

Meeting Minutes
Addison County Regional Planning Commission
Wednesday, March 11, 2009

The ACRPC March meeting was held at ACRPC's office on March, 11, 2009 with Fred Dunnington, Chair, presiding.

ROLL CALL:

<i>Addison:</i>			Clyde Park
<i>Bridport:</i>	Ed Payne Andrew Manning Mike Gamache	<i>Panton:</i>	
<i>Bristol:</i>	William Sayre Peter Grant	<i>Ripton:</i>	Jeremy Grip Ted Dunakin
<i>Cornwall:</i>	Mary Dodge Ralph Teitsheid	<i>Salisbury:</i>	
<i>Ferrisburgh</i>	Bob McNary	<i>Shoreham:</i>	
<i>Goshen:</i>	Bruce Webster	<i>Starksboro:</i>	
<i>Leicester:</i>		<i>Waltham:</i>	
<i>Lincoln:</i>	Dave D'Allienne Steve Revell	<i>Weybridge:</i>	
<i>Middlebury:</i>	Fred Dunnington	<i>Whiting:</i>	Ellen Kurrelmeyer Jonathan Heppell
<i>Monkton:</i>	Thea Gaudette Charles Huizenga	<i>Vergennes:</i>	
<i>New Haven:</i>	Harvey Smith		
<i>Orwell:</i>	Andrea Ochs		

CITIZEN INTEREST REPRESENTATIVES:

Addison County Farm Bureau:
Addison County Economic Development Corp:
Otter Creek Audubon Society:
Otter Creek Natural Resources:
Addison County Chamber of Commerce:

ACRPC EXECUTIVE BOARD

Chair: Fred Dunnington
Vice-Chair: Bob McNary
Secretary: William Sayre
Treasurer: Thea Gaudette
At Large: Jeremy Grip
Bruce Webster
Ellen Kurrelmeyer

STAFF

Executive Director: Adam Lougee
Assistant Director/GIS Manager: Kevin Behm
EM/Senior Planner: Tim Bouton
Transportation/Senior Planner: Richard Kehne
Land Use/Environmental Planner: Elizabeth Golden
Office Manager/Bookkeeper: Pauline Cousino

Program: Terry McKnight, Executive Director of Addison County Community Trust, a local non-profit housing developer, spoke about affordable housing in Addison County. He introduced Elise Shanbacker, the Homeland Program Director, who runs the Single Family Division. Terry has been the Executive Director of ACCT for seven years, and was previously a lawyer in Boston and Los Angeles for twenty-five years. He worked for clients such as Forest World Inc. on sustainable forestry and green building. ACCT did land conservation, but was duplicating the work of the land trusts and the demand for affordable housing was so great that, in 2002 the Board voted to focus entirely on the development of affordable housing. In the context of spending State dollars, the housing should be built to last, managed properly, and preserved, with someone charged with keeping it well maintained. ACCT does three kinds of affordable housing development – single family, multi-family, and mobile home communities.

Single family – What is affordable is the question. In 2002-3, they built stick construction houses on half-acre lots for \$114,500 with a \$31,500 grant subsidy. Therefore, the buyers had a mortgage of \$83,000, which seemed affordable at the time. Under the Homeland Program, they can provide grants to first time home owners in an amount up to 20% of the purchase price, to a maximum amount of \$40,000, and therefore on houses costing up to \$200,000. Buyers still must qualify for a mortgage and put down dollars of their own. There are 50 houses currently in this program. ACCT “stewards” the houses. In the previous model, the Trust would buy the land; and the buyer would buy the house, and lease the land. ACCT shifted to having the buyer buy both the land and the house with a covenant that requires that the buyer, if they sell the home, receive the amount of the initial purchase price, minus the grant amount, plus 25% of the appreciation (difference between the purchase price and selling price) on the house. The buyers can pass on their home to their children, regardless of the children’s income. The 75% remaining appreciation value is passed on to the new buyer. This allows the home to be perpetually affordable. In order for a buyer to qualify for this program, he/she must have a family income of no more than 80% of the median income, that is, \$63,000 per year or less.

There are price barriers in certain towns. ACCT tries to meet the requests of their clients as to where they want to live. They find their clients through referrals and advertising. Buyers must qualify for a mortgage on the purchase price of the home plus the anticipated real estate taxes. A lot costing \$150,000, plus \$6,000 for a well, and \$6,000 for a septic system, means that the house cannot be affordable. Bob McNary suggested that in Ferrisburgh, the Agency of Natural Resources engineers could design a septic system that would make land more buildable for a nine unit development, for example. Fred Dunnington asked how ACCT assesses their success in terms of filling the need for affordable housing and if we are closing the gap. Terry responded that we are slowly chipping away at the unfilled need for affordable housing, and that the houses being built are remaining in the program. ACCT also helps out if a buyer goes into default on their mortgage, and they resell the houses when the need arises.

Multi-family housing – There is a tremendous demand for rental housing in our region, centered in Middlebury, as well as in Bristol and Vergennes. Middlebury could absorb another three 30-unit multi-family buildings. The two buildings recently built were

occupied within two months and have no vacancies, nor any problems within the buildings. In Shoreham, Jeremiah Parker has seven lots and each have sold. Two houses will hold donated farmhouses which are being rebuilt with new utilities, roof and maximum insulation. They received a \$10,000 VHCB conservation credit to pass on to the buyer, which increases their subsidy. A \$235,000 purchase price, minus a \$77,000 subsidy, results in a cost of \$158,000 for a three bedroom, modernized home.

ACCT funds existing homes, homes built by builders and homes they build on their own. They can give the grant directly to the developer, if they choose, to help start up the project. In this way, they have a lot of flexibility in spending the money. To encourage affordable housing in their communities, towns need to look at the size of the lots required by their zoning regulations, and specific regulations to support the construction of affordable housing. Some towns have focused on making affordable housing a priority, but we nonetheless live in a market economy, which affects the price of housing.

Another resource is the Smart Growth Collaborative, which has done research on how to provide affordable housing. Andrea Ochs mentioned that Orwell allows Planned Residential Development (PRD) which permits smaller lots with density bonuses given for affordable housing construction. Terry noted that Vergennes allows density bonuses for elderly housing. Fred asks what ACCT's areas of need are. Terry responded that the idea of land banking motivates him. Smart Growth suggests development of affordable housing in a town's village center to support the town's existing services.

Affordable multi-family housing is in great demand in our State. This demand allows ACCT to be selective in choosing qualified tenants. ACCT have all of the same expenses in terms of paying for services like snow plowing, and they pay real estate taxes as well. HUD is getting more money, and a potential tenant must earn no more than 60% of the median income, and may not pay more than 30% of their income for rent. Thus, the family cannot make more than \$35,000. In Vergennes, 135 families qualified for the recently built multi-family housing, but only 25 units were available. Thus, the need is still unfilled. People have to leave town to find something affordable.

Another option is to build small duplexes and make available as rental units, but the construction and land costs must make sense, financially, to do so. It is difficult to figure out what mode will work with enough units so that they can get the tax credits to buy down the cost of the development. The smaller the loan needed to finance the project, the lower the rents they can offer. In Addison County, the difficulty is deciding whether to build a regional facility for people in ten towns, or build all the housing in Middlebury. Bus access, hospital access, and convenience to shopping are all considered, but it is also good to have families remain in their original communities.

The maximum allowable assets permitted are \$20,000, outside of retirement accounts and social security, unless the client puts the money into the house. Bob asked if ACCT is using renewable technologies in the homes. Terry responded that the twenty-six unit development on Route 7, South of Hannaford Shopping Center is a 5-Star Energy Building, but has conventional heating and cooling systems. VFHA has adopted green

building requirements, which they must comply with for financing. The Federal Economic Stimulus Package supports energy related work. Housing Vermont works with ACCT on large projects, and they recently hired someone who assesses the energy usage of the houses, who is available to assist ACCT.

In January, ACCT started managing all of the affordable housing apartment buildings in Addison County, and did audits on a number of the buildings. Some of the owners are qualified to retrofit their houses. Solar hot water is a real possibility, as is biomass. Some owners are looking at geothermal heat. Elise noted that some Middlebury College students are researching how Connor Homes could construct green prefabricated homes.

Andrew Manning noted that apartments require less energy than houses, and that is a good reason to build more multi-family units. Terry agreed. ACCT owns nine mobile home communities, with a total of 350 units. They are building up reserves, looking toward the future. There is a need to convert older homes to affordable housing, and consider smaller square footage houses.

Some towns have covenants stipulating that mobile homes are not permitted. When mobile homes are at the end of their lives, they are usually paid off. Hanscom Air Force Base recently closed, and the mobile homes located there were made available to purchase at cheap prices. The government even paid to move them. Elizabeth Golden asked how long a mobile home will last. Terry responded that they usually last 7-8 years, but they could last longer with proper care and maintenance. Typically the floors, doors and windows wear out most quickly, depending on use and maintenance. A Commissioner asked how we can assure that Vermonters receive the affordable housing being built. Terry responded that we cannot be assured that long-term Vermonters receive the opportunity to buy and rent the affordable housing ACCT builds, because they cannot discriminate by state of origin. Adam noted that the law prohibits such discrimination. Most mobile homes are affordable. Most modular homes are hard to distinguish from traditional construction homes. There is a strong community within mobile home parks. In Starksboro for example, three mobile home parks provide housing to 20% of the town's residents. Dan Baker, UVM Professor and Planning Commissioner, has been working with VCOEO and enrichment programs at the schools to serve the needs of the mobile home communities.

Peter Grant asked if banks will finance mobile homes. Terry responded that certain Credit Unions will do so. Mary Dodge asked if the recent lack of availability of financing is affecting the availability of affordable housing. Terry responded that it is a major issue, and that his projects are backed up due to lack of financing. Ted asked how many organizations in Vermont are doing work such as ACCT. Terry responded that there are ten organizations developing affordable housing in Vermont, and that they all dip from the same well of funds. He expects that ACCT will receive Stimulus money for energy retrofitting and planning. All politics aside, Leahy and Sanders have gotten VTrans an incredible amount of money. Vermont is the 5th highest per capital for states receiving funds.

Fred thanked out speakers for an excellent program and announced a 15 minute break.

Business Meeting:

Call to Order: 8:45 p.m.

Fred Dunnington, Chair of ACRPC, called the meeting to order. Adam noted that the minutes of the February 11 meeting were emailed to everyone for whom we have an email address, and mailed to those for whom we do not have an email address, along with the Agenda. Peter moved that the minutes be approved, as written; Bruce seconded. The minutes were unanimously accepted.

Executive Board Minutes: Adam noted that the Executive Board Minutes for February 4 and February 25 were distributed.

Treasurer's Report: The Treasurer's Report was distributed. Adam reported that he is working diligently on accounts receivables and payables. We will end the year in good shape. Vance DeBouter, who audited our books, noted that we had a clean audit. Bob moved that the Treasurer's Report be accepted; Bruce seconded the motion. The Treasurer's Report was unanimously accepted.

Committee Reports:

Act 250 – no new activity.

Brownfields – Jeremy Grip reported that the Committee met recently to review the ADC Shade Roller Mill project in Vergennes. They approved further investigation, and decided it was prudent to wait for a corrective action plan. Adam spoke to the developers who may have further complications, so it may not go there. Thus, the committee made a good decision to hold off. Ralph asked what their response was. Adam noted that the letter he received from the current owners indicated that the sellers told them there were no contaminants, and they may have issues with the sellers.

Energy – Bob reported that on February 17, he and Elizabeth represented ACRPC at the Middlebury College MiddAction Fair, to recruit volunteer students. This was an outreach effort to connect ACRPC with the larger community and to engage students into volunteer work with the ACRPC.

On February 26, our presentation was on Community Hydropower, presented by Ben Gordesky. It would appear that run of the river is the most cost effective hydropower system to install, and the most environmentally friendly, as well.

On March 21, the 2009 Addison County Green Energy Expo will be held at MUHS from 9 a.m.– 4:30 p.m., and the Energy Committee will exhibit. Elizabeth is planning the workshops for the event and working on the Committee to organize the event, as well.

On March 26, our monthly program will be “Generating Electricity with Photovoltaics.” Everyone is invited to attend.

Local Government Committee – Thea reported that there was no activity.

Natural Resources Committee – Andrea reported that the Committee is doing very well. The Wildlife Section is complete, and they are now working on the Cultural and Scenic Sections.

TAC – Bob reported that there was no meeting, due to too much snow.

Joint Partners – The topic at the last Economic Development Corp. meeting was on freight transportation in the Western Corridor. Robin Scheu, Executive Director, sent a survey regarding shipping from truck to rail. Boston Systematics is studying in detail the viability of shipping from truck to rail, and looking at Vermont's natural products and ways to improve traffic. Elizabeth is working with the Chamber of Commerce and other local organizations on the Green Energy Expo, doing the programming as well as the overall preparations for the event. June is the Retreat, and we have two openings allotted to Addison County. Mary Dodge has volunteered to go.

Staff Recognition – Adam noted that Pauline will began her 38th year working for the ACRPC on March 4 and deserves our thanks.

Old Business:

Strategic Planning – Adam handed out copies of the report of the Strategic Planning Session held on February 25. The next step is for the Executive Board to consider the recommendations and create a draft Strategic Plan. At the April Full Commission Meeting, we will review the draft Plan, make any revisions, and seek approval of the Strategic Plan at the May Annual Meeting.

Email Delivery of Information Packet – Adam asked the Commissioners if they received their Meeting Agenda, Minutes, and Newsletter. Nearly all of the Commissioners received their packets. He noted that the packet will be distributed by email to everyone who has an email address in our database from now on, and that anyone who hasn't given us their email address should please do so, so we can convert to email mailings, to save costs and time. Andrea Ochs asked Elizabeth to send their information packets through the mail.

New Business:

Election of a Nominating Committee – Steve Revell, Fred Dunnington, and Bill Sayre were nominated by Mary, Bob seconded, and were unanimously elected to serve on the Nominating Committee, with Fred abstaining. Fred noted that his term as Chair was expiring and that someone new needs to come in to do the job.

Nominations for the Bertha Hanson Award – Adam explained the award and welcomed nominations. Bob suggested that the nominations be made in writing to Adam by the fourth Wednesday (prior to the next Executive Board meeting).

Town Selection of Delegates and Alternates – Adam reminded everyone that their Town Selectboard must reappoint Delegates and Alternates each year. He hopes that everyone here this evening returns to serve, and recommends that they contact their Selectboard to encourage them to fill all of the available Delegate and Alternate positions.

Annual Meeting – The Executive Board has recommended that we hold the Annual Meeting locally and that Delegates and Alternates collectively provide a potluck dinner, to save expenses this year. Adam asked for suggestions for speakers. Andrea suggested the Orwell Firehouse as a venue. Ralph suggested we go back to Basin Harbor Club. Ed reminded him that the Commission pays the bill for the dinner, and that we need to reduce expenses this year. Fred suggests that in the spirit of austerity, we try something less extravagant. Bob noted that he feels uncomfortable spending lots of money on a dinner when citizens in our communities are suffering. He suggested that we could have as nice a time with a potluck dinner and no drinks. Thea noted that we used to hold potluck dinners in the past and that they worked nicely. Dave suggested the Eagle’s Club. Congressman Welch and David Blittersdorf were suggested as speakers.

Adjournment:

Bruce moved to adjourn the meeting. The meeting was adjourned at 9:17 p.m.

Respectfully submitted,
Elizabeth Golden