

7.10.24 meeting memo

## **Volunteers Green and the FHOD**

Keith and I have been working with Kyle Medash from the Department of Environmental Conservation within ANR, who is the floodplain manager for Chittenden County, to see how our Richmond FHOD could be altered to accommodate changes to Volunteers Green. The draft we have created seems acceptable to him and would allow the relocation of the playground to the “grassy knoll.” The relocation of the bathroom/concession structure may be a bit more problematic, and that issue, like the bandshell/pavilion issue seem to us to need more public outreach as there are folks on both sides of those questions. The idea of a park district that doesn’t have to abide by the floodplain rules (from FEMA and DEC) is a non-starter. We have also been talking to the Three Parks Committee and Tyler about this draft.

## **Buttermilk**

Buttermilk’s application for the Rental Revolving Loan Fund did not receive funding. So the reasonable options for moving forward seem to be:

1) Remove the ground floor commercial requirement from all buildings in the Creamery project except those with Bridge St frontage (i.e. Building 1)

Comments: the PC agrees that this makes sense given the lack of interest in commercial real estate and subsequent inability to finance building 2. Building 1 would continue to require ground floor commercial tenants. Building 2 could replace some or all of the 8,000sf of ground floor space with residential units.

2) Increase the total of number of dwelling units currently allowed for the whole project from 45 to some greater number in order to utilize the freed-up commercial space in building 2. The current zoning density of 15 U/A (on 3 developable acres) allows for an additional 31 units in building 2 to add to the 14 units in building 1 for a property total of 45 dwelling units.

The most straightforward method is to just increase the zoning district’s base density. The developer would be entitled to these extra units, and the town would be assured of extra housing. The developer has stated that they do not intend to expand the size of building 2 to accommodate additional residential units. This method is the most likely to allow successful financing.

a) We could increase the base density from 15 U/A to 18 U/A, which provides an additional 9 units, for a building 2 total of 40 units and property total of 54 units (including the 14 units in building 1).

b) We could increase the base density from 15 U/A to 20 U/A, which gives building 2 an additional 15 units (this might fill the ground floor) for a building 2 total of 46 units and a property total of 60 units.

c) We could increase the base density to 24 U/A (the residential density of the neighboring Village Downtown Zoning District) , which gives building 2 or future phases an additional 27 units (Buttermilk has proposed a redesign of building 2 to incorporate up to 24 additional units along with the 31 currently allowed) for a building 2 total of 58 units and a property total of 72 units.

We could also increase the density by offering density bonus units. This would only allow the developer to add units if the units meet the specific criteria we have set up, to a maximum density. The developer would have the option of electing to use the density bonus scheme or not, so the town may or may not gain our specific types of housing. Density bonus restrictions add difficulty to financing a project and add complexity to our regulations. At this time, we are only contemplating offering density bonus units in the JC ZD, as we are only reviewing this one district, and we will have to look into the legality of this.

Possible types of density bonuses we have considered:

- Senior/accessible units (equipped for people with physical limitations)
- Workforce housing (rent is kept at a “relatively” affordable level; without an income -sensitive component)
- Types of bonus units we have touched on that are less possible for various reasons: Condos (promote home ownership) ; and “true affordable,” (income sensitive housing), and leased parking . The developer has stated that their plans do not at this time include selling part of their lot or involving a third-party not-for-profit “true affordable housing” developer.

We are proposing that we adopt a combination of base density increase and density bonus units, whereby a certain number of additional units are straightforwardly allowed as the base density, and a certain number of additional units could be selected if the developer wished to abide by our criteria. (For example, increase the base density to 18 U/A and offer up to 6, 12 or 18 density bonus units in addition.) This is the option selected for tonight’s draft language. This allows Buttermilk to select an option that will give them the best chance to obtain financing for the project.

Comments:

Why would we want to increase the residential density?

a) **we have a housing crisis**, with a lack of housing in all price ranges throughout Chittenden County. More units = more housing.

b) It is efficient to have a greater density of housing where there is municipal water and sewer infrastructure, and more dwelling units would utilize more of the excess capacity of the treatment plant thus reducing costs for other W&S customers.

c) more units and/or smaller units ( if there are more units than will fill the ground floor of building 2, with the same proposed footprint, the units will have to be smaller) will make the units **relatively more affordable**.

What concerns have been expressed about adding increased units?

There seem to be three areas of concern that the Planning Commission is aware of: parking, traffic, and a generalized discomfort with the scale of the project relative to the village setting.

a) parking - In Buttermilk's permit for building 2, issued by the DRB on 7.26.23, 176 parking spaces were approved for the whole Creamery project, even though the proposed uses required only 165. For building 2, 65 residential parking spaces were approved by the DRB. Since the state adopted Act 47 last July, municipal zoning is only allowed to require 1 parking space per dwelling unit. So there would be 31 parking spaces for 31 units, no matter what the size of the unit. The developer is unlikely to create more parking spaces than are required (due to expense), so even though there is currently room on the parcel for more parking, concern has been expressed that this number of spaces will not be enough for the parking that the new units need.

b) traffic - In March of 2023 the Wall Consultant Group analyzed the actual and projected traffic from building 1 and proposed building 2 and found that it did not surpass the threshold of 70 PM peak trip ends that our regulations list as requiring mitigation (as would be specified by the DRB). The current proposal for more residences and less commercial uses may alter this calculation somewhat, but still will not likely exceed the threshold stated in the zoning regs. There is concern that as the number of housing units increases, the congestion at the Jolina Ct / Bridge St intersection will worsen. The Jolina Ct / Bridge St / Railroad St intersection will likely need to be reassessed for the new grocery store on Railroad St at some point, and traffic from Jolina Ct will be considered as well. The congestion at this intersection is also fed by through traffic and school-related traffic, and the Creamery may play a relatively minor part in the problem. Foot traffic in the downtown area would likely be increased, but this would help to support local businesses without bringing in

more cars from outlying areas. Pedestrian safety in the downtown area is already a town-wide concern.

c) The feeling that significantly increased density would somehow alter the character of the village has been brought up, but never really explained. The footprint of building 2 is not proposed to increase if additional residential units are allowed, and the size (footprint and height) of the building has already been approved by the DRB, so adding density would not result in a larger building. The offsetting benefits of additional rental housing and the evolution of village centers will likely be discussed if this item seems to be an issue.

For tonight's discussion, we will look at a compromise proposal to move this project forward. The planning consultant engaged by the Housing Committee in 2021-22 documented Richmond residents' concern with a lack of diverse housing, and the Creamery project is well positioned to address this lack. There are also many other aspirational goals out there amongst our engaged and thoughtful Richmond residents, all of which this one project with its financial limitations, will not be able to fulfill. We are hoping to arrive at a balanced solution that provides Buttermilk with some options, each of which, if selected, will have some advantages for the other stakeholder groups.