

# CITY OF ESSEX JUNCTION CITY COUNCIL REGULAR MEETING AGENDA

Online & 2 Lincoln St. Essex Junction, VT 05452 Wednesday, February 28, 2024

6:30 PM

E-mail: <u>admin@essexjunction.org</u> www.essexjunction.org Phone: (802) 878-6944

This meeting will be in-person at 2 Lincoln Street and available remotely. Options to watch or join the meeting remotely:

- WATCH: the meeting will be live streamed on Town Meeting TV
- JOIN ONLINE: Join Zoom Meeting
- JOIN CALLING: (toll free audio only): (888) 788-0099 | Meeting ID: 944 6429 7825; Passcode: 635787

1. <u>CALL TO ORDER</u> [6:30 PM]

## 2. AGENDA ADDITIONS/CHANGES

#### 3. APPROVE AGENDA

#### 4. PUBLIC TO BE HEARD

- a. Comments from Public
- b. Public Hearing on FY25 Proposed General Fund Operating and Capital Budgets

#### 5. **BUSINESS ITEMS**

- a. Discussion and consideration of Grant Application for Library Roof and Entry
- b. Discussion and Consideration of the Rental Registry and Inspection Program
- c. Discussion and Consideration of the FY25 General Fund Operating and Capital Budgets
- d. Discussion and Consideration of Warning for Annual Meeting
- e. \*Discussion and Consideration of an Executive Session to discuss Contracts

#### 6. **CONSENT ITEMS**

- a. Approve Meeting Minutes: February 14, 2024
- b. Truck Bid Memo

#### 7. COUNCIL MEMBER COMMENTS & CITY MANAGER REPORT

#### 8. **READING FILE**

- a. Check Warrant #24036 2/23/24, #24037 2/23/24
- b. FY23 Fund Balance Assignments
- c. GMP Tree Trimming Letter
- d. DRB Minutes 2/15/24
- e. PCAB Minutes 12/19/23 & 1/23/24
- f. Tri Town Sewer Minutes 2/15/24

#### 9. **EXECUTIVE SESSION**

a. \*An Executive Session may be needed to discuss Contracts

### 10. ADJOURN

Members of the public are encouraged to speak during the Public to Be Heard agenda item, during a Public Hearing, or, when recognized by the President, during consideration of a specific agenda item. The public will not be permitted to participate when a motion is being discussed except when specifically requested by the President. Regarding zoom participants, if individuals interrupt, they will be muted; and if they interrupt a second time they will be removed. This agenda is available in alternative formats upon request. Meetings of the City Council, like all programs and activities of the City of Essex Junction, are accessible to people with disabilities. For information on accessibility or this agenda, call the City Manager's office at 802-878-6944 TTY: 7-1-1 or (800) 253-0191.

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# CITY OF ESSEX JUNCTION CITY COUNCIL MEETING MINUTES WEDNESDAY FEBRUARY 28, 2024

**COUNCILORS PRESENT:** Raj Chawla, President; Amber Thibeault, Vice-President; Andrew Brown; Marcus Certa; Elaine Haney

**ADMINISTRATION and STAFF:** Regina Mahony, City Manager; Chris Gaboriault, Fire Chief; Jess Morris, Finance Director; Harlan Smith, Buildings Manager/EJRP Grounds & Facilities Manager; Chris Yuen, Community Development Director

OTHERS PRESENT: Nicholas Betcher, Deb Bilodeau, Anne Borchers, Alexis Brown, Rolanda Corrow, Cora Delucia, Dannah Dvora, Steve Eustis, Anthony Freddy, Brett Gaskill, John Giroux, Patrick Giroux, Brett Grabowski, Bassen Hariri, Shaun Handy, David Harrington, Carlton Houghton, Lisa Johnson, Joan Klonsky, Ted Llamos, Charles Lancaster, Jane Lancaster, Edward Lee-Thomas, Bridget Meyer, Tim Miller, Daryl Montague, Paula Morin, Karen Murray, Sindy Roppe, Miriam Sheehey, Brian Shelden, Cindy Smith, Rick Smith, Jason Struthers, Dennis Thibeault, Juan, Melissa, Nick, Peggy, Thanasi, Tori

## 1. CALL TO ORDER

Ms. Chawla called the meeting of the City Council to order at 6:33 PM.

# 2. AGENDA ADDITIONS/ CHANGES

Mr. Chawla said that Business Item 5b, Discussion and Consideration of the Rental Registry and Inspection
 Program, will be the first business item discussed and renamed as Item 5a.

# 3. APPROVE AGENDA

ELAINE HANEY made a motion, seconded by MARCUS CERTA, to approve the agenda. Motion passed 5-0.

## 4. PUBLIC TO BE HEARD

# a. Comments for Public on Items not on Agenda

All comments were regarding the proposed Rental Registry and Inspection Program.

- Mr. Lee-Thomas said that he owns eight units in Essex Junction, eight units in Burlington, and is a real estate broker. He discussed positive experiences working with the Essex Junction Planning & Zoning Department but said that this fee will serve to make living in the community more unaffordable. He said that he sees no reason for broad-based inspections to occur.
- Ms. Johnson said that landlords will add this onto rent as well as the increase in school taxes, contributing to unaffordability.
- Mr. Harrington said that Chittenden County is not affordable, and that the rental fee will hurt those on fixed incomes. He detailed options for those having difficulties with their landlords.
- Ms. Meyer said that she is a landlord who is in support of a rental registry and inspection program. It is important for both sides to know that the property is safe and healthy.
- Mr. Shelden said that he has owned rental properties in several states, and that the registry is not an onerous process. He supports the registry to enhance tenant safety and said that user fees are a better method of raising funds than property taxes.
- Ms. Corrow said that she is tired of everyone needing to pay for the misbehavior of a few. She feels that good landlords will be paying for the problems of a few bad ones and said that the profit margin in renting is lower than what people think.

• Mr. Grabowski said that he is a landlord in the City and said that the City is trying to fix a problem that does not exist. He pointed out existing methods of addressing complaints via the health inspector and said that there were only ten complaints last year that were related to rental housing. Only two of these were substantiated. He said that this is a large cost to create a redundant program.

- Mr. Struthers said that fees are collected yearly but services are only provided every five years, which seems unfair. He suggested that this be added to the ballot for the voters to decide on.
- Mr. Gaskill said that there is no need for this process, and asked how many people the City plans to hire to implement this program. He said that Vermont is continuing to grow more and more unaffordable.
- Ms. Bilodeau said that she has been a landlord for forty years. She said that Essex Junction has a good housing stock and that a rental registry and inspection program is not necessary.
- Mr. Freddy said that he is a renter and has lived in the community for a few years. He said that this regulation is a violation of the tenant's privacy, and cited a court case in Iowa stating that this type of search is against the federal and state constitution. He questioned why single-family homes are not being inspected in this manner, stating that it is unequal and a tax on renters. He suggested complaint-driven property inspections and said that he would leave the community if this passed.
- Ms. Klonsky said that she is a renter and is opposed to the registry. She said that it is a way to make additional funds, rather than an attempt to solve a problem.
- Mr. Eustis said that he lives in Essex and is a landlord. He is concerned that the inspectors might nitpick during inspections and suggested that the Council think more of the problem they are working to solve.

b. Public Hearing on FY25 Proposed General Fund Operating and Capital Budgets ELAINE HANEY made a motion, seconded by ANDREW BROWN to open the public hearing on the budget. Motion passed 5-0.

Mr. Chawla said that this evening is the last chance to comment on the budget. He discussed the process for forming the budget, noting that this is the second public hearing and that a community meal and discussion was also held. The budget is \$12.1 million dollars, and a 6% increase from last year. Most revenue comes from property tax, with other revenue coming from fees. Mr. Chawla asked for public comment. A female in-person attendee asked for a copy of the budget PowerPoint, which Mr. Chawla said would be made available. Major changes include health insurance rates, salaries/benefits, and the conversion of a Finance Billing Coordinator from part-time to full-time. Property and causality insurance has increased, as has the IT managed services contract. Funds will no longer be allocated to the economic development fund, and matching grant fund has been increased. Firefighters will now be paid for their training time as well as their call time.

Mr. Chawla reviewed upcoming capital projects and said that all funds collected from the Local Option Tax will be applied to capital projects. A male in-person attendee asked for clarification on Community Development spending, which was given. Mr. Eustis thanked the City Council for their hard work on this budget. He asked about the status of repairing the section of Pearl Street from West Street to Susie Wilson Road. Mr. Yuen said that the paving of this road would be done by the state. Mr. Handy asked for clarification on the amount of money that will be brought in via the rental registry and inspection program, as the information was conflicting. Ms. Haney said that this program is not something that will make a profit, and that what it makes is what will be put into the program. Ms. Corrow asked if any new positions are included in the budget that were filled but not advertised, and if a 32-hour employee would still get full-time benefits. Ms. Mahony said that a 32-hour position is still full-time, and that retirement is adjusted as a result. She will check if vacation accruals are changed. All staff pay 3% of their health insurance premium, and the next fiscal year they will pay 6%. Ms. Corrow suggested that staff pay more for health insurance.

MARCUS CERTA made a motion, seconded by ELAINE HANEY, to close the public hearing on the FY25 Proposed Budget. Motion passed 5-0.

### **5. BUSINESS ITEMS**

# a. Discussion and Consideration of the Rental Registry and Inspection Program

Ms. Mahony said that questions from previous meetings have been answered and are included in the packet. She said that the former long-time health inspector did not have digital reports, which makes it difficult to understand all the long-term data on complaints. Mr. Chawla gave an overview of the work that has been done on this project, noting that it had originally been planned to be under the Community Development Department. However, recent statewide changes mean that it would make more sense for the Fire Department to operate this program. Mr. Gaboriault said that the Fire Department is responding to apartment buildings every day, and often do not have knowledge of how to access these buildings in case of an emergency. He said that it would be ideal for the full-time position to be filled within the department to ensure that an additional resource would be available to assist with calls. The registry will also be helpful in having contact information for the property owners in case of an emergency. Answering a question from Mr. Certa, Ms. Mahony said that the goal of inspections is to look at the rental housing code and make sure that the rental properties meet this.

Mr. Chawla requested feedback from the Council.

- Mr. Brown said that the Council hopes to change the paradigm with the rental registry and inspection program and be proactive rather than reactive. He said that tenants may be nervous to file a complaint for fear of retribution. He said that he would like fees to be looked at every year to make sure that the program is funding itself and not offsetting the general fund.
- Ms. Haney said that the Council has heard from very few tenants, and that they have heard conflicting information about the recourse options available for tenants in poor living situations. She said that a registry has been intended to be developed for years and is in the 2016 Plan, which was approved by voters. However, she thinks that more work needs to be done to develop the program.
- Mr. Chawla said that he agrees with Ms. Haney, and that he would like for this program to provide more to tenants and landlords other than an annual inspection. He would also like something in place to ensure that tenants can be relocated in extreme cases and suggested that a fund be set up for this purpose. He said that almost half of residences in Essex Junction are apartments. He would also like to hear the Planning Commission's input on the registry.
- Mr. Certa said that his biggest concern is the cost impact on renters. He suggested that Essex Junction
  manage the state complaint-based program locally. Ms. Mahony said that she is unsure if doing so
  is possible, as the division of Fire Safety is now the first point of contact rather than the Health Officer.
  Mr. Yuen said that there may be other ways to be involved without taking over the program. Mr.
  Chawla discussed methods of connecting with the department to ensure better communication with
  the City.
- Ms. Thibeault thanked members of the community for their feedback, and she believes that this should be removed from the budget for this year as she does not feel ready to decide. She said that she would be interested in learning more about improving communication with state inspectors.

Mr. Chawla asked staff to research data sharing with the state and suggested a joint meeting or additional communication with the Planning Commission to discuss this further. He said that he would like the Councilors to look into what the City can be providing as a result of this effort, besides a yearly inspection.

Mr. Chawla requested public comment.

 • Mr. Rick Smith said that the state invites the Fire Department to go with them on inspections in Essex Junction. He said that the Fire Department is the most common reporter for inspection requests, which tend to occur within fifteen days. Mr. Smith said that the Fire Department has a property management tool to keep inspection data, Mr. Chawla encouraged the Department to share the data with the rest of the staff.

- Mr. Harlan Smith asked if the state only deals with specific complaints, or if the property is given a full inspection after receiving a complaint. Ms. Thibeault said that she thought that a full inspection would be done.
- Mr. Harrington asked if tenants would have the right to refuse an inspection, Mr. Chawla said he was unsure.
- Ms. Carey said that there are many tenants in the audience, not just landlords.
- Mr. Lancaster said that he is a tenant and has lived in Essex Junction for eight years at Autumn Pond. He said that he does not understand the impetus for why the Board would like to institute a rental registry and inspection program, as he has not heard a list of complaints or other reasons for why they are doing such. He encouraged the Board to not rush into being a City and to advocate for change based on evidence.
- Mr. Eustis spoke of the ambiguous and sometimes confusing nature of building codes and encouraged the Board to create a clear list. Mr. Chawla said that this is the intention, however he believes that landlords should know the standards that they are expected to hold their properties to.
- Mr. Struthers asked if there is an exemption for owner-operated or short-term rentals. Mr. Yuen said that short-term rentals would be treated the same as any other rental, however owner-occupied (i.e. room rentals) units would be exempt. Mr. Struthers asked how the City justifies collecting fees every year yet not inspecting yearly. Mr. Chawla said that the inspection rate is based on the performance of the property. Mr. Struthers asked what the City plans to bring to the table with the program other than inspections. Ms. Haney discussed examples from other towns, such as repair funds for landlords.
- Ms. Corey asked for funding clarification on this program, and Mr. Chawla said that fees would be adjusted as needed. The City has not yet identified all apartments, and is working with estimated numbers. Ms. Corey said that it seems like the public is not being listened to by the Council and said that she does not believe that there are many problems with rentals in Essex Junction. Mr. Chawla said that the Council has heard the people at the meeting, and that these are not the only voices that they are hearing from. The Council takes all the input that they receive to heart.
- Mr. Handy asked what the cost for this program would be if it was housed in the Fire Department. Mr. Chawla said that it will be the same as presented or less. Mr. Handy said that some Section 8 tenants are paying the maximum amount allowable, which means that they will have to cover the rest in the case of a rent increase. He also said that it feels like the tenants have more power than the landlords, not the other way around. He discussed situations where tenants have created their own health issues, and asked who would be held responsible in such a situation. Mr. Chawla said that he was unsure.
- Mr. Harlan Smith said that, like car inspections, the state would hire out the inspections to private contractors. He is a renter and said that the costs would be passed down to the renters. He said he was curious if the opposition to the program would be the same if there was no fee.

Mr. Yuen said that his action items are to work on data sharing with the fire department and state and to request to shadow current state inspections. Ms. Mahony said that she would investigate the exact costs associated with housing this program under the fire department. Ms. Haney said that it would be worth looking into the idea of rolling out the registry prior to the inspections.

b. Discussion and consideration of Grant Application for Library Roof and Entry

Ms. Mahony said that this grant opportunity will allow for ADA accessibility to the front of the building and reduce the icing in the entrance. Mr. Harlan Smith said that this project is a long time coming and could address a significant need. The City will offer matching funds to have a more competitive application.

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RAJ CHAWLA made a motion, seconded by MARCUS CERTA that the Essex Junction City Council authorize the use of \$100,000 for this project and the City Council President to sign the support letter. Motion passed 5-0.

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# c. Discussion and Consideration of the FY25 General Fund Operating and Capital Budgets

Ms. Mahony said that the budget has been reduced by \$2,404 now that County tax figures are available. The budget is \$12,157,141, which is a 6.6% increase over the FY24 tax rate. Mr. Certa suggested that the rental registry and inspection program be an enterprise fund. Ms. Mahony said that this is the intention once the program is up and running. Mr. Certa asked if the assigned fund balance could be reassigned and suggested using some of the unassigned balance to bring the tax rate down. Mr. Certa also said that the library has been unwilling to do anything to bring their budget down and said that the rest of the departments have made accommodations. Ms. Haney said that the library's request was adjusted by almost 3% by correcting a payroll mistake made by the City. Regarding the unassigned fund balances, Ms. Morris said that most of these are revenue or savings from specific projects that need to stay with such. Some of these funds have already been spent or are in the process of being spent. Mr. Chawla asked if the Council wanted to keep in the funds for the rental registry and inspection program, noting that it is revenue neutral. Mr. Brown said that he would like to see the funds kept in. Mr. Certa, Ms. Thibeault and Mr. Chawla said they felt it should be removed. Mr. Brown said that he is concerned about removing something that might be ready to implement in the next fiscal year, and the Council discussed the possibility of implementing the rental registry and inspection program mid-year. Ms. Haney said she believes that the Council needs more time to investigate the rental registry and inspection program, noting that new information seems to come up every time it is discussed. She said that, considering other increases, she does not believe that now is the time to add extra costs to taxpayers.

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RAJ CHAWLA made a motion, seconded by ELAINE HANEY that the City Council approve the FY25 General Fund Operating and Capital Program Budget, the general fund being \$12,004,124 of which \$11,110,346 will be levied in property taxes and the Capital Budgets as presented. Motion passed 3-2, with ANDREW BROWN and MARCUS CERTA dissenting.

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### d. Discussion and Consideration of Warning for Annual Meeting

Ms. Mahony said that the meeting will be held on April 8.

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RAJ CHAWLA made a motion, seconded by MARCUS CERTA that the City Council approve the warning as drafted. Motion passed 5-0.

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## e. Discussion and Consideration of an Executive Session to discuss Contracts

This was discussed during Executive Session.

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## 6. CONSENT ITEMS

- 238 ANDREW BROWN made a motion, seconded by MARCUS CERTA to approve the consent agenda.
- 239 Motion passed 5-0.
- a. Approve Meeting Minutes: February 14, 2024
- 241 b. Truck Bid Memo

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# 7. COUNCIL MEMBER COMMENTS & CITY MANAGER REPORT

- Ms. Mahony said that there is a presidential primary on March 5, as well as a Champlain Water District
- 245 (CWD) bond vote. She encouraged everyone who received the randomized survey from CWD to fill it out.
- 246 Eclipse viewing glasses are available at City Hall and the library. The expanded neighborhood designation
- for Essex Junction was approved by the state. Lincoln Street had a recent sewer line issue, and the roadway
- will hopefully be paved over next week. Ms. Haney will be testifying on a new municipal ethics bill at the
- statehouse. She said that she hopes to see protection provided for elected officials who are whistleblowers.
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- **8. <u>READING FILE</u>**
- 252 a. Check Warrant #24036 2/23/24, #24037 2/23/24
- 253 b. FY23 Fund Balance Assignments
- 254 c. GMP Tree Trimming Letter
- 255 d. DRB Minutes 2/15/24
- 256 e. PCAB Minutes 12/19/23 & 1/23/24
  - f. Tri Town Sewer Minutes 2/15/24
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- 259 9. EXECUTIVE SESSION
- 260 a. Executive Session for Contracts
- 261 MARCUS CERTA made a motion, seconded by ANDREW BROWN, that the City Council make the
- specific finding that premature disclosure of the contractual matters would place the city at a
- substantial disadvantage. Motion passed 5-0.

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- MARCUS CERTA made a motion, seconded by ANDREW BROWN, that the City Council enter into executive session to discuss contracts, pursuant to 1 V.S.A. § 313(a)(1)(A) to include the City Council
- 267 and City Manager. Motion passed 5-0.

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- 269 RAJ CHAWLA made a motion, seconded by ANDREW BROWN to exit executive session. Motion
- 270 passed 5-0 at 10:20 PM.

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- 272 10. ADJOURN
- 273 RAJ CHAWLA made a motion, seconded by ANDREW BROWN, to adjourn. Motion passed 5-0 at
- 274 10:20 PM.

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- 276 Respectfully Submitted,
- 277 Darby Mayville
- 278 Recording secretary

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