

**Montpelier Planning Commission**  
**August 9, 2004**  
**City Council Chambers, City Hall**

*Subject to Review and Approval*

**Present:** David Borgendale, Chair; Carolyn Grodinsky, Vice Chair; Irene Facciolo; Curt McCormack; Marge Power; Anne Campbell  
Staff: Valerie Capels, Planning & Community Development Director

**Call to Order**

The meeting was called to order by Mr. Borgendale at 7:05 p.m.

**Approval of Minutes**

Ms. Facciolo made a motion to approve the minutes of the July 12, 2004 and July 26, 2004 Planning Commission meetings, seconded by Ms. Power.

Ms. Capels noted that the minutes are incorrectly dated July 28 and should reflect the correct meeting date of July 26.

Ms. Power offered the changes to the July 26 minutes. The second paragraph on access management says that “people living along roadways may object to reduced access . . .” That statement should be corrected to refer to “property owners” rather than “people living.” She requested that her statement on page 3 regarding the problem at State and Main Streets be reworded to state that she suggested that “it should be acknowledged that the City has investigated solving the problem many times and it is unlikely that a solution will be found.” Ms. Facciolo said that the fourth sentence under “Other Business” should be corrected to say that Mr. Borgendale asked for a copy of the RFP, instead of the contract. Mr. McCormack asked that the second paragraph on page three indicate that “Mr. McCormack agreed” in order to correct the impression that he was debating with Ms. Gibson.

Mr. Borgendale had changes to the July 12 minutes. His statement in the second paragraph on page 5 should be corrected to state that “surface parking is not a good use....” He also asked Ms. Power if she actually used the word “appalled” at the bottom of page 5. Ms. Power said that she did not recall using the word, but it is a word that she might use. Ms. Grodinsky said that her comments on the Master Plan were presented as bulleted phrases that did not explain how she wanted the concepts incorporated into the Master Plan. Ms. Capels explained that the tape recording used to produce the minutes was of poor quality. The board voted 6-0 to approve the minutes with the changes.

**General Appearances**

There were no general appearances.

**Agenda**

Mr. Borgendale reviewed the agenda. Ms. Capels said that she would like to add a discussion of the inclusion of a Planning Commission member on the Administrative Officer search committee.

**Fiscal Impact of Development Study**

Consultants Michael Crane and Jeff Carr introduced themselves and said that they would like to discuss, first, what each Commissioner sees as the most important outcome of the study and how the results will help the Commissioners in their planning efforts. The purpose of the second part of the discussion would be to identify which development scenario the Commission would like the study to examine.

Mr. Borgendale said that, in Montpelier, there is a general sense that the City government is expensive. He said that some believe that there is excess infrastructure and capacity in the city. These people tend to say that growth should be promoted to increase the number of taxpayers and thereby reduce the cost per capita. Another opinion is that growth is not a solution to the per capita cost of government because growth causes expenses and infrastructure demands that exceed the impact on revenue. The Planning Commission is looking at a five-year plan and would like to have some concrete evidence to share with the community in the discussions of the plan. Mr. Carr asked what time frame should be addressed. Mr. Borgendale said that he was not sure, but that the Master Plan is for a five-year time frame.

Ms. Power said the Commission is not just looking at the cost of infrastructure, but also looking at operating costs. She was not sure how to answer the question of whether the Commission wants to look at individual development or to consider a more general approach. She would like to know the effect of the specific developments that are in stages of the planning process and which will differ in their impacts. She would also want to see the general approach addressed.

Mr. Borgendale said that he wanted to clarify that, in his use of the term “infrastructure,” he really was including capacity. It was his opinion that the Planning Commission should choose Option #3, the city wide option. Ms. Campbell said that she agreed that it would be informative to look at the proposed development projects. If we do not know the specifics, at least it would be useful to know how to assess the impacts. Mr. Carr said that perhaps the study could look at a residential development in a generic sense. Ms. Campbell said that it would help if the analysis could address these large developments and extrapolate information so that the Commission will know how to think about development. There is conflicting data on the impacts of development and would like to resolve whether “we are robbing Peter to pay Paul.”

Mr. Borgendale said that none of the projects on the City’s ten year capital budget are being driven by specific development plans and that this causes him to be concerned about the utility of focusing on specific development. Mr. Carr said that one of the problems in looking at generic development is that many of the costs are driven by the assumptions about the specifics of the type of residential development that is planned. There are different types of residential development and he has concluded that communities need to give up the concept that a residential unit can be defined as a single family house on a one acre lot. Ms. Facciolo said the Planning Commission is moving in a direction away from that concept; we want to move toward smart growth zoning, but we are not there yet.

Mr. Carr said that the Commission may want to make assumptions about the direction that the zoning will take and develop a prototype development scenario base upon that zoning. Ms. Grodinsky said the Commission is proposing new zoning changes. It is critical to look at cost based on different types of zoning. Ms. Power agreed. She said the question is, “What are the consequences of zoning one way rather than another.” The Commission needs to know if smart growth zoning would result in unacceptable fiscal impacts.

Ms. Facciolo said there is a big debate in the City over whether adding more houses will reduce school taxes. She said the answer is not known and it would be useful for the Planning Commission, the School Board and the community to have that answer. Mr. Crane asked that if the analysis looked at a certain increase in the number of dwelling units, would the Commission want to see that as a result of a particular project or over the course of a time period, such as ten years. Ms. Power said the time frame is less than

ten years for the large projects currently in the planning process. The pressure the City was seeing was for a shorter time frame.

Mr. McCormack said that he likes aspects of each of the options. The issue of whether development will have positive or negative fiscal impacts is used by both sides when a controversial development project is proposed. The Planning Commission needs information that can be applied to specific projects. He suggested that the analysis focus on developing common baseline assumptions. (For example, more dense development projects cost the City less). He would be interested to know how renovation of existing spaces and infill compares to development on green space in terms of impact to the City. He hoped the analysis would provide the Commission with a tool to cut through the arguments. He wants to focus more on residential development than on commercial development. He also noted that he has heard that the State impact fee law does not allow municipalities to collect adequate fees from developers to cover the impacts of development. Ms. Capels said that she was not aware of that issue. Mr. Carr said that he would look into it.

Mr. Crane said that he understood the Commission wants to use the study to wipe away myths on either side of development projects. He suggested that the Commission wants him to analyze a hypothetical of a specific project such as a residential development with a certain number of units, in a particular zone and built over a 5-year time period. Mr. Borgendale said that he is concerned about focusing on a specific project because projects have system wide impacts. He said that he is concerned that any project specific evaluation address the direct and indirect impacts.

Ms. Power said the study could give the Commission an analytical tool to apply to projects as they come up. She recognized this would be difficult, but said it would be most helpful. Mr. Borgendale said the consultants proposed to provide that tool, but the budget would not support its development.

Mr. Carr said that the Planning Commission is looking for types of development and orders of magnitude so that it has a way of looking at specific development. He could give the Commission a list of potential elements of costs and benefits. This would inform the Commission of whether it has enough information about a particular project to consider the equation. Ms. Power said that it sounded like this would be more of a list of factors to apply to a project rather than an equation. Mr. Carr said that the Commission wants to allocate all of the costs including capacity and operation costs. He might be able to develop a table for a range of projects.

Ms. Facciolo said the scale of a project has a big effect on its impact to the city. Impacts such as traffic will be difficult to address. She suggested that the Public Works department be consulted on that topic. Mr. Carr said that point shows the strength of option #2 which focuses on zones. That option addresses different types of development in different zones. Mr. Crane asked whether there is a concern with a particular part of the city. Ms. Facciolo said there is an immediate concern about a specific property that is about to be rezoned. Ms. Capels noted that over the past year, there were three housing proposals in three different parts of the City. She said that each of these could have a significant impact.

Mr. Borgendale said that he was thinking in terms of building a profile of development that would have a particular type of form and a targeted demographic and then grow that development at a given rate over a given time frame. Ms. Power said she would not want to look only at residential development. In the past, commercial development was viewed as the means of building the way out of the City's fiscal

issues. Presently, residential development is viewed in that way because the school has excess capacity. That view may change based upon an upcoming decision of the school board regarding the middle school.

Mr. Borgendale asked whether the consultants had enough input to work on. Mr. Crane said he understood that the Commission needs the study as a tool to assess future upcoming projects, but that the Commission wants the study to be comprehensive enough to use for planning purposes based on a planning horizon of about ten years.

Ms. Capels cautioned against using this study as a tool to study fiscal impacts of projects in the near-future. While the issue of fiscal impact is considered under the Act 250 process, it is not part of the Development Review Board criteria and currently could not be used to evaluate the appropriateness of a given project. Mr. Borgendale said that it could be made so. Ms. Grodinsky said that she sees the information used in developing zoning. Ms. Power said the information will be useful in addressing the question of whether Montpelier can build its way out of tax problems. It would be nice to have some support for an understanding of the answer.

Mr. McCormack noted that the Act 250 criteria include the fiscal impacts to the community. Ms. Capels said that not many projects in the city go through the Act 250 process. She said that neither the Commission nor others have yet had the discussion of whether such a criterion should be part of the local review process. Ms. Campbell said that topic would be worth discussing if the fiscal impact of development was known. The people of the city would probably want the criterion added to the review, if the impact were better understood.

Mr. Crane said that he believed he can develop a scenario to address most of what has been discussed. The Planning Commissioners needs a tool, like a checklist, but they want the tool to be useful. Ms. Campbell asked whether the consultants have any experience with smart growth. Mr. Crane said that he helped to develop smart growth concepts when he served on the Governor's panel on quality growth in Utah. Ms. Campbell asked whether some insight into the relative cost and benefits of smart growth planning can be included in the study. Mr. Crane said that it could, most likely under option #3.

Mr. Borgendale asked for comments from the public. Alan Goldman said that he did the last large residential housing project in the city in 1991. The project went through a lengthy review process where he was forced to prepare many impact studies. Act 250 forced the developer to pay for the studies. He suggested that the City could have the local developer pay for the studies at the local level. If the Planning Commission creates a matrix, it will always change and he suggested that it is probably best to have the developer pay for the impact study. Mr. Phil Dodd said that school tax rates in Montpelier are only slightly above the State average, but the municipal tax rate is one of the highest in the state. He wanted to mention a study on tax rates and growth impacts that was done by the League of Cities and Towns. Mr. Borgendale agreed that it is important to note it is the municipal tax rate that is high. He asked what the next steps are.

Mr. Crane said he will develop a description of one of the options more fully and will work with Ms. Capels on this. Ms. Capels said that she can distribute the work by e-mail for comment and determine if there is a need for another meeting when the comments are reviewed.

**Request for zoning change by Alan Goldman**

Mr. Goldman passed out a handout to the Commissioners. He said he owns a four-story building on Court Street. The line between the CB-1 and CB-2 runs up the street, placing his building in the CB-2 zone. He believes the building should be in the CB-1 zone. The building next door is five stories high. His four story building is the largest building on the block, but is non-conforming as a result of being placed in the CB-2 zone. The 16,000 ft<sup>2</sup> building has an elevator. There are 37 parking spaces on the site. The building does not meet the height, setback or parking requirements in the CB-2 zone, which means that he cannot change tenants or make changes that would impact parking since the zone does not allow for off site parking.

Ms. Power said that the Commission is planning a general review of the city's zoning. She asked whether the requested change could come under that general review. Mr. Goldman said that he would like to have it considered sooner than that. He would like to fix up the building and the elevator shaft, but he needs to know that he can market the building. Many of his tenants pre-existed the zoning and the leases dictate the number of parking spaces dedicated to each office. He does not have enough parking spaces, but in the CB-1 zone, he would be able to pay a parking replacement fee. Ms. Power said that it sounds like the obligation to provide parking is driven by the leases rather than the ordinance. Mr. Goldman said that, if an office tenant left, he could not have a new tenant move in and provide the number of parking spaces required in the zone. Ms. Capels said that if the office was refilled with a new office tenant, there would be no need for a permit. Mr. Goldman said that because the building was noncomplying, if the space was not filled within a year and the grandfathered status was lost, he could not rent the space. He said that one of the largest buildings in the city has been made into a nonconforming structure. Mr. Borgendale said that the Planning Commission needs to consider how urgent the issue is to see if it can be addressed in the overall Master Plan review. Ms. Capels recommended that Mr. Goldman meet with department staff to discuss how the current zoning affects his building and what options currently exist.

**Review of Master Plan Housing Section**

Mr. Borgendale said he hoped that the Commission can focus almost entirely on the goals, policies and strategies as they move through the Master Plan sections. He said is concerned about meeting the schedule for starting the public meetings at the end of September. The goals, strategies and policies will be of more interest to the public than the background information--not that the entire sections should not be read, but he wants to focus the discussion.

Ms. Facciolo said she did read the entire section and had comments. The economic and demographic forecast on page 3 should not provide only one number. There have been several such projections and the section should state that the forecast given is one of several or the section should include the other projections. The bullet list on "obstacles to development" includes an item described as high development costs; the list should include in parentheses a listing of the components of high development costs.

Ms. Power said that the document says that 9% of housing is publicly assisted. It would be useful to have a comparison of that percentage to the norm. The second to last paragraph on page 4 states that interest rates are factors in determining future housing needs. The issue of interest rates belongs in some other section, perhaps in a cost section. There are problems with the entire last paragraph on page 4; it needs to be recast.

Ms. Facciolo said that the sprinkler ordinance should not be included in the list of recent initiatives, as the purpose of the ordinance was not to increase housing availability. Ms. Capels said that the sprinkler ordinance was noted here because it affects new housing costs. Ms. Facciolo said that she felt that the sprinkler ordinance was a public safety measure, not a component of the housing element of the Master Plan. Mr. Borgendale said that he agreed that it should not be in the housing section, but added that the Commission cannot debate each of these points.

Ms. Campbell said that the Future Land Use Plan is written using current zoning. She posed the question of whether the Planning Commission wants to assume current zoning in the Master Plan. Ms. Capels said that it was included to give the context and a current frame work for the land use plan and zoning. When thinking about goals and policies, the Planning Commission might want to consider how they will translate into modified land use content. Ideally, zoning should reflect the Master Plan. The Master Plan language regarding land use can describe policies and goals, but the language does not need to be as specific as that in zoning ordinances.

Mr. McCormack asked whether the Commission would pursue the zoning changes that he and Mr. Mitofsky had proposed a year ago. He would like to look at the zoning document and see how it could be incorporated into the Master Plan review. Mr. Borgendale said that, to the extent that if it fits under the goals, strategies, and policies, it would be appropriate to discuss the zoning changes under any topic that they fit into. It would be more useful if Mr. McCormack would provide a list of the items ahead of time so that the Commission members can be prepared to discuss them. Mr. McCormack requested that some time be given before the housing section is finalized to allow for some additions.

Ms. Power said that she agreed with Mr. McCormack that this section does not make it. She gave the example of a statement from the section that states industrial development is an important economic driver. This is not correct for Montpelier. Mr. Borgendale said that he agreed that the plan should say what kinds of commercial activities should be permitted and encouraged.

Mr. Borgendale said he was thinking that the Commission needs to divide up the work on the Master Plan. He did not know how the Commission will get through all of the policies, goals and strategies in this type of session. Ms. Capels said that another option would be for the Commission to meet more often. Ms. Grodinsky suggested that a subcommittee or person could take on each section and circulate the section to all of the Commissioners for comments. Ms. Power said that her only concern with that approach is that she does not know the thoughts of the other members well enough to write a section that reflected the consensus of the Commissioners. Ms. Grodinsky said that she was not talking about opinions, but meant pulling together the information from the forums, notes, and handouts rather than working out the individual opinions. Mr. Borgendale added that if other Commissioners disagree with the product, they will let you know.

Ms. Capels said that one of the things that Ken Jones suggested in his E-mail message was that the Planning Commission spend its time focusing on goals. Ms. Power said that, given the staffing issues in the Planning Department, the Commissioners must pick up the slack or the time table will not be met.

Mr. Borgendale said he thought each Commissioner could take a topic, based on their work on the forums, and write down the goals and policies, but not work on the background. He said that they would be just starting to fill in the structure rather than perfecting the language. Ms. Facciolo said that she worked on three of the forums and, with the time commitment of the zoning committee, she could not take

on three topics. Ms. Grodinsky said that she could take on another section. She suggested that the Conservation Commission could be asked to play a role in the Natural Resource section. Ms. Power said that she could work on the parking section if she had the information and studies.

Mr. Borgendale asked if it would be helpful for each Commissioner to schedule time with Ms. Capels to brainstorm on the sections. Ms. Grodinsky said that she would rather start on her own with the notes and information. Ms. Campbell asked what kind of time frame was needed for the work. Mr. Borgendale said that, according to the preliminary schedule outlined weeks ago, the Commission is supposed to hold a public hearing on September 27 and that the public will be most interested in seeing the goals and policies. Ms. Capels said that the Commission's original thought was to get some type of a draft out to the public for feedback at an early date, even if it did not reflect all of the Commission's work. Ms. Power said that it is kind of foolish to send out a document that is only half revised. The first draft should show the changes that the Commission proposes. Ms. Campbell explained that the Chairman is proposing that a draft be completed prior to the end of September and that is what would go to the public. Ms. Power said that she questioned whether it was realistic to have the Master Plan in that form by then.

Ms. Grodinsky asked what would happen after the Commissioners individually worked on their sections. Ms. Capels said that the Planning Commission, as a body, should review the sections and be comfortable with the document that would go out to the public. Mr. Borgendale said that he was looking for a way to put together a draft that the Planning Commission as a whole was satisfied with and was willing to put out to the public. He was inclined to make the assignments, let the members think about the work, and come back with an estimate of the time needed to complete it. He asked Ms. Capels to e-mail the list of sections to the Commissioners. He said that the Commissioners should start with the presumption that they would be responsible for their forum topics and noted that there will have to be some reassignments. They could finalize the assignments and the schedule at the next meeting. Ms. Capels asked if the end of September was a reasonable target date for completing the sections. Mr. Borgendale said that the schedule was based on back planning assuming multiple public hearings and a date for the delivery of the document to the City Council. He did not want to slip from the schedule this early in the process. Ms. Capels noted that the land use section has not been assigned to anyone and remains to be discussed by the Commission. The other sections will inform this section after they are done. Mr. Borgendale said the pieces that make up the land use section will get done in other sections and will be pulled together under that section.

Ms. Facciolo asked Ken Jones if he could help the Commission members in the work on the individual sections. Mr. Jones said that he could provide some structure for the plan so that it is understandable, but that he would not be providing opinions or policies. Mr. Borgendale thanked him for the e-mail and said it was most helpful.

#### **Review of Resolution to Establish the Open Space Advisory Committee as a Subcommittee of the Planning Commission**

Mr. Borgendale said that he had asked Ms. Capels to draft a resolution to formally take the Open Space Advisory Committee under the Planning Commission's wing. Mr. McCormack made a resolution to approve the resolution, seconded by Ms. Campbell.

Ms. Grodinsky said that the first finding should be revised to state that the "Conservation Commission originally created a subcommittee to focus on identifying the priority of open spaces, natural resources, recreation... . She also wanted to discuss the individuals to be named to the committee. Mr. Borgendale

said that he understood that the committee wanted to have a broad range of interests represented. Ms. Grodinsky said that she did not understand what those interests would add to the priority work of the committee. Ms. Campbell said that it has been useful to have input from various interests in the committee's work. Ms. Grodinsky asked how it will help to have those interests on the committee if the work is to look at the priorities for open space based on natural resource values. Ms. Campbell said that the committee is not setting priorities but is concerned with giving the Planning Commission a framework for evaluating various parcels. Ms. Grodinsky said that she was not clear on what the committee is advising the Planning Commission on. Ms. Campbell said that, when the committee members attended a past Planning Commission meeting, they provided copies of checklists and maps and described their work.

Ms. Power said that she understood Ms. Grodinsky's question to be why the stakeholders in the properties are represented on the committee whose job is to evaluate natural features. Ms. Grodinsky said that she wants everyone to be on the same page as to the purpose of the advisory committee. She said that she understood that the committee was to help the City identify its most important natural features. Mr. Borgendale said that he understood Ms. Grodinsky to be saying that the Open Space Advisory Committee is strictly focused on the preservation of open space. He said that he thinks that the committee's role is in identifying criteria for establishing the best use of land. He said that it is more than just preservation. Ms. Grodinsky said that was not her understanding.

Ms. Campbell suggested that the first finding be revised to say ". . . subcommittee to focus on identifying important considerations for preservation and best use of open spaces, natural resources, view sheds and recreation." Ms. Grodinsky said that she feels strongly about this and would like to go back over her notes from prior meetings. Ms. Campbell said that the biggest difference between her understanding and what Ms. Grodinsky was saying was that the committee will not be developing the priority list of properties. Ms. Campbell said that they will present data so that the City can develop priorities. Ms. Facciolo asked why there should be various stakeholders on the committee if it will not prioritize the properties. Ms. Capels said that the committee was originally formed when the Views and Vistas Study was being done, which did make recommendations. Ms. Facciolo said that the goals have changed and the committee is now developing checklists for the Commission's use in prioritizing. She said that there is not a need to have all of the stakeholders represented on this committee. Ms. Campbell said that it has been helpful to have the input of someone from the Parks Department and someone who has been through the Act 250 process. Ms. Facciolo said that people such as a housing advocate or a developer do not have particular expertise in natural resources. Ms. Grodinsky said that this is just a step in the process. The land owners and other interests will have opportunities to be involved at other steps. She does not want to see the process bogged down. She suggested saying that the committee will be formed of experts or people knowledgeable on natural resources, recreation, or wildlife, for example. Mr. Borgendale said that, even if the committee was just developing criteria, it is important to have different view points. He said that potential conflict can then be resolved at early stages in the process. Ms. Grodinsky said that she is concerned that the committee is looking specifically at open space and aspects of open spaces that are important. She said that is why she wants to go back through notes to look at the charge of the committee. Ms. Grodinsky made a motion to table the matter, seconded by Ms. Facciolo. The motion was approved unanimously.

### **Other Business**

Ms. Facciolo provided an update on the Council Zoning Committee. She said that they have reviewed RFQ's from three consultants. They looked closely at qualifications and examples of previous work. The Committee has two more RFQ's to review. The deadline for final proposals is next week. The

Committee will then choose a consultant and asked for the City Council's approval in order to have a contract written by September 1. The bids will be solely for the Sabin's Pasture zoning.

Ms. Capels asked if Commissioners received her e-mail that the Planning Department is recruiting for an administrative officer. She asked if anyone was interested in serving on the screening and interview committee. Ms. Facciolo offered to serve.

**Adjournment**

Mr. McCormack made a motion to adjourn the meeting. Ms. Grodinsky seconded the motion. The motion was approved unanimously. The meeting was adjourned at 10:15 p.m.

Respectfully submitted,

Valerie Capels

Transcribed by Kathleen Swigon

*These minutes are subject to approval by the Planning Commission. Changes, if any, will be recorded in the minutes of the meeting at which they were acted upon.*