

TO: Richmond Selectboard

FROM: Ravi Venkataraman, Town Planner

DATE: July 2, 2020

SUBJECT: FY2021 Municipal Planning Grant

Purpose

The purpose of this memorandum is to overview:

- The Municipal Planning Grant (MPG);
- The application materials the Selectboard will need to provide to complete the MPG application;
- The investment the Town will need to provide for the MPG;
- The Planning and Zoning Department's proposal for the MPG; and
- A draft motion to facilitate action by the Selectboard.

Background on the Municipal Planning Grant

The purpose of the MPG is to promote municipal and regional planning projects that help advance the state planning goals as identified in 24 V.S.A. §4302. Such goals include: establishing a comprehensive planning process and policy framework; encouraging public participation in the planning process; managing natural resources with growth and development; and planning development in order to maintain the historic settlement pattern of compact village and urban centers separated by rural countryside.

The Vermont Department of Housing and Community Development (DHCD) administers the MPG. DHCD evaluates and ranks projects using a rubric; this rubric, along with additional information about the grant can be found in the enclosed program description. While the grant aims to support all planning-related projects, DHCD prioritizes (and thus provides more points for) the following projects:

- COVID-19 economic recovery plans and/or investment
- Fair and affordable housing plans and/or regulations that implement "Zoning For Great Neighborhoods"
- Plans for a new Designated Area or specific-area visual/physical master planning for a Designated Area
- Innovative statewide model projects

Last year, the following projects earned MPG funds:

- A conceptual master plan for obtaining a New Town Center and Neighborhood Development Area designation
- Evaluations and updates to land use regulations (i.e. zoning and subdivision ordinances)
- Updates to Town Plans
- The development of strategies to enhance public spaces and create walkable environments in towns and village centers
- A housing needs assessment

Individual municipalities are allowed to submit one application per year, with a maximum grant amount of \$22,000. Applications for MPG must be submitted by October 1, 2020. Projects are awarded in December 2020. And, projects must be completed with all funds spent by May 31, 2020.

The Town's Required Investment

If the Town is awarded a MPG, the Town will be required to provide at least a *10 percent cash match*. The exact amount will be based on the amount of the grant provided. But if the Town is awarded the maximum grant amount of \$22,000, the required minimum cash match will be \$2,200.

The Proposal

Richmond Planning and Zoning proposes applying for a MPG to establish inclusionary zoning regulations¹ that would increase the amount of affordable and diverse housing in Town. Project components would include public outreach to determine the needs of the community, an evaluation of current zoning regulations according to the needs of the Town, drafting of inclusionary zoning regulations with input from the Town, and implementation of inclusionary zoning regulations.

In addition to the work involved with this project, grant funds would be used to hire a consultant to facilitate the progress of the project, and to help establish a housing committee composed of Richmond residents and housing policy experts.

This housing committee would steer this project by overseeing outreach efforts, pinpointing town-specific housing issues, and creating policy solutions with the community at the forefront. The Planning Commission is currently creating a charge for this housing committee for the Selectboard to review and adopt.

This proposal aligns with the Selectboard's recent push to address affordable housing in town, housing goals listed in the 2018 Town Plan, and also DHCD's "Zoning for Great Neighborhoods" initiative. DHCD's initiative calls for the diversification of housing stock and the creation of walkable neighborhoods in order to fit the needs of Vermonters better. Inclusionary zoning regulations and overall revisions to the zoning regulations to increase the amount of affordable housing would lead to both aforementioned ends.

I have already discussed this proposal with representatives from CCRPC, VHFA, and DHCD. All three have expressed support for this proposal.

Having consulted with CCRPC, I have estimated this project to cost \$24,000. I will be requesting \$22,000 in the grant application

¹ "Inclusionary zoning" is the technical term for affordable housing regulations. The term "inclusionary zoning" includes both mandatory and opt-in affordable housing requirements. Zoning regulations tend to use the term "inclusionary zoning" for mandatory requirements—and thus the semantic difference. In this project, my aim is to have all aspects of inclusionary zoning (both mandatory and opt-in affordable housing requirements) to be considered in order to create a solution that best fits the Town.

Required Actions from the Selectboard

The Selectboard must adopt and sign a municipal resolution for the Municipal Planning Grant. Enclosed is a form provided by DHCD the Selectboard may use to adopt the resolution.

Provided below is also a draft motion:

I, _____, move to adopt the resolution for the FY21 Municipal Planning Grant.