

Minutes

Housing Trust Fund Task Force Meeting #6

Wednesday, November 2, 2016

1. Call to Order – The meeting was called to order by Chair Debbie Ingram at 5:00 p.m.
2. Task Force members present: Debbie Ingram, Charlie Magill, Kenn Sassorossi, Benjamin King, and Jeff Fehrs.

Staff Present: Rick McGuire, Town Manager

3. Minutes: October 19, 2016 – Mr. King wanted to add a reference to a potential ballot initiative discussed by the Task Force. On second to last paragraph Mr. Sassorossi stated the reference should be Champlain Housing Trust not Vermont Land Trust. Minutes were accepted by consensus with requested changes.
4. Discussion:

Mr. McGuire explained impact fees and inclusionary zoning. He noted the Town cannot impose impact fees as it does for transportation, education and recreation since the state law concerning impact fees is intended to fund capital projects. However, it may be possible to impose a fee through inclusionary zoning which is a different state law. Mr. McGuire also informed Task Force members of Finney Crossing Plans to add about 24 units of affordable housing (rental units). McGuire mentioned that Planning Commission will be looking at current fee structure as recommended by Affordable Housing Task Force.

Ms. Ingram referenced the email from Mr. Fehrs concerning the Atwood project. Mr. Sassorossi explained that when initially affordable units are constructed, a mechanism needs to be in place to provide for continued affordability as the price of housing and interest rates outpace income increases for potential buyers. He continued that since developers usually gets a benefit from offering affordable units such as a density bonus they normally take responsibility for arranging for a mechanism to maintain affordability over time. Mr. McGuire explained Mr. Atwood is now asking to be relieved of the \$30,000 obligation that was intended to be used as the mechanism to insure continued affordability.

Jeff Fehrs arrived.

Ms. Ingram briefly summarized the discussion just completed. Mr. Fehrs asked what role the town can play to make affordable housing happen. He suggested the Town might want to assume some responsibility for insuring future affordability. Mr. Sassorossi suggested there is clearly role for the Town but there are better mechanisms. Mr. Magill stated establishment of trust fund will be part of a mechanism that will help to reduce the cost of development.

After further discussion, the Task Force recommends no change to the existing agreement between the Town and Mr. Atwood.

Debbie Ingram reviewed some of the points discussed at the last meeting. She continued review of the considerations identified in the publication provided by the Vermont Housing Finance Agency concerning housing trust fund considerations. In particular, a review of administrative elements was completed including the following questions:

- Who will administer the fund?
- Will administrative expenses of the program be paid from the trust fund?
- Will any technical assistance be available for those looking to use the fund?
- How will applications be solicited?
- Who will make the awards?
- What form will the awards take?
- How will reporting on the funded projects work?
- Who will monitor the projects long term?
- What consequences will there be for not following through with pledges in the application for funding?

Task Force members reviewed each of these questions. It was a consensus of members that many of these administrative elements will involve an existing entity like Champlain Housing Trust that has staff who are knowledgeable and with existing programs. Oversight can be provided through a town committee. The committee could either be a newly formed group or perhaps included as a responsibility under an existing town committee. The committee could review a work plan each year along with a status report on programs and projects. The committee would share this information with the Selectboard. Administrative expenses could also be charged as an expense to the Fund. Champlain Housing Trust could administer the programs and projects, provide technical assistance, and assist in soliciting applications.

Next Steps:

Ms. Ingram and Mr. Sassorossi agreed to work together to craft an outline of issues considered by the Task Force that can serve the basis for further discussion and eventually as a report to the Selectboard. In addition, Mr. McGuire agreed to prepare a possible ordinance for the Task Force to review.

5. Next Meeting: The next meeting was set for November 29th at 5:00 p.m.
6. Adjournment: The meeting was adjourned at 6:25 p.m.