

Stowe Housing Task Force

Wednesday, September 4, 2024

Akeley Memorial Building
67 Main Street
Stowe, Vermont



Housing Task Force Members: MacKee Macdonald, Walter Frame, Sarah Henshaw Ken Braverman, Stefan Grundmann, Josi Kytle, Scott Coggins, Town Manager Charles Safford (Ex-officio), Mila Lonetto (Ex-officio)

Attendees: Assistant Town Manager Will Fricke, Lucy Leriche, Angie Harbin, Terry Wehse, Jo Sabel Courtney

Call to Order

Chair Macdonald called the meeting to order at 9:00am.

Approve Agenda and Minutes

Walter Frame moved to approve the agenda and minutes. Josi Kytle seconded. Motion carried (7-0).

Guest Speaker – Lamoille Housing Partnership and Downstreet Housing and Community Development

Lucy Leriche, Interim Executive Director of Lamoille Housing Partnership, and Angie Harbin, Executive Director of Downstreet Housing and Community Development, were in attendance to talk about their organizations' missions.

Lucy Leriche said LHP focuses on multi-family units and municipal water/sewer is necessary for that kind of development. She said they are looking for creative ways of dealing with escalating costs, and decided the region would be better served by a larger organization with more capacity, and that Downstreet was a natural fit. Charles Safford noted that the municipality helps them with HUD subgrants, and that the town plan supports it.

McKee Macdonald asked if there is competition for affording housing assistance with larger municipalities. Angie Harbin said the state recognizes the need for rural affordable housing. Lucy Leriche said part of it is politics and there is hypersensitivity in the state legislature to the perception that disproportionate resources go to Chittenden County.

Josi Kytle asked what the cost per unit for their development is currently. Angie Harbin said it was about \$550,000 per unit for mixed-unit size buildings. Lucy Leriche said perpetual affordability is important, so they try to get longevity and quality from the construction to ensure they last longer. Angie Harbin said low income housing tax credit units are 60% AMI, which translates to rent of \$1,100 to \$1,400 depending on the unit size.

Ken Braverman asked for an overview of residents in Affordable housing units in Stowe. Lucy Leriche explained that there is a large diversity of residents and professionals. Stefan Grundmann asked how many applications they have per vacant unit. Leriche said there are no vacancies and over 2,000 people on their waiting list.

Angie Harbin gave an overview of Downstreet Housing and Community Development. She said they are a homeownership center and already include Lamoille County. She explained the shared equity model of affordable housing, where a home is sold at market price but the equity is split 75-25 between Downstreet and the seller. Downstreet provides downpayment assistance for the buyer with equity from the sale.

The HTF discussed municipal housing trusts. Charles Safford said the City of Montpelier has a housing trust and the Montpelier City Manager is willing to come talk about what they are doing to support it and other housing initiatives.

Stefan Grundmann asked if they assist with subsidized mortgages. Harbin said banks are not doing them right now because they have so many loans out at low interest rates, but they do help people find mortgages. Walter Frame said that it seems like buyers can make it happen but there isn't enough inventory.

Ken Braverman asked if there are any projects in Stowe currently. Lucy Leriche said there is not, but they want one. Mila Lonetto asked what it would take to start a project in Stowe. Leriche said the barriers are the cost of land and service connections – sidewalks, water/sewer, and proximity to downtown. Charles Safford asked if a project would need to be in the growth center. Leriche said it would. Stefan Grundmann asked how long it takes between when they identify land to build a project and when people are moving in. Leriche said it can depend on the complexity of funding, environmental review, and construction, but typically three years.

Walter Frame asked if they could accept land from municipalities for housing. Angie Harbin said Waterbury and Barre sold land to them at below-market rates. McKee Macdonald asked Charles Safford what land the Town owns. Safford said there is not much in the water and sewer core. The Mayo Farm is in part, but it currently has a conservation easement. Mila Lonetto said they should think about new growth centers. Angie Harbin there is more location flexibility with the single-family shared equity model. Lucy Leriche said the Town should think about ways to create a favorable environment for developers or Downstreet to come in and do work. Charles Safford asked about the cost of business plans. Lucy Leriche said they need feasibility money to do investigations into land, including wetlands review. McKee asked if they could use existing studies. Leriche said they can, and it is preferable to use existing studies. Josi Kytle said the HTF should bring in Stowe Land Trust to talk about housing and land. McKee Macdonald said a lot of buildable land in the water/sewer core is prevented by conservation easements owned by Stowe Land Trust.

Scott Coggins asked if anything would happen in Stowe if the Town was not willing to commit resources to defray land costs. Both Leriche and Harbin indicated no.

Josi Kytle asked if funding could be raised for affordable housing. Charles Safford said the voters could create a reserve fund for affordable housing, land acquisition, etc. McKee said part of the issue is water and sewer costs, including allocation fees. Charles said public utilities are expensive to build, operate, and maintain. For example, the Lower Village Pump Station is estimated to cost over \$5 million to replace and the Town needs to find a new water source which will also cost several millions of dollars. Utility funds are for the benefit of the users and as a general rule the beneficiary pays for utility capacity/main extensions. If the Town wants to subsidize affordable housing for the public good the taxpayers as whole should pay for it, not the utility rate payers.

Josi Kytle asked about impact fees. Charles Safford said the Town would need an ordinance and a capital fund, and fees must be spent on infrastructure related to that new growth within six years. He said other tools could be inclusive zoning requiring developers to make a percentage of their housing affordable or requiring developers to pay the cost for on-site and off-site infrastructure necessary to support their development. Mila Lonetto said they have density and height bonuses for affordable housing minimums, but no one has taken advantage of them yet.

The Task Force asked Lucy Leriche and Angie Harbin what the biggest things the Town could do to help them. Lucy Leriche said donations of land in in growth centers with public utilities, as well as funding or inclusionary zoning. Scott Coggins said that small projects may not be enough. Angie Harbin said the sweet spot is 30 to 40 units, and those projects need to happen, but they take 2-3 years to get off the ground.

The Task Force had a general discussion of inclusionary zoning and incentivizing affordable housing in the context of current local projects under development.

Review Draft Housing Needs Assessment RFP

The Housing Task Force reviewed the draft Housing Needs Assessment RFP. A minor correction was made to the percentages associated with the scope of services objectives.

Sarah Henshaw moved to approve the RFP as submitted, with the percentage fixed. Josi Kytle seconded. Motion carried (7-0).

Will Fricke asked for Task Force members to share the contact information for any consultants they know of who may be interested in sending a proposal.

Public to be Heard Non-Binding

No public comment.

Upcoming Meeting Agendas

Charles Safford said they will have Sarah McShane, Stowe Planning & Zoning Director, at the next meeting. He stressed the importance of the Town Plan. He also noted that there is little staff capacity for a significant zoning update while the Town Plan update is ongoing, and then the Planning office will move onto the Mayo Farm conservation easement process once the Town Plan process is completed. Will Fricke said that Seth Leonard of VTHFA has been invited to the October 2 meeting.

Adjournment

Chair Macdonald adjourned the meeting at 10:30am.

Notes

Minutes submitted by Will Fricke.

The Stowe Housing Task Force meets on the first and third Wednesday of each month at 9:00am.

A recording of this public meeting is available at: <https://www.townofstowevt.org/housing-task-force>