Burlington Planning Commission
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Burlington Planning Commission

Tuesday, January 23, 2024, 6:30 P.M.

Hybrid Meeting via Zoom and in the Bushor Conference Room

Draft Minutes

Members Present	A. Montroll, E. Malone, B. Baker, A. Friend, J. Randall, Y. Bradley
Staff Present	M. Tuttle, C. Dillard, S. Morgan
Public Attendance	Sharon Bushor, Todd DeLuca, Eric Farrell, Michael Monte

1. Agenda

Call to Order	Time: 6:30pm
Agenda	No changes.

2. Public Forum

Name(s)	Comment
Sharon Bushor	• Up until this point the joint committee has dealt with ways to accommodate more housing in Burlington but that it doesn't ensure any of that to be affordable. Doubtful that just because there's more housing that will mean affordability will follow. • Inclusionary zoning is one way affordability can be guaranteed to a certain level.
Todd DeLuca	• Concerned about the "tax" on new housing that inclusionary zoning puts. • Appeals the Commission to make inclusionary zoning voluntary.

3. Chair's Report

A. Montroll	Nothing to report.

4. Director's Report

M. Tuttle	• Reaching out to PC's Executive Committee to set up a meeting in a public area
	• Anticipating introducing the NC to the City Council on Monday 1/29
	• Beyond the neighborhood code work, our team has been really busy with a number of other projects over the last several months.
	    o Working with the City Council and UVM on housing agreement that is focused on identifying opportunities for the expansion of on-campus beds for undergraduates. Have had a number of public presentations in collaboration with CEDO.
	        ▪ It includes a renewed commitment by UBM to provide 1 1/2 beds for everyone additional undergraduate that it enrolls after the fall of 2023.

        - It makes transparent their undergraduate enrollment goal of aprox. 3,000 first-year students.
        - Commits to pursue additional housing development on campus if enabled by changes to the zoning.
        - This draft MOU contemplates changes to the Trinity campus as well as to the Waterman block on Prospect St. and to the site that we've been calling the Rugby Field on East Avenue.
        - Will be presented at the City Council in February.
    - Presented to the City Council meeting the previous week the UVM Medical Center requests about renewing their land use MOU that they have with the city and really with the city on behalf of the neighbors in Ward One. The MOU is set to expire in 2024. The Medical Center is preparing its 10-year plan for the growth of the hospital here in Burlington and its needs related to expansion of beds, parking and auxiliary services.
    - C. Dillard has been leading the transportation demand management study. Working closely with the team's consultant to develop a series of recommendations that they're getting close to having ready to begin betting more thoroughly and sharing with stakeholders and the public in terms of getting us to a near final report.
    - C. Dillard also leading the Planning departments collaboration in advancing some development interests in the area that was recently zoned the for the South end Innovation District zoning.
        - planning MOU with the private property owners and Champlain College for the property that each of us, the city and each of those owners hold in that area between Lakeside and Sears Lane to help us develop a sort of shared framework and understanding of order of magnitude development capacity for those sites.
        - A new multimodal transportation framework for increasing that accessibility of that area and assessing the sort of traffic and other utility impacts of those developments.
        - Anticipate that the results of that are going to hopefully inform a predevelopment agreement between those partners that may be coming to the council in the next few meetings.
- The ongoing discussions at the state legislature over the past few sessions about changes to municipal planning law in terms of housing and ACT 250 in particular.
    - There were a number of special summer studies that were set up that ranged from creating common future land use categories that the Regional Planning Commissions would use in their planning across the state to an NRB led recommended updates to the Act 250 process and structure overall.
    - M. Tuttle involved in the working group that was trying to explore and more fully flesh out a concept for a full municipal exemption from Act 250 upon a community's demonstration that their local

		rules are functionally equivalent to the Act 250 criteria. Will also present to a joint set of Senate committees on 1/24 about the view that tool of municipal delegations will work on that, fitting into the overall framework of active into your farms that are under consideration.

5. **<u>Proposed CDO Amendment: Inclusionary Zoning</u>**

Action: N/A
Type: Informational, Discussion

J. Randall:

- What the process is like to manage these units and what is the application process on the City side?
  <u>M.Tuttle:</u>
  - The Zoning permitting team at DPI, is sort of the initial application in terms of determining the appropriate percentages that projects are required to meet, but engaged closely with CEDO in actually confirming those amounts and working with the specific developers to ensure that they're meeting the requirements, particularly for pricing.
  - The ordinance does require that for a project final rents or sale prices are confirmed by the Housing Trust fund manager before a certificate of occupancy can be issued.
  - Then there is a required like ongoing monitoring that CEDO also manages through the Housing Trust fund.
- Are there any like characteristics you know of an IZ unit that would make it not suitable for a market rate unit and vice versa?
  <u>M. Tuttle:</u>
  - In theory it shouldn't.
- we've been hearing about some of these potential developments that are, you know, just not feasible and obviously these changes are trying to make these projects more feasible. When those projects aren't happening, are those developers looking to neighboring communities to complete those projects or are they just not happening.
  <u>B. Pine:</u> It's fair to say that if the economics don't work and that individual or that group is looking to continue to develop real estate that they're going to seek out other opportunities in, in nearby markets where they can make those numbers work.
- Echoes E. Malone's comment #3.
- About bullet #3 on presentation: what exactly is the hang up here with? Is it specific to this partnership between nonprofit housing developers and large-scale private developers that inhibits them from accessing funding for sale units, or is there just broader lack of funding for sale units versus rental units right now? And is that something that is possible to change in the future?
  <u>M. Monte:</u> In a rental affordable housing stack of money, we will use low-income housing tax credits which is winds up being free money to us about 2/3. We use cash grant equity, public equity from the funding sources like VT Housing Conservation Board or VT Housing Trust Fund or whatever we can get our hands on from governmental sources. And then there might be a little debt and that's how you do affordable rental housing. When you do home ownership, there is no low-income housing tax credit doesn't exist. So now you have to build just government grant equity sources and some debt that you are doing in mortgage, but you really have to make up a big chunk of money in equity, which equity grant sources, which simply doesn't exist as a program. We have used new market tax credits and there is state federal legislation that we've been trying to push for the last 10 years which will create a tax credit

program which would be 1/3 of the money would come in as credit and essentially equity. Then you can build capital stack of these this equity fees, tax credit sources, those grant sources from the state and other sources that want to support us. And then a private mortgage essentially with the individual against divide their own. The issue is that that tax credit equity is simply not available for home ownership now unless it's in a special place or location.

- Is it possible to have off site developments also have a mix of affordability and market rate?
  M. Tuttle: I don't think there's anything in the ordinance that mandates that the that an offsite project can only include with the inclusionary units. It could be hard to develop two projects at one time. But if somebody were developing another project that could qualify as a receiving site for the inclusionary units, I don't think there's any reason why that could be the case.

E. Malone:
- Does the Champlain Housing Trust own and manage these IZ units or does the developer?
  M. Monte: We don't own all the IZ units that are rental. There are other IZ units in the city that are owned by private developers. Usually on a scale project we can and will often partner with a private developer to take on sort of the full development component. In that case we own and outright right.
- Is there a threshold for size of project?
  M. Monte: We don't want to do less than 20 really. We've been that happy doing 30 and 40 and 50. We may simply do it as a as an affordable housing component.
- The way to build wealth in America and our country is through home ownership and so to not I have policies that support that for low income it's a little problematic.

A. Friend:
- What is the market demand for sale vs rental for affordable housing?
  M. Monte: Sold 30 for sale in 2023, and 50 in 2022. We would have 20 or 25 people interested.
  M. Tuttle: What is the AMI % that you're typically selling though your portfolio?
  M. Monte: We have targeted sales up to 100% of union income, and we're raising it to 120%. We typically have sold it at our homes at 70% and we targeted our sales price at 80%.
- Agrees with Y. Bradley. Whatever we can do to increase home ownership and convert some of our long-term rental population to people who have to own homes, we should be pursuing that.

Y. Bradley:
- I think what you guys are doing is absolutely fantastic. Ownership is something that's extremely important particularly the fabric of the community.

B. Baker:
- There's a provision in the inclusionary ordinance to allow you to designate existing units if you have some quality measures to make sure they're of certain quality was a consideration given to designating existing units because a fork construction unit is 2 to 3 years away and may not even get off the ground.

6. Commissioner Items

B. Baker:
- About the condo conversion ordinance: I think we might want to refer back to it more than just the notice provisions and you know, what City Council is looking at doing to it because they could work in hand.
  M. Tuttle: Brian and I have both been asked to talk with a couple counselors who are thinking of bringing forward some recommended changes to the condo conversion ordinance. That's not part of our zoning ordinance, that's a separate stand-alone city ordinance.

7. Adopt Minutes

Action: Approve the 1/9 minutes.		
Motion by: J. Randall	Second by: A. Friend	Approved: unanimous

8. Adjournment

Adjournment	Time: 8:20 p.m.	
Motion: J. Randall	Second: A. Friend	Vote: unanimous