

**Notes from Housing Task Force Meeting and Summary of Barriers to Housing Priorities Discussion  
December 20, 2011 – 12 Noon – City Manager's Conference Room**

Attendees: Jim Libby, Polly Nichol, Joann Troiano, Angela Timpone-MacDonald, Jack McCullough, Gwen Hallsmith, Daniel Stein, Edmar Mendizabal, Becca Clark

**Housing Trust Fund/ Budget Discussions -- Angela**

Angela began with a discussion of the Housing Trust Fund. She would like to get details on the financial state of the report. She tied in the discussion with the Council discussions on the Local Options Tax and allocating a portion of any such revenues to economic development with a percentage – 5 – to the Housing Trust Fund. The group discussed Tom Golonka's finding of a 15% return on investment for the Housing Trust Fund, that is 15% was recoupable as new property tax revenue. Angela asked the group how they felt about the 5% arrangement and many members of the group expressed a positive reaction.

Angela expressed that it would be good to have some policy around the use of local options tax so that they would not just get swallowed up by broad infrastructure spending demands. She indicated that such an approach had support from key members of City Council. She also described a great intensity of pressure that she and council felt to make cuts. She discussed the need for an analysis of the Community Development position. Gwen spoke of last year's analysis in which \$50k was invested in the position and between that position and her \$18 million was brought in. Angela and others suggested that it would be good to remind the council of that.

Jim said that by bringing the conversation to the level of talking about individual positions that there was a lot of room for conversation and analysis. Angela emphasized that she wanted to protect the work of the Housing Task Force and of Community Development. She expressed that she felt that it was a small but vocal group of people who were expressing opposition, and that it is important to build budgets based on a view of the whole community.

Jim described what he saw as a trend towards shifting taxes to a residential base. Jack talked about the appraisal process. Gwen described earlier debates about whether to base taxes on property or income. Angela discussed Bill's spreadsheet that showed that the real driver in property tax increases was property valuation. Gwen described that a good part of the reason that the real estate market in Montpelier was healthy was because of the array of services in town, that Montpelier is perceived as a nice town because of the services. She responded to the notion that there might be creative ways of cutting the budget by saying that the money spent buys things, either things in the streets or positions. She also mentioned the MATRIX study that showed that the city was understaffed for the services that it provides.

**Design Ready Competition – Gwen, Ken**

Gwen announced that Alan Goldman has offered \$2000 as a prize for a design ready competition and that Gwen asked that his neighbors be part of the process. She indicated that she has made the same request of the other 3 large landowners. She also announced her initiative to have a town meeting on the new economy.

<Angela leaves>

A member of the group mentioned that the Governor's Design Institute might have funds available for the design competition. This is associated with the Vermont Council on the Arts.

Ken showed the group materials from the Portland design competition including a monograph of winning designs, as well as a letter in opposition to the “scourge of skinny houses.”

### **Infill Development -- Jack**

The group discussed how incentives for infill development could work. Jack described the importance of the land schedule for taxes and described a scenario in which two neighbors with  $\frac{3}{4}$  acres lots each sold off a  $\frac{1}{4}$  acre parcel to create a new  $\frac{1}{2}$  acre parcel and suggested that the original two neighbors would not experience a decrease in property values. He described a net positive in tax values over time. Gwen suggested that if the goal is a greater tax base then property tax incentives for infill would be a counterproductive strategy, and in fact would be a regressive tax.

The group discussed that people who study their property tax bills do not tend to separate the education tax from the municipal portion.

### **Inclusionary Zoning -- Gwen**

Gwen discussed the Barriers Report inclusionary zoning recommendation and said that it would be the hardest to achieve, that it would require significant administrative support, and compared it to the support that the City of Burlington is able to provide. Jim indicated that due to the income levels and project sizes in Northwest Vermont, that a model working there might not work as well here.

<Edmar arrives>

She suggested that as part of the design competition criteria, a certain amount could be allocated to permanently affordable housing. She and others suggested that you would need a certain number of higher end homes to be able to subsidize the lower end homes.

### **Housing Improvement District -- Polly**

Polly discussed the Housing Improvement District and suggested that certain areas of the city might be good targets including along the river. Ken asked whether this is analogous to community interest developments.

### **Home Buying Seminar -- Edmar**

Edmar discussed his planned Home buying seminar, planned for March, that he has discussed the idea with Tim Heney. He discussed helping potential homeowners visualize the process, to understanding the processes of buying and renovation, and understanding what is available from the bank.

Becca added that an added component is helping people to understand energy efficiency and what's possible in converting old fashioned oil systems and steam radiators with more energy efficient options. Edmar mentioned the work of Efficiency Vermont. She discussed doing an inventory of vacant housing.

### **Neighborhood Improvement Program --Joanne**

Joanne and Jack, Edmar, regarding Barre Street. Joanne discussed the positive effects of such a program in the area around the Lane Shops.

-Mandatory Inspections was mentioned

### **Housing Preservation Ordinance – Jack**

Maintenance and replacement: adopt an ordinance? See residence replacement in Burlington.

Demolition by neglect was mentioned

### **Inventory of Vacant Spaces/ Vacant Lots – Fire Department?**

The group discussed the sprinkler ordinance and the benefits for a community of having such an ordinance and to what degree these benefits offset the cost. This was also discussed as part of a larger range of regulations that resulted in a desirable standard of living.

### **Rental Situation – Landlord/Tenant Issues**

A community member discussed a personal experience with what he believed was unfair behavior on the part of a landlord who evicted him for requesting bringing standards up to a reasonable level. He spoke in detail about this situation and spoke of the importance of protecting tenants as part of the solution for housing issues.

Possible solutions discussed:

- Hearing Body to hear issues and make recommendations

  - Some models have judicial power, others don't

- Inspection Ordinance: Barre and Burlington have ordinances.

- Review Board for Landlord/Tenant Issues

- Just Cause for Eviction Ordinance