

3.20.24 meeting minutes

Meeting conducted remotely via Zoom

Members present: Ian Bender, Virginia Clarke, Mark Fausel, Chris Granda, Joy Reap

Members absent: Alison Anand, (*one vacancy*)

Others present: Keith Osborne (Director of Planning and Zoning), Erin Wagg (MMCTV), Lisa Miller, Connie van Eegen, Josi Kytte, Brendan O'Reilly, "Rachel's iPad"

1. Welcome

Clarke welcomed the planning commissioners and guests and opened the meeting at 7:01 PM.

2. Review and adjust agenda

There were no adjustments to the agenda proposed, so the meeting proceeded with the published agenda.

3. Public comment on non-agenda items

There was no public comment on non-agenda items.

4. Review of minutes of 2.21.24 meeting

As there were no comments, additions or corrections to the minutes of the 2.21.24 meeting, the minutes were accepted into the record as written.

5. Annual Planning Commission organizational meeting

Clarke opened the floor to nominations for chair, vice-chair and clerk of the commission, to serve for the next year. Bender nominated Clarke to continue to serve as chair. Clarke accepted the nomination and said she would also be willing to continue to write up the minutes. The nomination was seconded by Fausel, and as there were no other nominations, the vote was taken, and Clarke was unanimously approved as chair. Clarke then briefly explained the role of vice-chair. Fausel nominated Bender as vice-chair, but Bender declined due to his very recent appointment. Bender then nominated Granda for the vice-chair position. This was seconded by Fausel, and as Granda expressed a willingness to serve and there were no other nominations, a vote was taken and Granda was unanimously appointed vice chair.

Clarke explained that the main role of the statutorily-required clerk appears to be recording the minutes. As there were no nominations from the floor for clerk, Clarke nominated herself, with Bender seconding. As there were no other nominations, the ayes had it and Clarke was approved by the commission as clerk. Clarke then asked the commission what they would like to work on in the coming year, with a list of issues we have been working on or at least talked about in the meeting packet to consider. Fausel recommended that we participate with the Recreation Committee and the Three Parks Committee in a round-table discussion of Volunteers Green and how the details of the Flood Hazard Overlay District (FHOD) might affect the future development of the park.

Oborne mentioned that the state legislature may be working on the question of whether towns or the state will control development in the FHOD, and that Tyler Machia, the Zoning Administrator was watching the action here. Clarke added this idea to the list. Granda recommended that we consider actions that the PC might take to encourage increased energy efficiency and decreased greenhouse gas emissions from buildings, both existing and new construction, in Richmond. Clarke agreed to add that to the list.

Fausel questioned item #9 on the list, and Clarke explained that if our upcoming proposed revisions to the PUD and I/C sections are approved by the Selectboard (SB) at their public hearing on May 6, we will then need to align the Richmond Subdivision Regulations (RSR) with the newly approved zoning language that replaces the MDP section with the critical permit language. We have also said that we will give more specificity to the natural resource protection standards to provide the DRB more instruction in dealing with remaining or open land in a subdivision. These more specific standards can be developed in conjunction with discussions of the A/R district, or with the RSR. This is something we will have to decide. Fausel then asked if this item would be covering stormwater, in particular with new construction in the village area. Oborne offered that our RZR are mostly silent on most aspects of stormwater except in larger (over ½ acre) or commercial developments, and that he would like to see something in our regulations that covered stormwater issues for all development. Clarke said that some questions we could be asking ourselves are: Do stormwater standards belong in the RZR or the RSR, or both? Do we want to import some of the Act 250 standards into our regulations as state statutes allow us to? Do we want to try to have CCRPC help us with this? To Fausel's point, she said this likely should be #10 on our list of issues to tackle in 2024.

6. Buttermilk – next steps

Clarke opened this discussion by suggesting that we start with the document “Memo 1” in the packet, in particular key points #1 and #2. She continued: the other memos are related to recent past discussions, and could be discussed at a later time if desired, but that the goal was to make some forward progress on this project by way of the thinking in memo #1. The key points in memo 1 were based on additional discussions she had had with an experienced local commercial lender, who said that the commercial lending environment is extremely challenging right now, and that commercial lenders are only going to finance projects that they feel can sustain value over time. So for the Buttermilk project to be eligible for financing and thus able to be built, this means getting rid of the commercial requirement and being extremely careful what we require that might reduce the economic viability of the project. As the PC is committed to finding ways to enable housing in suitable locations, this means that to have even 31 additional housing units, we need to make sure this is a bankable project.

Granda then entered the discussion. He stated his position that in order to keep Richmond from being a high-priced suburb of Burlington, the housing we need is not market rate housing that that is small and still may be expensive, but true affordable housing that is, by design and regulation and subsidy, truly affordable for an even more diverse population.

Clarke responded that subsidized housing has not ever been part of the Buttermilk plan, and that lenders would be leery of this unless the income to replace the reduced rentals could be guaranteed. Granda replied that he thought the commission wanted to explore this option. Bender responded that, based on Buttermilk's recent letter, he feels that Buttermilk would not agree to any plan that included true affordable housing. Bender continued that it doesn't seem like this is an option to explore with this particular property. Clarke agreed with this. Granda replied that he felt we haven't explored some options that perhaps we aren't even aware of, such as paths to affordable home ownership, so why wouldn't we explore those. Clarke replied that the Shared Equity program also involves working with a third party affordable housing developer, and that since we have Buttermilk's Josi Kytte here tonight, we can ask her if she would be interested in working with an affordable housing agency. Granda pushed back against this suggestion, but Clarke asked Kytte anyway, stating that she did not wish to waste time going down dead end roads.

Kytte responded that this was not a viable option for them, and also that, based on previous conversations with them, the affordable agencies were not interested either for various reasons. Returning to the subject of affordable pathways to home ownership, Clarke and Granda had a short discussion about whether some of the units could be condos, which Clarke said would not be looked on favorably by lenders, because of the split management issue. Granda asked Kytte if her vision was to be a landlord of a building of rental units or a developer of a building of condos that could then be sold.

Kytte responded that the condo issue adds complications, which translates into costs. She also mentioned that the recent failure of City Place in Burlington to find a pathway to affordable housing didn't speak well for doing this in Richmond. She reiterated that the lending climate is just all too challenging at the moment to think that these are reasonable options. She suggested the PC create a carrot that would provide the incentive to make affordable housing work financially for them. Clarke, Granda and Kytte continued to debate whether removing the commercial requirement constitutes a "carrot" or a reality that benefits all parties. Granda and Kytte agreed that the commercial requirement had been unrealistic from the start.

Bender thought that teachers and others on similar salaries could afford these apartments, and Kytte agreed that they had many teachers, nurses and students among others as tenants of building 1, and many people on the waiting lists for their range of apartment sizes. Clarke asserted that these units do fill a niche, that is for a range of incomes between buying a \$600,000 house and true low income housing. Granda asked Kytte if they had considered Shared Equity housing, and if they had considered meeting with Champlain Housing Trust a few years ago. Kytte responded that this had been proposed by former planner Jess Draper in 2019, but that agency walked away as Buttermilk didn't meet their criteria of volume, ownership, presence of transportation and services, and other factors. Kytte said that she and Richmond's next planner, Ravi Venkataraman, had also talked with the Vermont Housing Financing Agency, and the same conclusions were reached that this project wasn't a good fit with any resources they had.

Granda continued to question why we would not want to explore these options more. Clarke said that the developer is not interested in having a third party non-profit involved in their project. Brendan O'Reilly from Buttermilk added that he wanted to be able to carry out Buttermilk's vision in as streamlined a way as possible, and that adding third parties into the mix just muddies the water and makes things more complicated. He said it has been hard that the process has taken so long, and he hopes that he can get to doing his building 2 soon and not continuing to lose money.

Fausel entered the conversation by saying that he hoped the commission had come to terms with the fact that there is not going to be organized affordable housing on this site, and that he thought we should move on to discussing how many units we want to allow here, and what other things we might require that would benefit the town as we will be opening up the JC zoning. Clarke mentioned that we might have some senior "adaptable" units, or possibly "workforce" units with a rent cap, which would be fairly simple to monitor. Granda questioned if this would be legal, and Osborne replied that it would have to be run by the town attorney, but that he thought there was no preclusion to the idea. Bender wondered what would give the developer the most flexibility to build out whatever units they thought fit. Clarke replied that just giving the JC district a higher density number would give Buttermilk the most options. Bender then proposed that we give the district the highest density we think is possible. Kytte reviewed that the building footprint would remain the same as has been and is currently proposed, and that they would be looking to put in would be a mix of a few smaller commercial tenants, and perhaps another 20 or so housing units. Granda asked what number of additional units would trigger a new traffic study.

Kytte replied that the biggest burden on PM trips is caused by commercial uses which we are contemplating removing for building 2, so building 2 built out with residential units would be unlikely to trigger the level of 70 PM trips and a new traffic study. This might have to be done for buildings 3 and 4, but it is uncertain at this point what those buildings would need. The "slow growth" plan envisions assessing buildings 1 and 2 before starting to consider the next phase. Clarke offered that Venkataraman had a study done by CCRPC that showed that there would be no net increase in traffic if the commercial space was replaced by residential units. Clarke said she would get copies of that study. Granda replied to Bender's concerns by suggesting that the Selectboard would most likely be interested in questions about infrastructure capacity issues such as traffic and W&S capacity, both of which seemed to be adequate for more density. Josie added that the SB would also likely ask about parking, of which, she said, there would certainly be enough for building 2.

When asked about density, Fausel stated that he favored only the baseline 31 units, as the traffic is still a concern for him. He feels that there will also be a lot of traffic coming out of Railroad Street, as there is a lot of undeveloped land there besides the hardware store and the grocery store. He wondered if we should put something in the zoning that mandates a

traffic study with shared costs if the total traffic entering onto Bridge St reaches a certain level. He also recommended putting in additional “public “ parking to take care of the overflow parking that he feels will certainly be needed for even just the 31 units. He also stated that he would like to hear from the neighbors and those that travel on Bridge St before going further with adding units. Reap felt that we had taken a big step in agreeing to turn the commercial space into residential, and she wasn’t quite ready to put a number on the density. Osborne offered that he would love to start drafting a document with some proposed revisions, which would then get the decision-making going. Bender agreed with this plan.

O’Reilly wondered why the PC didn’t just adopt the Village Downtown District (VD) density number of 24 U/A, given that Buttermilk had plenty of parking and the VD had none. He wondered whether it would help if Buttermilk drafted an idea of what building 2 would look like with some number of additional residential units. Granda offered that maybe the problem is that while Buttermilk looks at this as a fairness issue, the SB and the PC look at it as a total resource issue. Clarke felt like the “resource” is really only a resource to this property, and is not exactly a town resource. That being said, we could consider adding some paid or non-paid parking requirement to the district. She also suggested that we keep in mind that if we allow no extra density, the 31 units will expand to fill the space we have freed up by removing the commercial requirement, and will thus be more expensive. If we allow additional units, Buttermilk can add a mix of different sized units and increase the diversity of rental rates.

Fausel said he felt the VD district density was an artificial construct that just matched what already is, and that he would like to allow the Richmond community to weigh in on the density question before proceeding further down this path. Kytte received clarification that it was the whole of the Bridge St upper block that was assigned the density of 24 U/A not just the Masonic building(s). She also said that if we added a public parking requirement we would have to factor that into the increase in traffic that would result, and discuss how this would be analyzed in terms of triggering a new traffic study. Fausel commented that he felt any “public” parking spots would be taken up by the overflow of the cars from the 1-space-per-unit mandate of Act 47. Reap, Granda and Clarke also felt it was a good idea to put together a proposed revision of the JC district (section 3.9) for us to redline at our next meeting as we continue to debate the particulars. Granda also requested time on the agenda to report on further information about affordable housing strategies. Clarke agreed to this, and said that we would also pick up posted agenda items that we hadn’t had time for tonight.

7. and 8. Other business and adjourn

As it was 9 PM, Granda motioned to adjourn, seconded by Reap. As there were no objections, the meeting was adjourned at 9:01.

Minutes submitted by Virginia Clarke