DRAFT

Richmond Housing Committee- Strategic Housing Plan

The purpose of this plan is to provide a comprehensive set of strategies aimed at fostering the development of subsidized workforce housing and more affordable housing options in Richmond. The Richmond Housing Committee recognizes the critical need to address housing affordability and availability issues, which are becoming increasingly prevalent. Through collaborative efforts and innovative approaches, this plan seeks to create sustainable and inclusive housing solutions that cater to the diverse needs of the community. This initiative aligns with Richmond's 2050 housing target, set by the 2023 HOME Act passed by the Vermont state legislature to add roughly 31,000 housing units in Chittenden County, with Richmond’s share being 1,264 units over the next 25 years.

The proposed strategies include a range of initiatives, from partnership development and advocacy to revising existing water and sewer regulations. By leveraging the town's existing resources and addressing systemic challenges, the Richmond Housing Committee aims to facilitate the creation of new housing opportunities. These efforts will not only enhance the quality of life for current residents but also attract new families and individuals to Richmond, contributing to the town's overall growth and prosperity.

**Water and Sewer Regulation/Policy revisions (Andrew/Virginia)**

Housing projects at scale require having access to public water and sewer. This is evident from conversations with affordable housing developers like Champlain Housing Trust. From the 2023 review of potential affordable housing sites in Richmond, prepared by the Richmond Housing Committee, many possibilities fell just outside the existing district. Utilization for Richmond’s current sewer system is estimated at 30-40%, leaving generous capacity for extension of the lines into new territory. In 2003 there was an effort to expand the existing water and sewer system along the Town’s Gateway District towards I-89, however it failed due in part to the set of unique by-laws governing who can vote for such projects and how those projects are to be funded.

Currently, the by-laws state that district expansion is to be voted on and approved by existing properties connected to the district and that the cost of the expansion is to be fully borne by the new members. In essence, this gives power of this public good to a small number of town residents and shifts the burden and expense of creating this public good to a select number of beneficiaries.

Access to safe and reliable water is a public good.  In the evolving environment and climate, access to water will present challenges to all areas of the country.  In the neighborhood I live in out of 74 homes there are at least 11 that regularly run dry.  This wasn't the case 30-40 years ago when the neighborhood was developed.

While there is capacity, the existing infrastructure is prone to continuous flooding and will need funding for continued maintenance. A larger customer base will help share the cost among a greater number of customers.

The Richmond Housing Committee recommends the following:

* Review and update the existing water and sewer by-laws to all for all town residents to approve expansion plans and update the funding model to share the public good across a wider base.
* Add expansion into the Gateway District into the Town Plan
* Seek state and federal funding sources for district expansion
* Seek community support for the expansion from residents in the Riverview Commons Mobile Home Park and those along Governor Peck Rd.
* Apply for a planning grant to figure out where we could/is it worthwhile to extend the sewer line in any of the directions we are considering. A planner should be able to help us with this.

**State and Federal subsidized housing assistance programs (Mark)**

From a financial perspective, new housing construction to be sold or rented below market rate typically necessitates a combination of the following:

* **Town support** from the Selectboard and relevant governing bodies. Letters of support for a specific project, organized approval and permitting process, clear zoning regulations, and established master plans outlining targeted growth areas.
* **Financial assistance or subsidies** to support the below-market rent or sale price and increase the likelihood of lender funding for the project. Approved designated areas that allow for a reduction in state permitting fees or applications for state/federal grants/subsidies, reduction or elimination of town permitting fees, and direct contributions from an established housing fund.
* **In-kind support** that could help reduce the costs and incentivize the project. Utilizing Highway Department capacity to build sidewalks or other infrastructure, leveraging town resources for permitting or legal support, and donation of land.

Below-market rate projects are costly, to the tune of $534K per affordable housing unit1, due to increases in labor, material, and financing costs. Thus, they require strong partnerships with the town where the project will be built. The developer takes on a lot of risk and expense upfront with these projects and needs to know that there is a level of support from the town going into the project.

The Richmond Housing Committee conducted several stakeholder interviews, which revealed opportunities for improvement that the Housing Committee, Planning Commission, and Selectboard could use to increase the availability of below-market housing in Richmond.

The following are the recommendations of the Richmond Housing Committee:

* Empower the Town Manager to write letters of support for a project when requested. Provide a pre-approved template and clear guidelines to expedite the process. These letters are often required for state or federal funding applications. Typically, developers need to submit these letters in their funding application packets.
* Create a housing trust fund to support eligible projects. The housing fund could reduce permitting or infrastructure costs. It is a long-term plan that can be funded over time from donations, registration fees, small budget allocations, or other mechanisms to be determined. The goal would be to create the mechanism first, and then the funding of it will come in the future.
* Develop a Master Plan for the gateway, which will provide a future-focused, 20-30 year plan for how the town envisions future development in the Gateway. This would include the outlook of future development for infrastructure, land use, transportation, economic development strategies, and community facilities. There is the potential for grants to help fund the creation. The goal of developing a master plan is to signal to town officials, committees, community members, and developers the proposed use of the area. Why the gateway? This segment of the community is tangential to the community water/sewer district and currently has a number of mixed-use structures, easy access, and low density.
* Support the Neighborhood Development Area (NDA) designation. The town of Richmond currently has village designation, but the NDA will provide increased support for the creation of below-market-rate housing within specific designated areas. It provides such things as Act 250 exemptions for mixed-income projects, reduced fees, tax benefits, and provide priority consideration for state grants. This will provide a strong foundation for future projects.
* Partner with housing organizations such as Habitat for Humanity, Champlain Housing Trust Fund, or Cathedral Square to support the development of future community projects. They have the expertise to navigate the complexities of funding below-market-rate housing and would be able to create a project that could maximize desired housing.

**Development of Community Support and Outreach (Connie)**

**Community Support & Outreach Plan**

To build an informed and supportive community for the advancement of housing policy in Richmond, we will implement a grassroots outreach strategy that engages residents, businesses, and community leaders through direct conversations, education, and public dialogue. Given past experiences with town planning, we recognize the importance of simplifying complex proposals and maintaining ongoing engagement throughout the process.

#### **Current Landscape**

Past planning efforts have shown that when proposals are lengthy or complicated, it can be difficult to build broad community support. We will address this by incorporating inclusive outreach methods and learn from other successful organizations in Richmond (such as Richmond Racial Equity and the Three Parks Committee) while tailoring our efforts specifically to housing.

#### **Goals & Action Steps**

1. **Community Education & Expert Insights**
   1. Identify and invite local housing experts to speak at meetings and public forums, providing guidance on ways to make housing development more feasible in Richmond.
   2. Experts may include representatives from Champlain Housing Trust, Cathedral Square, Evernorth, local realtors, developers (e.g., John Lynn, Buttermilk spokesperson), and bankers (e.g., Northfield Savings Bank).
   3. Summarize expert insights and share them via town bulletins, social media, and local newspapers to ensure broad public access.
   4. **Goal:** host 1-2 events per year.
2. **Neighborhood Conversations & Small-Scale Engagement**
   1. Organize neighborhood-specific “living room meetings” where small groups of residents can discuss housing needs and plans in an informal setting.
   2. Use these gatherings to address concerns, share information, and build grassroots support.
   3. Record key takeaways and create a FAQ document to address recurring questions.
   4. **Goal**: 2-3 conversations per year
3. **Public Awareness & Media Outreach**
   1. Write guest columns for the local newspaper and participate in community radio discussions.
   2. Maintain a consistent social media presence with updates, Q&A sessions, and myth-busting posts about affordable housing.
   3. Encourage local businesses and organizations to visibly show support through window decals or endorsement statements.
   4. **Goal**: 2-3 articles/media pieces per year
4. **Community Film & Discussion Night**
   1. Host contemporary film screenings o with free pizza (funded by the Planning Commission).
   2. Use the event as an opportunity to facilitate a discussion, with local spokespeople (e.g., Denise Barnard, Jay Furr, and committee members) leading the conversation.
   3. Record key insights and create a short video recap for MMCTV and online sharing.
5. **Public Commitment & Petition Drive**
   1. Create a simple statement of support for the housing plan and invite residents, businesses, and organizations to sign on.
   2. Distribute materials (yard signs, stickers, or flyers) to reinforce public support.
   3. Highlight community endorsements in media outreach efforts.
6. **Ongoing Communication & Transparency**
   1. Continually summarize updates, changes, and next steps through local websites, social media, and town bulletins.
   2. Maintain a clear and accessible process for community members to stay informed and provide feedback as the Town Plan evolves.

#### **Measuring Success**

Success will be measured by strong community participation, increased public understanding of the housing plan, and ultimately, the approval of the updated Town Plan by the Select Board and Planning Commission.

**Zoning Recommendations (Virginia/Nick)**

To address the pressing need for affordable housing in Richmond, a series of zoning recommendations have been proposed. These recommendations aim to create a more inclusive and accessible housing environment by leveraging strategic zoning adjustments. By allowing for housing in commercial districts, developing a town-wide density bonus, increasing building height limits, and simplifying the development review process, Richmond can foster a more diverse and affordable housing market. These measures are designed to support public policy goals, such as affordable and senior housing, while also streamlining the approval process for new housing units.

The following are recommendations improve the zoning environment within Richmond:

1. **Allow housing in the Commercial and Village Commercial districts that are close to the village center**: This recommendation aims to integrate residential units within commercial areas, fostering mixed-use developments that enhance community vibrancy. By allowing housing in these districts, Richmond can leverage existing infrastructure and amenities, creating a seamless blend of commercial and residential spaces. This approach not only supports local businesses but also provides residents with convenient access to services and employment opportunities.
2. **Develop a town-wide density bonus that supports affordable housing**: Implementing a density bonus incentivizes developers to contribute to public policy goals, such as affordable housing or senior housing, in exchange for exceeding maximum development limits. This strategy encourages the creation of more affordable housing units, addressing the significant housing gap in Richmond. The Vermont Department of Housing and Community Development indicates that Vermont needs to add 41,000 new rental and owner-occupied residences by 2030 to address its demographic challenge.
3. **Increase the maximum allowable height of buildings in Richmond by 1 story**: And additional allowable story will help support additional units on the same footprint. This recommendation aligns with Act 47, which permits developers to build one story higher if 20% or more units are designated as affordable.
4. **Streamline the development review and permitting process and develop clearer guidelines for approving new housing units.** This could be done through an engagement with an outside consultant to make specific recommendations.In the 2022 Richmond Housing Study nearly all developers, builders, housing providers, and employers identified Richmond’s development review and permitting process as a significant barrier to housing, citing uncertainty of outcome and cost. Concerns included lengthy processing times (12-24 months), multiple appearances before the Development Review Board (DRB), delays due to DRB turnover and lack of quorum, lack of coordination with state permitting processes, and unclear regulations. Streamlining the process will reduce reliance on conditional use, thus allowing more administrative approvals, and ensuring applications are processed within 60 days. Clear and specific requirements would reduce uncertainty for applicants.

These enhanced zoning recommendations aim to create a more inclusive and accessible housing environment in Richmond, supporting both community growth and preservation.

-----------------Old Content-------------------------------

* Inclusionary Zoning
* Neighborhood Designation for downtown
* Long term plan 2026
* Prohibition on 35’ units can impede development
* Streamlining permitting process
  + Form Based Codes
* Waive town impact fees for Affordable/workforce housing
  + Density impact fees....

1. inclusionary zoning - PC has taken the first step towards this with a “density bonus program” which will be presented at PC public hearing for Jolina Court on 3.5.25

- Density Bonus: This is written for the whole town. Consider to support a density bonus mechanism for the whole town.

~~2. NDA – CCRPC advising that this is likely not necessary as our village areas will be folded into the new FLU mapping system in 2026 and given the benefits of the NDA anyway – PC currently working with CCRPC on this~~

3. long term plan and goals – Town Plan 2026 – enabling more infill housing development (duplexes, ADU’s, 3-4 unit multi-families) in W&S area partially complete due to Act 47/181 – working with CCRPC to potentially classify Gateway and Farr Farm as “Transitional” (new CCRPC has new FLU mapping scheme with 10 categories) - need to consider the HDR area and

**A/R District: clustering housing provisions in the A/R- Create Clustered Housing policies. Don’t want to take away from the rural character.**

Possible thing, to 1 further story. outreach for Town Plan may include discussion on raising height limit of buildings. If you meet the definition of an affordable housing development. You can go 1 story higher if you have 20% of your units are affordable. Beyond 35 feet.

**Is there a way to have someone come in and look at our entire permitting process and make recommendations on what we could do?**

* Could CCRPC could do this?

**4. waiving impact fees for affordable housing is SB issue – no work done on this**

*How would we measure progress? (how do we know we have arrived?* Future Consideration:

**Create a Richmond Housing Fund**

**Tax abatement programs and policy strategies**

* **o Reduce impact fees for affordable housing**
* Rental Revolving Loan Fund (RRLF) - Setup by state to encourage workforce housing
  + Example would be Buttermilk, who applied, but was not awarded funds. What can be done to support this effort in the future?