

Montpelier Housing Task Force October 2006 Report to Council

To: Montpelier City Council
From: Jim Libby and Jack McCullough
Co-Chairs, Montpelier Housing Task Force

Executive Summary

The last Housing Task Force presentation to the City Council was on March 23, 2005. We are pleased to report that 2005 was the first year in 25 years with a net gain in housing units in Montpelier and present this summary of our work in the last 18 months:

March 2005	Voters Approve “One Penny for Housing” – Housing Fund
April 2005	Councilor Tom Golonka joins Task Force
July 2005	Council Adopts Guidelines Housing for Trust Fund
Summer 2005	CVCLT Starts Construction of 36 Barre St apartments
Fall 2005	HTF Members are panelists at 3 regional meetings sponsored by Housing Awareness Campaign
November 2005	“Markowitz Group Principles for Sabins Pasture,” presented to City Council
January 2006	Council awards \$52,000 in Housing Trust Funds to CVCLT for River Station Condominiums
2005 – 2006	Central Vermont Economic Collaborative focuses on affordable housing
February 2006	CVEC Sponsors Housing Conference
March 2006	Voters Reauthorize Housing Fund with Minor Changes
Spring 2006	City Implements One More Home Campaign: Promote Accessory Apartments in Montpelier
July 1, 2006	River Station Apartments Open: 36 New (Rental) Homes and state officials praise Montpelier’s housing initiatives at ribbon cutting
August 2006	Montpelier Receives Favorable Reviews for “small” idea TA article on One More Home Campaign,
Summer 2006	Construction Starts on 18 Condominiums on Barre Street
August 2006	Council Adopts Sabins Pasture Zoning; Accessory Apartments & Other Incentives for Affordable Housing
September 2006	City Reports interest in new accessory apartments from homeowners; researching other use of CDBG funds

Progress Report

Sabins Pasture/Zoning Ordinance – The Housing Task Force supported a zoning amendment which would conserve the upper portion of the parcel for public recreation and open space and supports zoning which will enable the development of substantial housing and mixed uses on the lower portion of the parcel, along Barre Street.

Housing Section of City’s Master Plan– A committee of the Task Force was formed, which based on the full Task Force’s brainstorming session, came up with the Goals Section of the Housing Section of the 2006 Master Plan. The committee has since determined the sections, data and graphs for inclusion in the Housing Section. The Task Force is currently undertaking the written portion of the Housing Section, which should be complete later this Fall.

Accessory Apartments - One More Home Campaign is a public campaign to promote the creation of accessory apartments, also known as “mother-in-law” apartments, in Montpelier’s existing housing stock. In essence this effort works to encourage housing density. Grant funding from the Vermont Smart Growth Collaborative awarded the City \$3,500 in funds for promotional efforts of the campaign. We worked with city staff on new accessory apartment language for the zoning ordinance and the Council approved it in August. The City received a Community Development Block Grant funding to provide incentives for homeowners to create an accessory unit. CDBG funds will create two incentives; an initial grant of up to \$1,500 to assist with feasibility expenses, such as architect and attorney fees; an additional grant of up to \$2,500 for professional fees to actually create the unit. Hopefully in 2 years at least 10 occupied accessory units will be added. Since the Council decided that these units must include sprinklers, it approved \$10,000 from the city’s revolving loan fund to help homeowners costs related to sprinklers. City staff is now researching whether CDBG funds can be used to reduce construction costs.

Education and Outreach – The Task Force has spent considerable time and energy educating Montpelier residents on the city’s proposed zoning and map amendments. Also, we are participating in a Central Vermont Economic Collaborative and Housing Partnership and, in Fall 2005 members of the Task Force were panelists at statewide forums in White River Junction, Rutland, St. Albans organized by the Housing Awareness Campaign. This Fall, the Task Force has been asked to present at the VHFA Statewide Housing Conference on November 13, 2006.

Montpelier Housing Trust Fund – raises funds by adding one cent to the property tax rate on every one hundred dollars of assessed value, to support the purchase, rehabilitation or development of homeownership opportunities in the City of Montpelier. The measure was passed on Town Meeting Day in 2005. In November 2005, a Request for Proposals was sent out and, in January 2006, the Council approved an application from the Central Vermont Community Land Trust (CVCLT) to subsidize three (3) new condominiums on Barre Street so that they can be purchased by households with incomes below 80% of the County’s median. In March 2006, Montpelier voters approved

additional funding for the Housing Trust Fund and adopted one new feature. Now, though homeownership remains the priority, HTF funds can be used to support affordable rental projects. Several Task Force members wrote “letters to the editor” to area papers to express the need for continued support of the Trust Fund and placed an ad in the Montpelier Bridge. We are extremely pleased the voters of Montpelier supported the Housing Trust Fund again in 2006. Over 60% of Montpelier voters supported the ballot measure, with 1305 voting yes and 842 voters voting no on the measure.

Now that the voters have approved this twice, the Task Force asks the City Manager and Council to consider including in the City Budget an annual appropriation of \$52,000 (about 1 cent on the tax rate) to the Montpelier Housing Trust Fund (without asking the voters to approve it as a separate ballot item in March 2007).

Apartment Registration and Inspection Program – At this point, there is no regular inspection program for residential rental units in Montpelier. The Housing Task Force supports mandatory registration of all rental units in Montpelier and a systematic inspection program of each of those units. In April of 2006 the city hired a deputy building inspector, which is funded by capturing revenue from inspections which would have otherwise been done by the State. We would like to talk to city staff about whether it is time for the City to adopt the approach used in Burlington and Barre which charges landlords an annual registration fee (much like motor vehicle registration) in order to operate a comprehensive rental housing inspection program. Or perhaps there is a meaningful alternative to a mandatory program.

So, the Task Force will work with housing advocates, landlords, tenants groups and city staff on determining whether Montpelier should adopt a systematic rental housing registration and systematic inspection program.

Continuing Projects and Ideas

Development Projects – The Montpelier Housing Task Force will explore the possibility of endorsing housing projects. The Task Force will research other organizations and communities with endorsement guidelines to examine existing models and criteria used to help determine what might make sense for the community of Montpelier.

Carr Lot – The Housing Task Force will continue to work with the City of Montpelier to examine feasibility of a residential component to the development of the Carr Lot.

Inventory of Real Estate – The Housing Task Force supports the collection of data providing an inventory of undeveloped property owned by public, nonprofit and private owners. The Task Force believes this data would be useful in determining where in Montpelier additional housing development would be feasible. Moreover, this inventory would allow for potential infill developable sites to be realized and may provide essential information for the endorsement criteria of housing development projects.

Inclusionary Zoning Proposal – We will examine the merits of an inclusionary zoning ordinance for the City of Montpelier based on the experience of other communities, such as Burlington and Williston. An inclusionary zoning ordinance requires a new development to include affordable housing units as a mix of uses in order to receive the incentive, which is often a density bonus, identified in the ordinance. Some inclusionary zoning ordinances allow developers, under certain compelling circumstances to build affordable homes, support another development that includes affordable units or make payments in lieu of affordable units to a housing trust fund.

Housing Replacement Ordinance – the Housing Task Force will explore the merits of including a Housing Replacement Ordinance in the City of Montpelier’s regulatory toolbox. The Task Force will explore existing ordinances and other resource materials. A housing replacement ordinance requires a developer who converts or demolition’s a residential unit to replace the unit within city limits.

Recruitment for Task Force – Every Fall, the Task Force celebrates the great work and energy of departing members and welcomes new members. Fortunately, we have a good list of potential new members and continue to have received administrative support from an AmeriCorps volunteer at the Central Vermont Community Land Trust.

New Projects

Homelessness – Central Vermont faces a growing problem with youth who are threatened with loss of housing, education and employment or are homeless. We may begin to work with the Youth Services Bureau and other groups whether the City can help with this issue.

Vermont Interfaith Action – This year, the Task Force will finally explore collaboration with the faith community on advocacy and support for affordable housing.

Development Goals and Objectives – As the Task Force continues to work on the Master Plan Housing Element, we will work with the community, council and city staff to consider annual production goals for housing including, but not limited to, affordable homeownership units, affordable rentals, transitional housing, and shelters. Though Montpelier needs to protect its existing housing stock, it may also be helpful to have specific units goals against which to measure our progress.

Publicly Owned Land and Buildings - Whether the City should suggest develop policy guidelines so that municipal and state employees will evaluate the use of land and buildings for housing before suggesting that buildings be razed to make land available for other public use (parking, open space).

History of Housing Task Force

The Montpelier Housing Task Force was organized in 1999 in order to (1) gather and evaluate information regarding housing trends in the City, (2) to develop responses to housing concerns that are identified, and (3) to recommend housing policies to City Government. The Task Force in the following Goal Statement further elaborated these basic purposes:

Montpelier is experiencing the loss of residential opportunities and the lack of safe, decent and affordable housing. We seek to preserve and enhance residential opportunities in Montpelier for households of all income levels. Working with community residents, City staff and elected officials, landlords, financial institutions and community organization we will (1) inventory existing housing stock and document changes in supply and demand in the city, keeping in mind that office and retail space is limited as well. (2) gain a better understanding of the complex issues affecting the quantity and quality of the city's housing. (3) recommend activities to increase housing in the city; (4) recommend strategies that protect against the loss of housing in the city; and (5) increase the public's participation in city housing issues.

Montpelier Housing Task Force Membership as of September 2006

Members:

	Term
1. Brian Abbott	Until August 2007
2. Rick DeAngelis	Until August 2007
3. Jim Libby (Chair)	Until August 2008
4. Jack McCullough (Chair)	Until August 2007
5. Polly Nichol	Until August 2008
6. Tom Golonka	City Council Appointee
7. Martin Hahn	Until August 2007
8. Robert Leuchs	Until August 2007
9. Jo Ann Troiano	Until August 2008
10. Sam Matthews	Tentative
11. Vacancy	
12. Vacancy	
13. Vacancy	
14. Vacancy	
15. Vacancy	

City Staff: George Seiffert

CVCLT AmeriCorps Volunteer: Patricia Rackas