

Montpelier Planning Commission
April 11, 2011
City Council Chambers, City Hall

Subject to Review and Approval

Present: Jesse Moorman, Chair; David Borgendale, Vice Chair; Alan Goldman, John Bloch, Kim Cheney,
Staff: Gwen Hallsmith, Director of Planning; Clancy DeSmet, Planning and Zoning Administrator.

Call to Order:

Jesse Moorman, Chair, called the meeting to order at 7:00 P.M.

Comments from the Chair:

None.

Approval of Meeting Minutes:

October 25, 2010, November 22, 2010, January 24, 2011 and March 14, 2011 Planning Commission Minutes. Chair Jesse Moorman said there are some old minutes to approve. They have experienced a change in membership and have been discussing whether that precludes them technically from being able to approve them. It has been the practice to have a quorum of people who attended the meeting to approve the minutes. For the October 25, 2010 meeting there was Jesse Moorman, Alan Goldman, David Borgendale and John Bloch.

David Borgendale moved and Jesse Moorman seconded approval of the October 25th meeting. They were approved on a vote of 4 to 0.

For the November 22, 2010 meeting present were Jesse Moorman, David Borgendale, Alan Goldman and John Bloch. David Borgendale moved they approve the minutes of November 22, 2010 and Mr. Goldman seconded the motion. The Planning Commission Minutes of November 22, 2010 were approved on a vote of 4 to 0.

January 24, 2011 Jesse Moorman, David Borgendale and John Bloch were present but Tina Ruth wasn't present. There was not a quorum to approve the January 24th minutes.

March 14, 2011 there wasn't a quorum to approve.

Zoning Project Discussion:

Mr. Moorman sent out a 5-page document to members that takes all the references to zoning in the Master Plan and puts them together. He asked members to put it in their Planning Commission file to refer at time to time.

Kim Cheney said the zoning strategies are for what purpose?

Mr. Moorman said it is broader than what he has been talking about. They talked about the D.C. Study at the last meeting and went over mostly the conclusion section. They went through concepts that were interesting. This is a study conducted by D.C.'s Planning Office when they were looking at redoing their zoning regulations and they looked at different kinds of zoning schemes. Granted, D.C. has challenges that are different than Montpelier's. He has taken a close look at the bibliography in the back and made a note for follow-up of resources that looked interesting because of their title. He is interested in learning more

about infill development. If members are interested in a particular concept look into it and feel free to report back to the Planning Commission because we are in a learning phase.

Planning Director Gwen Hallsmith said the point he made about being in a learning phase is a really critical point because that is how they have framed the first stage of looking at the zoning which was to try and educate ourselves and to educate the public about what is possible and what might be different in the future. Of course, the April 14th meeting is going to be a really important one. They have made a few strategy changes around the zoning project she felt it would be helpful to outline.

One is Clancy's role. She has asked him to take more of a role in the rezoning project because he is the one who implements the zoning regulations on a daily basis and has the best insight into some of the areas that need to be fixed. Another change is in the outline of the meetings they have been organizing. They had a series of first meetings with different neighborhoods which were generally well attended and some over 70 people turned out for. The second meetings were not. They overestimated peoples' enthusiasm for going to zoning meetings, especially zoning meetings where surveys and input was the main goal. They decided to roll them all into big meeting which is the genesis for the meeting on Thursday at Vermont College. They thought having one big meeting to do publicity for would be a lot easier than a lot of little meetings. They did a lot of publicity with the enVision Montpelier group. Isaac and Taylor spent a lot of time on outreach but still zoning is one of those esoteric subjects that have limited ability for people to come to multiple meetings. The agenda for the April 14th meeting is to change the strategy around zoning and get input from people. They have over 100 surveys turned in so far. They are trying to have more mixed uses in the neighborhoods in the city. Ms. Hallsmith explained how the April 14th meeting would be structured. They hope to explore design issues that might be good to include in development standards for different areas and uses. The Master Plan calls for the development of neighborhood development standards which will look at boundaries, uses, density and design.

In addition to learning about the different types of zoning that are possible for us to have to achieve some of the new goals they have set in the Master Plan they are also doing a boundary study where they have engaged the Central Vermont Regional Planning Commission to help us look at the existing boundaries that relate to zoning and land use in

the city, including the Growth Center designation boundaries. There was a lot of controversy about the boundaries of the Growth Center. Where are the neighborhoods that lend themselves to having development standards? What are similar functions for the community? One of the areas they have identified as a discreet neighborhood the function is gasoline alley but they have chosen to call it crossroads, which is the intersection around Routes 2 and 12 where there are a lot of gas stations.

One of the goals is to identify areas that are currently in the LDR zone. The areas that are currently zoned LDR are areas that aren't served by city infrastructure for the most part and currently zoned Low Density Residential. All of the rural areas you see outlined on the map are typically those areas. The exception to that is the Towne Hill Road area which is currently LDR but has been developed more in keeping with the MDR standards and which could be included in a future potential expansion of the Growth Center because of its current density. That is an area that doesn't conform quite to the current zoning as well as this little town and county kind of zone. One area they did have some feedback was in the Civic District around Redstone where they have tried to get a lot more specific about where the boundaries ought to be. They are proposing a new Redstone District because of its current designation as part of the National Registry District. It is now in the Master Plan included under historic design. They have tried to limit the Civic District to those large institutional buildings that are owned by the state that are not likely to change. The smaller ones on the small streets they have included in the Redstone District. That keeps it in Historic Design but also allows for moments where the state might decide to change the ownership of those

buildings. They certainly can be used for different purposes and uses than they are. Redstone is going to be up for sale soon.

Mr. Borgendale said the College Hill area has been bothering him since it has been done. He lives at the very lower end of it and the whole lower part of the College Hill area is not at all like the rest of College Hill, particularly the area around Loomis Street and going over to Main Street. The neighborhood is actually much more like the Meadow than it is like the rest of the neighborhoods on College Hill.

Ms. Hallsmith said in the original configuration of CAN neighborhoods that part he is talking about was part of the downtown neighborhood, and they didn't like that. That piece of the neighborhood actually voted to be part of College Hill.

Mr. Borgendale said Loomis Street has been having a block party every year since he has lived here.

Mr. Cheney said what if they change the boundary of Loomis Street so it was separate from College Street. What would be the consequence of the neighborhood?

Ms. Hallsmith said very possibly absolutely none. There can be different neighborhoods that have very similar development standards. The idea of having it based on neighborhoods was to capture that sense of place so if there were reasons to make it slightly different there would be some level of ownership.

Mr. Cheney asked if you have a closely knit area they will design their own zoning and may want to keep it just like it is today.

Ms. Hallsmith said one of the things they have been saying when they go out to the neighborhoods is they want to give them a voice in the zoning as it is developed and the development standards in the neighborhood but that doesn't mean they are giving them the key to lock the door. One of the really important goals of the city is to increase housing and increase density in the areas that can support it on the existing infrastructure. Putting a key in the door and locking it is not a goal of the neighborhood development standards at all. It's rather trying to get neighbors of potential developments on board with what may be proposed in the neighborhood in the future.

Mr. Cheney said he couldn't imagine anybody voting for increased density. If you give them a choice, it's almost no growth.

Ms. Hallsmith said that is ultimately the decision of the City Council, too. They are really working on trying to propose something that is consistent with the policies they are proposing.

Mr. Moorman said they have already made the decision policy wise that growth is the initiative and the steps are in place.

Ms. Hallsmith said the other types of principles that are guiding their work are first and foremost not to create a lot more nonconformity. They aren't looking to changing zoning in such a way that what is currently allowed anywhere would suddenly not be allowed. One of the really great things about Montpelier is that a lot of people think it is a great place to live and there is a reason for that. It is because whatever they have done in the past around land use, with or without zoning has worked. We have a pretty good community. Creating zoning that is suddenly going to make your house or your apartment building a nonconforming structure or use, forcing you to go through variances and all sorts of procedures to do anything with it is really what they are trying to eliminate because that has been a big headache in their office for a long time. Her own house is a nonconforming structure. It doesn't have any distance to the property line and the setbacks are like 10 or 20 feet so she is very familiar with what that can result in.

Especially in the rural areas they aren't looking to change a lot so if people are frightened with whatever is coming is going to be really different and change what they can do there now they don't anticipate that Low Density Rural is going to change much. One of the things they have discovered as they looked at all of these areas is that there is a real difference between some of the Low Density areas of the community. What they are calling the Highland Rural is the top of North Street is largely residential now, but the Wrightsville rural areas, which are up towards the reservoir and on a major river corridor and on a major through street that could actually lend itself to other types of uses in the future.

Mr. Cheney said he is trying to imagine the arguments and upset that people are going to have at this meeting. He can tell from his area they don't want to change. They fought the road going through to Murray Hill. He doesn't know what folks are being asked to tell you other than they like it the way it is.

Ms. Hallsmith said they are asking them if these boundaries reflect their area. What they are looking at in the Growth Center because of state mandates for a Growth Center is minimum four units per acre but they would like to push it up to six. Having a minimum density is six units per acre.

Mr. Cheney said it seems if you owned an acre of land you might be able to sell off chunks of it to increase density and reduce your taxes. Is that the incentive?

Ms. Hallsmith replied yes. Lower taxes and lower fees because of increased number of people paying them in the area that is served by infrastructure is another incentive.

Mr. Goldman said really the incentive is that we must meet this designated growth center requirement. We actually have to grow or give up the designation.

Ms. Hallsmith said the City Council adopted a Growth Center back in 2009 that talked about increasing housing units in the community by 50 a year.

Mr. Cheney asked if there was money to go with this.

Ms. Hallsmith replied there is money in terms of prioritized state grants, prioritized permitting processes, etc. that come with it, but not from the city. The money that would come with the growth center and the reason the City Council was interested in moving forward with it was the Growth Center gives you a buy on the buck for the location requirements of tax increment financing districts. We would be able to pursue tax increment financing in the city, which is a major source of revenue for new infrastructure development in theory if we chose.

Mr. Cheney asked what a tax increment financing district was.

Ms. Hallsmith that tax increment financing is a method that the city can get back in the infrastructure game. Right now for the city to build infrastructure without the TIF district we would have to float a bond and pay that bond back with tax dollars for the next 20 years. There was a concrete development proposal for Sabin's Pasture when they put together the Growth Center that met with peoples' approval. The market studies were in place; the Act 250 Master Permit was in place. It looked like they could move forward with that development. With that level of detail available on the specific development targets the city in theory could designate the College Hill neighborhood as a TIF district. What they could do with the TIF district is pass a bond to put in the streets and sewer for that development which would lower the cost of the development and make affordable housing more feasible in the area and pay it off with the incremental taxes that accrued to the development because of not being an empty field any more over time. That is what the state allows. The state will continue to pretend that Sabin's Pasture is an open field for 20 years

even though there are now roads, sewer and housing on it. The additional tax dollars that come from that increased development value go to pay the bond off.

Mr. Cheney said let's say Loomis Street and College Hill, there can't be many areas that could be developed unless you are going to subdivide the existing lots.

Ms. Hallsmith said infill development and subdivision of existing lots is certainly one possibility. There are a lot of backyards when you look at the development pattern in the community.

Mr. Cheney said if you want to subdivide your lot and reduce your taxes and reduce the sewer and water fees are the incentive.

Ms. Hallsmith said right now there is a very high bar for accessing TIF District financing and we aren't prepared to do it.

Mr. Borgendale said his concern is that the whole scheme is built around the state continuing to be the major collector of property taxes for education funding, too. That has really become a funding mechanism.

Ms. Hallsmith said TIF financing is very common in other parts of the country without the high bars that Vermont requires.

Mr. Cheney said he is trying to understand how if he subdivides his lot he reduces the value of his house because the density makes it less desirable, which he supposes would reduce his taxes, but would not improve his resale value. This is a hard sell. He doesn't see the advantage.

Mr. Bloch said it might not diminish the value of his house. He is projecting what has been going on for seven years. Now what is happening in many redeveloped cities is that density is what makes them desirable. St. Louis redeveloped a whole warehouse district that you couldn't give away 20 years ago and now you can't buy the front doorknocker for \$100,000. Block after block was redeveloped with totally new infrastructure. Stuff that looked like trash has suddenly become the most desirable and people are coming in from the suburbs to live in these redeveloped areas.

Mr. Goldman said he agrees with what Mr. Cheney said. He has certainly never seen neighbors say they want more growth. He is worried as a landowner.

Mr. Anderson said he worries they are trying to divide the city up into neighborhoods and that may be useful for writing a zoning ordinance but it may not be. It seems what they are really trying to do is to try to figure out how many different districts we need in order to make it easy to write a zoning ordinance for the city. If there are aspects of various neighborhoods that distinguish them from other neighborhoods for zoning purposes then we want to draw lines. It may be that we have 6 to 10 neighborhoods that we put into a zoning district. It seems that on College Hill we aren't there yet. If we were to use form based zoning or whatever other kind of zoning the form you would suggest for the Hinckley Avenue or the Sabin Street area would be different from the form they would use for East State Street, and that is probably somewhat different than what you would use for Loomis Street. He can't imagine taking neighborhoods that have essentially 2,000 square foot houses, single family houses, and saying that now they are going to be multi-family. Some of the older neighborhoods, such as East State Street and Loomis Street, have these huge houses that lend themselves very well to having multi-family development in them. The type of zoning they use for Sabin Street would be different than what they would use for East State Street or Loomis Street. It's important to separate out those various neighborhoods.

Ms. Hallsmith said they are trying to desegregate the neighborhoods to make it easy to write the zoning. That really is not their goal. It was easy to write suburban zoning for the city. It dictated a one size fits all cookie cutter approach that slapped down suburban zoning on top of village form. It wasn't easy to use that zoning but easy to write. What they are trying to do here is really make the zoning a lot easier to use. If you are developing in Stonewall Meadows on Upper Berlin Street you can go to that section of zoning and see what the pieces are and the dimensional requirements. You can see what other parts you might have to look at to see if there is site plan review required. It makes it easier to use but not easier to write.

You also bring up the topic of form based codes. They have looked at form based codes as a possible way of doing some zoning in the community. We have far from decided on that. If they decide to go with a form based code approach they are going to need another grant and higher more consultants to develop a fairly difficult form of zoning to use. They are not necessarily assuming they are going to do that. What they are looking at, which would not be inconsistent in the College Hill neighborhood, even when it contains a number of different areas like East State Street and Loomis Street, is the idea of land use budgeting. They would look at what the current mix of uses in the area, the current mix of densities in the area and really have a conversation with the neighborhood about what kinds of mixtures of uses and densities they would like in the future that are also consistent with the current city policies around trying to encourage more housing in the areas served by infrastructure. That would allow for more commercial development in an area without necessarily zoning a street commercial and creating a commercial strip that wouldn't be in keeping with the neighborhood. It might allow for easier access to different kinds of home occupations than what we have now that is a growing economic development field in the city. She doesn't think they need to look at the neighborhood boundaries through that lens necessarily. The sense of place around College Hill has been quite strong. That lower neighborhood wanted to be associated with College Hill instead of with the downtown so they are trying to keep that sense of place embedded in the zoning as well. They aren't looking to having all of these different zoning standards. There are three large underlying areas that serve as the major city overlays. One is the Historic Design District which is coterminous with the National Register District. The other is the Smart Growth District and the third is the Rural District. Those three areas really are a lot of what is going to be said about the zoning, and they won't change dramatically from the way they are now. A lot of those areas will probably have very similar zoning to what they do today with the exception of the increased density potentially in the Growth Center.

Mr. Anderson said he would like to give a specific example he think applies to College Hill. He is familiar with the first five buildings east of Hubbard Street on East State Street. He has looked at floor plans and thinks he knows what you can put into those. Consistent with current zoning you could put two more units in the existing buildings in those areas. If he were to come up with a budget that had two units of housing for College Hill. He thinks the neighbors in the Sabins Street and Hinckley Street areas would be a little alarmed at the thought we are trying to put in more units because those structures there are full and the structures on East State above Hubbard Street are not yet full. If College Hill is an example and we were to use budgeting we would need to break College Hill up because it would be very alarming to some people to have a budget that said we are considering building more units in your neighborhood. In many areas of town he has taken pictures of all the old garages and carriage houses and there are 50 to 70 more units you could put in them around town without changing the look of the city at all.

Ms. Hallsmith said in some cases that are the beauty of land use budgeting though. As those new units go into the areas that have the capacity within that territory it reduces the likelihood that they are going to go somewhere else because it is a budget. That is the nice thing about budgeting. It allows you to accomplish some goals in a neighborhood without making it the whole neighborhood suddenly that way which is the Euclidian zoning approach.

Mr. Anderson said in order to make it understandable and sell it you need to provide for those neighborhoods that don't want to accept more units or it is inappropriate for them to have more units.

Ms. Hallsmith said City Council tells us to increase the housing units. That's her charge from City Council. How does he suggest they do it?

Mr. Goldman suggested they use professionals and rewrite the zoning. He doesn't see why he should have to ask a bunch of lay people in his neighborhood that haven't paid taxes for 23 years on his property what they think should happen up there. Shouldn't it be based on traffic count, road size, density and 1,200 feet from the State House? Why isn't it based on things that are variables with development and not emotional stuff?

Ms. Hallsmith said he just told her why are they getting the neighborhood involved and going on emotional issues and we should hire professionals here and bring them in to rewrite the zoning when it is emotional issues that block your development from moving forward and had forced other development out of town.

Mr. Goldman replied he disagreed. The emotional issues were overcome by the logic of the zoning variables and impacts.

Ms. Hallsmith said that is what they are proposing to still be the case but they want the neighborhoods involved in understanding what development is going to be going in there. That is one way to achieve at least a little of the buy-in. There was just a 7-unit development up on Towne Hill Road. It fit perfectly within the zoning and there was nothing really wrong and it was the neighbors coming out against it that chased the guy away. Yet the City Council has set a goal of increasing the housing units in this community because taxes and fees are high. Her best guess on how they achieve community buy-in to a new way of looking at land use in the city is by getting the community involved in that dialogue. Ultimately, it is up to City Council. Ultimately, these lines will be drawn by the Planning Commission and by the City Council. If people don't like it they can always get a petition and bring it up at Town Meeting. We need to get the people in the neighborhood involved in the discussion and have the development standards we are developing for these areas reflect that specific sense of place they have because when that is the case there will be a lot less resistance.

Mr. Bloch said as one of the pressures of exploring new ways to accommodate growth, and you need the growth to pay the bills, people get very emotional.

Ms. Hallsmith said the reason for having these neighborhood based codes will help a lot is because she also has been a developer over the last year. She has a 7 unit PRD that has been approved in Cabot. One of the things she found very helpful about their zoning is it was organized by district so she knew what the rules were going to be. The city's goal is to make it easier and simpler. By having these codes it will help people zero in on what is required in Pembroke Heights are if she is going to put in a development. They have experts helping. They have contracted with the Regional Planning Commission as the city's consultants. They can always do another planning grant and hire more. They have been working on the boundary study and will be helping with the drafting.

Mr. Borgendale said one of the other things that is happening is there is going to be growth in this part of the world. There is going to be more people here and they are going to have to live somewhere and need to work. Montpelier happens to be one of the work centers so the people are either going to live here in the community and contribute to the costs or live out in the towns next to us and come in here to work and use up city services and make the traffic worse without contributing. When you think about what a nuisance it is to have a more proximate neighbor you have to think about what nuisances you might be avoiding by doing that, and it might be a pretty good tradeoff. That is what you have to talk about.

Mr. Goldman said he thinks that is true. It also protects the proper around Montpelier from being chopped up. That was his argument in 1990.

Mr. Cheney said he believes rising fuel prices will drive people into town.

Mr. Goldman said for the first time ever he is having trouble renting in Plainfield because of the traffic and cost of driving.

Ms. Hallsmith said there are two groups of the public; one is the public that turns out when new development is proposed in their backyard and the other is the generally public who really don't typically have a lot of development proposed and don't plan to develop their property any more and zoning is meaningless to them.

Mr. Anderson said he believes the city would be better off. He believes densifying parts of the city is a good goal. There are studies that indicate that taxes will go down and we have too many services for the people we have. From an urban planning smart growth concept we have the services here and people shouldn't be spreading out into undeveloped areas of Cabot or Calais. Point 2, regardless of what the City Council has said about wanting to grow the population of the city he truly believes that no City Councilor wants to sit at a meeting where neighbor after neighbor and says the zoning change is going to ruin his life. The Planning Commission's goal is to figure out how to grow the city with a politically possible proposal. Thirdly, in terms of trying to achieve that balance he thinks that the College Hill neighborhood needs to be broken up into several districts. He doesn't think that is unfair. He suspects there are 1,000 or 1,500 people that are located in the district as drawn right now. If there are 28 districts now the average population is 250 to 275. We just don't have enough districts. Sabin's Pasture is very different than Loomis Street in terms of trying to figure out the zoning issues.

Ms. Hallsmith said what they were looking for tonight is the Planning Commission's impressions of this approach for zoning. They want to talk about boundaries, densities, uses and design at the meeting. Those are the four critical issues covered by zoning. If you are thinking about a neighborhood development standard those are the four critical issues that are going to be covered by those standards. The large issue around where the higher density is, the Historic Design District, rural areas, those are citywide issues that are addressed in the big overlays.

Mr. Anderson said after Thursday's meeting the issues he has are they going to draw the districts close to existing populations or are they going to draw the districts to include both settled and unsettled areas. In the eastern part of the city on Gallison Hill they have drawn the line in very close to Gallison Hill except in the western part of the city the lines are not drawn in close to the existing settled areas.

Ms. Hallsmith explained a lot of the land that backs us to those frontage lots on Gallison Hill is in the conservation area. They were trying to take issues of resource protection, existing parcel boundaries more carefully.

Mr. Borgendale announced he doesn't want to serve as the city's representative to the Central Vermont Regional Planning Commission. When he was appointed by City Council it was on the recommendation of the Planning Commission that it would be very useful for someone on the Planning Commission to serve in that capacity, and that is very true. There is going to be a lot to deal with in the next year or two in the city. He would encourage someone here who can really commit to it because it is a very important thing to do.

Ms. Hallsmith said the city works closely with the Regional Planning Commission and there are consultants on this project. The city wants to maintain their integrity and maintain the services they provide to member towns so it will be an exciting time in that role.

Mr. Moorman thanked Mr. Borgendale for being the city's representative to the RPC and acting as the city's liaison.

Next Meeting:

They should have another Planning Commission meeting after the city meeting because they are still in the draft stage.

Adjournment:

The Planning Commission adjourned at 9:00 P.M.

Respectfully submitted,

Gwen Hallsmith, Director
Planning & Community Development

Transcribed by: Joan Clack