



Project Narrative: 4309 Shelburne Road.

Project Overview and Details

Howard Center is actively engaged in planning a new building for our Lakeview program, a long-term residential program within our mental health Community Support Program. The building proposed is new construction located at 4309 Shelburne Road in Shelburne, Vermont. The opportunity for this property arose as we were exploring a more suitable physical space for the currently aging residents of this program. The proposed construction period is the end of September 2022 with occupancy plan for May/June 2023.

The proposed property will include a single story, approximately 8,000 square foot building, that will comply with ADA commercial construction standards, on 1.15 acres. The location is easily accessible to Burlington with a city bus stop located in close proximity. See attached schematic drawing.

Currently the Lakeview program is located at 322 Saint Paul Street in Burlington in a building owned by Champlain Housing Trust (see attached Schematic drawing). Due to the layout, size (4,120 SF), and design, (cramped rooms, steep stairway, two stories, etc.) the building is inadequate to support the number and needs of clients living there and Howard Center has been looking to relocate the program to a building that better meets residents' needs for some time. The presence of the COVID pandemic has especially highlighted the inadequacy and cramped quarters of the current facility.

The total cost of the project is projected to be \$3,159,051 including title insurance, recording costs, due diligence, transfer tax, land acquisition, and construction cost. The building will be built to program specifications and there will be no planned renovations. The project will be subject to the local/regional and state permitting processes, development review board, and Act 250 which will all be handled by the developers with participation by Howard Center as appropriate. The proposed facility has already received approval from the Shelburne Planning and Zoning Development Review Board, permitting for Act 250, construction general, stormwater, wetland, and archeology are all underway. The capital acquisition will be funded primarily with Senator Leahy's Congressionally Directed Spending (\$2.5M) with the balance offset by private donations, financing, and/or agency fund balance. The property will be depreciated over the life of the asset; however, this depreciation expense will be more than offset by the reduction in rent and maintenance costs of the current leased facility.

General Criterion I: Local Governance Support and Relationship of Proposed Project to Agency Strategic Plan

Howard Center believes purchasing this property is a strategic financial investment and aligns with the agency’s mission, vision, and values (see attached) and is in the best interests of the clients we serve. Acquisition of this building will allow Howard Center to deliver the excellent services it is known for in a setting that offers residents the comfort and safety of a physical space that meets their challenging and changing needs. Its geographic location allows for easy access to downtown while offering residents ample outdoor space for recreation and leisure in a calm, relaxed, and private setting.

This project plan has been reviewed and approved by the Local Standing Committee (“CAN” Community Action Network), and the Howard Center Board of Trustees (see attached minutes). There were three meetings with CAN members, interested clients, family, and guardians, two on Zoom and one in-person, where the proposed project was discussed, floorplans reviewed, and questions were answered. Preliminary discussions occurred with the Shelburne Development Review Board (DRB) where the public had the opportunity to inquire about what a Howard Center program might look like at the identified location. The DRB and the community participants expressed support for the project.

This program is a level 3 licensed Community Care Home with 24-hour staffed support to provide assistance with personal care, meals, laundry, nursing support, and medication oversight for residents. The program is supported with two staff on for most daytime and evening shifts and two awake staff on the overnight shift.

The proper layout of the space is critical for supporting health and wellness in this client population. With sixteen individuals living together under one roof it is paramount, especially in these times of social distancing, that there is adequate space for clients and staff. The following specifications have been identified as necessary and will be included in the new location.

Single story building	Staff office
Single bedrooms (16)	Supervisor office
Kitchen (commercial appliances)	Meeting space
Dining area (multiple tables)	Laundry (commercial washers/dryers)
Living room/lounge areas (2)	Exercise room
Full accessible bathrooms (5)	Outdoor covered seating area
Medication room	Outdoor open seating/recreation area

Criterion II: Need for the Proposed Project

Consistent with the State of Vermont Health Resources Management Plan (HRAP) the completion of this project will allow Howard Center to deliver the excellent services it is known for in a setting that offers residents the comfort and safety of a physical space that meets their challenging and changing needs. The status quo of the current location is not adequate to meet resident’s needs. There have been incidents where Lakeview residents were not able to be discharged from a hospital stay after treatment for a physical condition in a timely fashion due to the limited first floor bedroom capacity in the current location. Of the current cohort, many of the residents have lived together for decades and are

experiencing age related physical challenges on top of their existing mental health challenges, which would be better addressed in the proposed property. A new building specifically designed to meet resident's needs will improve client satisfaction, improve care quality, and increase the cost effectiveness of care in several ways including,

- The design allows for easy visual supervision of residents by minimal staff
- Multi-purpose spaces such as the meeting room, library, and exercise space included in the design allows for flexible use for both staff and resident needs to be met onsite.
- A new building may contribute to staff feeling pride in their workplace resulting in less turnover.
- Some research indicates that improving the work environment may also improve the quality and safety of client care.

Criterion III: Organizational Structure, Affiliations and Operations

Howard Center, a designated agency, is the applicant for this COA. The property will be held by a Limited Liability Corporation (LLC), of which Howard Center is the sole member, to isolate its finances and minimize liability. There will be limited impact on Howard Center administrative staff who will manage the LLC with the LLC reimbursing Howard Center for the minimal cost of those services, thus ensuring state funding is not supporting operations unrelated to state funded service provision. Howard Center staff will assume full facilities management of the site, including repairs and maintenance, with expense for these functions remaining neutral to the current lease agreement expense for the same. As this is a rehousing of an existing program, there will be negligible impact on program staff and management.

Criterion IV: Financial Feasibility and Impact Analysis

Howard Center has been actively engaged in searching for a new location for the Lakeview Program for some time. Several existing properties were explored as alternatives and none of them proved viable due to several factors including location, size, extensive renovation needs, and cost. Properties that initially seemed promising quickly became excessively expensive when considering the renovation and fit-up needs. It was through the search process that the opportunity to have a new building constructed on the identified property arose. As stated above, the proposed construction project's estimated total cost is \$3,159,051 including title insurance, recording costs, due diligence, and transfer tax. The purchase will be funded primarily with Congressionally Directed Spending (2.5M) with the balance offset by private donations, financing, and/or agency fund balance. The property will be delivered to Howard Center complete and ready for occupancy. The building will be wood frame construction with the square foot cost of \$240 being on par for buildings constructed in the surrounding area. The developers are committed to ensuring a competitive bidding process for the various divisions of construction. For example, seeking 3 bids for each of the following, concrete, framing, drywall, flooring, painting, electrical, mechanical, sprinkler to ensure as much competition as possible.

Attached are the required financial tables. You will note:

- With the cost for this project funded by non-state resources, we anticipate **no increased building/facility expenses to the program.**
- Given that congressionally directed spending and dollars raised through fundraising will cover the cost of the newly constructed building, we project **there will be no negative cash-flow implications.**
- FY23 agency budget projects a \$2.4 million loss overall as a result inflationary and cost of living increases that outpace reimbursement rate increases. Outyear operations assume sufficient

annual increases will be forthcoming from our funding partners to support the organization's overall operational needs. The proposed project has no impact these Profit and Loss projections as the funding offsets the cost and operating expenses are projected to remain neutral.

- Program expenses are not anticipated to increase above current levels (beyond normal cost-of-living adjustments), as there is an existing Lakeview program that bears the financial onus of increasing rents and leasehold improvements due to the age and physical condition of the existing structure.