

Montpelier Planning Commission
October 27, 2008
City Council Chambers, City Hall

Subject to Review and Approval

Present: Karen Vogan, Chair; David Borgendale, Vice Chair; Anne Campbell, Matthew DeLorey, Jesse Moorman, and Lucia Bragg, Youth Member.
Staff: Gwen Hallsmith, Director of Planning and Community Development

Call to Order:

The Planning Commission meeting of October 27, 2008 was called to order at 7:04 P.M.

Review of Minutes:

Upon motion for approval by David Borgendale, seconded by Matthew DeLorey, the minutes of the September 22, 2008 meeting were adopted on a vote of 6 to 0.

Update on the Growth Center Application:

Gwen Hallsmith, Director of Planning and Community Development, said the preliminary growth center application was submitted to the state in late August or early September and they had a review by the state board. They raised some concerns about the growth center boundaries. The concerns she has heard are primarily the boundaries include the General Business District that goes along River Street in the Industrial Zone. There doesn't seem to be any concerns so far about the city including the Medium Density Residential District in the growth center boundaries, which is what they include right now, plus the General Business.

Mr. Moorman asked if the growth center included all of the MDR in Montpelier.

Ms. Hallsmith said that was right. The application is enormous so printing out a copy for each member didn't make a lot of sense. Right now it includes the MDR, HDR, and of course the downtown areas, plus the General Business District and the Industrial Zone. The General Business District zoning, however, doesn't conform completely with the expectations for growth center designation. They are concerned by including it we may undermine the downtown because it would allow for more commercial growth in an area in more of a sprawl pattern. She thought that was worth looking at tonight.

She would like to point out to the Planning Commission that she believes that the new zoning regulations are in their packages on the table. The neat thing about the new zoning regulations is that it is indexed, so at the end if you are looking for a particular thing there is an index which is helpful. The way the zoning is organized could be redone. The way the sections are organized could use improvement, and after they redo it when the Master Plan is complete she will suggest doing that.

If you look at the zoning districts and regulations, which is Article 6, Section 603, outlines the general goal for the General Business District, and then throughout the section it describes what the structures and uses are in the district. The Riverfront District is part of Design Control and has a little bit more regulations. It keeps it as part of the downtown. If you look at the table that begins on Section 606, page 6-12, if you look down the General Business District uses, you can see it is an area that a lot of different things are allowed. Her understanding is that because it is our most lenient district that is what makes it a concern for the state board that is responsible for reviewing it as well as the Historical Preservation Group and the Vermont Natural Resources Council. She had a meeting with Brian Shupe and Paul Bryn on this and they were also raising concerns about the General Business District being included in Montpelier's growth center. She agreed that we would be willing to work with them on it and make sure it meets their standards and is acceptable to them. In return they might even provide us with some additional funding to continue the application.

Ms. Hallsmith said they are running low on funding. It is a fairly complicated application. They said they would provide a grant and she has yet to hear whether that will come through although she is still hopeful.

Ms. Hallsmith said the application is almost complete. She is hoping they will receive some funding so our consultant can complete it for us.

Mr. Borgendale asked what were their concerns about having General Business included in the growth center.

Ms. Hallsmith said they are worried that more lenient regulations that apply in growth centers will allow more of a sprawl form of development in General Business and it might detract from infill development in the downtown. Developing that district was not their goal in the growth center designation. Their goal was to encourage residential development in the MDR areas. Taking it out and reapplying once they revise the zoning so the zoning in that district is more consistent with the goals of the growth center process is fine. She has no objection to that. The real thing that has driven them to make the application to the growth center process is the Sabin's Pasture development and some other developments in town that are proposed that could use some assistance with infrastructure through tax increment financing. It has not been the redevelopment of River Street. Not that couldn't be ultimately a goal of what they do with the growth center monies and requirements but right now that isn't the top priority.

Ms. Hallsmith said she was at a downtown board meeting today about the application they made for Turntable Park and had the opportunity to hear their review of both the Winooski Growth Center application and the Bennington Growth Center application. The Winooski Growth Center application was in asking for a continuation of the conditions that had been set on it. The Downtown Board granted them an extension, but she doesn't understand all of the issues. Bennington's application is quite similar to Montpelier's in that it is a fairly large area. Montpelier's is a pretty large application for this type of designation. Toward the end of the Bennington discussion they were moving in the direction of setting some very clear conditions that described why they allowed the large district to go through in Bennington precisely so that other large districts coming through the pipeline, like Montpelier's, would have some restrictions on how they could go about doing it. Reducing our district size by taking out those areas will also help address some of their concerns.

Ms. Campbell asked if Montpelier was third in line of the applications.

Ms. Hallsmith replied there are a lot of different cities and towns that are preparing them. Bennington's has now been conditionally approved, and Williston's has been approved. Winooski has a specially created tax increment financing district, but it's not part of the growth center process.

Ms. Campbell asked how many other competing applications are in.

Ms. Hallsmith said there are about five. St. Albans is working on one. Colchester is working on one. Montpelier is pretty far along in getting the application in compared to the other towns.

Mr. DeLorey asked if it was a competition or more like meeting the guidelines and follows whatever advice you get on restrictions, and it is okay.

Ms. Hallsmith said it isn't really a competition, although when it comes to using the tax increment financing funds those will be more limited.

Mr. Borgendale asked if there was a limit on how much they are going to be able to distribute.

Ms. Hallsmith replied yes, there is a limit set by the Legislature. The tax increment financing funds come from the state. It is the state effectively paying for our infrastructure development by foregoing the additional taxes that they would be collecting on the school tax in areas that have these additional property values from the development that occurs there.

Ms. Campbell said they aren't going to be real eager to grant too many growth center designations.

Ms. Hallsmith said that is part of the pressure to keep it moving forward, and the city is keeping it moving forward. The city is running out of money. There was some communication issues back and forth between the Regional Planning Commission and the city's consultant that made costs go up a bit, but they are working on resolving those.

Ms. Vogan asked if Gwen needed the Planning Commission to approve.

Ms. Hallsmith replied not yet, but she imagines once they get the final application prepared then the Planning Commission will need to vote on it and send it to City Council to vote to send it on to the state. She is just providing an update on the general direction they are headed in because it is likely that the next map she presents will eliminate some of what they had in the original map just to meet their concerns.

Ms. Campbell said at this point she needs the Planning Commission's concurrence.

Ms. Hallsmith said the way the maps were drawn it fit in the area so they included them.

Capital Plan Request:

Ms. Vogan said she had the form they are supposed to fill out for the capital improvements project and the first meeting is coming up on November 5th. She has the budget. In the past the Planning Commission has requested \$12,000.

Ms. Hallsmith said for the last two years they have requested \$12,000 for the preparation of the Master Plan and they have used that money to hire the VISTAs. This year she submitted a preliminary proposal for \$20,000 so they would have enough money again to bring the VISTAs back but also to do the printing and some of the other preparation of the Master Plan as they move it towards its final version. That is what is included now for the Planning Commission. There are other capital plan items that she still needs to sit down with Bill Fraser and Todd Law and the rest of the departments to go over, like the Carr Lot and Turntable Park.

Mr. Borgendale asked if the feeling under current conditions that the city will still be able to maintain the \$1 million capital budget.

Ms. Hallsmith replied she hadn't heard anything to the contrary.

Ms. Vogan said there has even been a discussion about trying to increase that amount.

Ms. Hallsmith said the budget discussions haven't even started in earnest yet.

Mr. Borgendale said he is curious because basically the target has been, or at least as long as he has been on the Planning Commission, that the total city investment be targeted basically at \$1 million per year but that also includes the debt service.

Ms. Hallsmith said some of the things that are going into the capital plan are going up. She has not heard that it is changing. There are a number of other things that the Planning Department has been working on that would be capital plan requests. They have submitted the proposal to the Clean Energy Development Fund for the siting work required for the district energy plant that they have been diligently working on. That is a \$200,000 request to the state and the city would be responsible for matching it with \$200,000, which would be using the bond that the city voted on several years ago for district energy facilities. That was a \$250,000 bond. They have used \$5,000 of that bond already to complete the feasibility study they did over the last year. That was presented to City Council last week.

Ms. Hallsmith said the 12th of November they are going to be having a delegation here from Denmark and they will be showing the city what they have done with district energy. That \$200,000, if they get the Clean Energy Development Fund grant will be a capital fund item. Again, because it is the debt

service that is reflected in the capital budget it's the debt service on the bond rather than the principal that would be added to the capital budget on behalf of the district energy plant, which wouldn't even begin until next year. In the grant application they have set aside the \$200,000 to actually purchase the site. Then the money they are asking for from the Clean Energy Development Fund would be to complete the preliminary site work and help identify a private partner because they plan to submit an RFP in the next month or so to identify a partner to develop the facility with us.

Mr. Borgendale asked if the Planning Commission were being invited to participate in the capital budget committee.

Ms. Vogan replied yes.

Ms. Hallsmith said Karen Vogan has been put on the committee. There is the \$20,000 they are requesting for the Master Plan, \$200,000 for the district energy plant. Today they received a grant from the Downtown Board Transportation Fund for Turntable Park development for \$75,000. Turntable Park is the little park located between the Salt Shed, which was going to become the Pyralisk Park, and 535 Stone Cutter's Way. It is a city park. It hasn't been developed yet. Right now it is a badly contaminated old turntable for the railroad cars that used to be worked on in that area. They used to come on and the turntable would turn them around and bring them into the repair building. It is contaminated with PCBs, PCEs, Phs, and all kinds of nasty stuff. Because it is this kind of cylindrical turntable it is really hard to clean. The cleanup for it and adjacent site have always been joined at the hip. They haven't been able to proceed with developing the park until the clean up and also develop the site next door. All year they have been working on developing that into a park, but the bids came in too high and that plan was abandoned. The bids that were too high were actually for the construction of the park.

Ms. Campbell when she says the plan has been abandoned what does she mean?

Ms. Hallsmith said there is no Pyralisk Park. They now have a signed purchase and sale agreement on the property with a developer who is interested in putting up an office building. If that is going to come through they will know by December 1st. Then, the Brownfield funding they have will be applied to that site to clean it up and get it ready for the office building, and then they can clean up Turntable Park and use the \$75,000 grant they received today combined with the sales tax reallocation funds they were granted by the construction of the 535 Stone Cutter's building, which amounts to \$35,000, plus

potentially sales tax reallocation funding from the office building that is developed there. The sales tax reallocation funds basically allow cities that have designated downtowns to take the sales tax that is spent on the materials for the new construction and reallocate it. The city has to prove how much sales tax was spent on the steel, bricks, wood, lighting, etc. We have to document it and then the state gives the city the sales tax money to develop public amenities near those buildings.

From a point of view of developing the Turntable Park, having an office building there that is spending a lot of sales tax money on materials will enable us to develop a nicer park. City Council had voted over the summer to dedicate an additional \$50,000 to a shortfall they had in that park project. Whether that \$50,000 remains with a new office complex going in she doesn't know.

Ms. Hallsmith said there is also the Carr Lot development that will be moving forward next year. That will involve the expenditure of an \$800,000 item that the city voted awhile ago to purchase the property. There are a lot of things the Planning Department has in the capital budget.

The bad news on the capital plan side is she learned today that the application they had made to the congestion amelioration program, the federal transit funding program in cooperation with GMTA, was not funded. That is a big disappointment because they were hoping to start another circulator route with transit through Montpelier and it is badly needed now because fuel prices are going way up. In fact, one of the things that was funded with the same money was a weekend bus run to Okemo Mountain for

skiers. It is hard for her to imagine frankly how that is more important than commuters in Montpelier. City Council made a very substantial commitment. They agreed to fund it at \$30,000 a year for the next three years and they thought that would be a competitive application. It was a new circulator route in Montpelier in cooperation with GMTA. They wrote the grant. We would have a new route that would run 7 days a week possibly up Elm Street and out to Woodbury and back. The idea was that it would be a combined set route but with enough flexibility so it could do special trips up streets. If you called ahead and arranged for it, the bus could come up and get you. If you live up on College Street and it is hard to get home, there would be a certain amount of flexibility built into each route back and forth across the city so it could be a combination between a fixed route and an on-demand route. This is something that all of the surveys showed was very desirable. They did a survey this summer and there were hundreds of results.

Mr. Borgendale said speaking of grant applications, the regional recreational grant application, he is curious why no one asked about those two communities and their town plans. He knew about it but figured it would have been dealt with. He knew that neither of those communities were eligible for those kinds of planning grants, but if it was a consortium someone must have figured out a way it would work.

Mr. Borgendale said the Berlin Town Plan is up for Regional Planning Commission approval. He is on the review committee. If anyone has any interest in giving him input about it.

Ms. Hallsmith said he might take a look at what they do with Big Box stores given the recent experience with Home Depot there. They are supposed to be moving along with an idea of doing some kind of town center in Berlin near the mall. If they are trying to develop a nice compact downtown center near the Berlin mall and they allow Big Box stores to go in just down the hill, they are going to undermine their own objectives by doing that. She would think that they could at least offer the comments about internal contradictions in their plan if they have the downtown center envisions like they have been claiming.

Mr. Borgendale said his overall impression of the review process is that it doesn't get very substantive.

Ms. Hallsmith said for members who aren't fully understanding of what David is asking about, remember they all voted to submit municipal planning grant application for energy planning but it came in with conflict with this other process that had been underway for awhile to submit a grant application to produce a regional health and wellness management plan that included the towns of Barre Town, Barre City, Berlin, Montpelier, Middlesex, and East Montpelier. Part of it was driven by a few people who really want to build a larger regional recreation center, but then stakeholders like First In Fitness also got involved and said maybe building a big center isn't what we need. Maybe what we need is doing an assessment of our needs and assets are and getting all of the stakeholders involved trying to figure out what the best approach is rather than assuming that the best approach is the construction of a big regional center. They changed their objectives a bit, but at the very last period of time running up to the grant Barre City pulled out because they wanted to submit their own planning grant to help move the League of Cities and Towns over to their city. Barre Town and Berlin couldn't be applicants because their town plans have not been approved by the Regional Planning Commission. That left Montpelier as a sole applicant or nothing. The difference between being a sole applicant and a regional consortium is a chunk of money? Cities can apply only for \$15,000, but a regional consortium can apply for \$25,000. The sense was that \$15,000 wasn't really going to be enough and it didn't make a lot of sense to go it alone, so the City Council decided not to apply. This means we aren't in at all for any grant application this round. We might have submitted another supplemental grant to finish up the growth center designation if all of this hadn't been going on.

Mr. Borgendale said Barre Town's plan is now approved.

Ms. Hallsmith said it needed to be approved by September to be qualified for the round of grants.

Mr. Borgendale said it was approved at the October Regional Planning Commission.

Adjournment:

Mr. Borgendale moved adjournment, with Ms. Campbell seconding the motion. The Planning Commission was adjourned.

Respectfully submitted,

Gwen Hallsmith, Director
Planning & Community Development

Transcribed by: Joan Clack