

Memorandum

10/25/21

To: Housing Commissioners

From: Heather Carrington, Community and Economic Development Officer

RE: October Housing Commission Meeting

Housing Quality Discussion - Chief John Audy & Equity Director Yas Gordon

The Housing Commission work plan for this year calls for the Commission to "Evaluate housing quality in Winooski." Fire Chief and Director of Code Enforcement, John Audy, and Equity Director, Yas Gordon will be joining the Commission to kick off the discussion. Chief Audy will discuss some of the intersecting issues that impact the safety and health of rental housing in Winooski. Yas Gordon will discuss the city equity audit and the specific focus on housing equity.

As most of you are aware, Winooski's housing stock is significantly older than the rest of the County's housing. The median year of construction for housing in Winooski was 1951 versus 1978 for the County. 42% of Winooski homes were constructed prior to 1939. A one-page analysis of the data from the U.S. Census American Community Survey is included in your packet.

Older housing stock presents unique challenges ranging from the presence of lead paint to deteriorating structures. Housing construction safety standards continuously evolve over time. The City of Winooski has been fortunate to employ a proactive community risk reduction approach to maintaining health and safety in housing and commercial properties for many years. The City's public building ordinance requires rental and commercial properties to be annually registered with the City, and rentals in Winooski are inspected by staff on a 4-year rotating cycle.

While Winooski is far ahead of most Vermont communities in having a public building registry and regular inspection cycle, staff is also aware that more can be done to support our residents by ensuring the quality of all housing in Winooski. Chief Audy will share some of the gaps that he sees and further supports that may be needed.

Review Draft Memo for Planning Commission re: Zoning for Great Neighborhoods



At the August meeting, the Housing Commission discussed the possibility of making recommendations to the Planning Commission for changes to the residential zoning requirements to support development of additional housing in the city. The Commission prioritized moving forward with recommending changes for all residential districts, rather than incrementally addressing changes only to R-C zoning. Based on the Planning Commission timeline for considering zoning changes, the zoning discussion has been established as the immediate work item for the Housing Commission over the next few months.

The Housing Commission reviewed *Enabling Better Places: A Zoning Guide for Vermont Neighborhoods* at the September meeting. The publication covers 6 areas of potential reform to support housing production and affordability. The recommended areas for reform include:

1. Dimensional Standards
2. Parking
3. Allowable Uses
4. Street Standards
5. Accessory Dwelling Units
6. Development Review Process

As requested, staff has drafted a preliminary memo to the Planning Commission highlighting recommended topics of bylaw reform and areas where Winooski zoning already successfully integrates the principles contained in the document. The draft memo has been included in the Housing Commission materials for review and discussion.

Discuss Housing Trust Fund Potential Sources

The Housing Commission FY22 work plan calls for the Housing Commission to "Identify Potential Funding Streams for the Housing Trust Fund." The influx of federal funding from the American Recovery Plan Act (ARPA) creates a moment of opportunity to address housing needs both at a municipal and a statewide level. The City will be in receipt of ARPA funds totaling \$2,192,294.25, and has received half of the full disbursement equaling \$1,096,147 to-date. The remaining installment will be received next year. The Mayor and staff have begun outlining a proposed process to prioritize ARPA funding allocations which will include community feedback, Commission support and staff guidance. Each of the Winooski Commissions will be asked to provide feedback and recommendations in the coming months.



Based on the timeline for discussing ARPA funds, staff has prioritized a conversation about potential funding streams for the Housing Trust Fund. The following potential sources have been identified by staff:

1. **ARPA funds** – Eligibility for state ARPA funds for this use appears unlikely. However, a portion of the municipal ARPA funds could be allocated to the Housing Trust Fund. This would require the ARPA allocated funds to be fully spent out by 2026.
2. **Winooski Community Development budget reserves** – Staff has been incrementally building the Community Development budget reserves as a future resource for incentivizing and assisting high priority community and economic development projects. While a large portion of the reserves has been set aside for the development of the municipal garage construction at 17 Abenaki Way (\$200,000), an additional \$75,000 remains available in the reserve fund.
3. **Reallocation of a portion of the Winooski Small Business Loan Fund** – The Winooski Small Business Loan Fund has been a vital support for small businesses both before and more importantly during the COVID-19 business shutdowns. Zero interest emergency bridge loans were made to businesses to help keep them afloat during the first weeks and months of the pandemic. However, the fund has never come near to expending the full \$250,000 available. Currently, the fund holds an available balance of just over \$206,000. The loan program may be slightly overfunded for the community need. The Housing Commission could recommend that \$75,000 - \$100,000 should be reallocated to the Housing Trust Fund.
4. **An annual percentage of the TIF revenue** – Upon the successful completion and retirement of the TIF debt in FY 2025, the increased tax increment from new development in the TIF district that was previously used to pay off the debt will become part of the general fund revenue. Some of the revenue has been earmarked for the Main Street Revitalization project, some will be used to continue the Equity Director position at the end of the Working Communities Challenge grant funding, and a portion will be required to maintain the Community and Economic Development Officer, Communications Coordinator, and Planning and Zoning Manager positions which are all paid in part through the TIF payments to the WCDC note. However, even with those assumed expenses there will be additional revenue. A small percentage of the overall additional annual tax revenue could be allocated to grow the Housing Trust Fund. Even at a 3%-5% annual allocation, this could result in roughly \$25,000 - \$50,000 being added to the HTF annually.

Housing Goal Update for City Council - November 15th

Staff will review the Housing Priorities and Strategies reporting areas with the Housing Commission.

