

Accessory Dwelling Unit Workforce Pilot Rental Program to Increase Woodstock's Housing Units

Project Overview

Faced with the rental housing shortage in an increasingly competitive housing and vacation rental market, the EDC Housing Working Group is working to expand housing supply for the local workforce to grow our local economy. This program is designed to increase the appeal of creating an Accessory Dwelling Unit (ADU) as a reasonably priced, year-round rental home for the local workforce. This is a pilot program based on successful results achieved in another town.

The Accessory Dwelling Unit Workforce Rental Pilot Program will offer grants of up to \$10,000 to those property owners creating an ADU prepared to commit to a long term lease at a reasonable rent, for a period of 3 years, and rent to families and individuals using the unit as their primary residence.

In the 2022 Pilot Program, Woodstock EDC will issue up to three grants.
Participants and the EDC will create a legal agreement to ensure participant compliance.

This program would be supported by the Housing Advisor whose funding is requested in the grant application Housing Advisor to Support Increasing Woodstock's housing units.

Grant Request

\$33,000

Total Project Budget

\$33,000

Applicant Information

Name of Applicant / Organization / Business

EDC Housing Working Group

Mailing Address

Town Hall, The Green, Woodstock, VT 05091

Name of Project Coordinator

Jill Davies

Contact's Email Address

Telephone

802 291 3695

Organization's Website URL

EIN

03-6003791

Applicant / Organizational Description

The purpose of the Economic Development Commission (EDC) is to plan and implement sustainable economic development in Woodstock, to:

- Increase the number of visitors who are most likely to develop connections to the area and contribute to the economy
- Grow and diversify the resident population to enrich the community and the quality of life.

To plan & implement sustainable economic development in Woodstock, the EDC undertakes the following activities:

- Encouraging and helping existing and new businesses prosper, creating more job opportunities, becoming more environmentally conscious,
- Making this a livable and welcoming community for a diverse, multi-generational population,
- Promoting a welcoming, sustainable Woodstock area,
- Improving and making the best use of land, buildings and other physical infrastructure, and
- Developing tools to promote a sustainable economy.

If you are applying on behalf of an organization, what is your total organizational budget?

\$300,000

Project Information

Detailed Project Description

The program will offer grants of up to \$10,000 to those property owners creating an ADU prepared to commit to a long term lease at a reasonable rent, for a period of 3 years, and rent to families and individuals using the unit as their primary residence.

The detailed process and legal agreement will be drawn up with a lawyer once the grant is awarded. The principles of the program are:

- To qualify property owner must agree to
 - a monthly rent not exceed \$1,000 for a studio unit, \$1,500 for a one-bedroom unit and \$1,000 rent per bedroom for a multi-bedroom unit
 - rent unit on a long term lease of at least one year for a period of 3 years
 - rent to families and individuals using the unit as their primary residence
 - prioritize residents who will work at least 30 hours a week in the Greater Woodstock Area.
- The home must be a legally permitted unit in Woodstock, VT.
- The property must be current with mortgage, taxes and insurance and not on the market for sale.
- Qualifying ADU participants are eligible for \$5,000 reimbursement of pre-construction costs e.g., working with a designer, obtaining permits.
- A further \$5,000 is available as construction begins.
- Grant provided by Woodstock Economic Development Commission to property owners
- The property owner must sign and follow the Woodstock EDC Full Terms and Conditions. If the agreed conditions are not met the grant must be repaid immediately.
- Funding is limited and priority will be given on a first come first served basis of eligible property owners. The number of grants will be limited by the funds available.
- Property owner is responsible for tenant selection and background checks. We advise property owners to ensure tenants have a good-standing rental history and provide at least one reference of rental from the

previous 36 months.

- The property owner must provide a copy of the signed lease agreement to Woodstock EDC and are subject to compliance checks of the executed lease agreement, e.g., proof that the lease is active and in good standing from both the property owner and the tenants. - The Woodstock EDC reserves the right to revoke and recover any payments if an owner is non-compliant at any stage.
- To receive the full incentive the property 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 30 V.S.A. §2730(a)(1)(D) and is subject to the authority of the State of Vermont Division of Fire Safety or its designee.
- When complete, ADU must be included on Town rental registry.

Project Timeline

The project timing will align with the recruitment and work of the Housing Advisor

Step 1 (April - June): Create the legal agreement, process and promotional materials

Step 2 (July): Promote and request applications

Step 3 (August): Review and approve applications

Step 4: Continue to work with, monitor grant recipients

The timing may be earlier if the right candidate is found sooner.

Project Champion

The EDC Housing Working Group is the project Champion. A group of volunteers including: Greg Olmstead; Jill Davies; Jon Spector; Sally Miller; Sarah Stadler and Deborah Greene; and the Planning and Zoning administrator, Neal Leitner; have worked diligently the past 8 months to research what programs have been successful in other communities and to create inspiration and support for people interested in creating ADUs. The motivation for the team is a desire to create more housing units in Woodstock so people who work in Woodstock can live in Woodstock.

Project Budget Narrative

Grant funds will be spent on

- Legal fees to create a standard contract between the EDC and the property owner
- Accessory Dwelling Unit Workforce Rental Pilot Program grants

The EDC funding is the only funding source for this project.

Project Budget - Itemized

Income Category	Total	Applicant	EDC	Other	In-Kind
Grant Funds	\$33,000		\$33,000		

Expense Category	Total	Applicant	EDC	Other	In-Kind
ADU Workforce Rental Pilot Program Grants	\$30,000		\$30,000		
Legal Fees	\$3,000		\$3,000		

What will success look like?

The goal is to create long term lease units occupied by local employees paying reasonable rents.

The number of grants given and leases maintained for the incentive period will measure success.

A grant of \$30,000 has the potential to create three housing units.

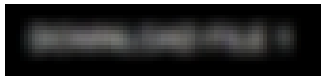
Community support for this project

The EDC Housing Working Group conducted a survey and held two worksessions for property owners interested in creating an ADU. More than 27 people attended the two worksessions. 27 attendees are interested in creating an ADU. The majority of attendees were in the exploratory phase and are interested in assistance with the exploratory and feasibility stages and then navigating their way through the permitting process.

The program copies successful programs run by the Mad River Housing Coalition and by Montpelier City among others.

Community support for this project

The program will only use EDC funding and will not expand beyond the funds granted. Future funding will be requested from the EDC if the program is successful.



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