

Montpelier Planning Commission
March 24, 2008
City Council Chambers, City Hall

Subject to Review and Approval

Present: Mark Kaufman, Chair; Claire Benedict, David Borgendale, Anne Campbell, Matthew DeLorey, and Alan Goldman.
Staff: Gwendolyn Hallsmith, Director of Planning & Community Development; Clancy DeSmet, Planning and Zoning Administrator.

Call to Order by the Chair:

Chair Mark Kaufman called the meeting of the Montpelier Planning Commission to order at 7:07 P.M.

Review of Minutes:

Minutes of the last meeting will be reviewed and approved at the next Planning Commission meeting.

Public Hearing on Proposed Floodplain Ordinance Changes:

Tonight is the public hearing on the proposed floodplain ordinance changes and members have had an opportunity to review them for compliance with what is required from the federal and state governments.

A member of the audience asked when the FEMA floodplain maps would go into effect. Ms. Hallsmith said it would likely be in August. Apparently, they revised a lot of the maps in Central Vermont as a result of the flood event in Barre last year. By August we need to have the floodplain ordinances in place. It was asked whether there was an increase in the floodplain in Montpelier. Ms. Hallsmith said in fact there was a decrease.

It was asked if the changes to the floodplain ordinances were drafted by city planning staff. Ms. Hallsmith said the Regional Planning Commission staff. They are changes that all of the cities and towns in the region need to make to stay in compliance with the federal regulations. They haven't done anything more than what the federal government requires for us to maintain our flood insurance.

Mr. Kaufman said it really does not have a significant impact on historic preservation. It is so minimal a change that it should result in fewer design review changes for some of the historic buildings.

Ms. Hallsmith said maintaining the flood insurance for the historic downtown is really important. The net effect of this shouldn't be negative on the historic buildings downtown.

Since there were no further public comments, the Planning Commission satisfied the statutory requirements for a public meeting. Now the Planning Commission needs to vote to send it on to City Council.

Mr. Goldman moved the Planning Commission forward the floodplain ordinance changes along to City Council, with Mr. Borgendale seconding the motion. The motion passed unanimously on a 6-0 vote..

Results of Parking and Transit Meeting:

Three top priorities were decided for the City Council to be working on in the coming year, and those were in order of importance: developing peripheral parking with transit links around the city. Rather than putting millions of dollars into a parking garage, or other types of parking developments, strengthening the parking we have on the periphery of the city and investing our money into developing a loop route around the city to make it easier for people to get around and park and get downtown.

Secondly, it was recommended to strengthen the bicycle infrastructure in the city to make it easier, safer and more convenient for bicycles to get around. Third, strengthen the pedestrian infrastructure in the city followed closely by the idea of district energy and using electricity for cars.

There were several other things discussed, including the parking garage, a pedestrian street, residential parking permits which would basically give everyone living in the city a parking permit and make people from elsewhere buy

them to park on our streets. State employees park in state lots so this wouldn't affect them. It would affect people parking on our residential streets. That proposal was not that well received.

They also talked about parking regulations and the 1.5 parking space standard, which was received with a large yawn. The winter parking ban was another subject discussed. Mr. Kaufman said they should look at some of the other cities, such as New York, Boston and Hartford do it with alternating days or declared days.

Mr. Kaufman said they are going to have to consider all of these in time because they are all issues that affect the city. What came out of the meeting are three priorities to give to the City Council. He sees some big work with priorities 2 and 3 relating to bicycle and pedestrian infrastructure. How do you establish additional bicycle lanes? Where does that space come from? Another is the reduction in the number of lanes or the lane size. How do you do that with Langdon Street?

Ms. Hallsmith said the road that goes up from downtown up Northfield Street is particularly hazardous for bicycles. There is no shoulder there. You can either be on the sidewalk or be in traffic. Right now the default assumption in the city is the vast majority of our money goes to support automobile travel, road maintenance and repairs, and parking. What the prioritization exercise started to suggest is that we may need to divert some of the resources that we are currently putting into roads into other modalities. There is a long way to go before that will be a city policy, and one of the outcomes of the meeting was we were going to send the results of the meeting out to the stakeholder group and get further input from people in the city. The bike group did a really good job of getting everyone associated with bicycles up there. The downtown business group wasn't nearly as well represented as the bicyclists were. We need to pass these ideas on to City Council so they can direct the appropriate departments to come up with solutions.

Ms. Campbell said she was reminded again from her visit abroad about how many other countries' resources are dedicated specifically to pedestrian access and not at all linked to streets. It's much easier and cheaper to put a pedestrian bridge across a river or through a back lot and it makes pedestrian access much greater. This would be relatively easy to do in Montpelier.

Mr. Kaufman said the Planning Commission needs to find out what the city wants. When they are speaking for pedestrian and bicycle access, great, how do we accomplish it? Not whether we should, but how do we accomplish what our mandate is?

Mr. DeLorey said he saw ample support from people who are ready to do the foot work. People were really taking control at that meeting. Education seems to be the number one concern right now. If people were educated about what alternative forms of transportation would be, they might start using their cars less.

Mr. Kaufman said they talked about pedestrian traffic, and he was thinking about all of the times he walks downtown from Berlin Street except after snowfalls because the sidewalks are not maintained. That is an issue because there are 32 kids who normally walk down to the Junior High and High School,

except during that time. This now means there are 10 cars carpooling because we can't walk. How does he walk and shop downtown when he can't get from one section of downtown to the other without soaking himself. Those issues are ones we need to be cognizant of also. We were talking about closing off part of State Street. What do the merchants and residents of the area think? What will the economic impact of that be? What will the environmental impact be? How does this fit here in Montpelier?

Mr. Goldman said Church Street in Burlington, which has no cars, is the most desirable place to open up a business, and the rents are the most expensive. Ms. Hallsmith said for every Church Street there are 10 that failed, so we need to know what would make it successful. It's not a place where you shop for everyday stuff, like we have in Montpelier. There is no hardware store on Church Street. There is no normal clothing store on Church Street. It is very much geared to the tourists and higher end retail. We need to understand all of the different forces that work, including the possibility of Home Depot locating here and what affect that will have.

Ms. Benedict said the group she was in were talking about State Streets closed on Saturdays May through October. The Framer's Market is looking for a new location which will probably be the State House Lawn. Ms. Hallsmith

said the State House wouldn't let them use the lawn so they were considering closing State Street in front of the State House. But she believes they have been dissuaded from doing that.

The next steps for parking and transit are to send out the results of the meeting to the stakeholder group and general public to see if they can receive more feedback. Then, they will bring it to the City Council.

Zoning Revisions Needed:

Ms. Hallsmith reported these were the zoning changes they had talked about where they were proposing to reduce the minimum standard in most areas from 1.5 to 1. They were also proposing to exempt from design control solar collectors and wind generators. Some of this may be able to be addressed through administrative rule clarification, specifically on the renewable energy resources. The wording of the ordinance now gives quite a bit of leeway to the planning and zoning department, although it doesn't exempt them from design review. Mr. Kaufman said a lot of it hinges on what is the definition of a substantive change in design.

Mr. DeSmet said there is a list of exemptions from design review – subdivision of land, changes that do not cause exterior changes in appearance, repair or replacement of architectural features and materials of identical composition and appearance. He believes the Design Review Committee was comfortable with him making that decision.

Ms. Hallsmith said it isn't as if the Design Review Committee is necessarily going to cause problems for people proposing solar, but every other solar application in the city is exempt from the bylaws. She thought it made some sense to change the ordinance.

Mr. Kaufman asked if the zoning administrator drafts an ordinance change that specifically exempts something within certain size parameters, certain mounting or installation.

Mr. DeSmet said he thinks it is within the Planning Commission's prerogative to direct him to do so. He did something of that nature that the DRC was very resistant to. One of the problems he has with their resistance is they haven't offered any other options. He understands they want to have oversight that might have on the aesthetics, but they also said in the context of a lot of the downtown buildings that have flat roofs you would never see it anyway. If it were a mansard roof or something that was of a significant architectural value they would have a problem with. He tried to explain that any mitigation

you have impacts the function of that type of technology. He wanted to find a middle ground, and he needs help marshalling that a little more. They seem to think that a blanket exemption that we already have in the ordinance for everywhere else in town that is not in design control doesn't save the features.

Mr. Kaufman asked if the Planning Commission should meet with the Design Review Committee. Ms. Hallsmith said that might be a good idea.

Mr. Borgendale said the new regional plan that is being worked on contains language that strongly encourages all communities to alter their zoning to allow for both solar and wind. Ms. Hallsmith said we already have that in the city except for the design control.

Mr. DeSmet said the Design Review Control isn't meeting on Tuesday because there are no projects. Ms. Hallsmith said as indicators of economic downturn there have been several blank meetings at the DRB and DRC this year.

Mr. Kaufman asked if there was any objection to inviting the DRC to the Planning Commission's next meeting. Members thought it would be great. The next meeting would be April 14th.

Mr. Kaufman said in light of some of the heavy levels of disagreement about changing the parking regulations, we can just table it for now.

Ms. Hallsmith said in order to develop the kind of political will and understanding of that issue that is part of what the enVision Montpelier process is for. Currently, in the zoning it does allow the DRB to alter the parking requirements in any district if there are some compelling reasons to do that. She is particularly concerned about the development at Sabin's Pasture. When they were working with the landscape architects to figure out what would go

there and how it would fit, the amount of land that had to be dedicated to parking alone was awe inspiring considering how they were trying to achieve this compact development. What was being proposed was a compact mixed use development with some commercial and some residential. That seemed like it would be a good case to test some performance zoning ideas.

Mr. Borgendale said he still doesn't understand why there isn't more focus on under structure parking like what was developed at River Station Apartments. It works particularly well in hilly areas. Ms. Hallsmith said it is more expensive than just blank land. There is no limit on dedicating under structure parking to the parking requirement. People are perfectly capable and able to do that. Mr. Borgendale said it should be encouraged because it is efficient land use and nice to have. In the Sabin's Pasture case it was making difficult to fit the number of affordable units with the terrain issues and storm water discharge.

Mr. Kaufman said the current ordinances do allow mitigation through small number of alternatives. He doesn't believe they are ideal. He agrees with Gwen that until there is a mandate nothing will happen one way or the other. The City of Steamboat Springs in Colorado, much of their new commercial and residential construction is encouraged to be "ski in/ski out." You drive in and leave your car. Your recreation is all within foot or ski. The downtown shopping and restaurant area is within walk or ski. This is a good blend that works for them.

Mr. Kaufman asked if the City Council or Planning Commission had ever been addressed on the green standards by the Vermont Association of Builders. This isn't just fringe anymore. These are some of our major developers and major construction companies.

Ms. Hallsmith said the tax breaks that have been very successful in the past few years are the state and federal tax credits, which is less within our control. There is a lot of economic incentive built into doing a green design in the first place because these days you save a whole lot of money. What they are looking at with Sabin's Pasture is using tax increment financing to put in a lot of the infrastructure, which means we can design the infrastructure and make it work. That will also make it more affordable for whoever is developing there. Mr. Borgendale said we want to make sure our zoning doesn't work against this.

Mr. Kaufman said he would propose setting this up on a work group basis rather than just a panel presentation, that three or four meet with a group of green builders. Let's get some developer input from that side. Let's set up a work group with the Infrastructure Committee.

Proposed State Housing Legislation & Effect on Designated Growth Centers:

Ms. Hallsmith reported this has a lot of provisions in it. The idea of the legislation is to encourage affordable housing production, particularly in designated downtowns and growth centers. They do this by exempting developments in those areas from the Act 250 process. This affects our Riverside Center Project on Stone Cutters Way. As it stands now without this legislation they are subject to Act 250, and that adds about 4 months to the review process. Since we are under the gun for getting Pylalisk money dedicated and out the door, those four months are critical. She gathers that the Home Builders are taking a fairly strong stand against the legislation because they feel it puts more onerous restrictions on housing outside of the designated downtowns and growth centers.

Mr. Borgendale said the other problem is with how restrictive the bill is because by definition there just isn't enough available land to do much building despite the exemptions.

Ms. Campbell asked if we had determined the extent of Montpelier's growth centers.

Ms. Hallsmith said we are in the process of doing that. There is a meeting tomorrow morning with the consultants, and it is on the agenda for the Infrastructure Committee. The state legislation requires that the lines be drawn around the area that will absorb growth for the next 20 years. Part of the way you calculate that is by coming up with a population projection and a growth projection, and then evaluating the areas that could be in-filled in the existing developed areas and stretching the boundaries out to accommodate the additional growth needed to absorb that population.

Ms. Campbell asked if this took into consideration the encouragement to build within Montpelier as opposed to sprawling in the surrounding towns. Ms. Hallsmith said absolutely. That is the whole point of the growth center

designation. Within growth centers, like the legislation says, the Act 250 regulations are considerably lowered, if not eliminated.

Tax increment financing 101 – it's rather complicated. It works differently in different states. The context for it in Vermont is the fact that we send such a substantial amount of our property tax revenues to the state under Act 60. Once you have designated a district to be your tax increment financing district, the state agrees to essentially freeze the property values in that district to the level that are established as you create the district. From the state's point of view the property values are frozen in that district. There is a down side to tax increment financing as well. The state is saying the property values for this district are going to be this for the next 20 years. Then, you bond to build infrastructure in that district. For instance, with Sabin's Pasture the city decides they are going to put in the roads, water and sewer and district heating infrastructure and use the tax increment financing to pay it back.

The property values in that district don't actually freeze. In fact, going from an empty lot to a lot with lots or roads and sewer and thermal heat is going to increase the property values substantially even if not a house is built on it. The difference between the values of the property as it was frozen when you established the district and the increased taxes you can generate on those properties as you invest in the infrastructure is what you pay the bond back with rather than general tax revenues. It is sort of like a tax free way in a city's point of view to invest in infrastructure because it essentially comes out of the money you would have been sending to the state.

Mr. Borgendale said one of the issues with the state proposal was that the infrastructure had to be built within the area itself and you couldn't use it to finance the expansion of a water treatment plant or sewage disposal plant.

But, there is the downside. Winooski got slammed because they did one of these tax increment financings. It's a little bit like investing in the stock market because you have to assume for the tax increment financing to work that property values are going to go up, and that doesn't always happen. Winooski used a tax incremental financing to rebuild their downtown. They put in a parking garage, rotary and they designated their tax incremental financing to be just the downtown commercial district. What has happened to commercial properties in Vermont over the last couple of years? They have dropped considerably as compared to residential. The values of all of the properties in their district went down. Not only that, VSAC built a new office there that moved a nonprofit out of the for profit office space in town. There was a double whammy where there is this new big tax exempt building in the district, plus all of the fallen property values. Not only did they not have the money to pay off their bond with the increased values in taxes they were collecting, but the state only agrees to freeze it. They don't agree to drop it. They also had to make up the difference between what they owed the education fund, so it was like a double whammy. Lesson learned – you don't put it only around commercial areas; diversify your portfolio. Something like Sabin's Pasture where is an empty field and you are putting in infrastructure it is probably a safe bet.

Part of what we are doing as the growth center study does address a lot of the issues that come up in Act 250 in advance, so it is a little like looking at what your needs are in advance of having the development to lower the impact on the city infrastructure.

Mr. Kaufman asked if the legislation still included repurposing or changing the use of existing structures in the designated growth centers.

Ms. Hallsmith said it deals with housing. It is called a housing bill, but there is a lot in there. There is also an inspection program for rental properties that is being introduced. There is a land bank program that makes land available for construction of new moderately priced housing to be built adjacent to and of comparative density and affordability, or contiguous to designated downtowns.

Ms. Campbell asked how it affected housing outside. Ms. Hallsmith said it discourages it because they are going to require what they call conservation project design in rural settings. It is sort of like a mandatory cluster provision. They are really trying to curtail sprawl with the legislation. At the same time, they are trying to give incentives to develop an existing space. Ms. Hallsmith said she thinks it is very likely that it will pass the Senate, and whether it gets signed by the Governor remains to be seen if the home builders are screaming. The Legislature is hoping to adjourn by the end of May.

Mr. Borgendale said there is major opposition from the home builders.

Election of a Vice Chair:

It was suggested that they should wait until a new member is appointed.

Other Business:

Youth members – there are two youth members. They will be meeting with City Council on Wednesday evening. They will attend the next Planning Commission meeting as official ex-officio Planning Board members. This calls for discussion around how we handle this. The youth members' votes will count but they can't be used to count towards a quorum or break a tie. We'll record their votes in the minutes.

The Planning Office has been working on a district energy grant, which is coming to some interesting conclusions. The District Energy Team has now tentatively scheduled another big meeting where they are inviting another company to come in and speak on April 2nd. While Ms. Hallsmith was in Vancouver speaking at the Globe Conference she met a number of different firms that have introduced new technologies for district energy in North America. Technologies that have been used in Europe now for 15 years, such as gasifying waste. There are waste gasification plants which are much lower impact than the type of incineration plants you have heard about. One of those companies is coming to talk to the District Energy Team about this to raise peoples' awareness of what is going on. Duke Energy came and talked to us as well about the possibilities they saw here. Duke did the biomass plant in St. Paul, Minnesota. Just imagine we put in one of these district gasification facilities down across from the new Sabin's Pasture development and heat and power that development in place of the junk yard. We could heat and power that new green development with trash. Trash is biomass. Then, we could run a pipe up to Vermont College so it would give the new College for the Fine Arts a low cost stable source of heat, and run the other pipe down Barre Street and Stone Cutters Way to give some of our low income neighborhoods a good solid low priced source of heat into the downtown. The downtown could be picked up on that system.

Mr. Kaufman mentioned there was a housing development of 12 to 14 houses put up in Boise, Idaho in 1985-86, one of the first green developments with radiant floors, and they couldn't sell them. At that time there was a price premium of about \$15,000 above traditional housing. The developer couldn't sell them at all and went bankrupt, and they were sold at bargain basement houses.

Ms. Hallsmith said last week she launched a contest with the City of Olympia, Washington. They have agreed to compete a bit with Montpelier to see who can be the first sustainable state capitol. She presented a workshop on how we are doing our enVision Montpelier plan, and they liked that. Olympia is about the size of Burlington, so it's not a huge city. The person who is in charge of this there is the Director of Public Works and not their Planning Department. Their city manager doesn't have a car and gas allowance but a bicycle allowance. Right now there are a couple of sources of large money that is interested in looking at a state capitol that wants to be carbon neutral or sustainable. They hope by doing this they can position themselves to get that money. Last year Montpelier joined the International Center for Sustainable Cities, which is based in Vancouver. You agree to peer exchanges.

Adjournment:

Upon a motion duly seconded, the Planning Commission adjourned.

Respectfully submitted,

Gwen Hallsmith, Director
Planning and Community Development

Transcribed by: Joan Clack