

1.1 Type of Application: Is this an application from a group of municipalities (consortium) or an application from a single municipality?

- Single Municipality Application
- Consortium Application

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1.2 Applicant Municipality:

Town of Richmond

1.3 Rural Town Status: Is the municipality a rural town?

- Yes
- No

1.4 Agent Status: Will the Regional Planning Commission (RPC) serve as agent for this rural town project?

- Yes
- No

1.5 Consortium Lead Municipality: Name of the lead municipality.

1.6 Partner Municipalities: Select all partner municipalities in consortium.

1.7 Agent Status: Will the Regional Planning Commission (RPC) serve as the municipal agent for this consortium project?

- Yes
- No

Section 2: PROJECT DESCRIPTION & LOCATION

2.1 Please identify the project type:

Zoning and Subdivision Bylaw

2.1.1 If other, specify:

2.2 Project Title: Name the project as concisely as possible. The project title will be used in the grant agreement and program announcements if this grant is funded. (80 character limit)(Examples: Unified Bylaw Update, Village Revitalization Plan, Sewer Line Mapping)

Zoning for Affordable Housing

2.3 Project Subtitle: Provide a very brief summary of what the project will accomplish and produce. This description will be used in MPG program marketing materials if this grant is funded.

The town will revise its zoning regulations in order to increase the available market-rate and affordable housing stock in town.

2.4 Project Description: Provide an overall summary of the following: 1) Issue 2) Approach to solving the problem 3) Project Deliverables 4) Intended long-term outcomes. Consider writing this summary last, since it draws on more detailed responses below.

Like the rest of Chittenden County, the Town of Richmond faces issues with housing availability and affordability. Forty-three percent of all renters in Richmond pay more than 30 percent of their monthly household income on housing. Twenty-three percent of all homeowners in Richmond pay more than 30 percent of their monthly household income on housing. In addition to the issue of housing affordability is the issue of housing availability. The rental vacancy rate in Richmond is 4 percent. Only 2 percent of the town's housing stock is income-restricted workforce housing. The Richmond Selectboard has had discussions on this issue in recent months, and is driven to implement solutions to ameliorate this issue. This project would take on a portion of the task of ameliorating this housing shortage issue by investigating regulatory methods that could increase the housing stock in town—including inclusionary strategies, upzoning, Smart Growth principles, and form-based code strategies as presented in "Zoning For Great Neighborhoods". The recently established Town of Richmond 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 project's deliverables include amendments to the zoning regulations that would encourage the development of market-rate and affordable housing town-wide. The outcomes of this project include increases in market-rate and affordable housing stock, a higher vacancy rate for the town, and a reduction in housing cost burden for community members.

2.5 Project Location: Describe the geographic area(s) the project will address. Briefly describe the project's area of focus, such as: entire town, watershed, planning area, zoning district(s), a specific site, etc. For projects not defined by municipal or state designation boundaries, ATTACH any available images in the online Attachments Form to illustrate the project location, such as a map or photo that helps reviewers become familiar with the project's location and conditions. (Examples: entire town, planning area, zoning district(s), a specific site, etc.)

This zoning-reform project will be town-wide. Implementation will occur in stages, starting within the zoning districts within the Richmond Village area (see enclosed map), and expanding outward on a district-by-district basis.

Section 3: PLANNING STATUS ELIGIBILITY

3.1 Municipal Plan Status: Does the municipality have an adopted Municipal Plan?

✓ Yes (enter adoption date in box below)

No

11/6/2018 Please enter the adoption date. (mm/dd/yyyy)

3.2 Confirmation Status: Does the municipality have a local planning process confirmed by the Regional Planning Commission (RPC)?

Yes

No

3.3 Funding Status: Has the municipality voted at an annual or special meeting to provide local funds for municipal and regional planning purposes?

Yes

No

3.4 Municipal Plan Status: Do all partner municipalities have an adopted Municipal Plan as needed for grant eligibility?

Yes (list the partner municipalities and Municipal Plan adoption dates in the box below)

No

3.5 Confirmation Status: Do all partner municipalities have a local planning process confirmed by the Regional Planning Commission (RPC) as needed for grant eligibility?

Yes

No

Section 4: PROJECT READINESS & NEED

4.1 Project Issue & Urgency: What timely community issue(s), problem(s), challenge(s), or obstacle(s) will the project address?

In response to recent land development projects, the Richmond Selectboard, and Planning Commission has had numerous conversations on addressing the dire need for more affordable housing options within town in the last year. The 2018 Richmond Town Plan makes aware that the cost of housing is an issue in town, as the median cost of housing in town is higher than the median cost of housing in both Chittenden County and the entire state. The plan refers to the facts that the annual median income for renter households in Richmond is about \$19,000 less than what is needed to afford the average fair market rent in Chittenden County, and that only 2 percent of the town's housing stock are income-restricted affordable housing units. Both the Selectboard and Planning Commission explored implementing numerous regulatory methods to allow for more market-rate and affordable housing in town. In the end, however, both boards struggled to grasp the economics of market-rate and affordable housing development, the methods to monitor and evaluate the affordable housing units over time, and the ways to encourage the developers to include households from a range of incomes. Furthermore, both the Planning Commission and Selectboard were unable to balance the needs of the community with the existing character of the town. The Planning Commission and Selectboard created the Town of Richmond Housing Committee in August 2020 as a task force to study housing-related regulatory solutions to implement in the coming year. An MPG would bolster the Housing Committee's efforts to create regulatory tools that would increase the market-rate and affordable housing stock in town in a manner that is consistent with the character of the community.

4.2 Funding Need: What other funding sources, if any, did you consider, and why is the MPG program the best source to fund this project?

MPG funding is sought for this specific project because it aligns with the "Zoning For Great Neighborhoods" initiative. This project aims to expand the town's affordable housing stock, starting with the Richmond Village area and expanding outward in time. This project will take into consideration regulatory methods referred to in the "Zoning For Great Neighborhoods" initiative, including adapting the existing housing stock to meet the town's needs, modifying the zoning regulations to allow for infill development within the Richmond Village area, upzoning, establishing build-to-zone requirements, revising PUD requirements, and refining ADU requirements. Currently, the MPG is one of the few grant programs that would support a study of the present regulatory and on-the-ground conditions regarding housing in town and provide comprehensive regulatory solutions to the housing shortage in town. In addition, the MPG would bridge a funding gap for this project, as the town does not have enough general funds to support the project by itself.

4.3(a) Municipal Plan Project Readiness: If the application is for a municipal plan adoption or amendment project, how will the project address the issues described earlier and any recommendations made by the RPC to bring the municipal plan into compliance with statutory requirements?

✓ Not a Municipal Plan project

4.3(b) Municipal Plan Implementation Project Readiness: If the application is for a project that implements the municipal plan, how is the proposed project identified as an important

implementation action in the adopted municipal plan?

Not an implementation project

Listed in the 2018 Richmond Town Plan are the following relevant goals:

- (Housing section, Goal 1): Strive to have diverse, resilient, affordable, and quality housing options for residents, and potential residents, from all walks of life throughout the Town.
- (Future Land Use section, Goal 1): Encourage “smart growth” as defined in Vermont statutes, which allows development while preserving Richmond’s rural character.

Under these goals are the following relevant action items:

- (Future Land Use section, Goal 1, Action Item #2): Create policies that encourage affordable housing development
- (Housing section, Goal 1, Action Item #1): When updating zoning regulations, identify opportunities for development of a variety of housing types, for example allowing mixed residential and commercial use, higher unit density, or unique accessory housing in certain areas that will be identified during said update
- (Housing section, Goal 1, Action Item #2): Continue to support the existence of the mobile home park, and support additional affordable housing development
- (Housing section, Goal 1, Action Item #3): Create a town housing committee that can identify needs and partner with organizations to help secure funding and identify opportunities for construction or adaptation of housing stock, as well as aid in the creation of affordable housing policies that are welcomed by both developers and residents

This proposed zoning-reform project to increase the housing stock town-wide would help achieve the aforementioned Town Plan goals and objectives on creating diverse, affordable housing options with regard to Smart Growth methods.

4.4 Other Background: Are there any additional community efforts or activities leading up to this application that would provide extra context for this project? (Optional)

Since 2014, the Planning Commission and Selectboard has been working with Buttermilk, LLC to redevelop a brownfield in the middle of Richmond Village. Buttermilk LLC’s project is a mixed-use development, consisting of 45 residential units and commercial ground-floor uses. This project received funding from the Brownfield Revitalization Fund, and the Vermont Community Development Block Grant program. Currently, phase 1 of 2 of the project has been completed, and 14 market-rate units have been developed. During the discussions on zoning regulations with the developer in the last six years, both the Planning Commission and Selectboard tried numerous times to incorporate an affordable housing component to foster the creation of an inclusive, mixed-income housing development. However, both the Selectboard and Planning Commission were repeatedly unable to grapple with the economics of developing affordable housing, the methods to monitor and evaluate the affordable housing units over time, and the ways to encourage the developers to include households from a range of incomes—most recently in the last year. Through the “Zoning for Affordable Housing” project, the Town aims to clarify particular aspects about affordable housing development it was unable to grasp in past years, and spur housing developers to create mixed-income housing projects in town.

4.5 Project Overlap: If a municipality received an MPG last year - or the project is part of a larger or

phased project, explain how the project relates and the capacity to complete the proposed project.

✓ N/A (single project with no overlap)

4.6 Project Management: How will the project be managed and who will make decisions about the process and final products?

The recently created Town of Richmond Housing Committee will steer this project. The town planner will staff and accordingly advise the housing committee. The housing committee is comprised of up to eleven members, of which two of the members are from the town Planning Commission. Currently, the committee has ten members, including a developer from Cathedral Square, a community development planner, an accountant for Burlington Housing Authority, and a local realtor. The committee aims to fill the vacant seat with a local market-rate housing developer in order to gain further insight into the local housing market. Throughout this project, the committee will meet twice a month, and additionally on a needed basis. The committee chair and the town planner will be responsible for providing updates to the town Planning Commission and Selectboard twice a month throughout the project duration. A webpage will be created and maintained by town staff on the town website to inform the public on the project. The findings of this project and the draft regulations will be presented to the Planning Commission and Selectboard for review and approval.

Section 5: COMMUNITY SUPPORT & PUBLIC ENGAGEMENT

5.1 Public Outreach: What public participation methods will the project use to engage the participation of the broader public, especially commonly under-served and under-represented populations in the community?

This project will involve the public throughout the process through accessible public forums. The goal is to engage with a variety of stakeholders via various media (online on the website, in-person distanced, virtual meeting, social media) throughout the process. The public will be informed regularly through other town boards, such as the Selectboard, the Planning Commission and the Housing Committee. In addition, a website devoted to this project will be set up and regularly updated for the public; the public would be able to provide input to the Richmond Housing Committee through the website via a Google Form. There will also be direct outreach to key stakeholders such as local developers, and affordable housing partners to get their feedback on the proposed regulations to ensure the regulations will be workable.

5.2 Project Partnership & Support: In addition to the Selectboard and Planning Commission's resolution of support, please explain and provide evidence of organizational partnership and community support for the project.

The "Zoning for Affordable Housing" project has garnered support from local housing developers, the local business community, and the Vermont Housing Finance Agency (VHFA). Local housing developers Jason Webster of Huntington Homes and Josi Kytte of Buttermilk, LLC, as well as Western Slopes Business Association (WSBA)—the local business community—are invested in fostering community vibrancy by building diverse affordable housing options in a walkable built environment. VHFA also supports the creation of housing

options, as well as the long-term sustainability of the newly created Richmond Housing Committee, as this project could potentially cement the role of the Housing Committee in the community. Enclosed are letters of support from VHFA, WSBA, Jason Webster of Huntington Homes, and Josi Kytlye of Buttermilk, LLC. All of the aforementioned stakeholders will be involved throughout the process, and are included in the work plan.

Section 6: STATEWIDE PRIORITIES

6.1 Project Outcomes & Goals: Beyond the project itself, what long-term outcomes would demonstrate the success of the project and further the statewide planning goals?

Long-term outcomes for this zoning-reform project would be a reduction in the number of housing-costs-burdened households. Through the implementation of regulatory strategies, such as the adaptation of existing housing stock within Richmond Village into multi-family dwellings, affordable housing development projects, and developments that apply Smart Growth principles such as clustering development and allocating open space, the town aims to reduce the amount of housing-costs-burdened households and increase the housing vacancy rate for both rental and ownership units to above five percent. These project outcomes align with the 2018 CCRPC ECOS Regional Plan goals of lowering housing costs, increasing the availability of rental housing, and expanding the housing stock. In addition, these project outcomes align with Vermont's planning goals of ensuring the availability of safe and affordable housing.

6.2 Priority Project Categories: Which of the following statewide priorities does this project address, select all that apply ?

- ✓ Fair & Affordable Housing Planning or Regulations that Implement Zoning for Great Neighborhoods
- COVID-19 Economic Recovery Plans and/or Investment
- Plans for a NEW Designated Area or Specific-Area Visual/Physical Master Planning for a Designated Area
(*must contact DHCD in advance of application to qualify for new designation points*)
- Innovative Statewide Model Projects
- Not Applicable (N/A) - *Project is a Local Priority*

6.3 Priority Project Explanation: Explain how the project furthers the selected statewide priority(s).

An outcome of this project would be the integration of particular strategies listed in the "Zoning For Great Neighborhoods" initiative into the Richmond Zoning Regulations, based on how the strategies align with the town's needs. The goal of this project is to spur the expansion of the town's housing stock. This project will involve evaluating regulatory methods referred to in the "Zoning For Great Neighborhoods" initiative—including adapting existing housing stock to meet the town's needs, modifying the zoning regulations to allow for infill development within the Richmond Village area, upzoning, establishing build-to-zone requirements, revising PUD requirements, and refining ADU requirements—and amending the zoning regulations to include such methods based on the town's needs.

6.4 Designated Areas: Which of the following state designations are held by the municipality, select

all that apply?

- ✓ Village Center
- Downtown
- New Town Center
- Neighborhood Development Area
- Growth Center
- N/A

6.5 Designated Area Projects: If the project relates to any of the designated area(s) selected above, please explain.

The Town of Richmond has a designated village center, making it eligible for 10 points. The first phase of implementation will be amending the zoning regulations within the designated village center and areas adjacent to the designated village center. Later phases of the project will be applying regulatory strategies to increase the housing stock to other parts of town.

6.6 Program Success Stories: If an applicant has received MPG funding in the past ten years, please share any positive outcomes demonstrating the success of prior funding. (Optional)

Section 7: MUNICIPAL RESOLUTION AND GRANT ROLES

Municipal/Authorizing Official (M/AO):

Josh Arneson
Town Manager **M/AO Title**

Alternate Municipal/Authorizing Official (M/AO):

Selectboard Chair **Alt M/AO Title**

Grant Administrator:

Ravi Venkataraman
Town Planner **Grant Admin Title**

Upload Completed Municipal Resolution*

https://egrants.vermont.gov/_Upload/246264_8074519-MPG-Resolution-Form_Fullysigned.pdf

Mailed to DHCD

Work Plan and Budget

Attachment A

Task Name	Description of Task	Paid Personnel	If other, please specify	Hours	Hourly Rate	Personnel Cost	Material Description	Material Cost	Total Cost
Draft Scope	Consultant will work with town Housing Committee to create a draft scope of the project.	Consultant		10	\$100.00	\$1,000			\$1,000
Evaluation of current zoning	Consultant will evaluate the current zoning regulations with the town Housing Committee to identify portions promoting the project goals, and sections requiring revision to meet the project goals	Consultant		50	\$100.00	\$5,000			\$5,000
Assessment of community needs	Consultant will reach out to the community –including WSBA--to determine the housing needs of the community and the values of the community. Consultant will also reach out to local developers to assess their needs and constraints.	Consultant		30	\$100.00	\$3,000			\$3,000
Creating the Zoning Reform Framework	Consultant and town Housing Committee will draft a list of aspects and elements the zoning amendments will include, based on the Town Plan and stakeholder needs.	Consultant		10	\$100.00	\$1,000			\$1,000
Drafting Zoning Amendments	Consultant will draft zoning amendments with the guidance and input of the Housing Committee.	Consultant		70	\$100.00	\$7,000			\$7,000
Review draft regulations with the public	Consultant and Housing Committee will present zoning amendments to stakeholders in focus groups for feedback.	Consultant		20	\$100.00	\$2,000			\$2,000
Review draft regulations with the Planning Commission	Consultant and Housing Committee will present zoning amendments to Planning Commission for feedback, and approval.	Consultant		15	\$100.00	\$1,500			\$1,500
Review draft regulations with the Selectboard	Consultant and Housing Committee will present zoning amendments to Selectboard for feedback, and approval.	Consultant		15	\$100.00	\$1,500			\$1,500
						\$22,000		\$0	\$22,000

Work Plan and Budget

Total Project Costs	\$22,000
State Grant Funds (Grant Amount Requested):	\$20,000
Match Funds:	\$2,000
Minimum Required Match Funds: (10% of State Grant Funds)	\$2,000
Additional Match Funds: (Optional)	\$0

Work Plan and Budget**BUDGET DOCUMENTATION**

Describe Source(s) of match funds (if required): *Contribution of municipal staff or volunteer's time cannot be offered as a match. Other contributions, while not required, may be documented here as well.*

General Fund Planning Budget

Describe how you arrived at realistic budget estimates for the work plan.

This project work plan was developed with the assistance of the Chittenden County Regional Planning Commission. This work plan was also vetted by Brandy Saxton of PlaceSense. Supporting documentation from Saxton is enclosed for your consideration.

Upload or mail supporting documents that show the work plan and budget is based on realistic information. *If your project involves hiring a consultant (including regional planning commission staff), provide a letter or other documentation from a consultant with cost estimates for tasks, including hourly rate.*

Upload Budget Documents

Mailed to DHCD

ACCOUNTING

Responses to the following questions are used for administrative purposes only and will not impact the competitiveness of your application. Please remember that state funds cannot be awarded to municipalities who are (a) suspended or debarred by the Federal Government; (b) delinquent in submitting their subrecipient annual reports; and (c) delinquent in submitting their Single Audit Reports (if required).

What type of accounting system does your municipality use?

- automated
- manual
- combination of both

Does your organization have an accounting system that will allow you to completely and accurately track the receipt and disbursements of funds related to the award?

- Yes
- No

Applicant Attachments

Document Name: CCRPC Support Letter
https://egrants.vermont.gov/_Upload/246366_8074301-Richmond_MPG_CCRPCLetter.pdf Mailed to DHCD

Document Name: VHFA Support Letter
https://egrants.vermont.gov/_Upload/246366_8074301_2-VHFAsupportletterforRichmondMPGapp.pdf
Mailed to DHCD

Document Name: WSBA Support Letter
https://egrants.vermont.gov/_Upload/246366_8074301_3-WSBA_MunicipalPlanningGrant_LetterOfSupport.pdf Mailed to DHCD

Document Name: Buttermilk, LLC Support Letter
https://egrants.vermont.gov/_Upload/246366_8074301_4-HousingPlanningGrant_LetterofSupport_Buttermilk.pdf Mailed to DHCD

Document Name: Huntington Homes Support Letter
https://egrants.vermont.gov/_Upload/246366_8074301_5-JasonWebster-RichmondMunicipalPlanningGrant.pdf Mailed to DHCD

Document Name: Project Area Map
https://egrants.vermont.gov/_Upload/246366_8074301_6-RichmondMap_MPG.pdf Mailed to DHCD

DHCD Staff Attachments

Document Name: