

December 5, 2023

To Richmond Planning Commission:

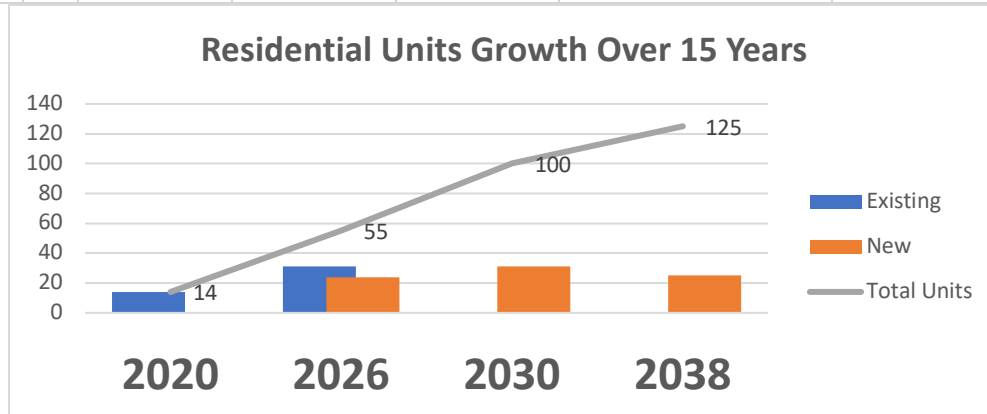
Thank you for your time and interest in the discussion on November 15<sup>th</sup> on together we can help provide more housing in Richmond and in Vermont at the Creamery. We remain a committed partner. The below note has our collective goal in mind and encourages progress.

Please note that this memo should be used in conjunction with the proposal submitted on November 15<sup>th</sup>, 2023.

**All residential units would be developed and constructed over the next 15 years.** This timeline was included in our PUD and this slow growth has always been our collective intent. Including the current 8 years of this project, it would be growth spread over 23 years.

Our plan is that each building is individually constructed to allow for slow growth and assessment of needs. We have learned from Building #1 and will apply those learnings and needs to future buildings. Also, societal behaviors and community needs will change (e.g. pandemic impact as an example). Also, market factors will always play a significant role in any and all estimates. Of course, there could be an exceptional circumstance (e.g. big commercial tenant?!) that might impact the timeline but based on 8 years of history, current construction timelines, and market conditions, the below are our estimates:

	#	Residential Units			Commerical Units <i>Sq Ft</i>	Occupancy Timeline <i>Acutal or Estimated</i>
		<i>Allowed by Current Zoning</i>	<i>Additional Requested</i>	<i>Total</i>		
Building	1	14	0	0	5,000	2020
Building	2	31	24	55	2-3,000	2026
Building	3	0	31	31	tbd	2028-32
Building	4	0	25	25	tbd	2035-38
<b>Total</b>		<b>45</b>	<b>80</b>	<b>125</b>		



**The goal is to get Building #2 done by 2027.** That would be seven years after our first building and 12 years into the project. But due to timelines, it's the quickest we could forecast it being completed and ready for new residents.

Our current approved permit for Building #2 includes 31 units – that is the remaining unit density allowed by zoning (e.g. unallocated 31 of the 45). This current request is asking for 24 additional units to be allowed (along with the other changes requested on November 15<sup>th</sup>).

Due to the current residential cap and commercial limitations, many of the units are large and thus expensive to build and drive the rent. Like we did in Building #1, we would use the additional units to redesign the existing floor plan to provide smaller units – affordable and workforce housing. We would retain some larger units for families and higher income individuals – ultimately to achieve the wide mix of housing requirements that Vermont and Richmond needs. Additionally, the removal of the unrealistic commercial requirement, we would convert some (not all!) of the commercial space into residential units while still allowing for meaningful commercial space (like a gym, small offices, a café or bookstore etc).

Therefore, to confirm, our short-term request for Building #2 is 24 additional units (above the existing 31 units permitted) of which some of those would be able to offer affordable / workforce housing. As a reminder, without those units and removal of the commercial burden, we will not be able to progress.

For Building #3 and #4, it is extremely challenging to project the community need, the economics or the timeline. We have attempted to do that here to help manage expectations but all assumptions on uses, number of units, and timeline should be seen as *directional*.

Our intention for the ‘Planned’ Unit Development would be to use the insights from Building #1 and #2 to inform the use, timeline and details. As explained previously, to proceed with any further buildings, we would require residential units for the economics. Therefore, we have requested the additional units based on a similar scope and plan for Building #1 with less commercial burden. Also, we have estimated the costs of construction based on current forecasts and what would be required to offer a mix of units (at market to affordable) for these buildings in the next 15 years. Again, these estimates are highly challenging but are based on the past 8 years of experience.

**Occupancy in late 2026 or early 2027 is the best-case scenario for Building #2:**

We believe clarity and timeline estimates are essential to any progress. Below is the best-case scenario for Building #2 completion.

- May 2024 – Approval Zoning Changes for Jolina Court
- June - December 2024 - Permitting - Act 250 & PUD
- Spring 2025 - Construction Starts (20 months construction timeline)
- Fall 2026 / Winter 2027 - Certificate of Occupancy

We are well aware that achieving the Zoning Changes will be challenging. It took 18 months to indoctrinate the 2015 Jolina Court Interim Zoning into permeant zoning (from Jan 2019 to May 2020). But, creating a target could be helpful. And doesn't 2027 sound very far off already?! It would have been 7 years from the opening of the Building #1.

Ultimately, if Richmond wants to provide new housing - affordable and workforce - by 2027, you have a willing, proven partner. Let's light the fire and make some progress.

Thank you,

Josi and Brendan