

**June 22, 2017 Vermont Community Development Board
National Life Deane Davis Building, 6th Floor (Calvin Coolidge Room)**

Members in attendance in person – Cynthia Gubb, Angus Chaney, Amelia Silver, Bruce MacLean, Kenneth Niemczyk, and David Scherr

Staff in attendance – Katie Buckley, Josh Hanford, Carl Bohlen, Nathan Cleveland, Claire Forbes, Patrick Scheld, Ann Karlene Kroll, and Annina Seiler

Cynthia Gubb, Chair, called the meeting to order at 9:04 a.m.

There were no members of the public in attendance for Public Comment. Cynthia directed the Board to the first application.

City of Montpelier – Bailey Baldwin Barre Apartments

Nathan presented an overview of Montpelier’s application requesting \$510,000 in Vermont Community Development Program (VCDP) funds and issues raised in the analysis. The funds would be provided as a deferred loan at 0% interest for 30 years to a limited housing partnership to be formed with Downstreet Housing and Community Development (Downstreet). The project would complete the substantial rehabilitation of three buildings located at 11 Bailey Avenue, 15 Baldwin Street and 37 Barret Street, including 15 units of existing affordable housing and one commercial unit on Barre St.

The following individuals came before the board to present on behalf of the City of Montpelier: Sue Allen, Assistant City Manager; Kevin Casey, Montpelier Community Development Specialist; Eileen Peltier, Downstreet Housing and Community Development; and Alison Friedkin, Downstreet Housing and Community Development.

Questions raised by the board and discussed with the applicant: Amelia asked for clarification on the vacancy rate across Downstreet’s portfolio. Ken asked for more information about possible permits for work within the city’s right of way. Alison asked for confirmation that proposed efficiency upgrades would not duplicate ARRA funded work from 2010. Cynthia inquired about the environmental review and contaminants that would need to be remediated. Cynthia also asked if the project would move forward without a funding award from VCDP.

Cynthia asked if the award conditions were acceptable and applicant responded yes.

City of Winooski – Strand Public Infrastructure

Claire Forbes presented an overview of Winooski’s application requesting \$300,000 in VCDP funds and issues raised in the analysis. The city would subgrant to 70 Main LLC to support public infrastructure associated with the Strand project. VCDP funds would be used for the realignment of Main Street, the narrowing of West Allen Street, pavers, new granite curbing, public sidewalks, a new three-way crosswalk and other pedestrian improvements, bollards, lighting, landscaping, plaza/park improvements, and other public infrastructure.

Josh noted that Winooski is a Low-and-Moderate Income (LMI) community and presents a unique opportunity, perhaps explaining the relative infrequency of such infrastructure projects.

The following individuals came before the board to present on behalf of the City of Winooski:

Jessie Baker, City Manager; Seth Leonard, City Mayor; Heather Carrington, Community and Economic Development Officer; Justin Dextrateur, Redstone Development Manager; and Erik Hoekstra, Redstone managing Partner (by phone).

Questions raised by the board and discussed with the applicant: Bruce asked the applicant to elaborate on the progressive zoning and form based code. Ken asked for the applicant to clarify the type of transportation system referred to by the town as the circulator and information about the safety record. Angus questioned the ability of the market to support multiple music venues. Cynthia asked if the developer had any concerns about finding tenants for the retail space. Cynthia also asked how the applicants would proceed if they do not receive VCDP funding.

Cynthia asked if the award conditions were acceptable and applicant responded yes.

Town of Bennington – Putnam Block

Claire presented an overview of Bennington’s application requesting \$1,250,000 in VCDP funds and issues raised in the analysis. The town would subgrant to Bennington County Regional Commission (BCRC) for property acquisition and legal costs for the redevelopment of the 4-acre Putnam Block property located on South Street and Main Street in downtown Bennington. The site is a brownfields site and will require environmental mitigation and renovation of the historic buildings. The project anticipates 35 new full-time equivalent (FTE) jobs in retail and services, with at least 25 of these jobs benefiting low-and-moderate income persons.

The following individuals came before the board to present on behalf of the Town of Bennington: Michael McDonough, Interim Community Development Director; Bill Colvin, Bennington County Regional Commission; Bob Stevens, M & S Development; and Bob Crego, M & S Development.

Michael McDonough distributed and read a letter from Tom Jacobs, Bennington Selectboard Chair, who was unable to attend the meeting.

Questions raised by the board and discussed with the applicant: Bruce asked for more information about the state’s decisions to locate a new office building outside of the downtown. Noting the estimated cost per square foot, Ken asked how it compares to other large-scale redevelopment projects. Cynthia questioned how the relocation of existing businesses to the Putnam Block would impact the community. Patrick asked the applicants to discuss their ability to manage the grant given that four other VCDP grants to Bennington are currently open.

Cynthia asked if the award conditions were acceptable and applicant responded yes.

Town of Brattleboro – 5 County Homeownership Services Program

Nathan presented an overview of Brattleboro’s application requesting \$757,136 in VCDP funds and issues raised in the analysis. In consortium with Barre City, the Town of Brattleboro would subgrant to Windham and Windsor Housing Trust to deliver a home repair and housing counseling services program to a five-county region including Windham, Windsor, Orange, Lamoille, and Washington Counties.

The following individuals came before the board to present on behalf of the Town of Brattleboro:

Bruce Whitney, Windham & Windsor Housing Trust; Elizabeth Bridgewater, Windham & Windsor Housing Trust; Patrick Moreland, Assistant Town Manager; and Eileen Peltier, Downstreet Housing and Community Development.

Questions raised by the board and discussed with the applicant: Ken questioned whether this might be characterized as a merger rather than a partnership. Angus asked how the partnership would target various sectors, specifically smaller, private sector landlords. Additionally, he asked if this group would be eligible for grants or loans only. Cynthia requested information about anticipated outcomes after one year. Lastly, Nathan asked if the applicant has communicated intentions and sought input from NeighborWorks America.

Cynthia asked if the award conditions were acceptable and applicant responded yes.

Town of Bristol – Pleasant Hills

Carl presented an overview of Bristol's application requesting \$400,000 in VCDP funds and issues raised in the analysis. The applicant proposed a deferred loan to the Pleasant Hills Limited Partnership (formed by Addison County Community Trust and Housing Vermont) to rehabilitate the exiting 16-unit Pleasant Hills apartment complex. The property has a Section 8 Housing Assistant Payments (HAP) contract for all 16 units and this contract was renewed in 2014 for a 20-year term. The property includes 14 one bedroom units and two 2 bedroom units in one building.

The following individuals came before the board to present on behalf of the Town of Bristol: Samantha Dunn, Housing Vermont and Elise Shanbacker, Addison County Community Trust.

Questions raised by the board and discussed with the applicant: Cynthia asked the applicants to comment on the condition of the units, which though dated, appear to be in good condition. She continued by asking how the project would go forward if VCDP funding was not secured. Angus asked the applicants to describe plans for relocating tenants. Josh inquired if the rents collected are currently covering the debt service. Noting the total project cost, Angus questioned if, from the applicant's perspective, it was a worthwhile investment to rehabilitate the building versus building new. Carl asked if the purchase price took into account the deferred maintenance.

Cynthia asked if the award conditions were acceptable and applicant responded yes.

February 9, 2017 Draft Minutes

Amelia made a motion to approve the draft minutes from the February 9, 2017 board meeting. Bruce seconded the motion. There were no changes to the minutes. The motion carried 5-0-1 (Ken abstained).

Town of Hartford – Sykes Mountain Avenue

Nathan presented an overview of Bristol's application requesting \$695,000 in VCDP funds and issues raised in the analysis. The town would subgrant funds to a limited partnership, formed by Twin Pine Housing Trust and Housing Vermont to construct 30 units of affordable housing on land off Sykes Avenue in White River Junction.

The following individuals came before the board to present on behalf of the Town of Hartford: Lori Hirshfield, Hartford Director of Planning and Development; Will Giblin, Twin Pines Housing Trust; Andrew Winter, Twin Pines Housing Trust; and Samantha Dunn, Housing Vermont.

Questions raised by the board and discussed with the applicant: Cynthia inquired if there were opportunities to reduce cost, citing the high per unit cost. She also asked if there were opportunities for rooftop solar, given the building design. Angus asked about the added costs of underground parking. Amelia noted the high site-specific costs and inquired if there had not been a better and lower cost site available within walking distance of the downtown. Nate asked Lori to discuss the pedestrian and bike safety improvements that the town was making to Sykes avenue. Josh asked if there were opportunities for cost savings/efficiencies with the market rate development built next to this property.

Cynthia asked if the award conditions were acceptable and applicant responded yes.

Town of Hardwick – Hardwick Village Housing

Nathan presented an overview of Hardwick’s application requesting \$345,000 in VCDP funds and issues raised in the analysis. The town proposed a deferred loan to a yet to be formed limited partnership between Housing Vermont and Lamoille Housing Partnership to complete a moderate rehab of 18 units of affordable rental housing and commercial space at three separate properties located in the village.

The following individuals came before the board to present on behalf of the Town of Hardwick: Jon Jewett, Town Manager; Matt Moore, Housing Vermont; and Jim Lovinsky, Lamoille Housing Partnership.

Amelia Silver departed the meeting.

Questions raised by the board and discussed with the applicant: Bruce asked the applicant if this model is financially sustainable. Cynthia asked if they propose raising rent in any of the units and asked if they are all currently occupied. Cynthia asked how the project would go forward if VCDP funding was not awarded.

Cynthia asked if the award conditions were acceptable and applicant responded yes.

Town of Randolph– 28 South Main Street

Carl presented an overview of Randolph’s application requesting \$296,326 in VCDP funds and issues raised in the analysis. The application proposed a subgrant to the Clara Martin Center to assist in the redevelopments of its 4,400-square foot building located at 28 South Main Street into four units of housing, an office, and program space. The apartment units will serve individuals who are homeless and have a mental illness.

The following individuals came before the board to present on behalf of the Town of Randolph: Melvin Adams, Town Manager; Eileen Peltier, Downstreet Housing and Community Development; Alison Friedkin, Downstreet Housing and Community Development; Christie Everett, Clara Martin Center; and Brian Smith, Vermont Department of Mental Health.

Questions raised by the board and discussed with the applicant: Cynthia asked for an estimate of how many homeless individuals the Clara Martin Center serves in a year. She also asked what the impact would be if the community waited and applied again in a subsequent round. Carl asked if waiting would jeopardize Affordable Housing Program (AHP) funding.

Cynthia asked if the award conditions were acceptable and applicant responded yes.

CDBG including Enhancements Funding Recommendations

Following a brief presentation of the planning grants by staff and discussion, the following funding recommendations were made.

Ken moved to fund the Planning Grant for Brattleboro’s Tri-Park Cooperative Master Plan for \$30,000. Bruce seconded and the motion carried 4-0. (David was not present for the vote.)

Ken made a motion to fund the Enhancement Request from Richmond for the Richmond Creamery Redevelopment for \$100,000. Bruce seconded and the motion carried 5-0.

Angus made a motion to fund the Enhancement Request for the Windsor Dam Project for \$250,000. Ken seconded and the motion carried 5-0.

Ken moved to fund \$2,321,326 to the following grants at the levels listed:

- \$1,000,000 Town of Bennington – Putnam Block**
- \$300,000 City of Winooski – The Strand Public Infrastructure**
- \$296,326 Town of Randolph – 28 South Main Street**
- \$725,000 Town of Brattleboro – 5-County Homeownership Services Program**

Bruce seconded the motion. The motion carried 5-0. Angus abstained from the vote specific to the Randolph project.

Ken made a motion to adjourn. David seconded. The motion carried 5-0.

The meeting was adjourned at 4:50 pm.