

Finance Committee

4/28/2022

**Topic: Housing Trust – CSJ study funding request
NewStory**

Members present: Davis, Etori, Savage, Talbott, Whitcomb

Others present: Mayor Allaire, President Doenges, Alderwomen Tadio, Treasurer Markowski, Brennan Duffy, Mary Cohen, Lyle Jepson, Tyler Richardson, Elisabeth Kulas, Kathleen Krevetski, Jennifer Yakunovich, Avaloy Lanning, Erron Hubbell, Gordon Drithchilo

Meeting called to order at 5:30pm.

The first item addressed was the Housing Trust's request for the funding of a feasibility study at the former College of St Joseph campus. Mary Cohen provided an overview of the request for funding, citing the importance of this first step in developing the former CSJ property. Brennan Duffy provided detail of work done previously regarding feasibility studies, and cited entities that had engaged with the former CSJ campus. Brennan and Mary highlighted that the purpose of requesting a consultant to conduct a feasibility study was to bring together multiple community stakeholders to identify the highest and best use of the property for the Rutland community.

Alderwoman Savage asked if Heritage Family Credit Union is the current owner of the property and if there was anything that prevented the sale of the property at any time. Brennan expressed that site control was an issue of consideration. Brennan relayed that HFCU indicated they had a fiduciary responsibility to sell the property. Brennan explained that the property is not currently listed and that Heritage Family Credit Union has expressed interest in helping the community determine the properties best use. Brennan relayed that Heritage Family Credit Union was not willing to invest money toward the consultant and study at this time. Brennan shared that if a potential buyer for the property emerged it was very possible that Heritage would sell the property.

Brennan shared with the committee why he believed a feasibility study would provide a positive return on investment. Lyle Jepson spoke to the importance of housing as it relates to larger community businesses attracting new employees. Mary also reiterated the importance of housing at the location and the intention to work together with local business partners.

Alderwoman Savage inquired what the scope of the Heartland study entailed. Brennan explained that the study largely focused on senior housing. The committee discussed the importance and focus of the market rate housing in the city and the developments impact on the grand list.

Brennan stated to the committee that the specific request of the committee is to authorize an amount not to exceed \$30,000 dollars to go toward a feasibility study.

Mayor Allaire shared that his concern in not taking action was that it has been a significant period of time that has passed without any development. Alderman Whitcomb asked that if we did not proceed with a feasibility study at this time what certainly did we have that the property would immediately sell.

Mary and Brennan both expressed that if placed on the market it could sell and it may not be purchased by an individual or group that develops the property in a way that benefits the city.

Alderwoman Davis expressed her support and sees the goal as the development of this property in conjunction with identified community efforts.

Alderman Talbott inquired what the end goal of the feasibility study is. Brennan explained that the goal is for the feasibility study to spur investment from local investors and that the investments would help meet the identified community needs. Alderwoman Davis expressed that she feels more comfortable knowing that there has been interest expressed from local developers.

Elizabeth Kulas shared that other areas of the state have planners employed by the municipality who would traditionally engage in this work, something that Rutland does not maintain. Elizabeth explained that there is a precedent set in the State of Vermont for municipal planners to engage in feasibility studies for properties that are privately owned.

Alderman Etori disclosed that he has worked with an interested party to the former CSJ location but does not maintain a financial stake. Alderman Etori expressed his thoughts relative to the former CSJ location, citing the need to develop but asked if this was a property better served through the natural forces of the free market. Alderman Etori expressed his interest in a city wide feasibility study rather than a study focused on solely the former CSJ location.

Alderwoman Davis made a motion to authorize an amount not to exceed \$30,000 from the fund formerly known as ARPA to go toward a feasibility study for a masterplan identifying the highest and best use of the former CSJ property and to be managed by the Housing Trust. Motion passed 5-0

The next item on the agenda was the NewStory Center. Avaloy Lanning provided an overview of NewStory, including the services they provide, and provided background on their request for funds. Avaloy explained that funding would go toward the development of six additional housing units for woman and children in need of emergency housing. Avaloy explained that the project would help avoid housing individuals and families in motels and would allow for improved wrap around services.

Alderwoman Davis inquired what the total cost of the project would be. Avaoloy shared that the total cost of the project is just over 1 million dollars. Avaoly explained that they secured 750,000 in funding to date. Avaloy discussed that NewStory is preparing to begin a capital campaign where they will be reaching out to multiple community partners and entities.

Elizabeth Kulas provider an overview of the planning, permitting, and development process.

Mayor Allaire shared with the committee his admiration and support of NewStory and the positive work that the engage in.

Alderman Doenges inquired as to the utilization of the capital fund campaign and if it would go toward operating costs beyond the need for this specific process. Avaloy confirmed that any amount that exceeded the cost of the current project would go toward additional needs of NewStory.

A motion was made by Alderwoman Savage to authorize \$100,000 from the fund formally known as ARPA to be allocated to the NewStory housing project. The motion passed 5-0.

Meeting adjourned at 6:38pm.