
Report to the Vermont Legislature

Act No. 50. (H.438)

USE OF FORMER SOUTHEAST STATE CORRECTIONAL FACILITY

Submitted to: House Corrections and Institutions Committee, Senate
Institutions Committee

Submitted by: Thomas Kennedy, Executive Director, Mount Ascutney
Regional Commission

Prepared by: Thomas Kennedy, Executive Director, Mount Ascutney
Regional Commission, Alexander Taft, Senior Planner, Mount
Ascutney Regional Commission, Erik Filkorn, Principal
Assistant BGS,

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In 2021, the Vermont Legislature passed Act. No. 50, creating a study committee to explore the highest and best future State use for the former Southeast State Correctional Facility (SESCF) in Windsor, Vermont.

Sec. 20. USE OF FORMER SOUTHEAST STATE CORRECTIONAL FACILITY; WINDSOR; STUDY COMMITTEE; REPORT

(a) Creation. There is created the Former Southeast State Correctional Facility Use Study Committee to review and recommend potential uses for the property located at 546 State Farm Road in Windsor.

(b) Membership. The Committee shall be composed of the following members:

- (1) an individual appointed by the Town of Windsor Selectboard;*
- (2) the Executive Director of the Mount Ascutney Regional Commission or designee;*
- (3) the Commissioner of Buildings and General Services or designee;*
- (4) the Secretary of Agriculture, Food and Markets or designee;*
- (5) the Executive Director of the Vermont Housing and Conservation Board or designee;*
- (6) the Secretary of Commerce and Community Development or designee; and*
- (7) the Secretary of Natural Resources or designee.*

(c) Powers and duties. The Committee shall review options for the potential use of the land located at 546 State Farm Road in Windsor. As part of the Committee's review, it shall consider the following reports:

- (1) Plan to provide secure transitional housing for inmates reentering the community, dated November 1, 2017, as required by 2017 Act and Resolves No. 85, Sec. 335.1;*
- (2) Report on AHS Major Facilities, dated January 15, 2018, as required by 2017 Acts and Resolves No. 84, Sec. 31; and*
- (3) Report on an act relating to the Southeast State Correctional Facility, dated December 15, 2018, as required by 2018 Acts and Resolves No. 151.*

(d) Assistance. The Committee shall have the administrative, technical, and legal assistance of the Department of Buildings and General Services.

(e) Report. On or before December 15, 2021, the Committee shall submit a written report to the House Committee on Corrections and Institutions and the Senate Committee on Institutions with its findings and any recommendations for use of the property.

(f) Meetings.

(1) The Commissioner of Buildings and General Services shall call the first meeting of the Committee to occur on or before July 15, 2021.

(2) The Executive Director of the Mount Ascutney Regional Commission shall be the chair.

(3) A majority of the membership shall constitute a quorum.

(4) The Committee shall cease to exist on July 1, 2022.

(g) Compensation and reimbursement. A non-State employee member of the Committee shall be entitled to per diem compensation and reimbursement of expenses pursuant to 32 V.S.A. § 1010 for not more than six meetings.

These payments shall be made from monies appropriated in Sec. 2(b)(1) of this act.

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Committee Membership

Tom Marsh, Windsor Town Manager

Tom Kennedy (chair), Executive Director, Windsor Regional Committee

Erik Filkorn, Principal Assistant, Department of Buildings and General Services

Alyson Eastman, Deputy Secretary of Agriculture

Gus Seelig, Executive Director, Vermont Housing and Conservation Board

Tayt Brooks, Deputy Secretary, Agency of Commerce and Community Development

Louis Porter, Commissioner, Department of Fish and Wildlife

Overview

The committee members conducted small group site visits in advance of their first meeting and met two times between July 12 and November 30, 2021. In addition to the committee members, testimony was received from Representatives Alice Emmons and Elizabeth Burrows, Bob Flint from Springfield Regional Development Corporation, and BGS District Facilities Manager Mike Kuban,

The first meeting of the committee was a review and discussion of prior studies that had been done for the facility. The committee asked Tom Marsh, the Windsor Town Manager, about the town's desire for potential redevelopment at the site. Mr. Marsh stated that the town didn't want to see another large, state-managed corrections or social services facility at the site. He said the town is interested in market-rate housing, or some type of private-sector business that would create jobs and bring in tax revenue. He also stated that the town supported the large conservation area that is managed by Fish and Wildlife since it provides opportunities for birding, hiking, and other recreational pursuits. Mr. Marsh also discussed the efforts by the town and the Springfield Regional Development Corporation to market the site to the private sector. He said the site is a tough sell because of the condition of some of the outbuildings, the razor wire around the perimeter of the site, and reuse of the former prison facility given the internal configuration of the building.

The second meeting consisted of Representative Emmons providing a legislative history of the building. Rep. Emmons said that the legislature has struggled with coming up with a strategic plan for the use of the site and whether the site remains as state property; be sold or leased to a non-state entity or a combination of the two. Tom Kennedy asked all the meeting participants if their respective agencies had any use for the facility with Fish and Wildlife being the only department that could see a potential use of the property for storage or office space. The Vermont Housing & Conservation Board inquired about zoning of the site. VHCB thought the property could be used for housing given that there is sewer and water on the site, the need for new homes in the area and the attractiveness of the site. Other participants in the meeting voiced a need for facilities for at-risk youth and mental health and affordable housing.

Bob Flint, from the Springfield Regional Development Corporation, discussed their efforts to market the site and stated that significant demolition of the facility would need to be done prior to make the site more marketable, to date there appears to be little interest in leasing or purchasing the site "as-is." In addition, to the condition of the site, he said that procurement and purchasing of the site is much more complicated than through a private sale, given the requirements of Buildings and General Services (BGS).

Tom Kennedy suggested that a master plan be developed that would create a campus-like concept that would allow for both state and private sector facilities but on a smaller scale. He suggested that a partnership could be developed where the private sector could provide work-force training with assistance from State Agencies.

Overview of Committee Discussion

The current plan for the prison facility is not fiscally sustainable for the state in the long term. The cost of maintaining the facility in its current state is approximately \$250,000 per year. Those costs include the sewage allocation to the town, the cost of maintaining the water system, heating the buildings, mowing, plowing and general maintenance. Every five years more is spent maintaining the facility than the appraised value and those costs are absorbed by the operating budgets of agencies and departments that occupy other state buildings in the region.

Present statutory provisions make it difficult to sell the property in a timely and efficient manner. It was suggested that statutory changes be made to make the sale of the property more efficient. One possible scenario could be to sell or lease the property to a non-profit such as the Springfield Regional Development Corporation and they would partner with the town and BGS on future property transfers. (See statute below)

The site sees only minimal use for storage by Fish and Wildlife and BGS and hosts occasional law enforcement training. Due to its remote location, the facility is not a viable site for any kind of active maintenance facility.

The existing utility infrastructure, including water, town sewer, electrical service and broadband are attractive for future development of the site.

To make the site more marketable, demolition of certain structures needs to occur and a plan for the removal of the razor wire needs to be implemented.

If the legislature decides to keep the property, the legislature should develop a strategic plan and cost analysis for the future use of the site. The plan should include either: the demolition of unwanted or blighted buildings and razor wire on the site or razing all the buildings on the site.

Renovating the existing buildings would be cost prohibitive. The structures are a barrier to redevelopment. If the Legislature decides to sell or lease the site, the marketability of the site will be greatly enhanced by the removal of most of the structures. The current availability of significant federal funding makes this more feasible than in the past.

Fish and Wildlife remains interested in the property for administrative offices, storage, and maintenance facilities, but could not occupy a large enough footprint to function as the “anchor tenant” in any development.

Any reuse should consider impacts on and possible expansion of the Wildlife Management Area. There is interest from Fish and Wildlife in potentially adding to their current holdings if any change of use occurs.

The committee felt that the site would be appropriate for mixed income housing since the site has access to sewer and water.

There is a severe shortage of workforce housing in the region. Partnering with an organization like Dartmouth-Hitchcock or another large employer might be beneficial in any kind of public/private housing development on the site

The Town of Windsor is not supportive of any human services role for the site. They expressed that they have “done their time” as a prison town. They would entertain mixed housing development.

The Town would prefer that the state continue to be a partner on the site as part of any future use.

Public/private partnerships came up several times as part of a campus development approach.

The statutory process for sale of State Property precludes any competitive solicitation for proposals on future use prior to the legislature rendering a decision to grant permission to sell the property:

(b) Upon authorization by the General Assembly, which may be granted by resolution, and with the advice and consent of the Governor, the Commissioner of Buildings and General Services may sell real estate owned by the State. Such property shall be sold to the highest bidder therefor at public auction or upon sealed bids in the discretion of the Commissioner of Buildings and General Services, who may reject any or all bids. Notice of the sale or a request for sealed bids shall be posted in at least three public places in the town where the property is located and also published three times in a newspaper having a known circulation in the town, the last publication to be not less than 10 days before the date of sale or opening of the bids. Failing to consummate a sale under the method prescribed in this section, the Commissioner of Buildings and General Services is authorized to list the sale of this property with a real estate agent licensed by the State of Vermont. This subsection shall not apply to the sale, conveyance, exchange, or lease of lands or interests in lands; to the amendment of deeds, leases, and easements; or to sales of timber made in accordance with the provisions of 10 V.S.A. chapter 155 or the provisions of 10 V.S.A. chapter 83.

Any lease agreement entered into by the Executive Branch is limited to 10 years:

(a) As agent of the State, with the advice and consent of the Governor unless otherwise provided, the Commissioner of Buildings and General Services may lease for a term not exceeding 10 years any real property owned by the State and not used for State purposes. This subsection shall not apply to leases of land pursuant to 10 V.S.A. chapter 83.

Because of the amount of work required to bring the facilities up to date, it would be difficult to charge a reasonable lease rate that would successfully recover fit-up costs in a 10-year window.

Conclusions

A strategic plan needs to be developed for the site that includes the costs and benefits of state or private ownership of the site. A plan that would include a large state corrections or social services facility at the site would not be supported by the Town of Windsor.

The legislature needs to appropriate additional funding for the site, outside of the present maintenance funding, to support the demolition of unwanted or blighted structures on the site.

The legislature needs to decide on the disposition of the property, the lack of clarity on whether the legislature want to maintain ownership, sell, or lease the property makes redevelopment efforts difficult given this uncertainty. The existing statutory provisions, as stated above, adds to the uncertainty.

The sale of the site will require the State to spend a significant amount money for the demolition and clearance of the site. The site, in its present condition, is not attractive to the private sector given the significant redevelopment costs.

Another possibility is a Public/Private partnership that would redevelop the site, in a campus like setting, that included small state facilities, housing, office space, businesses, and recreational facilities where the state would maintain a small footprint.