

**NORWICH PLANNING COMMISSION
AFFORDABLE HOUSING SUBCOMMITTEE**

AGENDA

Monday, November 16, 2020, START TIME 6pm

Act 92 OML compliant Zoom meeting

Topic: Affordable Housing Subcommittee

Time: November 16, 2020 06:00 PM Eastern Time (US and Canada)

Join Zoom Meeting
<https://us02web.zoom.us/j/81242668798>
877 853 5257 US Toll-free
888 475 4499 US Toll-free

Meeting ID: 812 4266 8798

1. Approve Agenda
2. Comments from the Public
3. Approve Minutes – 10-19-20
4. Review of Publicly-Owned Land in Norwich
5. Discussion of potential op-ed
6. Other topical updates
 - a. Fundraising / Land
 - b. Education / Outreach
 - c. Policy
7. Announcements, Reports & Correspondence
8. Other Business
9. Comments from the Public

Enclosures:

1. 10-19-20 AH Draft Minutes
2. Draft Op-ed

Town of Norwich
Affordable Housing Sub-committee
Draft Minutes
October 19, 2020

Location: Act 92 compliant virtual Open Meeting via Zoom

Members Present: Jeff Lubell (Chair), Jeff Goodrich, Paul Manganiello, Brian Loeb, Kathleen Shepherd, Creigh Moffatt

Public Present: Doug Wilberding, Stuart Richards, Karen Wynkoop, Pamela Smith

Staff: Rod Francis

Meeting called to Order: 6:05pm

- 1) Approve Agenda: Manganiello moved and Shepherd seconded a motion to approve the agenda. Motion carried 5 – 0.
- 2) Comments from the Public: Wilberding identified town owned land near Gile Mountain that could be suitable for a duplex affordable housing project, which he would be willing to support financially and in-kind.
- 3) Approve Minutes of September 21, 2020: Manganiello moved and Shepherd seconded a motion to approve the minutes of September 21, 2020. Motion carried 4 – 0 – 1.
- 4) Review of Publicly-Owned Land in Norwich: Francis presented maps showing lands owned by the Town of Norwich and the Norwich Fire District. Members discussed attributes of various parcels and their potential suitability for affordable housing development.
- 5) Discussion of potential op-ed: members discussed the content of the op-ed intended for publication in *The Valley News*, the timing for publication, and whether it would be possible to have all members be signatories.
- 6) Announcements, Reports & Correspondence: None
- 7) Other Business: None
- 8) Comments from the Public: Wilberding asked that the maps and tables discussed in this meeting be made available.
- 9) Meeting Adjourned 7:07pm

Respectfully submitted,
Rod Francis

Draft Op-Ed

~~[NOTE: One option is to release this op-ed shortly after publication of the upcoming housing needs assessment from the Keys to the Valley regional housing initiative. We would of course adapt the piece to the final findings and recommendations in the report.]~~

Increasing Housing Options in Norwich

~~The recently published Keys to the Valley Report on Upper Valley Housing Needs confirms that the There is a severe shortage of housing in both Norwich (our town) and the broader -Upper Valley region. The shortage has important ramifications. In Norwich, the lack of affordable housing options makes it difficult for the children of residents or the people who work in Norwich to live here, complicates efforts of residents to age in their community, and reduces diversity along multiple dimensions. In the broader region, the overall shortage of housing leads to higher rents and home prices, which makes it difficult for businesses to attract workers, holding back the region's economic growth.~~

~~The lack of affordable housing options in Norwich and other centrally located communities also harms the environment and contributes to climate change. has a severe shortage of housing units, that is holding back the economic growth and vitality of our region by making it more difficult for families to move here and harder for long-time residents to stay in the place they love as their needs change. Study after study, including the recently published Keys to the Valley Report by Vital Communities, confirms this deficit. In Norwich, we know how important it is. As documented in the report, there is an important role to be played by all of the Upper Valley Communities in addressing this challenge as well as for collaborative action at the regional level for each community in the region to do their part. We want our neighbors to know that Norwich residents are motivated and working hard to make our region more accessible and dynamic.~~

~~While Norwich is only one of many Upper Valley communities, it's important for Norwich to do our part to address the regional housing shortage. Norwich is adjacent to two of the regional job centers – Hanover and Hartford – and a short commute from the third, Lebanon. Developing housing close to jobs and retail is one of the most important ways to reduce energy use and greenhouse gas emissions related to transportation, helping to address cClimate Cchange. Expanding the range of housing options in Norwich would also strengthen our community directly by giving existing residents more options to age in their community, providing housing options affordable to the adult children of residents and those who work in Norwich, and increasing the diversity of our community.~~

~~While we have a long way to go, we are trying to expand housing options in Norwich and do our part to We want our neighbors to know that Norwich residents are motivated and working hard to make our region more accessible and dynamic.~~

~~Because of the constraints of geography and infrastructure, it would be difficult for our town to develop enough new housing units to make up for the region's overall housing supply shortage, there cannot be large-scale shifts in the housing supply here, but that does not reduce the value of the contributions we can make.~~

A year ago, the Norwich Planning Commission approved the Norwich Housing Strategy as a blueprint for how Norwich will work to expand the diversity and affordability of housing within Norwich. The strategy was the culmination of many listening and learning sessions, as well as research by members of Norwich's Affordable Housing Subcommittee and discussion and debate at Subcommittee and Planning

Commission meetings. It was subsequently included as an Appendix to the Norwich Town Plan. The Strategy is designed to achieve three main objectives: (1) **Affordability** – Ensuring that people of all incomes can find quality housing they can afford in Norwich; (2) **Diversity** – Increasing the diversity of the housing stock so that it includes a range of housing types suitable for people of different incomes and backgrounds and at different stages of their life; and (3) **Environmental sustainability** – Reducing energy use and greenhouse gas emissions by increasing housing in areas served by public transit and with easy access to employment and retail centers, as well as through the use of green building materials and practices.

The strategy proposes to advance these objectives through four main approaches: (1) Encouraging the development of dedicated affordable housing; (2) Facilitating the development of lower-cost housing types; (3) Reducing barriers to the development of new housing; and (4) Expanding public understanding of housing issues. The Plan articulates three numerical goals for the 2020-2024 period: (1) Construct at least 10 Accessory Dwelling Units; (2) Construct at least 10 units of “missing middle” housing (duplexes, triplexes, etc.); and (3) Construct at least 25 units of dedicated affordable housing.

Some may argue that these goals are not ambitious enough in light of the extensive housing need identified by the regional needs assessment. This is a reasonable argument, but we have to start somewhere, and we wanted to articulate goals that were feasible and capable of broad support. A year into our plan, we have not made measurable progress toward our goals, so we need to redouble our efforts to make progress.

We call on Norwich residents and regional housing professionals to join us in these efforts! Here are three ways you can help Norwich achieve its housing goals: (a) read the Norwich Housing strategy and provide feedback on how to advance or improve the strategy; (b) if you are Norwich resident, consider donating land or funds to help support more affordable housing options in our community; (c) if you are a housing professional, look for options to build lower-cost housing in Norwich, including duplexes, triplexes, and other missing-middle housing as well as dedicated affordable housing.

To learn more, please visit the Norwich Affordable Housing Subcommittee page at <http://norwich.vt.us/affordable-housing/>. To provide feedback or explore ways to help, contact one of us by email: Jeff Lubell (jefflubell@yahoo.com), ~~or~~ Kathleen Shepherd ([add email]) ~~or~~ [Brian Loeb \(add email\)](#).

Thank you for incorporating my affordable housing suggestions of using Town donated land and the development of scattered site duplex and triplex units. These are concepts that I presented while running for Selectboard and when involved with Stuart Richards’s independent affordable housing initiative.

Because you are taking initiative, I am pledging \$5,000 as a matching loan for the construction of either a duplex or triplex in Norwich.

The conditions of this are:

1. Identify a Town owned parcel in the next 90 days
2. Engage and design a septic and well plan in the next 120 days
3. Obtain a septic and wastewater permit by June 1, 2021
4. Break ground by July 1, 2021
5. No general contractor can be used (avoid a 10% surcharge) but rather a committee of Norwich residents can oversee and project manage the construction
6. The project must a duplex or triplex
7. A Vermont based bank shall provide the construction loan, preferably VSECU.
8. My \$5,000 contribution shall be a zero interest loan which must be paid back at the sale of the first affordable unit (one of the duplex or tri-plex units)
9. No realtors can be used on the sale, merely listing the units on various local listservs (save 6%)
10. Raise at least \$5,000 from other sources.

Projected Construction Costs¹

Land	\$ -
Excavation	\$ 17,500.00
Septic design and permit	\$ 3,750.00
Septic installation	\$ 10,000.00
Well	\$ 5,000.00
Concrete	\$ 30,000.00
Design (Lavalleys - in house)	\$ -
Walls (LaValleys prefabricated)	\$ 45,000.00
Electric	\$ 17,500.00
Plumbing	\$ 22,500.00
Insulation	\$ 17,500.00
Drywall	\$ 20,000.00
Phone, Fiber, Cable installation	\$ 1,000.00
Painting (interior and exterior) either volunteers or with third parties	\$ 10,000.00
Roofing	\$ 12,500.00
Heating (Lyme Green Heat biomass)	\$ 25,000.00
Solar (offsite – one array to be shared by both units)	\$ 25,000.00
Appliances (total for 2 units)	\$ 10,000.00

¹ 2-3 bids for each sub-contractor, no member of a Town committee or Town employee can be engaged.

	Bathrooms (2 per unit) tile, fixtures etc..	\$ 25,000.00
	Flooring	\$ 10,000.00
	Landscaping	\$ 10,000.00
		\$ 317,250.00
0.05	Contingency	\$ 15,862.50
	Total hard and soft construction costs	\$ 333,112.50
2	Number of units (1,250 square feet each)	2,500
	Construction cost \$/psf	\$ 133.25
2	Sell to a low and moderate income (LMI) family at cost	\$ 166,556.25
10%	Downpayment required	\$ 16,655.63
	Mortgage (VSECU)	\$ 149,900.63
2.75%	Payment (30 year fixed)	(\$614.99)
2.00%	Real Estate Taxes (Norwich)	(\$277.59)
	Insurance	(\$500.00)
	Utilities	(\$200.00)
	Maintenance	(\$150.00)
	Monthly Expenses	(\$1,742.59)
	2020 Norwich VT Area Median Income (Source: FFIEC.gov)	\$ 144,702.00
	2020 MSA Area Median Income (Source: FFIEC.gov)	\$ 74,600.00
31%	Max Front End debt to income (DTI) (FHA)	\$ 1,927.17

Accordingly, these numbers equate to an "affordable" home in Norwich VT

I would like to see your committee act on your ideas and I believe that it is possible if you follow the aforementioned suggestions and roadmap. Costs must be contained by contributed land and labor and avoiding the fees associated with a general contractor and realtors. The key is building units that can be sold to LMI households for approximately \$175,000. It is almost entirely impossible to build for less than that given material and labor costs and this total per unit cost equates to an affordable housing cost per the area median income.

If you can adhere to the timeline above and the construction costs as well as general plan, I am will to provide seed capital in the form of a matching zero interest loan. These funds can thus be used to obtain a construction loan or for the upfront costs (eg septic plan and permitting)

Submitted October 19, 2020

Doug Wilberding
1329 Turnpike Road
Norwich, VT

Land	\$	-
Excavation	\$	17,500.00
Septic design and permit	\$	3,750.00
Septic installation	\$	10,000.00
Well	\$	5,000.00
Concrete	\$	30,000.00
Design (Lavalleys - in house)	\$	-
Walls (LaValleys prefabricated)	\$	45,000.00
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2.75% Payment (30 year fixed)		(\$614.99)
2.00% Real Estate Taxes (Norwich)		(\$277.59)
Insurance		(\$500.00)
Utilities		(\$200.00)
Maintenance		(\$150.00)
Monthly Expenses (all in monthly housing expenses)		(\$1,742.59)
2020 Norwich VT Area Median Income (Source: FFIEC.gov)	\$	144,702.00
2020 MSA Area Median Income (Source: FFIEC.gov)	\$	74,600.00
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