TOWN OF CHESTER
HOUSING COMMISSION
May 19, 2026, Minutes

Commission Members Present: Joe Karl, Sharon Baker, Hugh Quinn, Preston Bristow, Julie Hance, Jason Rasmussen, Caroline Morgan and at Town Hall.

Visitors Present: Peter Hudkins at Town Hall; and Paul Simon and Scott Graves of SM Graves via Zoom.

Call to Order

Joe Karl called the meeting to order at approximately 6:00 p.m.

Agenda Item 1, Approve Minutes from the Previous Meeting (April 21, 2026)

Joe entertained a motion; Hugh moved and Sharon seconded a motion to approve the minutes from the last meeting. The minutes were approved, as written. Joe noted he wasn't at the last meeting and thanked them for attending.

Agenda Item 2, Citizen Comments

There were none.

Agenda Item 3, Zoom discussion with Scott Graves of SM Graves Associates and Paul Simon of Park Architecture

Preston said the Housing Commission had been in progress for two and a half years. They were for affordable housing, had expanded their NDA district, identified four properties, and commissioned marketing studies and appraisals. They got a proposal from M&S Development in Brattleboro. Workforce housing or missing middle housing was also a concern. Most of the Vermont projects Paul is working on are workforce housing. Paul's background was as a landscape architect and had owned a company, Park Architecture in Hanover, New Hampshire, which was acquired by Boman in July of last year. Paul works for many municipalities throughout Vermont and is working on one of the largest workforce housing projects in Vermont: Severance Park, which is in Colchester. It will have between 500 and 700 units. They applied for CHIP; the program will include $2 billion with $200 million annually toward housing projects in the state. In Hanover, they are working with Twin Pines, some projects in Hartford, and a project in Woodstock, Vermont. He has worked with Down Street Housing in Barre and Berlin and currently with Marsh House in Waterbury and Morningside House in Brattleboro. In Colchester, he is in conversations with Cathedral Square about an affordable housing project. Paul understands zoning regulations and developing projects to meet criteria. When Berlin wanted to develop a new town center, he helped write the code and design a plan. Paul does everything except architecture. Paul has learned a lot from the Vermont Futures Project, including Vermont being the second worst state in terms of affordability. In order to bridge the gap, they need to focus on missing middle housing and what they can do to supply more housing. Paul expected more demand for affordable housing. Preston noted that Windham & Windsor Housing Trust had

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asked him to write a letter and testify before VHIP on their qualified application plan. They are favoring bigger projects and lower income levels. They are struggling for how to get missing middle housing. Scott said there was no silver bullet and a fight worth getting involved in and making it their lives work, which they have been doing. There is a market for missing middle housing. Because they're dealing with multiple factors: social, financial, building environment, and policy related, the response has to be intelligent and multi-faceted. Their proposal in Dorset involved looking at the incremental ways to make various forms of middle market housing more feasible. Scott doesn't come to housing from a traditional background but was heavily involved in economic development, specifically in building accelerator programs and the venture capital funding for programs in rural places. When they did Dorset, they considered how to get affordability incrementally in a variety of different ways. One way is by adding a wider spectrum of housing by type, such as a single-family home, town home, duplex or triplex, which allows for a really attractive neighborhood and different levels of affordability. Creating an environment where people can build equity in their household over time and amenities offered was something to consider. Scott saw an opportunity to build places that are attractive to all age groups and create multi-generational areas to promote interaction among generations. Joe noted Chester's amenities would be laundry, a playground, and parking. Joe wondered what the different levels of housing were and how to implement deed restrictions to keep properties affordable long-term. Scott said they opted not to have deed restrictions in Dorset but had left the option open to the town. Paul said they designed a mix of types of housing, previously mentioned, and made them market rate affordable. They try to provide an opportunity that is market-driven while making it affordable. Paul recommended considering the CHIP funding program, which Chester would need to apply for. If the project meets a 60% minimum that includes affordable housing, they get an extra 10% towards the increment that can go within that 20 years back towards the infrastructure needed to support it. Parking areas, drives, utilities, and underground can be supported by the CHIP program, which helps developers bring down costs. Scott said for multi-family rentals, they provide equity points for the future purchase of a home, which could cover a portion of their downpayment. This also enables them to retain clients who then buy in. With values skyrocketing, they can never get the 20% downpayment and this would help them reduce the amount necessary. Scott said they would likely partner with a regional trust to steward multi-family homes. It would provide an opportunity to write a long-term agreement for the developers and the community around a common set of goals. Joe had never heard of equity points and thought that was awesome and wondered how many were based on income level. Joe noted their concern for someone buying it as a second home and wondered how to prevent that. Scott didn't want to build property that was a deterrent to a community and new businesses opening; he struggles between that and telling people they can't have short-term rentals. In Dorset, they struggled with designing some of the housing to provide an opportunity for short-term rentals and a second revenue without the entire set of townhouses becoming short-term rentals. Scott admitted he didn't have all the answers but thought the more they impose rules on places or people, people either find a way around them or they don't get the results they want. Paul suggested in the short-term, they could partner with a non-profit housing entity. The median housing price in Hanover is $1.2 million. Paul thought the solution was building homes, adding significantly to the housing stock in Vermont. In the past, municipalities were heavily involved in building infrastructure that developers tapped into and over time, the infrastructure burden was placed on the developer. Paul said they need to work together with municipalities and was excited about CHIP, which understood that. Paul talked with a business owner in Hanover who has 20 to 30 workers and none of them live locally. There is a desire to live and work in the same community and everyone needs to work to make that possible. They

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need to look at different funding mechanisms and CHIP is one of them. As developers, they have to find solutions and there are ones around the state working to address the issues. Paul has been affected personally, as he was laid off the same week as the Lehman Brothers crash and was underwater with his house, as a result, so he appreciates the need for housing. Vermont is the second worst state in terms of affordability and many can no longer afford to live in Vermont communities so they need to work together to solve that. Scott is familiar with Chester but wasn't sure what they wanted because they hadn't discussed it. When they design a place and want to encourage people to move there, they have to take their needs into consideration. They want to encourage better behavior but not dictate what they do with their property. Julie wondered when their firm gets brought into the conversation. She said Chester has a large parcel, they've had a feasibility study done, and have some basic conceptual plans and are looking at CHIP and related policy that the Select Board will likely adopt this summer. Julie wondered what their next steps were and when a firm, like theirs, was brought in. Scott said it was different for everyone and because they were trying to do things a little more novel and for them, a little earlier is preferred. They try to bring a lot of interesting things to the table but don't want the town to tell them exactly what they want to build and the number of units. Scott noted no two circumstances are the same and by the time they get to an RFP, it's 2 to 3 years old and with costs constantly changing, it's difficult to tell what the next two years are going to look like, let alone 10 years. Scott said in the past, homes and towns grew incrementally, which stopped in the mid-20th century when everything was built at once. Building resiliency into a neighborhood or development was important. Joe said they've been looking bigger but there are some projects in town where they could start smaller. Joe, who had been selling real estate for 25 years, thought covenants or deed restrictions were necessary, or someone would buy it as a second home. Joe asked them to define middle-income housing and how to address their issues regarding second homes. Scott said every community was different and it may be possible that a restriction is necessary because the second home market is so intense in Chester. Scott added that Vermont isn't the same in all places and could be the best mechanism to deal with it. For middle-income housing, Scott said they've used VHFAs and had housing that was 85% AMI for a family of four, which he thought, currently, meant it had to be sold for no higher than $525,000. When they've had space, they've put in multi-family apartments, which involves changing the exterior environment and trimming costs, which took more planning. Paul suggested Chester look at other model examples for deed-restricted housing. Some covenants require an incremental approach with deed restrictions, repurchase options, and rights of first refusal. Dartmouth College has built housing using those options. Hugh said the majority of residents in Chester didn't have jobs that would allow them to buy a $400,000 house because of their income, which was the issue in southern Vermont. To afford 100% AMI in Rutland County, a household needs to make $140,000, which is $4,000 more than Dorchester, Massachusetts. The average median income for a household of four in Rutland County is $64,000. Scott said the issue with housing isn't just that it's expensive but that people stopped getting income increases about 50 years ago. People don't make enough money to buy houses. Scott said a tech accelerator, like Startup Rutland, may not work in Chester, but finding programs that are doing good work and make it easy for people in Chester to interact with them. Scott said people need time and money to thrive. Any serious conversation about housing includes economic development. Paul mentioned the 802 Homes program and he is doing a project in Hartford, which is a test pilot town for the program and the developer is excited about being part of it and using CHIP. Jim Dubie has been putting the whole program together for 802 Homes. Chris Cochran with the State of Vermont and Jim Dubie were talking about modular housing companies putting the kits together and a price tag. Paul saw it as a wonderful opportunity to collaborate. Cottage court housing was another

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project they worked on in Lebanon. Paul was advocating for collaboration, even over state lines, to create affordable housing. Paul saw it as a wave of change in Vermont that needed to happen and focused on a higher number of housing and over time, addressed all the issues about moderate income. Scott noted they were using modular housing for a lot of the Dorset project because it wasn't necessarily cheaper but was quicker to market. Housing was economic development due to all the jobs needed to create it, including designers, builders, and the trades. The cost per square foot was usually between $300 and $400 per square foot and the further south, it became more expensive. Jason wondered how they could encourage developers and help meet the price point and wondered what they needed to do to make Scott and Paul and people like them interested in a project in Chester. Paul wanted to know how many lots in Chester the town controlled because they took them for unpaid taxes. Julie said there were a handful. Scott said most of the housing they need is on those lots and suggested reinvigorating existing lots. Scott suggested starting with lots on water and sewer. In Rutland, there are over 220 lots: some empty and some with abandoned homes that were taken by tax title. Other residential lots that were taken not for taxes, but under the purview of the city by other means, were at least doubled that amount. In Rutland, Scott thought they should give it to developers for nothing with the condition of developing them immediately to create tax revenue. Caroline wondered if they would be interested in a project that was small or the renovation of an existing house and Scott said they would and were trying to do it in Rutland and noted he wasn't the traditional developer. Rutland County has 1,314 abandoned homes in a county of 60,000 people. Scott thought 1,100 or 1,200 were homeless. Paul said they were attracted to Dorset because the town went through their own engineering study that was basic and rudimentary and they had septic but noted Chester has municipal sewer. Paul said a feasibility study can be incorporated into an RFP that goes out to people like them allowing them to expand on it and put a proposal together. Paul suggested looking to the Community Development Block Grants or VHFA to see what may be available. Jason wondered if the RFP helped, because Chester has neighborhood development area designations, so there is no Act 250, they have town water and sewer, and have done some feasibility work. Julie thought maybe they didn't need a consultant. Scott's opinion was to consider non-traditional routes and question whether they were building things to generate tax revenue. Scott thought they shouldn't offer tax breaks because they weren't sustainable. Paul said what Chester had was great because it was encouraging mixed uses to provide opportunities for not only housing, but other employers. Paul thought it was great they had that designation. If there was a way to do a build-out analysis to attract someone like them, it was making a package and an idea. Paul mentioned Newtown Center in Berlin that he had worked on and the zoning administrator took the plan and was able to get $60,000 in an Alternative Transportation Grant and then, working with another program through Bernie Sanders, was able to get a million dollars to build it. Paul said design was a process and suggested hiring a consultant and focusing on their build-out capacity. Julie said their presentation was extremely helpful. Preston said he may be back in touch with them. Scott and Paul were happy to speak with them again and visit their sites and asked them to stay in touch. Jason suggested getting back to them with their list for their input. Peter said it wasn't that hard to bring the Canal Street site online and the river corridor setback worked and it wasn't actually in the river corridor, only a small section was. Julie said they could make the argument that they've had two major events and it didn't flood. Julie said the map showed half the property was in the river corridor. Peter noted his map was from ANR. Preston said they'll allow infill for properties surrounded by development in the river corridor and this one was. Preston added they would also allow infill if there are reasons the river won't meander and there had been two major events. ANR is supposed to take over the river corridor at some point, but they say they don't

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have the staff to do so. Peter's question was whether the ANR map was accurate. Preston said they had used the tax map and the ANR Atlas.

Agenda Item 4, Board / Staff task updates

Preston mentioned the Holt Fund in Grafton who will give money to Grafton and towns that touch Grafton, such as Chester, and they need to submit an application by July 7th and would find out what a built-out analysis looks like. Julie liked the concept of having it be fluid. Gary Rapanotti was interested in helping and would know what was needed. Jason said they could figure out how many units to put on the Canal Street property. Julie thought they were going to focus on Canal Street for senior housing and Preston said it was a good fit because it was downtown. Peter agreed but said they needed the mix. Preston said seniors were quiet. Caroline noted there was already senior housing in town and was concerned about the size of the project near the high school and found it appealing to just get it done. They hadn't talked with Cathy Hasbrouck because they didn't have all the information yet.

Windham & Windsor Housing Trust's primary mover was the federal tax credits, which were slow and expensive. Preston and some other towns wrote letters, at WWHT's request because the Vermont Housing and Finance Agency is changing their qualification criteria and looking for bigger projects with less income mix and want to serve low-income as part of their criteria. Preston testified on Monday by Zoom, along with a few other towns, and following their testimony there was a public discussion. They discussed that there is a default rate of 17% for 25 to 50 units because people who get into the projects can't finish, so they don't want to do those projects any longer. For WWHT, that has been their stock and trade. Peter wondered if WWHT had that failure rate and Preston wasn't sure. Julie thought WWHT was successful because they were very specific about their projects and had looked at all of Chester's sites but were only interested in a few because they're very specific. Preston came away thinking they wouldn't be dealing with the federal tax credits.

Preston said the appraisals and market studies came in on Friday. The appraisal for the Allard property was $585,000 and sent to Dennis. The two market studies said based on the analysis provided in this study, it would appear that there is adequate demand to support the development of housing units. That was what they wanted and what was needed. It also included that the high cost to develop the necessary infrastructure would be a major limitation to any future development on this site, but they already knew that. Julie noted they needed to decide if their next step was to talk with Dufresne Group about costs for preliminary engineering of the road and septic.

They talked about focusing on smaller projects. Carol had visited Preferred Building Systems and discussed their options. Joe was given a price of $330,000 to $350,000 and Joe said it used to be $230,000. Caroline said options were the appeal. Preston's friend bought a garage from Jamaica Cottage Shop and noted they have high end kits that can be converted to year-round residences but they were small. Caroline said her home is from Coventry Log Homes and they bought the kit and had it modified.

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Agenda Item 5, New Business/Next Agenda (June 16, 2026)

- Flood maps.
- Vacant lots and the lots the town owns, which Sharon noted was interesting.
- Holt Fund application; Preston would send the members information; Peter added that he had good connections with them, as he had worked with someone.
- Joe said part of the problem why younger people can't afford homes is they're out buying cappuccinos every day and $60,000 cars. Joe wanted to know if the Housing Committee wanted to get some PDFs to drop off to explain to kids they could either rent and that's where they'll be 10 years down the road from saving. Julie said her nephew and his wife just bought a $270,000 house in Rutland and he busted his butt, sacrificed, and saved, so it could be done. Caroline saw the issue as young people realizing they could never afford a $450,000 house and many were coming out of college with ridiculous debt. Joe thought 10% of kids may want to stay in town but most want to leave. Peter said at his 50th class reunion, there were only 3 who still lived in town. Julie said it was part of the broader conversation. Jason noted the younger people leave because there's nothing to do and come back when they have a family to raise them locally.

Agenda Item 6, Adjourn

Hugh moved and Caroline seconded a motion to adjourn. The motion carried and the meeting was adjourned at approximately 7:45 p.m.

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