

Town of Woodstock  
Select Board Special Meeting  
May 23, 2023  
3:00 pm  
Town Hall & Zoom  
Agenda

- A. Call to order
- B. Additions to & deletions from posted agenda
- C. Citizen Comments
- D. Old business
  - 1. Review of EDC decision on housing projects
- E. Other business
- F. Adjournment

This Meeting will be held in person at Town Hall and on Zoom

The link to join us is

<https://us02web.zoom.us/j/84782406503?pwd=UXAzWnJxaEE0MzJaMIBKeHJPUjB6QT09>

or from [zoom.us](https://zoom.us) you can enter these details to join the meeting

Meeting ID: 847-8240-6503

Password: 247624

You can also download the Zoom app on your smartphone

To: Selectboard Members

From: Jon Spector

Date: May 11, 2023

RE: Changes to the EDC Rental Incentive Program

The EDC housing programs have been working as intended – to date we have helped fund the creation of 10 new units of workforce housing in Woodstock by providing incentives to build ADUs, create new rental units or convert short-term rentals to long-term rentals. We expect to be able to support additional units beyond these 10 with the funding that has already been approved.

Based on market feedback the EDC is recommending some modest changes to our program to provide incentives for people to introduce a new long-term rental for workforce housing. The three changes recommended are to:

1. allow 6-month leases for seasonal employees (currently the shortest lease allowed is one year)
2. base our incentive amounts primarily on the number of Woodstock employees being housed (currently the incentives are based on the number of bedrooms rented)
3. allow incentives for rental units in neighboring towns, as long as the housing is provided to employees who work in Woodstock (currently the rental unit must be based in Woodstock)

The following several pages describe the changes in greater detail.

Recalling prior concerns with childcare grants going to organizations outside of Woodstock, we felt it was important to review this recommendation with the Selectboard even though it involves changes to EDC policy rather than a recommendation for funding. Like the childcare decision, we debated this issue and agreed that Woodstock would be the beneficiary since the program only provides incentives to house Woodstock-based employees. Given the lower cost of housing in neighboring towns, we hope this change will increase the number of rental units coming on the market to house members of the local (i.e. Woodstock) workforce.

## Rental Incentive Program - 2023 Enhancements

Our objective is to improve the success rate of the initial 2022 program with changes to the eligible property location, lease length, occupancy criteria and incentive rates.

### 2023 ENHANCEMENTS - To increase participation and address feedback received:

1. **Location:** The property must be located in Woodstock, Barnard, Bridgewater, Pomfret, Reading or Hartland. For a property located in Barnard, Bridgewater, Pomfret, Reading or Hartland a local worker **must work in Woodstock**. Previously we only offered the rental incentive to homes in Woodstock. Many workers rent in surrounding towns and work here.
2. **Lease Length:** Allow 6 month lease period to make the program more attractive to short term rental owners and second home owners. Previously we only offered this for leases of one or two years. This change addresses the need for seasonal, short term rentals requested by employers.
3. **Occupancy:** In an effort to maximize the rental space available, the more **Qualified Tenant** occupants per housing unit, the more grant funds are available. Of the occupants, at least one must be a **Qualified Tenant**. In addition, there is an extra incentive that recognizes the positive economic impact of more residents, \$200 per additional non qualified tenant. Previously we offered more grant funds based on the number of bedrooms. The Additional Non Qualified Tenants is a suggestion to maximize rental space available and addresses economic development with increased residency.

**Incentive Rates:** The number of **Qualified Tenants** and number of Occupants housed will determine the grant amount.

| Qualified Tenant Occupancy  | Rental Unit*               | 6 MONTH Lease | 1-YEAR Lease | 2-YEAR Lease | Per Additional Non Qualified Tenant(s)** |
|-----------------------------|----------------------------|---------------|--------------|--------------|--|
| 1 Qualified Tenant          | Studio, 1, 2 or 3+ Bedroom | \$1,000       | \$2,500      | \$6,000      | \$200                                    |
| 2 Qualified Tenants         | Studio, 1, 2 or 3+ Bedroom | \$1,500       | \$3,500      | \$8,000      | \$200                                    |
| 3 Qualified Tenants         | 2, 3+ Bedroom              | \$1,750       | \$4,000      | \$9,000      | \$200                                    |
| 4 or more Qualified Tenants | 2, 3+ Bedroom              | \$2,000       | \$4,500      | \$10,000     | \$200                                    |

\*If an existing Tenant with Landlord approval, subleases a bedroom rental to a Qualified Tenant, they may be eligible for the following grants: 6 months rental \$500, 1 year rental \$1,000 or 2 year rental \$2,000

\*\*If Owner rents to a non qualified tenant in addition to a Qualified Tenant, they are eligible for an additional grant of \$200 per tenant.

### FINANCIAL DIFFERENCES:

**2022 Program** - Maximum amount of grant is \$7000

**2023 Program** - Maximum amount of grant is \$10,000 plus \$200 for each non qualified tenant in addition to the Qualified Tenant



# Rental Incentive Program

A limited number of grants of up to **\$10,000** are available if you are willing to rent a unit that is currently a short-term rental, or an unused unit for a long-term rental lease. The number of Occupants and number of Qualified Tenants housed will determine the grant amount. You must agree to rent to a minimum of one local worker for 6 months - 2 years at a maximum monthly rent. Applicants must meet all eligibility requirements.

## Location

The property must be located in Woodstock, Barnard, Bridgewater, Pomfret, Reading or Hartland.

## Payment Timing

EDC will issue 100% of the award payment to Owner after the 1st day of an executed 6 month or one year lease and confirmation of Qualified Tenant(s). For a two-year lease, 50% after initial execution of the lease and 50% at the beginning of the 2nd year lease, both after confirmation of Qualified Tenant(s).

## Occupancy

In an effort to maximize the rental space available, the more Qualified Tenant occupants per housing unit, the more grant funds are available. Of the occupants, at least one must be a Qualified Tenant. In addition, there is an extra incentive that recognizes the positive economic impact of more residents, \$200 per additional non Qualified Tenant.

**Figure A: Incentive Rates**

| Qualified Tenant Occupancy | Rental Unit*               | 6-Month Lease | 1-Year Lease | 2-Year Lease | Per Additional Non Qualified Tenant** |
|----------------------------|----------------------------|---------------|--------------|--------------|---------------------------------------|
| 1 Qualified Tenant         | Studio, 1, 2 or 3+ Bedroom | \$1,000       | \$2,500      | \$6,000      | \$200                                 |
| 2 Qualified Tenant         | Studio, 1, 2 or 3+ Bedroom | \$1,500       | \$3,500      | \$8,000      | \$200                                 |
| 3 Qualified Tenants        | 2,3+ Bedroom               | \$1,750       | \$4,000      | \$9,000      | \$200                                 |
| 4 + Qualified Tenants      | 2, 3+ Bedroom              | \$2,000       | \$4,500      | \$10,000     | \$200                                 |

\*If an existing Tenant with Landlord approval, subleases a **bedroom** rental to a Qualified Tenant, they may be eligible for the following grants: 6 months rental \$500, 1 year rental \$1,000 or 2 year rental \$2,000

\*\*If Owner rents to a non qualified tenant in addition to a Qualified Tenant, they are eligible for an additional grant of \$200 per tenant.

## Contact

### Woodstock Housing Advisor

[www.woodstock-vermont.com/housing](http://www.woodstock-vermont.com/housing)  
[WoodstockHousingAdvisor@gmail.com](mailto:WoodstockHousingAdvisor@gmail.com)  
802-297-7563

## Sponsored By



## Eligibility Criteria

### General

- The property must be current with mortgage, taxes and insurance
- The property cannot be on the market for sale
- The Owner must sign and follow EDC Full Terms and Conditions
- Owner must provide a copy of the signed lease agreement prior to EDC releasing the award payment
- A Qualified Tenant rental lease must be in place within **3 months** of signed agreement with the EDC or the agreement is void
- Only the current Owner will qualify for any payments. If the Owner sells the property during the agreed term, the grant funds must be repaid to EDC

## Agreement Terms

- Applicants must commit to rent the unit on a **long-term basis at reasonable rental rates** for a long-term basis to **Qualified Tenants**
- **Long-term basis** is defined as a lease term of at least 6 months
- **Reasonable rental rates** are defined as monthly rents not exceeding \$1,000 for a studio unit, \$1,500 for a one-bedroom unit and \$2,500 for a multi-bedroom unit. Utilities are not included
- **Qualified Tenant (Local Worker)** is defined as follows:
  - A Person who claims the address as their primary residency and continuously occupies the Property as their Principal Place of Residence
  - A Person who works, or will work, an average of 25 hours or more per week at a business, organization or public or private entity located in the **Qualified Area**
  - The employer/business must serve the Woodstock Community, hold a valid and current business license, or pay sales taxes, or is otherwise generally recognized as a legitimate business
  - To ensure Qualified Tenants, the Owner must provide proof of employment via pay stub, W2 or equivalent. The document should include their employer's name, address, and telephone number
- **Qualified Area** is determined by the rental location:
  - For a property located in Woodstock, a local worker must work in Woodstock, Barnard, Bridgewater, Pomfret, Reading or Hartland
  - For a property located in Barnard, Bridgewater, Pomfret, Reading or Hartland a local worker must work in Woodstock
- Owner must complete a W-9 tax form to receive grant payments. The Town of Woodstock will send Owner a 1099
- Housing Advisor will conduct lease checks with the Owner every 6 months throughout the rental period requiring proof that the lease is active and in compliance
- Leases must comply with all local, state, and federal fair housing guidelines
- Owner is responsible for tenant selection and background checks. We advise Owner to ensure tenants have a good-standing rental history and provide at least two rental references from the prior 36 months
- All units must have a dedicated kitchen, bedroom area, and bathroom that meet the requirements of federal, state and local law pertaining to rental housing, including, without limitation, relevant provisions of the Vermont Rental Housing Health Code and the Woodstock Zoning Regulations. A building in which people rent accommodations constitutes a "public building" under 20 V.S.A. §2730(a)(1)(D) (<https://legislature.vermont.gov/statutes/section/20/173/02730>) and is subject to the authority of the State of Vermont Division of Fire Safety or its designee
- If Owner does not comply with Agreement Terms, EDC will work with the Owner to rectify the situation. EDC reserves the right to revoke and recover any payments if Owner is non-compliant at any stage. Repayment within 2 months is expected
- Consent requested for the EDC Housing Working Group's use of Owner/Tenant participation in this program on the EDC website, listserv, VT Standard, or other platforms to promote the program