

4.2.24 meeting minutes

This meeting was conducted remotely.

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

Members absent: none (*one vacancy*)

Others present: Keith Osborne (Director of Planning and Zoning), Erin Wagg (MMCTV), Patty
Brushett, Molly Lawney, Bonnie Steuer, Connie van Eegen, Josi Kytte,
Brendan O'Reilly

1. Welcome

Clarke welcomed commissioners and guests and opened the meeting at 7:02 pm.

2. Review and adjustments to the agenda

Bender expressed his willingness to continue past 9 pm if more time was needed for public comment or if progress was occurring in the discussion.. Clarke suggested the commission consider this if relevant later in the meeting. Others agreed they would consider it as well.

3. Public comment on non-agenda items

There were no comments.

4. Review of minutes of 3.20.24 meeting

As there were no additions or corrections to the minutes, they were accepted into the record as written.

5. Chris Granda report on affordable housing strategies

Clarke introduced this topic by reminding folks that the Housing Committee had been formed by the Selectboard (SB) specifically to deal with all aspects of housing, so she hoped this discussion would carry over to that group. Granda began his presentation by saying he had sought information that might be relevant to the Jolina Court decisions that we are making currently. He reviewed the history of the Buttermilk project from 2016 until their current request for zoning amendments, which would include removing the commercial requirement and adding units for building 2. Josi Kytte from Buttermilk added that even 5 years ago it was unlikely that the commercial requirement could succeed, and now market conditions were even worse. Granda continued with a discussion of the idea that some of the units in building 2 could, or perhaps should, be below market rate.

Granda then reviewed the Richmond Town Plan's frequent references to "affordability" as a goal. He then reviewed the report that was created for the Housing Committee, which also references supporting the availability, affordability, and diversity of housing, as well as fostering a culture that welcomes new housing. The Jolina Court site was listed as a priority area for increasing housing density, and the report's recommendation was to use

the TND (*Traditional Neighborhood Development*) model which requires some affordable housing units. He then reported on some of the State's efforts to promote affordable housing, including S. 100 (*Act 47*), that allows affordable housing in W&S districts to add 40% more density, as well as to restrict the parking requirement to 1 space per unit. He described the rental revolving loan fund from the Vermont Housing Finance Agency (VHFA) that provides developers of middle income rental units with subordinate loans of up to 35% of the cost of eligible construction costs, and other resources from the State joint fiscal office such as the federal low income housing tax credit, the home investment partnership program and the national housing trust fund, to name just a few. Granda added that to investigate all the possible options would be a significant amount of work, and that perhaps the Housing Committee could take this on. Clarke suggested that since Buttermilk was here tonight, we could ask them if they had looked into applying for some of these programs.

Kytle responded that she and Ravi Venkataraman had met with the VHFA, and they had reviewed all the programs on offer and found that there were none that fit Buttermilk's particular case. She continued by saying she had read the Housing Committee report and felt that "affordable" never meant subsidized or low-income, but rather that it meant "workforce" which is what Buttermilk is offering, and that if Richmond wants, for instance, housing at 60% AMI, the PC will have to figure out what the incentives or the carrot would be that would make a developer want to provide that. She expressed frustration with the current stalemate that has gone on for months, and asserted that the mix of housing that building 1 has provided has been exactly the mix of units for all income-levels that that has been desired.

Granda asserted that there is a range of options between market-rate housing and section 8 (*true affordable*) housing, and felt that that had not been looked at. He suggested that Clarke wished only to remove the commercial requirement from the JC district and present that option to the SB. Clarke disagreed, saying that in the draft proposal presented, not only would the commercial requirement be removed, but additional units would be allowed in order to continue to offer a diversity of sized units. In addition, there is a proposal for density bonus units beyond the regular additional units, that might give us the opportunity to get some of the kinds of units we have talked about, such as senior-adaptable and workforce. She apologized for getting this draft into the packet just this morning, saying that it had been delayed in the P&Z office. Granda said he hadn't read it yet, but Bender said he had studied it. Clarke also said it addresses parking issues. Granda asked if Clarke had a political strategy for getting this through the SB since SB member Bard Hill might wish to see affordable housing.

Clarke responded with two comments. The first was that the PC's first step was to thoroughly vet the proposal at our level before taking it to the SB, and figure out why we could or could not have the various options. The second was that this is a new SB, with only 2 members who are invested in the previous history of Buttermilk, and for all we know, the SB might be quite open to our conclusions. She also said that there was no point in

putting together a package that Buttermilk is either unable or unwilling to accept, and that her goal was to come up with a compromise that both looks at the history and the current reality of the situation. She asserted that having a third party such as an affordable housing non-profit owning part of the project had never been part of this project. Granda disputed that this was the only option for “affordable” – meaning below market rate - housing. Kytly asserted that Buttermilk had looked into all of the other programs of the VHFA multiple times and found that there were none that were applicable to their project. In answer to Clarke’s question about the time pressure that Buttermilk is under, she reviewed their timeline, which is already looking like end of 2026, maybe 2027 for completion, with both interest rates and construction costs constantly rising. O’Reilly added that the slow pace of the zoning process is causing them to lose partners, and that he favored the simple proposal of removing the commercial requirement and matching the downtown density. Granda and Clarke continued to dispute the question of when the SB should be involved in the process of drafting amendments.

Patty Brushett entered the conversation by referring to the resolution that was passed at Town Meeting that recommended a town-wide conversation about housing, potentially led by the Housing Committee. Connie van Eegen from the Housing Committee outlined a proposed rough plan for developing that conversation, which Clarke said might take many months, which is too long for the Buttermilk project. Reap added that this conversation was very painful for her because this kind of interminable delay had hampered her Gateway development project for 10 years, and that the Town had lost out on housing opportunities for this reason, which seemed sad to her. Fausel suggested that we move past the affordable housing conversation and start to look at the draft language that was presented in order to make some progress. Final comments on this agenda item included Anand, who reminded the PC once again that we need to be mindful of the likelihood of future flooding, and guest Bonnie Steuer, who supported the idea of having affordable housing in this project, and of Richmond making a commitment to subsidized housing in general. Kytly reminded everyone that Buttermilk had provided a list at the December 20th PC meeting of the tenants in their building 1, which included teachers, nurses, students etc, and this report had showed that some of these units were at or below market rate (100% AMI) thus filling a needed housing niche. O’Reilly added that the studios were their most popular rentals, and Kytly added that market research would guide their ultimate decisions as to what the mix of rentals would be.

6. Buttermilk

a. permit conditions report – Clarke reported that the planning and zoning department had looked into this issue thoroughly and had found no outstanding permit conditions, beyond a change in façade that could need a final permit. This report was in the meeting materials and Clarke asked if there were any questions about it. Brushett asked if the EV charging stations were installed. Osborne said that these would be completed when the CO for building 2 is issued. Kytly reminded the PC that the infrastructure for the charging stations was installed as per their permit prior to the CO for building 1. She also said that there were currently no EV owners as tenants of building 1, but that Buttermilk felt that the

demand would increase with building 2 and that they were applying for grants to fund it. Brushett added that ownership levels will be changing as EV's become more affordable with rebates, and that she had purchased an EV today for \$3,500, and so the charging stations may be needed by lower income tenants.

Reap asked Buttermilk to clarify an "issue" that has been around in rumor form since 2020, which involved the splitting of one unit into 2 units, with no change in building footprint. She said their permit discrepancy (after the fire safety walk-through) was rectified on the state level but somehow lingered on for several months without a permit amendment at the Town level. Kytly and O'Reilly explained the sequence of events regarding this issue, and the commission appeared to be convinced that this is not an issue now, even though it was quite contentious with the SB at the time. Granda assured Kytly that now that we have the P&Z document showing that all permit conditions have been satisfied, the question about permit conditions should not arise again, either for the PC or the SB. Fausel and Bender felt it was time to move on to the next topic.

b. Discuss draft JC ZD amendment language

Clarke began this discussion by looking at the purpose language, which needs to reflect the different emphasis on providing a diversity of housing options rather than commercial space. As there were no immediate questions, she moved on. Granda questioned the lack of availability of a redline version, which Clarke said existed but didn't seem to translate into the zoom screen share. Fausel wished to continue even without the redline. The next significant change occurred in 3.9.3, where the Clarke/Oberne document suggests a density of 18 units per acre, which is a compromise between the original 15 U/A and the downtown district at 24 U/A. Section 3.9.3 also introduces the concept of residential density bonuses, for which we could require some of the rental types that we have talked about such as "senior" units. The density bonus information was presented in the other document that was in the meeting materials.

Fausel commented on the "rounding strategy" language that exists in the current zoning, and a brief discussion ensued as to why this was in this district and the VD ZD only. Kytly also questioned the "developable" acres concept, which is different from the way the other districts are written, which is just density per total acres. Clarke explained that these concepts were favored by previous planner Jess Draper, who was advising the PC at the time, and that it would be a whole long discussion to re-evaluate this language, a discussion which we might want to have later. The next area of change was 3.9.4, in which the minimum lot size is reduced to .2A, which is required by Act 47 and only relevant for Buttermilk if they should want to subdivide their single lot. Fausel questioned the lot frontage of 75 ft on Bridge Street. Oberne confirmed that this was waived for Buttermilk. Fausel suggested that we just change the frontage requirement to what is actually there. Clarke agreed with Fausel on this. Fausel then questioned the 90% developable lot coverage change that was suggested in 3.9.4, and felt that stormwater and run-off were the real issue related to lot coverage.

Kytle explained the extensive stormwater review procedure that Buttermilk went through during the Act 250 process, and the engineering requirements they had to meet. Anand asked if the Act 250 rules had changed during review process, and Kytle affirmed that they had. She also felt that the 90% developable lot coverage requirement would not be a problem for the project, and that Buttermilk agreed that green space in the developed area was desirable.

Clarke continued: in section 3.9.6 changes include the 1 space per dwelling unit maximum required parking that is mandated by Act 47, and, in addition, there would be 10 “public” parking spaces that would be for guests, tenant overflow, customers of the Richmond Community Kitchen or any other short-term parking needs. This had been suggested by Fausel in a previous meeting. Other questions here include whether this would be legal; whether a leasing arrangement could be used to meet this requirement; whether the “joint parking facilities” stipulation found in section 6.1.6 could be used to provide parking for off-site customers; how to count the additional trip ends from off-site usage including how that would impact the traffic study requirement and mitigation costs; where the “public” spaces would be placed; and how this language would affect RCK and any future subdivisions of the Buttermilk lot. Osborne added that this concept will require investigating and a good amount of fleshing out, as well as discussion with the Zoning Administrator about how it would be administrated. Fausel suggested adding the public parking into the density bonus section.

Reap wondered whether Buttermilk planned to allow short-term rentals , which, as per Kytle, their leases currently do not. Clarke said it was prohibited in the density bonus language but that that was just one way to approach it, and then the issue was saved for a future conversation.

7. Other business and updates.

There was/were none.

8. Adjourn

Reap made the motion to adjourn; seconded by Granda and Fausel. As there were no objections, Clarke adjourned the meeting at 9:25 pm.

Minutes submitted by Virginia Clarke