

Draft

Vermont Housing & Conservation Board

MINUTES

Friday, March 15, 2019

Central Vermont Chamber of Commerce

33 Stewart Lane, Berlin, Vermont

Board Members: Neil Mickenberg, David Marvin, Emily Wadhams, Maura Collins (VHFA), Julie Moore (Secretary of ANR), Billy Coster (designee of Julie Moore; Secretary of ANR), Tom Yahn, Diane Bothfeld (designee of Anson Tebbetts, VAAF), Kate McCarthy, Allyson Laackman, Tom Yahn

VHCB Staff: Gus Seelig, Elizabeth Egan, Anne Duffy, Marcy Christian, Larry Mires, Martin Hahn, Jen Hollar, Jenny Hyslop, Rick DeAngelis, Craig Peltier, Gretchen Rittenhouse, Leah Sare, Beth Schwarz, Ron Rupp, Hannah Phillips, Mark Martin, Nancy Everhart, Karen Freeman, Ethan Parke, Amanda Moran Moshinskie, Ginger Nichols

Others Present: Amy Demetrowitz (Champlain Housing Trust); Dominic Cloud (City of St. Albans); John Ryan (Consultant); Tracy Zschau, Jon Ramsay, Allen Karnatz (Vermont Land Trust); Grant Butterfield (Developer for Congress & Main); Bill Niquette (Development Consultant from Realty Advisors Vermont); Paul Connor (South Burlington Planning & Zoning Director); Brandon Bless (Bread & Butter Farm); Mary Ellen Copeland (Green Mountain Conservancy); Sam Farwell (landowner); Ed Anthes (interested community member); Peter Paggi (Windham & Windsor Housing Trust)

Neil Mickenberg called the meeting to order at 9:40 am.

PROJECT PRESENTATIONS

**Pullman II, Williamstown – Vermont Land Trust
2017-050-002**

Vermont Land Trust is requesting funds of \$179,000 for this farm. Last December the Board committed funds for a 57-acre bare land parcel owned by David Pullman. That project has not yet closed; the parcel is being sold to a farmer through VLT's Farmland Access Program. Mr. Pullman plans to keep ownership of this parcel, but he will rent the tillable land to an area farmer.

Jon Ramsay from Vermont Land Trust presented the project. There is an issue with the manure pit. Jon explained that the pit was emptied back in 2017. Since then the pit has filled with water. Jon said that David has submitted an application for the BMP program to decommission the pit. VLT will work with Dave to pump out and level the manure pit, clean it, and then fill it in. Diane Bothfeld asked if the mobile home could be removed from the property before closing.

**Auclair, South Burlington – Vermont Land Trust
2018-057-001**

Vermont Land Trust is requesting funds of \$325,000 for this farm. VHCB and VLT helped Bread & Butter farm (now owned solely by Corie Pierce) purchase her first farmland in 2012. This project would help Corie purchase additional land and expand her business. Since purchasing the first farm, with initial business planning support from VHCB's Viability program, Corie has established a successful CSA, grass-fed beef business, popular seasonal burger night, farm store and café, and various educational programs.

Corie negotiated a Purchase and Sales Agreement for the entire property of 375 acres, for \$2.85 million. Selling development rights (on all three parcels) is critical to making them affordable for Corie. She assigned her Purchase & Sales Agreement for parcel A to VLT, and for the other two parcels, B & C, to Dirt Capital, LLC, a farm conservation investor. In October, VLT purchased parcel A, and Dirt Capital's subsidiary LLC purchased the other two parcels.

Allen Karnatz from Vermont Land Trust, Brandon Bless from Bread & Butter Farm, and Paul Connor from the City of South Burlington presented the project. Al explained that Parcel A is the project currently before the Board. Paul talked about South Burlington being very excited about this project and that they have invested over \$2 million in conservation over the past few years. They are working with surrounding communities, including Shelburne, to look at big picture of conservation in this urban/suburban area.

Brandon explained that the Bread & Butter farm currently farms over 200 acres of land. He pointed out that there would be approximately 1500 acres of conserved land in this area once this property is conserved. He talked about having a production farm providing education for area public schools as well as UVM. Billy Coster hoped the board would embrace this model of education and involvement in the community. He also asked about wetland restoration projects and Brandon explained that they were still in the process of identifying these areas. Emily asked about the recent issue that has come up for South Burlington regarding transfer of development rights. Paul explained that the city council would begin on Monday to address these issues. There will be no impact on parcel A and the impact on parcel B is unclear at this point. There was a brief board discussion about prospect of affordable/work force housing on one of these parcels.

Deer Run Nature Preserve, Dummerston – Green Mountain Conservancy 2019-053-001

Green Mountain Conservancy (GMC) is requesting funds of \$150,000 to acquire this property. The proposed Deer Run Nature Preserve is on land forming the southern terminus of the 16-mile long Putney Mountain ridge, where it meets the West River. Phase II, with 3 miles of river frontage is not yet certain. GMC has a purchase and sale contract with the landowner of 287 acres of forestland ("the Wilson property") forming Phase I of the project.

Mary Ellen Copeland from the Green Mountain Conservancy and Sam Farwell and Ed Anthes presented the project. Mary Ellen talked about how much this land means to the community. Once conserved there is a potential trail of 25 miles along the ridge. Sam talked about strong Town Meeting support in Dummerston and overall project support from surrounding communities. The GMC is also working to expand their board to have more representatives from these towns. They are proactively seeking guidance from a variety of experienced partners in the area, including Vermont Land Trust,

Putney Mountain Association, Windmill Hill Pinnacle Association, and others. Tom Yahn pointed out the recreational value of this project and that it fits into a bigger regional plan. Billy thanked the group for their work on this important project.

Maiden Lane Congress & Main, St. Albans – Champlaine Housing Trust & Congress & Main, LLC
2019-047-002

Champlaine Housing Trust and Congress & Main, LLC are requesting \$975,000 in Housing for All Revenue Bond (HRB) funds. This proposed 24-unit market rate housing development targets households with income between 80-120% of median. Champlaine Housing Trust (“CHT”) is applying for Housing for All Revenue Bond (“HRB”) funds in conjunction with Congress & Main, LLC (“C&M”), a private developer, to create the market rate-housing portion of the larger redevelopment effort. The Congress & Main development will be situated on the site along Maiden Lane and abutting the Champlaine Housing Trust and Housing Vermont building, Maiden Lane Apartments, which will sit on the corner of Congress Street and Maiden Lane and which was awarded VHCB funds at the January 22, 2019 VHCB Board Meeting.

Amy Demetrowitz from Champlaine Housing Trust; Grant Butterfield, Congress & Main developer; Bill Niquette, development consultant; and Dominic Cloud, St. Albans City Manager, were present to discuss the project with the board. Leah Sare provided updates to the board for this second project. Leah explained that this project is a great fit for the HRB money with units targeted to households whose income is between 80%-120% of median providing work force and market rate housing in the city. Dominic said that there was strong support from the city of St. Albans. He explained that the project brings housing and business downtown. Emily asked about the historic review and approval status and Bill noted that the issues have been resolved with a concurrence from the Division on the proposed design changes and mitigation measures put forth in the Section 106 letter from the historic consultant. Grant explained that he has been a landlord in St. Albans for many years and is invested in the community. Neil asked who would provide property maintenance for this site and Grant explained that he has contracted out to the same subcontractors the past 20 years at his other properties and will likely do the same here. The City will own and maintain the parking garage. There was a brief discussion of the amenities and upgrades in these apartments.

Affordable Mobile Home Park Study Presentation

Rick DeAngelis introduced John Ryan who conducted this study. John explained that mobile home parks are a very important source of affordable housing especially in rural communities. VHCB has invested over \$14,000,000 in mobile home parks. The study identified ongoing needs and concerns. Roughly half of the portfolio is in strong shape with ten parks falling into the At Risk category. He provided recommendations for the board to consider. There was a board discussion about the presentation. Kate asked about risk of flooding in these parks and John explained that there are only about 4-5 parks in the 100 – 500 year flood zone. Irene may have cleaned out some of the at risk parks. Allyson brought up the issue of energy costs and the value of looking at more energy efficient homes. Emily asked about next steps and Rick explained that staff would look at the recommendations to plan next steps. There will be more conversations about this issue in the upcoming months.

Jarvis Street Project Capacity, Brattleboro – Windham & Windsor Housing Trust

2019-055-001

Windham & Windsor is requesting a total of \$40,000 in VHCB funds for this project capacity award. There are 25 homes in the project area. One of these homes has already been rehabilitated and raised from the flood plain by the Town of Windsor and the Windsor Improvement Corporation (WIC). This work cost approximately \$150,000. After unsuccessful attempts to sell this home for \$120,000, it has now been rented out. Thirteen of the homes, owned by two investors, are currently for sale. These owners have expressed an interest in selling the properties to WWHT for this project. Acquired homes would be rehabilitated, raised above the flood plain, and resold using a shared equity model to maintain affordability. The market study will also evaluate the feasibility of WWHT operating these units as rentals in case the shared equity model is not feasible. Owners of the other homes will be contacted to determine if they wish to participate through access to loan programs and other resources.

Peter Paggi from WWHT presented the project. This project capacity grant will help WWHT to determine the best model to make the project successful going forward. WWHT will work with the town and WIC. The Town of Windsor intends to contribute significant resources to this project, including streetscape improvements, new sidewalks, a boat ramp at the end of the street, and a reconfiguration of traffic patterns to enhance the neighborhood.

David Marvin asked if the area floods regularly and Peter explained that it did not flood during Irene. Emily explained that this is a historic neighborhood and she encouraged WWHT looking at New Orleans area for models. Billy encouraged WWHT to work with the Department of Environmental Conservation Rivers Program.

Programmatic & Financial Overview

Anne provided an overview of our finances, which included a general description of the financial structures, the flow of resources and our reporting tools. The discussion began by covering the functions of VHCB's sources and uses document, and moved to the January financial statements, highlighting items of importance.

Public Comment

No public comment.

Lunch

Neil welcomed Allyson Laackman, the Executive Director of the Burlington Housing Authority to the board. He also welcomed Julie Moore and Maura Collins for the afternoon portion of the meeting.

Consent Agenda

David made the motion to approve the Consent Agenda. Diane seconded the motion. All voted in favor of the motion. Neil abstained from the vote on the Home Accessory Apartments.

The Consent Agenda consisted of:

- 1) Harness OPAV, Enosburg Falls (VLT) (2002-083-002)
- 2) Dunklee II additional funds (VLT) (2015-061-002)
- 3) Farmland Stewardship Principles

- 4) Authorization to apply for NRCS/ALE funds
- 5) Project Capacity Portfolio Preservation (RE) (2019-057-001)
- 6) Home Accessory Apartments (HSV) (2019-056-001)
- 7) HRB Project Feasibility (1946-001-000)
- 8) Decommittments

Director's Report

Gus had several updates to his written report to the Board. There are more than 20 applications to be considered at the May and June board meetings. Marie Audet will not be serving on the board at this time but hopes to join in the future.

He explained that he and Jen have continued to be busy with committees, including a successful presentation to the House Appropriations Committee on Thursday. Legislators are happy with our work but they are trying to address a large number of funding needs around the state. There are talks under way about additional housing bond money but it is not clear if it will pass. There have been discussions about farming and assisting farmers and a working group is being formed. Jen Hollar explained that today is crossover day at the legislature. It appears that the housing code enforcement bill may move forward. Gus explained to the board that we have good support. It is just not clear yet where our funding levels will be in the end but he is optimistic that the proposal \$1 million reduction can be restored

There was a discussion about the proposed FY2020 targets. Gus asked the board to review the target allocations for housing and conservation. Emily made a motion that the Board approve a target allocation for FY2020 project resources of 60% Housing, 40% Conservation. Tom seconded the motion. Discussion. David asked that the board set time aside at a future board meeting to discuss this issue further. Kate McCarthy also asked for time on targets at a future meeting. All voted in favor of the motion.

Minutes

Diane moved approval of the minutes from the January 22, 2019 meeting. David seconded the motion. There was no discussion. All voted in favor. Julie Moore and Allyson Laackman, abstained since they did not attend the meeting. Maura asked that the minutes be included in electronic version of the board packet.

Financials

There were no questions about the financials included in the board packet.

IT Report

Marcy Christian reported that Tech Team expects that Version 1 of the database will be complete this spring. Staff are working on identifying data gaps, which include adding project addresses to the system. We hope to work with our partners to obtain this information and convert it into our database. This information will help with mapping our projects throughout the state. The team is also work to identify potential needs for Version 2.

Stewardship Report

Mark Martin presented updates to his report. Neil asked about electronic remote monitoring and Mark explained the process to the board. This monitoring is done by looking at satellite photos of the properties to look for changes. VHCB and our partners will also continue to visit properties on an every other year schedule.

Policy Matters

No policy issues were raised.

Deliberations:

Maiden Lane Congress & Main

2019-047-002

Maura asked that the Congress and Main project be discussed first since she had to leave the meeting early. She asked about relocation plan for the current residents, Leah explained that of the many current residents have already been relocated, and all will be relocated if possible in St. Albans. Maura also asked whether there is a signed option agreement between CHT and Snyder. Gretchen explained that it had not been signed yet but they did not anticipate a problem. There was a brief discussion about housing the homeless within both projects.

Emily made the motion to approve the Congress and Main project. David seconded the motion. There was no further discussion. All voted in favor of the project.

Conservation Projects

Conservation Projects

Pullman II

2017-050-002

Auclair

2018-057-001

Deer Run Nature Preserve

2019-053-001

Emily made a motion to approve the three resolutions as a block. Kate seconded the motion. Discussion. Diane asked about removing the mobile home from the Pullman II property. She strongly encouraged it to be removed prior to closing and asked the staff to report back. Emily amended her motion to include a special condition strongly encouraging the mobile home to be removed on the Pullman II property prior to closing.

Pullman II – Special Condition #2

2. Grantee is strongly encouraged and shall make every reasonable effort working with the landowner to remove the mobile home prior to closing.

Emily brought up the transfer of development rights issue in South Burlington and there was a discussion about this matter. Neil brought up concerns about the future 9-unit housing project on the Auclair property. There was interest in a future discussion about this issue including the issues of smart growth, and for farming and working affordable housing. All voted in favor of the amended motion.

Jarvis Street Project Capacity

2019-055-001

Emily made the motion to approve the Jarvis Street Project Capacity project. David seconded the motion. There was a brief discussion about the project. Billy and Emily recommended adding the two conditions below:

Jarvis Street Project Capacity – Special Conditions #1 & #2

1. Grantee shall consult with the Vermont Department of Environmental Conservation's Rivers Program regarding potential flood mitigation strategies.
2. Grantee shall consult with the Vermont Division of Historic Preservation.

Emily amended her motion to include the additional conditions. David seconded the amended motion. All voted in favor of the motion.

Other business:

David recommended the board read the article in Seven Days on working on a Vermont Dairy Farm. Gus encouraged board members to look at the VHCB and Viability Annual Report. Great job on the Annual Reports to Pam and Viability staff.

Meeting adjourned at 2:55 pm.

Respectfully submitted,
Marcy Christian