

**TOWN OF NORTHFIELD, VERMONT
HOUSING TASK FORCE MEETING
Minutes of January 13, 2023 Meeting**

- I. ROLL CALL.** Town Manager Jeff Schulz, Economic Development Director Tom Davis, Committee Erin Hicks-Tibbles, and Committee Member Lydia Petty. Also in attendance were Mitch Osiecki (Northfield Zoning Administrator), Aaron Rhoades, Northfield Planning Commission Member, Carolyn Stevens, and guest presenter, Seth Leonard from the Vermont Housing Finance Agency.
- II. PUBLIC PARTICIPATION (Scheduled):** None.
- III. APPROVAL OF MINUTES.** The minutes from the previous meeting were approved.
- IV. GUEST PRESENTER: Seth Leonard, VHFA**

Mr. Leonard spoke to the group and took questions from participants. Here is a summary of his presentation.

Mr. Leonard said it was inspiring for people to see Northfield going through the process of creating a Housing Task Force and reminded the group that our work should be community-based and focus on Northfield’s needs. He explained the “Paradox of Vermont” - to maintain the Vermont we love; which in some ways means we are killing it. We restrain the future if we preserve it. Vermont was at one time marketed as a great place for a second home “come get your air there.” The concern of Vermont becoming overgrown shaped policy since 1976. We are seeing a new perspective now. Looking at bylaws, how can they be generally more welcoming to new people – Yimby’s have emerged in contrast to Nimbys. The goal now is to be clear and have a predictable timeline for Bylaws and simplicity to make the process easy to understand. New numbers regarding housing are coming out and will be much larger - VT can only fund a finite number of houses in the affordable range – we need investors. When making a plan - use data as a baseline. Grow the tent to include the needs of employers and economic development. Often the tent is not big enough.

Mr. Leonard showed multiple slides with information about the housing building process, beginning with how capital is deployed.

Capital Absorption & Who holds the keys



Making a Plan

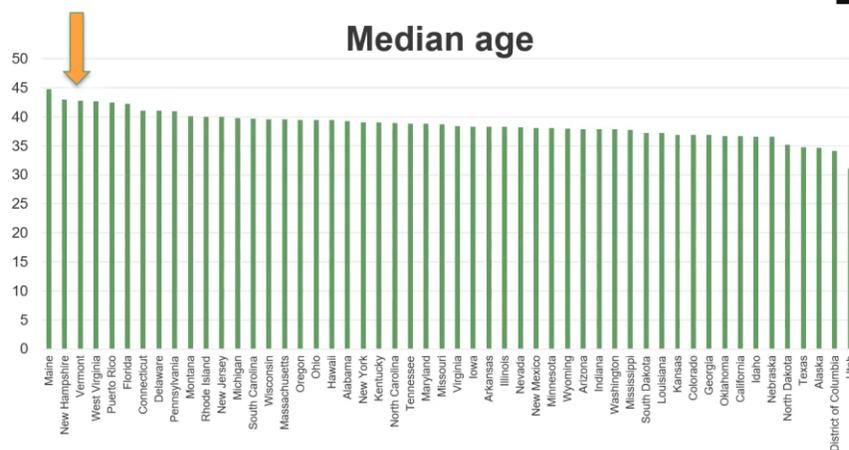
- ❖ Use data as a baseline – Know what you know, and work from there
- ❖ Grow the Tent: Include needs of employers/economic development

- ❖ Create a Vision that can be clearly communicated, and connected to specific policy initiatives

- ❖ Identify policy levers and action items

Vermont is the second-oldest state and second-whitest state with the second-oldest housing stock. Vermont has by far the largest average lot size of any state in the country. By 2036 the US will have more people over 65 than under the age of 18. The whole country will be fighting for the future workforce. By 2041 our country will be majority-minority somehow. We have to figure out ways to make Vermont communities open and accessible.

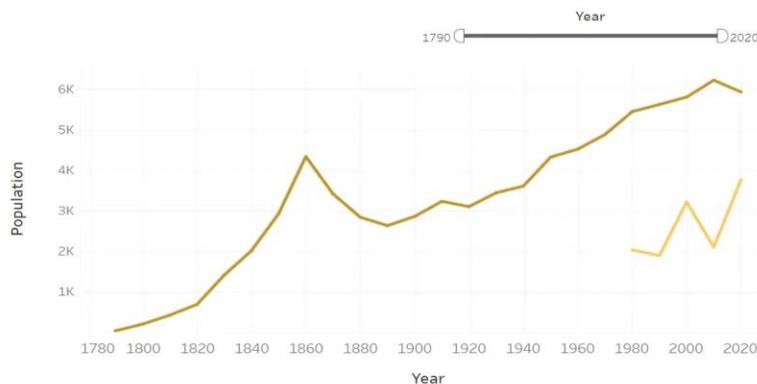
Vermonters today



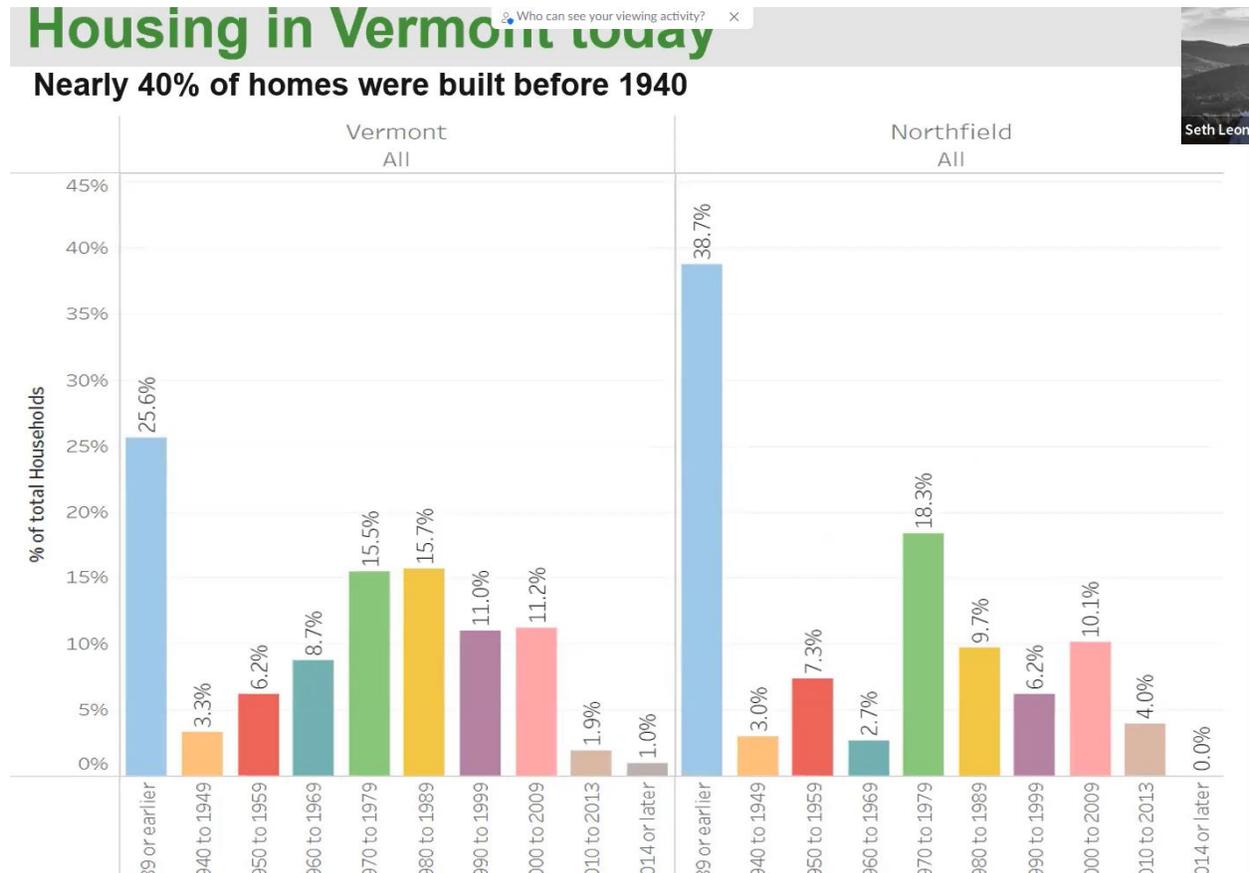
Between 2000-2010 Vermont was near stagnation.

Population & Housing

Population

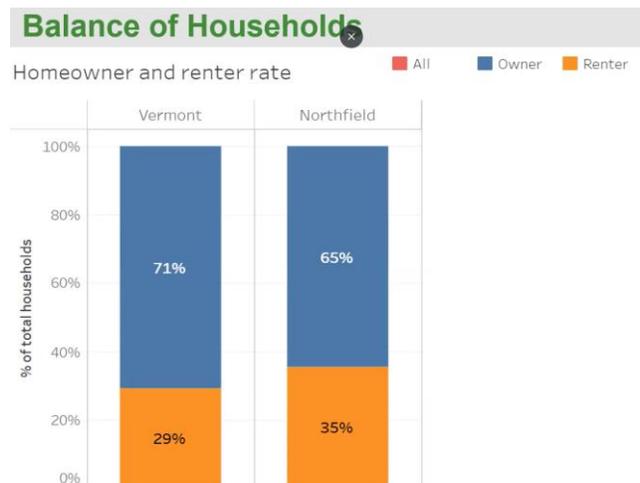


Our housing stock in Vermont is very old. There is no state in the country with more homes built pre-1939. Northfield is even higher – 38.7%.



Our housing stock growth in Northfield has been in the unhealthy range, from a sustainability perspective. If we built more homes we would have more people, which are needed in our labor force. Northfield's housing stock is worse than the state average.

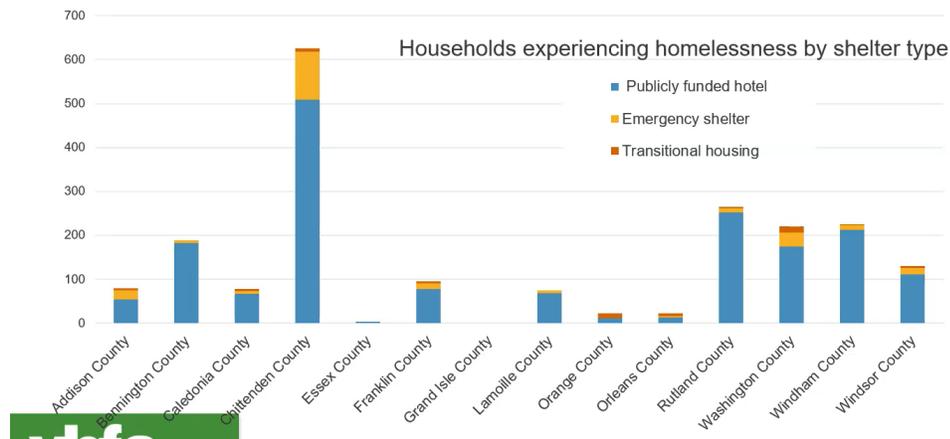
Northfield has a better homeowner-to-rental percentage than the state.



We don't have enough homes in this state. The number of unhoused in each county who are living in hotels could be transformed into rental assistance if there was more housing stock. We are using our hotels as a shelter system because there just aren't any units. Vermont could provide a voucher system to make renters whole if they would rent to this population, and there just as not enough unit out there and we can't build them fast enough.

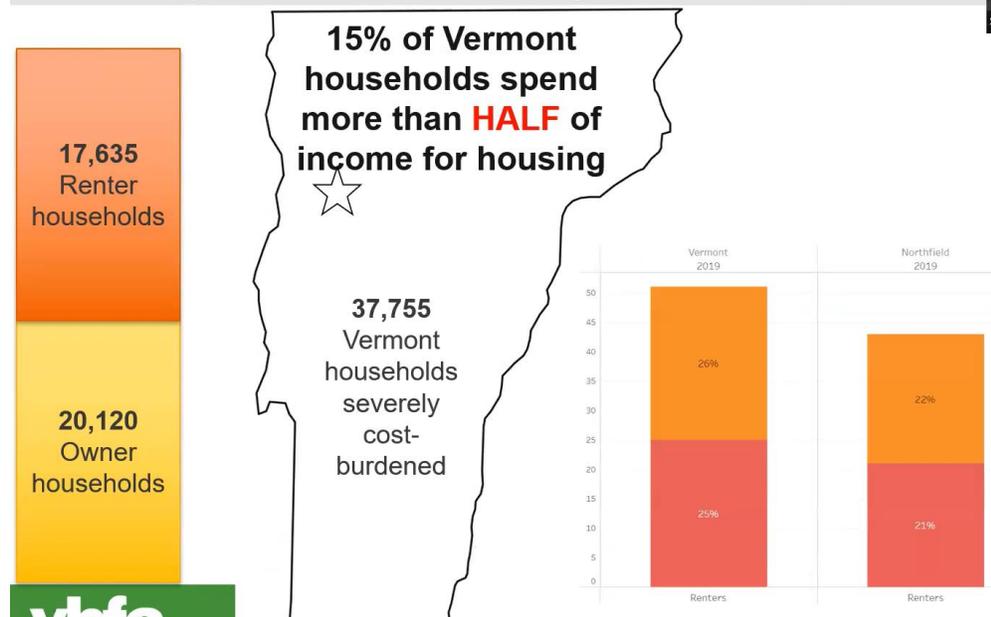
Housing in Vermont today

Increasing homelessness



Cost burden, as described in the following chart, shows Northfield a little better than the state average, but the need is great. If there are more fair market housing options, it protects against rent gouging.

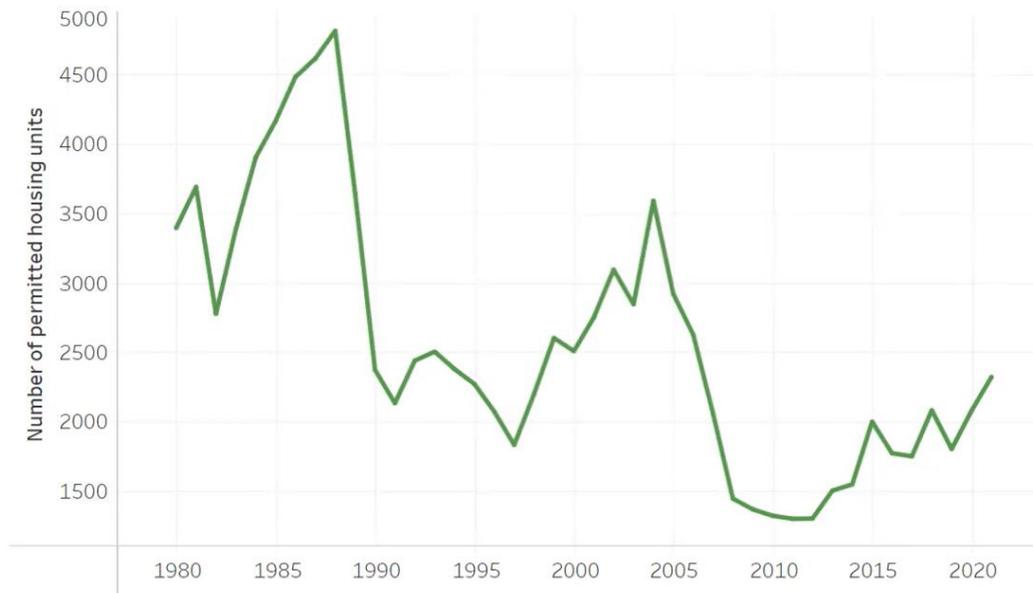
Housing in Vermont today: Cost Burden



The state is worried about the 2020 spike in housing construction, which has been fueled by federal spending, will not continue upward once those federal dollars are no longer being offered.

Housing in Vermont today

Home construction fails to keep pace with demand



The average rental price for a two-bedroom unit is about \$1,600 and the cost to build is running at \$309 per square foot. VHFA development costs for multi-family housing if you include the soft costs are up to \$418,000 per unit on the applications, we are looking at right now. We are very worried about what will happen in a post-pandemic world if the inflation pressures in the building industry don't relax, including materials and labor.

Some valuable tools:

Tools for Vermont towns



Mr. Leonard then discussed the next steps and tools for our task force.

<https://www.housingdata.org/toolbox/steps-for-municipalities/first-steps>

Opportunities & Next Steps



-  Land Use Regulations: Clarity of process and timelines
-  Opportunity Inventory: What are most likely parcels to be activated with access to the appropriate amenities
-  Be Infrastructure Ready: Clean/Drinking Water
-  Create Financial Incentive Programs: Revolving Loan Fund, Tax Packages, Early-Stage Cost sharing
-  Consider RFP Approach to Opportunities: engage directly with development community about your vision and goals

Mr. Davis asked if there was any movement to get Act 250 more streamlined and to be as responsive as other state agencies to ensure unnecessary delays. Mr. Leonard said that house rep Seth Bongartz is working to look at the barriers to development and growth in areas where it should take place, rather than following a state policy. It would look at where priority housing is essential and would not fall under Act 250 in those locations.

There is a different jurisdictional approach even in New Hampshire, while in Vermont someone with \$60 can hold up a development for a very long period of time.

Mr. Davis asked about what the state might do to get for-profit developers willing to consider affordable housing projects. Mr. Leonard said the structure for accessing affordable housing funding (about \$60 million annually) makes it specifically geared toward organizations that only do that type of work. VHFA is working on the missing middle housing needs where there have rarely been economic incentives.

Carolyn Stevens asked about the shared equity of the homeownership model. Mr. Leonard said the concept was created in Vermont and is used around the US. He said it was a strong program and worth considering. 30% of the new missing middle housing funding will go towards shared equity.

Ms. Petty noted the Northfield Town Plan and asked Mr. Leonard what the housing task force should benefit from in tools for community outreach, and zoning bylaws, learn what would work best for our community and how the task force could communicate best with the town's planning commission.

Mr. Rhoades added that the planning commission is working with a grant and a planner with a May deadline and wondered if there were model zoning regulations or best practices for streamlining zoning regulations in the interest of increasing housing.

Mr. Leonard asked if we are working on a needs analysis. Mr. Davis said the EDD and Housing Task Force were working on the needs analysis.

Mr. Leonard said that the analysis should start with data, the baseline, and understanding where you are at. The Housing Needs Analysis that is provided by Downstreet is a good starting point. He also said that it is right to include economic data in that analysis and think about jobs and employment and the experience of the employers in the community. Once you have that data, VHFA has some tools to look at it. Starting from a place of data is a really important part of the work. Think of the bylaws as fitting the vision of the needs of the town.

Mr. Rhoades noted that what he heard is that you start with your town plan, but now the housing task force makes me wonder if we have to look at their impact on the town plan. Is there is something we can do now in the current update to take our creaky old bylaws and make them as clear and painless as possible in the process the PC is going through?

Mr. Leonard said a state document called Zoning for Great Neighborhoods is a valuable tool. He pointed out that the process should not leave out administration, including how the process works regarding the bylaws.

Mr. Osiecki said that the sense he gets is that the PC is doing a lot of work to just revise and reorient the regulations to make them more readable and user-friendly, which is a huge first step. He also said he gets the sense that the PC has some trepidation about getting into the nitty-gritty of some of the regulations. He thinks in some situations, medium-density zoning areas in Northfield for instance, the PC is concerned that making changes to the zoning will be met with a lot of pushback from residents. He wonders if it is better to not address those parts and just get the documents in a form that is easier to read and understand, then engage in conversations about changes that challenge the current residents' idea of what their neighborhood should be.

Mr. Leonard said that Winooski started with a functional version and then addressed more complicated zoning issues over a six-year period.

Ms. Hicks-Tibbles asked if Winooski was a good example of a community to look at to inform the Northfield process.

Mr. Leonard said the code is form-based code so it may be different. It also went all-in on zoning density.

Ms. Petty asked if some of these conversations could take place using the Rural Development Council's upcoming visit to Northfield and how to start those conversations.

Mr. Leonard said it should be started with the understanding that the administration of the community will be more involved and residents will be giving up some say in the matter in order to ensure projects can move forward. Winooski had to lean on the regional planning commission.

V. DISCUSSION

Ms. Hicks-Tibbles asked if there was time in this meeting to discuss getting any task force financial needs into the town budget process. Mr. Schulz said that he felt that any of that type of funding would come from the town's ARPA funds, and there was still time to discuss that.

The group agreed all other discussions could be moved to the next meeting.

VI. ADJOURNMENT. The subcommittee was adjourned at 3:36 pm.

Respectfully submitted,

Thomas G. Davis

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Economic Development Director