TOWN OF CHESTER
HOUSING COMMISSION
March 17, 2026, Minutes

Commission Members Present: Joe Karl, Sharon Baker, Hugh Quinn, Caroline Morgan, Preston Bristow, and Bryan Santiago (arrived late) at Town Hall; Jason Rasmussen by Zoom.

Visitors Present: Laren Fierman and Peter Hudkins at Town Hall.

Call to Order

Joe Karl called the meeting to order at a little after 6:00 p.m.

Agenda Item 1, Reorganization of Commission (elect officers)

Hugh nominated Joe Karl as Chair. Joe noted that Jerry Ucci had approached him about wanting to sit on the board and he had expected he would be at the meeting but wasn't. Joe accepted the nomination and asked for a vote. The motion carried, unanimously.

Joe asked for nominations for Vice Chair. Preston noted that because Lauren was now a Select Board member, she could not remain on the board. Lauren responded by saying that's why she wasn't sitting at the table with the members. Joe nominated Caroline Morgan and Caroline did not accept. Joe nominated Bryan Santiago as Vice Chair. Sharon seconded the motion. The motion carried, unanimously.

Joe asked how many members were on the board total and Preston replied that part of reorganization was knowing how many members they have to be sure to have a quorum. Preston said he had 6: Joe, Caroline, Hugh, Bryan, Jason, and Lauren, which was now vacant. Sharon reminded Preston she was there. Preston said they are a 7 member board with a vacancy. Courtlandt Pennell is an alternate and if he is interested in becoming a member, he would need to inform the Select Board so they could consider appointing him. Preston clarified that when an alternate is present and a member is not, they can vote. If everyone is present, the alternate cannot vote. Preston said they can suggest people step forward to the board for appointment to the vacancy. Hugh suggested to those present that if they were aware of someone who would be a good fit, to ask them and if they're interested, to let Julie know. Joe will email all members letting them know.

Bryan arrived and accepted the position of Vice Chair. He noted that he teaches a class until 6 pm and was why he was late. Preston said Julie had been ill and that is why she was not in attendance.

Agenda Item 2, Approve Minutes from the Previous Meeting (February 17, 2026)

Joe entertained a motion; Hugh moved and Caroline seconded a motion to approve the minutes from the last meeting. The minutes were approved, as written.

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Agenda Item 3, Citizen Comments

Lauren said it had been a pleasure to serve on the Housing Commission and would attend meetings when she could but would miss being there. Bryan congratulated her and Sharon thanked her for her thoughtful comments when she was on the board.

Joe said it sometimes felt like they weren't going anywhere but they were but they were baby steps and that they were ahead of many other towns.

Agenda Item 4, Local Options Tax Defeat - next steps

Joe apologized and said he should have seen the defeat as a possibility but had not been prepared. He said it took three attempts for a nearby town, so they would try again. Preston said the League of Cities and Towns said 13 municipalities approved local option taxes this year so the total in Vermont was 50. Preston said he also didn't see it coming. Joe wanted to speak with businesses where they have local options about whether it has affected their bottom line and get testimonials. Joe noted people wouldn't drive out of their way to go to another town to make a purchase to save 5 or 10 cents. Lauren said if that were the case, they would have seen an influx of business from Ludlow and Springfield who both have the tax. The others agreed. Preston didn't know what the next steps were but they are receiving around $24,000 annually from short-term rentals and the informal signal from the Select Board was to ask them for the things the commission needs beyond the $24,000. Preston said some who attended the meeting felt it would be fairer to impose a property tax. Hugh said everyone felt housing was needed but didn't want it funded by the local options tax. Hugh said they should find other options whether it was a line item in the budget that affects property taxes or something else. They couldn't rely on getting the local options tax passed eventually. Peter Hudkins said they had the Cyprus Mineral Funds available and Economic Development Funds which were around $200,000 and $300,000. Currently, the funds are just sitting. Joe thought it would pass but they only get one shot per year. Caroline said it was close. Preston said it could be put on a Special Meeting Agenda and that some people suggested an Australian Ballot, but that could postpone it for two years. Bryan said from the people he spoke with, it wasn't, necessarily, the money but feeling taxed to death, groceries being high, and gas prices rising. Joe was told that Ludlow raises almost $660,000 annually from local options. Caroline agreed. Preston noted they include sales and that Jackson Gore and other things contribute to that income. Caroline said meals out are a luxury and if things are tight, it's not something that's necessary. Some people are just against taxes. Lauren thought it would be good for people to hear that if the options tax wasn't approved, only people in Chester will pay for it rather than tourists, too. Lauren said some people were upset that a portion was going to the state. Joe said by switching to a ballot, people don't have to indicate publicly how they're voting. Sharon had heard a lot of people say more taxes weren't needed but were upset the state would get a portion. Preston said some of the 25% of the state's portion of a local option tax covers administering it and some is in lieu of taxes for state-owned properties. There is enough money left over that the state is considering returning some back to towns to help with their highways. Bryan asked if second homeowners pay less in taxes. Hugh said the non-residential tax rate used to be higher but this year it's either even or flipped a little. It is all driven by the education tax rate established by the state. Preston said it all had to do with whether they declared a homestead. Joe agreed in some cases, second homeowners don't but when they're making below $115,000, they can file a homestead and pay less taxes. Preston said

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a fair number of people get rebates. In terms of next steps, Preston said Julie's message was not to worry because the Select Board is committed to see housing go forward and they'll figure out a way to pay for things they need. Joe suggested breaking it down to local options tax versus someone's tax bill to see the difference for a line item. Preston said one issue is the state can't provide the data because Chester is small enough that it's too proprietary and that's why they were estimating $60,000 but really didn't know for sure. Preston knew Woodstock received $250-$300,000 and Ludlow received $600,000 but was tied to the level of economic activity. Preston hoped Chester would receive more than $60,000 and added that they chose not to include retail sales. Bryan wondered if they could tax second homeowners differently. Preston said Chester couldn't but there had been discussion with the legislature about doing that. There has been argument for both sides. Joe wondered about the revenue from increased transfer tax, which had gone from 1.45 to 3.62 percent but people continue to pay it. Hugh and Preston were not sure where the money went and weren't aware of a pot of money. Jason said a lot of it went to Vermont Housing, some to regional planning commissions, some to municipal planning grants, and something else he couldn't recall. A lot of it helped pay for housing related things. After listening to Jason, Preston recalled some went to the Vermont Housing and Conservation Board, a grant making entity, and Jason agreed. Jason said there was a bill that would increase municipal planning grant funding for the next two years to help towns do more housing planning, if it passed. Preston said that's where they were. Hugh said there was legislation in the pipeline to overhaul the tax system from town-based to more of a region or district-based and create new property classifications. One of the classifications would single out homeowners from non-second homeowners and, if approved, would create a mechanism to distinguish second homes.

Agenda Item 5, M & S Development - Housing Vision and Services Proposal

Preston said they received a proposal which the members had seen. Preston and Julie thought the deliverables weren't clear and it was $35,000. If there was a guaranteed income stream, they could justify it but now that they have to justify it to the Select Board, they would go back to them and ask for more specific deliverables or samples. Hugh said M & S had already engaged with a dozen towns so they would ask them to provide Chester with a copy of what they gave those towns so they would know if it had enough detail to do any good. Peter said if they talked about project management, that was what they were after. Hugh's gut was it would be the same amount of money whether or not the project moved forward, but maybe that was possible. Peter said usually it is a percentage of the overall contract. Preston said during their phone interview with M & S, they had suggestions for different housing options, senior housing being one of them. Hugh mentioned one of the scenarios was a senior selling their house and being able to live off the interest from investing the proceeds of the sale. Preston said his modest home in Woodstock costs him almost $1,000 per month in taxes in addition to utilities, so the thought of $2,000 monthly in rent was not outrageous. Preston said someone like Cathy Hasbrouck has land and her heart is in subsidized housing. Sharon said selling a house for $400,000 was wonderful but it wasn't for first-time home buyers but rather someone who was buying a second home or upsizing, eliminating first-time buyers. Preston agreed and said they needed senior housing and first-time home buyer housing. Hugh said if someone moved out of their starter home and bought the $500,000 house, the starter home would be available and was how it worked in the past. The goal was to make it affordable for people to start out but they are still trying to figure out how. Caroline thought a successful project whether senior or affordable would be great and the others

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agreed. Caroline also pointed out that available senior housing may prompt senior homeowners to sell their property because they'd have a place to go. Preston agreed and could relate. Sharon spoke with a local agent who within the last year and a half had sold two older women's homes for a lot of money, which they were thrilled about, but they were unable to find anything in Chester and had to put everything in storage and leave town. The only thing they could find was a short-term rental for $5,000 a month which was not an option. Joe wondered if there were any programs that helped turn a house sold at market value to become affordable housing. Preston said the Vermont Housing Conservation Board, when set up, did farm land conservation and housing and when he worked for the Vermont Land Trust, they were their biggest go-to for protected farms. Preston would find out what the Conservation Board did with housing now. Caroline mentioned dividing bigger homes into multiple units and recalled that someone up north was doing that. Preston said Item 7 was the VHIP program which pays to renovate units and they would discuss it then.

Agenda Item 6, Market Study Quotes - update

Julie had hoped they would make a decision at this meeting. Preston said the study was required to obtain funding and the approved appraiser list has shrunk to five and only one had provided a quote. The quote was $8,000, so if the commission approved it, Julie would ask the Select Board for it. Jason said the firm provided a similar study for the West Windsor Housing Group and it was helpful, didn't cost a lot, and they got some good data. Jason said it was very much worth doing. Jason thought West Windsor paid $6,000 but wasn't sure why. Hugh clarified it would be site specific at the water tower site and Preston agreed and said the studies must be site specific. Preston said if Cathy came forward or the Allard property came forward, they could probably pay the appraiser a small fee for those properties. Joe said they should verify that it would be an extra fee to massage the data. Preston was planning to request a contract if they moved forward and would verify it with the appraiser. Sharon asked if the market study was for sales, rentals, or in general for the site and Jason thought it was in general. Jason moved to recommend they move forward and Hugh seconded the motion. Preston noted his email said it would be affordable under the LICT program. The motion carried, unanimously. Preston said they had money in their short-term rental fund.

Agenda Item 7, VHIP Grant application period to open soon

Preston included it because it's a nice program that can pay up to $50,000 to renovate properties for ADUs and mentioned that Sue Bailey used it to convert her garage and Joanne Erenhouse of the Stone Village used one for an apartment in her house. The program had been on hold but the date will come up and Preston said the grant may open up and be prepared. Cathy Hasbrouck may want to do it and Thom Simmons on Popple Dungeon may do it and Tim Crosby. Preston said they should let people know if they're interested in doing it. Hugh said it's brokered on the Windham & Windsor Housing Trust's page, 118 projects in Windsor county under the first generation of the program so it generates interest. If you have an old broken down rental property, you can use the funds to fix it up. It can be used for ADUs and Hugh thought it also could be used for new construction, as long as you don't mind the restrictions, which are 5 or 10 years. Preston said both Joanne Erenhouse and Sue Bailey were pleased with the program and thought they both believed in the goals. They were able to get the work done and it worked out

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fairly well. Preston said in 5 or 10 years they had the ability to rent it at market rate. Caroline thought there was more money available if it was ADA accessible. Preston said, originally, the legislature tried to make them exempt from the Division of Fire Safety but the Division of Fire Safety didn't go for that. Peter noted they were able to do short-term rentals for under 8. Preston said in Sue Bailey's case, they only inspected the garage because the apartment was there but in Joanne Erenhouse's case, they inspected the whole house and she had to make some modifications but nothing big. It gets expensive when there isn't enough egress. Joe said single-family homes can self-certify up to 8 and if you meet all the requirements of the Department of Fire Safety, they may allow 10 and currently will not go over that without a sprinkler. The same house can be turned into a duplex with 8 on each side but once it's a triplex, they require sprinklers. Preston said sometimes they require sheetrock for duplexes and if you don't know in advance, it's a surprise. Preston said he and Hugh need to make people aware they will have to meet DFS' requirements if they're going to apply for the program. The members were encouraged to get the word out about the program being available.

Agenda Item 8, New Business/Next Agenda (April 21, 2026)

Joe said a piece of land caught his eye and mentioned a 12-acre parcel on Coach Road behind Erskine's. Joe said it was in the NDA and the minimum lot size was ⅕ of an acre. Peter said it was a good piece and the sewer and water were there. Joe thought they could put a tiny town there. Peter agreed but said to be careful of the lower part by the railroad track where a huge herd of deer live. Joe said they could get 58 units and Peter agreed. Joe said it was for sale for around $170 something. Tier 1B would apply and it was 50 units or less on 10 acres or less. Peter said he had been on the parcel and he and Cathy Hasbrouck had walked it. Preston said it had a fantastic view so he suspected someone wealthy would be interested. The driveway was steep, but it was something to consider. Joe said it was more plausible than the sand pit. Tom Williams is the current owner. Peter said there are $200,000 in the mineral funds to buy the property and develop it for the town. Peter noted he wasn't a member of the commission. Joe said even if they got 24 units, it would help and Peter added they didn't want to start big. Joe wondered if they wanted to make a motion to buy it with the mineral funds and Peter noted it wasn't on the agenda. Peter said they could have an emergency meeting but they needed to tell the Select Board how they wanted to ask for money. Joe wondered if they should present to the Select Board at their next meeting and Peter said they would need to have another meeting and put it on the agenda and move forward from there. Preston said they could call a special meeting with 2 days' notice and shoot for the April 1st Select Board meeting. Joe asked for a vote to hold a pre-meeting on March 24th of the commission to discuss this matter and they voted in favor of doing so. Hugh wondered if they should make a pitch to the Select Board for the land where the house burned down but it was noted that it wasn't as big and would have less units and there was the possibility that formaldehyde had been dumped there when it was a funeral home. Hugh, Preston, or Julie would speak with Tom Williams about the property. Joe noted it had just come on the market. They will plan on the special meeting unless after conversations, it becomes moot.

Agenda Item 9, Adjourn

Hugh moved and Sharon seconded a motion to adjourn. The motion carried and the meeting was adjourned at approximately 7:00 p.m.

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