listed value. Ms. Zakov wrote a letter declaring the
44 home to be substantially damaged on that basis. Ms. Houle then indicated to the town that she wanted
45 to participate in the Hazard Mitigation Buyout program. Cara LaBounty approached me and offered
46 to help complete the application, and I agreed. I was preparing an application for the bridge utilities
47 relocation and there were a number of other things going on, and I accepted the help. Ms. LaBounty
48 created the application with assistance from the State's hazard mitigation office, the state's contractor
49 SAIC, and others. The application took some time to develop, and had a submission deadline of

1 February 10, 2012. The application was not complete by the Selectboard meeting just prior to the
 2 deadline, but the Administrator read an estimate and the Selectboard at the time agreed to submit
 3 based on this estimate. The actual numbers used in the application came in slightly higher, but I had
 4 been authorized to submit the application in good faith. There was no budget to produce this
 5 application with paid estimates. What was submitted was taken at face value and no competitive
 6 proposals were obtained. There has been some discussion over the value of the home at the time the
 7 application was submitted. The value was derived from the lister card, which was not changed from
 8 the 2008 revaluation figures that were established by the appraiser at that time. The home value was
 9 not manipulated to lower its value so that it would qualify for the program. That being said, a formal,
 10 bona fide appraisal of the property was not done for the application.

11
 12 The home's listed value was \$120,600 in December of 2011, for the primary structure only. The
 13 damage estimate was \$65,699.88 from GW Savage Corporation. This determination was formalized
 14 in a letter dated December 22, 2011, by Gwynn Zakov. This letter is part of the application.
 15 The project budget is as follows:

Prepare, execute purchase/sale agreement, search real estate title, review deed with restrictions	\$1,800
Purchase of Property and Structures	\$223,743
Bid Advertising and legal review of contract	\$1,000
Hazardous material abatement	\$5,000
Disconnect Utilities, building demolition, etc.	\$27,111
Excavate Foundation, fill, grade, seed, etc.	\$10,340
Total	\$269,772
FEMA 75%	\$202,329
Local Match 25%	\$67,443

17
 18 The State continues to assure us that the local match will be entirely covered by Community
 19 Development Block Grant Funds. This would mean no cash contribution from the town of Richmond
 20 directly. Other buyout projects are moving forward with this understanding. If this project was
 21 successful, the town would purchase the one acre of property along with the main home and associated
 22 outbuildings. The town would be required to demolish all structures and return the land to a natural
 23 state. The town could do limited activities on the site, such as passive recreation, a parking area,
 24 agricultural uses or let the lot grow over naturally. There have been no negotiations between the town
 25 and the owner over what might or might not happen at the site beyond what the requirements of the
 26 program would be. Land outside of the scope of the application has not been discussed.

27
 28 Cara LaBounty then explained the development of the buyout project application and how she became
 29 involved. She explained the difficulties experienced by the owners in the post-flood time period and
 30 how the insurance settlement never came that would allow them to begin repairs. She noted that Mary
 31 Andes, also a Richmond resident, approached her about seeing if the Houle's would be interested in
 32 the buyout program. Finally, Ms. LaBounty said that there had been some discussion about vernacular
 33 used in the application regarding the Houle's as elderly but she said that the effect of the wording in
 34 the application was not substantive. Ms. LaBounty then invited Mary Andes to explain her
 35 involvement.

36
 37 Mary Andes explained that she worked for the State's Recovery Office, but she was here tonight to
 38 speak as a resident. She and her partner had bought a house about one month before the flood, and her
 39 home was affected. She said this began a tense year for her, and she related her experiences with the
 40 flood, the cleanup, and working with neighbors and other people in the state in trying to recover from
 41 the flood. She met Neil Lunderville and he asked her to help him help people recover from the flood
 42 and she's been with the Recovery Office ever since. She noted some of her personal experiences and

1 concerns that people might not help because of who she was, but that people came to help anyway.
2 While working in Richmond, she had a vision that the Houle's home would qualify for the hazard
3 mitigation buyout. She said that on December 15, 2011, she attended a meeting in Waterbury where
4 some other town officials were there, and she spoke with Cara LaBounty about getting an application
5 together.

6
7 She strongly supported the buyout application. She said that the hazard mitigation program would
8 also fund elevation or relocation, but those options were probably shut at this time. She also stated she
9 felt that the State was strongly committed to funding the local match. She said that at the time she
10 approached Ms. LaBounty about this she didn't think the State was considering additional land from
11 the homeowners, since the program wasn't about buying land, but buying structures.

12
13 Ms. LaBounty said there were questions from the public about who gets what for money. She
14 explained that the owner would sell the property and the house to Richmond. The remainder of the
15 budgeted funds would go towards closing costs and demolition. The State would also provide 2%
16 over the total costs for local administration of the project.

17 18 Questions from Selectboard

19
20 Chair Granda said that the Selectboard had developed a list of questions to prepare the Administrator
21 and Ms. LaBounty. He explained that the application had come before the previous Selectboard, and
22 only one of the current board had actually voted to move it forward. Therefore, the current board
23 wanted to be sure their concerns were addressed, as well as those from the public.

24
25 Chair Granda said that the State has preliminarily approved the application, but FEMA has not
26 approved it yet. Therefore, the approval process was not yet complete and the public and Selectboard
27 needed to be fully informed of the background and what was required of them in the future.

28
29 Ms. Lord asked if other projects around the state been subdivided in the way that this one had, for the
30 application.

31
32 Ms. LaBounty explained the administrative subdivision, and what was included in it. She said that the
33 State advised them to do this.

34
35 Ms. Lord said that the new lot was encumbered by a right of way. Ms. LaBounty said that this
36 provided the owners with access to the remainder of the land. The well for the home on the adjoining
37 lot remained on this parcel also, but if the town wished to have these removed that could be
38 negotiated.

39
40 Ms. Lucht asked if there were any structures on the larger lot. Ms. LaBounty said there were, but they
41 were for agricultural purposes only, not residences. Ms. Lucht asked if the purchase price was just for
42 the home since it was above the listed value of the structure, and Ms. LaBounty said that the price
43 included the one acre of land. Ms. Lucht asked how this was determined, and upon further inspection
44 the lister card read that the land associated with the homestead was for two acres, not the one acre
45 we're talking about here.

46
47 Mr. Boyden asked for a breakdown of the components of the project budget, and Ms. LaBounty read
48 them from the application. [Note: this is the same as the project budget above.]
49

1 Ms. Lord asked why the property owner wasn't able to repair the home. Ms. LaBounty explained that
2 the owner didn't receive any advance payments to begin the work until January of 2012. She said that
3 the structure's condition were a primary motivating factor in the owner seeking this program. It wasn't
4 just an estimate to bring the home back to its previous condition, but to make the other changes that
5 were necessary to meet new standards. The delays brought mold, and insurance doesn't cover mold
6 damage. There were some reasons why this situation was unique compared to other homeowners in
7 Richmond.

8
9 Ms. Lord asked for the documentation that was used to determine the substantial damage declaration,
10 and Ms. LaBounty said that it was part of the application. Ms. Lucht said that in the Zoning
11 Administrator's (Gwynn Zakov) letter it referenced a first review. Why did this not meet the standard
12 for substantial damage during that review? Ms. LaBounty explained that Ms. Houle provided repair
13 estimates that resulted in the substantial damage determination that weren't available during the first
14 review, which was conducted by FEMA.

15
16 Ms. Lord asked Ms. Andes if other towns were having a structural engineer take a look at applicant
17 homes. Ms. Andes said that Vermont wasn't requiring a professional opinion on the substantial
18 damages, since Vermont is very informal. Some other states may require this.

19
20 Chair Granda asked Mr. Boyden if he was able to see inside the home, and Mr. Boyden said he had
21 visited the Houles but had not gone inside the home. Chair Granda asked Ms. LaBounty if the Houles
22 would object to a site visit and Ms. LaBounty said that this shouldn't be a requirement since the project
23 was to fund the tearing down of the structure, not the repair. She said that insurance agents, FEMA
24 had both been inside and this was a difficult thing for the owners to allow. She didn't feel that a site
25 visit was a fair thing to ask the owners.

26
27 Chair Granda said the important issue was that this was part of an effort to help flood victims. For
28 those who weren't aware, Ms. Houle was a former member of the Selectboard and had some
29 differences with other members. The morning after Irene he and Ms. LaBounty had met to see how
30 they could help Mary, and he felt this was necessary to support the process to getting them help.

31
32 Ms. Heston asked if the well easement would still exist, and Ms. LaBounty said they would not give
33 up the water rights.

34
35 Ms. Lucht said there are concerns from a drinking water standpoint as to what the town is actually
36 agreeing to.

37
38 Chair Granda said that this does raise concerns. For a point of information, the town would not be
39 negotiating anything tonight, we just need to determine what people's concerns were.

40
41 Ms. Heston wanted to clarify that on the February 6th meeting, she never saw an application. The
42 Selectboard just authorized the Administrator to proceed based on a loose outline of costs. She was
43 never aware of who the owner was.

44 45 Public Questions

46
47 Mr. Buxton opened the floor for questions from the public.

48
49 Ann Cousins said she worked for the Vermont Preservation Trust, but was speaking as a resident. She
50 has worked with other homes damaged by Irene and was sorry for the Houle's situation. She said she

1 was aware of an outstanding insurance claim and asked how much that was for. Ms. LaBounty
2 introduced Marshall Delense in the audience, stating that he was an attorney working with the Houles
3 from a volunteer lawyer's project. He explained his representation of the Houles, and said that the
4 insurance company's settlement offer on contents and structure were ridiculous. He explained issues
5 with the National Flood Insurance Program, and many other things.

6
7 Steve Znamierowski asked if the Selectboard approved this buyout would there be no further payment
8 on the insurance claim. Mr. Delense said only on the contents. Mr. Znamierowski asked if the grant
9 went through, would the owner be able to build on the remaining property in the special flood hazard
10 area and Ms. LaBounty said no, the current flood plain regulations prohibit it.

11
12 Mr. Znamierowski asked Ms. Andes if this program was to save town's money, or help some other
13 way. Ms. Andes said that this program calls on communities to work together to remove structures
14 from the floodplain. This program isn't geared toward any particular community but is designed to
15 work in all communities.

16
17 Mr. Znamierowski said the town needed to have an overall strategy or else this is wasted. We need to
18 think ahead. He urged a phase 1 environmental study on the property.

19
20 Ms. LaBounty mentioned that the contract appraiser has already taken this structure off of the grand
21 list, and the value was reduced to zero.

22
23 Chair Granda said that a phase 1 environmental study was needed, because it would identify any
24 liabilities ahead of time. This would help identify what the true costs of ownership were for this.

25
26 Bruce Bailey said that the state and federal governments pick up the costs, so why not do this?

27
28 Betsy Cabrera said that the value was listed as \$120,500, so where did the extra \$100,000 come from
29 and if the environmental costs were over \$5,000 then how do we handle it?

30
31 Chair Granda agreed, since the application is based on estimates, so before the town agrees, more
32 information is needed. There was some discussion on this.

33
34 The Administrator added that the extra \$100,000 in estimated costs was land value above the structure
35 value.

36
37 Gary Bressor said that he hoped this would help get the Houles' life back together. He suggested the
38 town should negotiate for trails, and get the property unencumbered. Ms. LaBounty added that the
39 town could offer to buy what's not part of this deal.

40
41 Gary Grzywna said, regarding possible asbestos in the building, that the building will be taken down
42 by big machinery and no environmental remediation will be needed. He asked what credentials would
43 public officials have to inspect the home?

44
45 Chair Granda said that the Selectboard needed to find support for this application, and should we have
46 a professional inspect the property?

47
48 Fran Thomas said that she was the president of the Historical Society and it would be a shame to see
49 the house demolished. Tonight she has had some questions answered, but more to be asked. She
50 suggested one acre of land in the floodplain may be overvalued, and wanted to see the Town

1 Administration more involved in the process. Ms. Thomas spoke about the situation, and suggested
2 that the State might not be able to come through with its match.

3
4 Jon Kart said that his house was damaged, with around \$60,000 in so far and still not complete. This
5 didn't include volunteer hours from neighbors to try and get his home in order. He understood the
6 Houles' difficulties, and was on the Selectboard when this was brought up. He, Erik Filkorn and June
7 Heston agreed that this should be done, prepared, and submitted. Will the Selectboard get the house
8 when it is complete? He asked several more questions and said that the Selectboard needed to make
9 sure of what it is basing its decision on.

10
11 Cathleen Gent said that the substantial damage estimate was done, and the first letter was from FEMA
12 inspections. The second was done by the zoning officer based on correspondence from the
13 homeowner. She said that the current easement on the property was 30 feet, but for a public right of
14 way it needed to be 60 feet. There was some discussion.

15
16 Wright Preston said that he wanted everyone to help the Houles rebuild the house. As a commercial
17 banker, the town needs to have a hired engineer know what is there before they buy it.

18
19 Doris Carter said that the Houles were living on an adjacent property. Ms. LaBounty said they were
20 living in the former rental property, and they intend to move to a new location on the larger parcel.

21
22 Harriet Riggs said she was the town historian. She gave a brief background on the structure from a
23 written pamphlet that had been handed out.

24
25 Frank Johnson said he was a neighbor of Mary, and was concerned about demolition and the spreading
26 of environmental hazards. He wanted to have advance notification of when this would occur.

27
28 Erik Filkorn said he did vote to support this application, and spoke to issues related to access. He
29 wanted it to work, and to keep it clean.

30
31 Bruce LaBounty said that he hears what the town is looking to get out of this. This was a flood victim,
32 and the town shouldn't be looking to profit.

33
34 Lynn Roberts said that she volunteered here maybe four days. She was a Williston resident. She saw
35 standing water here five feet deep, and felt that helping was the right thing to do.

36
37 Melvina Spence agreed, and that when these things happen people come to help.

38
39 Ann Cousins said that everyone wants to help neighbors, but the town is responsible for the validity of
40 the application. The state would want to know if we did fact checking. There was some discussion
41 between Ms. Cousins and Ms. LaBounty regarding the conference call from July and some facts in the
42 application. Ms. Cousins said that the Vermont Preservation Trust had offered a grant to have a
43 professional inspect the property and recommend alternatives, but this was turned down by the owner.

44
45 Steve Znamierowski said that on the parcel itself, it didn't make sense for the town to own it with
46 encumbrances. He suggested the town give it back to Mary once the transaction was complete.

47
48 Bruce LaBounty said that he thought it was great that the Historical Society is offering to help two
49 days before the one year anniversary of the flood. They should have offered to help a while ago.

50

1 Ms. LaBounty wanted to clarify Ms. Cousins remarks on the grant offered by the Vermont
2 Preservation Trust was for \$500. It was declined because the owner felt it would drag the process out.

3
4 Gary Grzywna said give it back for a dollar, and the town assumes no liability.

5
6 Chair Granda said that nothing anyone has talked about tonight has led to any gain for the town. The
7 only thing the town would get in this, would be a property in the floodplain.

8
9 Ms. Heston asked if we have to keep the property under the program?

10
11 Isaac Cowan said it was very clear in the regulations that you don't have to retain the parcel, you just
12 can't build on it.

13
14 Melvina Spence said that if the historical society wants this but why should the town pay?

15
16 Phil Cote said that the town has alot to gain, is in line with other goals and there would be no
17 structures in the floodplain.

18
19 Mr. Delense said that the grant application was in, the semantics didn't matter and it was on the verge
20 of being approved. What role is the town going to play? The town could enable this, or be an obstacle
21 to helping.

22
23 Martha Lainge said that she found the hearing interesting. What it boiled down to was that the town
24 needed to do its due diligence and the Houles need to be made as whole as possible.

25
26 Chair Granda thanked the attorney for helping the Houles. He said, regarding the situation, that you
27 can't make this up. He said that if this discussion hadn't been held, we'd have half the town saying that
28 we weren't helping a flood victim, and the other half saying we were going somewhere we shouldn't
29 go.

30
31 Chair Granda said the Selectboard wanted to help but had a responsibility to make sure the town's
32 interests were maintained.

33
34 Ms. LaBounty said that this public hearing was late in coming, so where do we go from here?

35
36 Chair Granda said that the town wasn't going to negotiate right now. Nobody asked for this hearing
37 any earlier. he wanted to develop a schedule, and the town has held nothing up so far.

38
39 Bruce LaBounty said that the Selectboard should make a motion tonight to support the application.

40
41 Chair Granda said that was not appropriate, a schedule needed to be developed to move forward.

42
43 Clint Buxton said this was a public hearing, not a forum to make motions.

44
45 Bruce LaBounty said they could still make a motion.

46
47 Betsy Cabrera said there were still unanswered questions.

48
49 James Garris said that this boils down to a role that the Selectboard has is to accept what FEMA agrees
50 to, and complete the transaction.

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- 1
2 Ms. LaBounty said that on the Selectboard level, they should check with the attorney on what the
3 liabilities are and be ready to negotiate parts of the purchase and sale agreement.
4
5 Gary Grzywna asked why we couldn't accept a clear title and let FEMA take responsibility?
6
7 Ann Cousins said that the town needed to do due diligence. She asked if it was normal for a property
8 to be subdivided for this program.
9
10 Ms. LaBounty said the lot was approved with no objection.
11
12 Phil Cote said that the town should check with the insurance company about what the liability would
13 be.
14
15 Chair Granda thanked everyone for their comments on the application.
16 **Adjourn**
17 Mr. Buxton adjourned the meeting at 9:38 p.m.