

Housing Committee Meeting Minutes

February 25, 2019

Members Present:

Pam Brangan, chair
Mark Brooks, secretary
Casey McNeil
Brian Precourt
Dean Pierce, Director of Planning & Zoning

Members Absent: Ron Bouchard

Guests:

Regina Mahoney with CCRPC

The meeting was called to order at 6:00 pm with approval of the agenda and the minutes from the February 4th meeting.

Housing Trust Funds

Regina attended the meeting to discuss housing trust funds and ways to incentivize builders to construct affordable housing.

Once a HTF is established a committee needs to be formed to determine how the funds are to be used and to recommend ways to facilitate affordable housing construction and retention.

South Burlington has inclusionary zoning in its City Center district and is planning to expand to the Transit Overlay district. Ultimately, inclusionary zoning is to be established city-wide. A problem with inclusionary zoning is how the affordable units are managed over time with private developers. Non-profits such as CHT and Cathedral Square are well versed in how to ensure that tenants qualify financially for affordable units when they are rented and then maintain their financial qualifications over time. That management would be more problematic with a private owner.

Hinesburg has inclusionary zoning in their regulations but it has not yet been used. If there are inclusionary units they are to be managed for the town by CHT.

In South Burlington, the affordable housing committee receives inquiries from developers and then they present their recommendations for use of the HTF to the city council. The committee plans to put together a formal screening process when considering proposed affordable projects seeking use of the HTF.

There are many competing needs for tax dollars and HTFs often receive less funding than they want.

Casey asked about tax stabilization as an incentive. In a previous meeting Michael Monte with CHT suggested no tax at all in year one, easier than stabilization. Brian stated that the state won't want to give up their portion. How about the town giving up their portion for a period of time?

Regina stated that inclusionary zoning should address how the developers give up lost revenue on the affordable units – density bonus, parking reduction, reduced or no fees, etc. We need to make sure that the incentives are sufficient to get the development that we want.

In Chittenden County, Burlington, South Burlington and Hinesburg have inclusionary zoning, and Winooski is considering it.

CCRPC has done an audit of the Essex zoning regulations to determine if there are barriers to affordable housing development. Essex was charged \$50 per hour for about 100-200 hours of work.

The planning commission is looking at modifying the form based code regulations. Greater density is helpful but other aspects may be a problem, such as required building type, storm water regulations, parking locations, etc. Perhaps they should look with an eye to incenting affordable housing. Brian stated that the required first floor retail may not be reflective of the lower demand for retail space and hinder new construction. Perhaps allowing all residential would be better.

Regina stated that the state's neighborhood designation is helpful. Can be applied for by a developer or the town. The town must first decide where the designation will be. The legislature is also looking at changes to Act 250.

On Tuesday April 30 there will be a housing committee meeting regarding inclusionary zoning at CCRPC.

Other Business:

Pam and Casey will continue to work on updates to the housing booklet.

The next meeting is scheduled for April 8 at 6:00.

The meeting was adjourned at 7:00.