

**Montpelier Planning Commission**  
**September 27, 2010**  
**City Council Chambers, City Hall**

*Subject to Review and Approval*

**Present:** Jesse Moorman, Chair; David Borgendale, Vice Chair; John Bloch, Alan Goldman, Tina Ruth, Missa Aloisi and Bethany Pombar.  
Staff: Gwen Hallsmith, Director, Planning and Community Development

**Call to Order:**

Mr. Moorman called the meeting of the Montpelier Planning Commission to order at 7:00 P.M.

**Review of August 23, 2010 Minutes:**

Upon motion made by Mr. Borgendale and Ms. Pombar the minutes of August 23, 2010 were approved unanimously.

**Zoning Revision Project:**

Now that we have adopted a Master Plan the next phase is doing the zoning revision, and we have a grant from the state to help us do this now. We have engaged the Regional Planning Commission to help with this effort. Because we are talking about a fairly substantial change to our current zoning this is going to involve a similar process to how we did the substantial change to our Master Plan which is to get as many of the stakeholders involved as possible so we come out with a product at the end that meets everybody's needs without sacrificing other needs. The City Council are very interested in this process.

We are going to need to engage a broad spectrum of community stakeholders in the zoning in the process. The City Council has invited the entire Planning Commission to their meeting on October 27<sup>th</sup> to have a workshop with them on how to proceed with the zoning changes. It will be up to the Planning Commission to make a proposal to the Council about how the process will work. Any major change to a significant policy document they are looking at 18 months to two years before they will come to agreement. The city actually did try this once before. Smart code is form based codes and it wasn't very successful the last time.

Mr. Borgendale said it wasn't very successful because by the time everybody got done taking the template which was a wonderful piece of work and massaging it beyond recognition it was a disaster. And it wasn't well understood. The consultants who did the work were absolutely wonderful. To a large extent it was misunderstood and became incredibly prescriptive. Every house built ever has to have a front porch and the living room has to be on the front. People got pretty upset about it.

Ms. Hallsmith said the critical part of the sentence was that it wasn't well understood. In order to have a whole community who needs to work with something as particular as the zoning bylaws understand it well enough to ratify it takes time, and it takes education and it takes meetings and the same kind of process they went through with enVision which is time and lots of people having their needs met.

Ms. Pombar said she thinks it would be helpful to look at other models in comparison.

Mr. Goldman asked if there were other towns they could look at that are doing this.

Ms. Pombar said she would like to look at towns that have used form based zoning and see what their experience has been. Particularly, she thinks they are going to need to look at different models. She is very leery of presenting only this one model for an option and it looks like we are pushing a particular agenda but we need to do it with context around it of other models and the benefits of this particular one.

Ms. Hallsmith said she agreed. She thought she had given the members a copy of a study that had been done for the City of Washington, D.C. This was back when they were discussing this in the Master Plan. It is an excellent study where they looked at performance zoning and form based codes and all different types of zoning.

Mr. Goldman said he believes in the smart growth areas and designated growth centers it looks like to achieve that we have to use a smart growth model. Are there other models they could plug into that?

Ms. Hallsmith replied yes.

Mr. Goldman said he wanted it to fit into the statute because the statute didn't address any of the models. It just focused on smart growth.

Ms. Hallsmith said what they have talked about in the Master Plan is actually not form based codes. We have not set ourselves down that path specifically. What we have said in the Master Plan is that we are doing two principle things. One is to develop neighborhood level development standards. One of the better ways to do this is through something like form based codes which would also incorporate smart growth principles. The other piece we said we were going to do was to have these three larger areas. One is an historic design district; one is the smart growth district; and the third is low density rural. What she envisions is something akin to form based codes in the neighborhood standards level. There is a lot of flexibility there and something akin to performance zoning on the larger district level because both of those requirements actually lend themselves particularly well to those two different types of techniques. In their design they will draw as much as possible from a lot of different cities' experience. The way it works is like a neighborhood development standard where we say this neighborhood has this particular type of density, these types of

buildings this particular built form. The downtown, for example, is really different than the meadow and they wouldn't necessarily want the downtown to be the meadow or the meadow to be the downtown. Both of them are actually the type of development we want to promote. They are high density and very livable and marketable. They are smart growth essentially. The meadow would have different development standards for additional infill development. There isn't much room to do much else there.

Some of the nicest cities we have actually had much stricter zoning than we even have here now. Back Bay in Boston is the classic example. They actually required things that made those buildings be built the way they were.

Mr. Borgendale said we need to be quite frequently reevaluating the boundaries of the various areas as things change. The second thing is to plan for transition zones which are actually interrelated concepts.

Ms. Hallsmith said boundaries is exactly what they applied to the state to look at because our zoning boundaries haven't been looked at for a long time. Right now the VISTA workers are in the process of doing a citywide survey to try and identify the boundaries around not the neighborhoods themselves because the CAN neighborhoods are what you might think of as social boundaries but the boundaries around actually built formed areas. Okay, this is the meadow for all intents and purposes. That build form probably includes some of the Liberty Street area although technically it's not part of the meadow. If we are looking to have minimum density in our growth zones, then some of the more suburban development we have seen in the last few years could change and could have infill housing that goes in to increase the density without changing the neighborhood character. That is the advantage of the form based code approach, that it incorporates that sense of neighborhood character on a case by case basis so that the developers who come in have a really clear idea of what that neighborhood will continue to be like. Sometimes it might involve a preference for front porches. If it was in the Meadow or the Liberty Street area those houses do have that feature that makes it a unique area but that wouldn't be true of other parts of town.

Mr. Bloch said on the other hand he isn't sure they should be terribly prescriptive about the interior use of space.

Mr. Borgendale said they got into quibbling about what was a deck and what was a porch.

Ms. Hallsmith said the City Council meetings are always at 7:00, but this is going to be a special workshop so they are going to take about an hour of regular business that night and then move to sit around a table in a workshop setting. They have also proposed an All Board Meeting. That was also the way they began the enVision process. October 27<sup>th</sup> is their regular meeting. November 8<sup>th</sup> would be the Planning Commission's regular meeting so we would have an All Board Meeting with the Conservation Commission and the Housing Task Force, DRB and DRC and City Council. That is where we would have Mr.

Tishler reserved to do a talk on the kind of new standards we would be looking to develop. It could be fun and interesting and attractive to have a gripe fest about the current zoning as a starter. The All Board meetings they had two or three years ago to start the enVision process we held at the College. After the Council Workshop and the All Board meeting we will move on to organize a series of neighborhood meetings to talk about the neighborhood development standards.

If you look at the end of the current Master Plan we do have a good running start on the average density, average height, and average massing of buildings for a lot of neighborhoods around town. There would be additional information we will collect to try and really come to some consensus around what the neighborhood is like and how could we increase density without interfering with the neighborhood character.

Mr. Moorman asked if they were working with Dan and Claire at the Regional Planning Commission.

Ms. Hallsmith replied yes, to get this organized. They will be attending some of our meetings.

The boundary study is one of the objectives they have to accomplish with the grant and the neighborhood development standards. The other things they have included in the grant are some initial planning around what might constitute a Tax Increment Financing District, but that is a much bigger project than what \$15,000 will get us. We won't complete that obviously, but we will be doing some initial work and some initial educational materials around what it means to be in a Tax Increment Financing District. At the point we have a development proposal or two that would qualify for that type of financing we would have a lot of the homework done so that people understand what it is we are moving into and are willing to proceed that way.

Mr. Borgendale said it seems to him that when Gwen first started talking about the grant and what we were doing is there was going to be some kind of evaluation of boundaries.

Ms. Hallsmith replied yes, the boundary study. That is a big part of what we are doing.

Mr. Moorman asked how married are we in this process to the existing lines of the zoning map right now and the zoning boundaries.

Ms. Hallsmith said until they change them that is what they are.

Mr. Moorman said in the process of changing them, are we just throwing them out and going into the exploration of the new form area and neighborhoods as zoning boundaries? Is that to be determined in the study?

Ms. Hallsmith said the big grey area on the map is our current growth center. That is currently most of the medium density residential areas in the city. In the new Master Plan they managed to expand that to include the Towne Hill Road area. We have said the medium density residential area in the community really should reflect where the medium density residential area has gone in the community. Except for the Towne Hill Road area most of the areas that have been developed are included in the growth center. The way she pictures it working is the three large areas like the rural area where the growth center isn't, the growth center and in the center of the growth center is the historic design district. The Growth Center has its own standards and status. The Historic Design District has its own standards and status.

Jesse asked her how she pictures this evolving. She pictures the Growth Center will evolve approximately as proposed in the future land use map. It contracts. There is an area right now that is included in the Growth Center up in this area that in the future land use map they cut off because it really doesn't have access to water and sewer. This is the upper part of North Street.

Within the Growth Center she envisions these neighborhoods being little circles and places with their own substandards, but the Growth Center itself would have a larger overlay standard of minimum density. This is actually a very new idea. The maximum density has been the way most towns have zoned and not minimum density.

Mr. Bloch said people should be very open to this new concept because they are paying through the nose for water and sewer.

Ms. Hallsmith said maximum density is no more than one unit per acre. Minimum density is no less than 6 units an acre.

Mr. Borgendale said going back and looking at current zoning boundaries he is hoping they don't pay any attention to them because they are built around a concept of what a zone is that we should be throwing out.

Ms. Hallsmith said some of the old boundaries like the downtown may still make sense.

Mr. Moorman asked if the study was going to establish the parameters by which they set the boundaries.

Ms. Hallsmith replied yes and neighborhood character.

Mr. Borgendale said by the time they finish they will have as many districts as Stowe does. They have about 15 or 20 special zoning districts in the town.

Mr. Bloch said they are five times the size of Montpelier in geographical sprawl.

Ms. Hallsmith said imagine being able to go to one section of the zoning and have everything you need there.

Ms. Pombar said if they are doing neighborhood based zoning and have a neighborhood that is a mess how do they mitigate the tensions going one direction versus another direction.

Ms. Hallsmith said they would hold stakeholder meetings with the neighborhood and the building owners.

Ms. Pombar said they want Barre Street to be just this little residential neighborhood but we need to have more development on it. Office buildings could be there and there is a lot of potential for extending what is there now.

Ms. Hallsmith said there are tensions. We are not going to give people the key to lock the door. Hopefully by getting CAN involved in other ways of getting to neighborhood involvement we will have a good cross section, and with a good cross section of the neighborhoods we probably will arrive at what is the best solution.

Mr. Borgendale said that was another thing the Smart Growth people said, that you do not draw zoning boundaries down streets. You draw them through the middle of blocks because what constitutes a neighborhood is a focus on a street and both sides should be the same.

Ms. Hallsmith said the Elks Club is the only country club in town. Clubs are a prohibited use in that district.

Mr. Goldman said that was because of the liquor license. The liquor license triggered that change. Those kinds of areas are not allowed any more for clubs because they come with a liquor license. You didn't want to have a place where you could drink in the Terrace Street neighborhood.

Ms. Hallsmith said meanwhile it makes that one building in that area a nonconforming use which when the Vermont League of Cities and Towns and others were looking at it they are looking at changing a nonconforming use. By doing zoning by neighborhood and having these discussions and looking at what the built form is they won't be making nonconforming uses out of things that are already there. If it is a service station in the middle of a residential area and not fitting in with the area, then you might want to make something like that a nonconforming use.

Mr. Borgendale said it is pretty well established that total resistance to mixing commercial and residential is not a very good thing to do.

Ms. Hallsmith said basically state buildings are not exempt from zoning. They are subject to most of our zoning. The one element of our zoning they are not subject to is the design control element. Of course, they are in the city's Historic District but that is where the Capitol Complex Commission picks up because under the state law all developments within the capitol complex are supposed to go to the Capitol Complex Commission in addition to the city for review. In practice what that has meant is the state proposals go to the Capitol Complex Commission and lately they haven't been paying a lot of attention to the private proposals. That is why they are developing this Memorandum of Understanding, especially since there are hybrid proposals like the Chittenden Bank. It is a partly private/partly state building within the Capitol Complex Commission. The energy plant will be a joint proposal between the city and the state. It will be in the Capitol Complex. How do we manage the review of all of these different boards of those projects? They only meet when there is a development proposal they need to review like the district heating plant.

### **Growth Center Report:**

She submitted the Growth Center Report to the state last week. As part of our Growth Center determination we were required to submit this report on an annual basis. The results being achieved through new development the city defines development any time you put a couple of sticks together. The city's list of zoning permits was long and how to look at that through the lens of the Growth Center was a bit of a challenge. That is talked about on page 2 where they talk about the new residential units, new commercial developments, new subdivisions, and a minimum of 50 percent of the new development in town over the next 20 years needed to be accommodated within the Growth Center boundaries. From this statistic that guideline is being met. As you might remember from the Growth Center application process there was a lot of consternation around why weren't we more focused on the development in the downtown because that is the area they would have preferred we constrained the Growth Center to. The new development in the downtown is relatively small, especially in residential units, and that is partially because our downtown is in the floodplain. It is harder to develop in the downtown and with a lot more requirements. When our goal for the Growth Center was to increase the number of residential units throughout the community focusing only on the downtown wasn't going to get us there. She thinks the data for year one supports that.

They also wanted to know the progress of the city's Master Plan so she provided that update.

Mr. Moorman asked if commercial development in the Growth Center would include an entity that owns apartments and rentals and not be included in the residential.

Ms. Hallsmith said she didn't believe so. Commercial is opening up businesses. An office would be included in commercial. Essentially any change is development. The state is probably happy now that the city has adopted a new Master Plan and we are on the downtown agenda for this report being considered at their October 25<sup>th</sup> meeting. They are

going to look at what we submitted and our plan. That is the same day we have our floodplain zoning hearing.

**District Energy Plant Update:**

Planning Director Gwen Hallsmith said the way they are proposing the base bid for the pipeline is so it will enable the downtown business owners and building owners to hook up to the system and make it less expensive. However, doing it that way makes the whole system a little more expensive because it is a longer route and it is in streets and sidewalks whereas where Veolia had it laid out it went along the rail line. That has its own set of problems. Even though it was a fairly short route to the City Hall complex, which was one of the target service areas, it left it really far for most of the downtown businesses. That is why in the initial Veolia study the hookup costs for businesses were so high. They have changed the pipeline route and are expecting the bids in on October 20<sup>th</sup> so they will know what the ramifications are of all of these new decisions. It will go to the High School and then come down State Street as far as Elm, take a left at Elm Street and go across the Langdon Street Bridge. The Rialto Bridge is currently in such bad shape that nobody thought it was a good idea to hang anything from it.

They are looking to go to meetings, neighborhood teas, businesses, CAN neighborhood meetings which are scheduled between now and November 2<sup>nd</sup> to talk about this with people and answer their questions. There have been two hearings on the charter changes the City Council is proposing. That is actually all they are voting on in November, the charter changes that are needed to take on the energy project. If there is any opposition to it and they vote down the charter changes that will kill the project.

Mr. Moorman asked what this cost the voters for the charter change.

Ms. Hallsmith said the charter changes cost nothing except the cost of printing up new charters. The election is happening anyway on November 2<sup>nd</sup>; it's the General Election. If this is successful it is likely they will be putting a bond vote in front of the voters in March at Town Meeting.

Mr. Borgendale said the charter has to be approved by the Legislature as well.

Ms. Hallsmith said everything associated with this plant has to be approved by the Legislature so we will not actually know the answers on anything in March or May, but probably by the end of June. However, they can hold a contingent bond vote, which they are planning, and the bond vote would be contingent on state action. It would also enable us to move forward with construction once the Legislature decides to act.

Mr. Moorman asked where it was going to be constructed.

Ms. Hallsmith replied at the current location for the plant.

Mr. Bloch asked Ms. Hallsmith why she shied away from having some projected costs.

Ms. Hallsmith said they are asking people to approve a charter change that enables it. They will have the actual projected costs when we are asking them to approve a bond vote. Right now they have an RFP out for design build that will give us accurate numbers about what those costs are. There were some issues that had come up with the feasibility study that Veolia did that made us not completely confident about the numbers they had generated. They were interested obviously because this is their business model in obtaining the operating contract for the facility once it was constructed. That's a fair. It is a normal model, but what it meant was they designed a bullet proofed plan and distribution system. They had some features included in there that were beyond what the city or state would do building it ourselves like stainless steel pipes. That isn't the industry standard. There were some very costly elements of the plan that would make it bullet proof to operate but may not be what we would choose to do given the financial constraints and the fact that it is a public facility. They asked them to revise things. Several times they asked for slightly different models and finally said we were going to put this out to bid and get better numbers. Right now there are eight very credible teams bidding on it, including some of the state's largest construction companies. They are hoping by October 20<sup>th</sup> they will have better numbers to go by. Whether it will be a financial benefit to the city and the state, and if it isn't they will be the first ones there saying this isn't such a good idea and let's send the money back. We have \$8 million to subsidize it now so there is never going to be a better time to get it done.

Ms. Ruth asked when the bids were due.

Ms. Hallsmith replied October 20<sup>th</sup>. They will be due before the November vote and they will be doing some publicity on what the range of costs are. We will not have come anywhere near close to have deciding on a contractor by the vote, however, because there is a lot of analysis that needs to be done of all the bids. It isn't necessarily going to be the lowest one. There is design, permitting and construction included in the bid.

Mr. Moorman asked if local was a consideration.

Ms. Hallsmith said obviously they would always prefer to have a local firm doing the work but they aren't interested in paying a premium for that because it is a very capital intensive project. That means that every dime counts. It also doesn't mean they will go for the lowest bid if the lowest bid isn't a quality product with a quality firm. Until the bids come in they don't have much except a long history of feasibility studies that show us in every single one that it is financially viable and an intelligent and smart thing for the city and the state to do because over the long term wood prices are going to be more stable and locally procured rather than oil prices. By shifting our focus from oil, which is the current way we heat this building and the state heats their buildings, to wood we are actually investing in a long term solution to our public infrastructure.

What they have issued for a design build request for proposals is a performance spec so they have made performance standards in the bid that require whoever makes the proposal to meet high quality air quality standards. They are of the opinion that electrostatic precipitators will be the way to go rather than a bag house. Particulates are particularly a concern with wood chips. They are hoping the current most cost effective technology will address both of those air contaminant issues.

Harold Garabedian has done an analysis of this and he used to be an air quality regulator for the state. Even though we are proposing to almost double the plant's capacity the projection of air impacts is actually less than the current plant is operating now. Right now the current plant, and this doesn't include CO2 emissions because those have only started to be regulated, emits 80 tons of these particulates and problematic emissions a year, and under the new configuration they are anticipating it will be about 73 tons so even though it is a broadly expanded service area the actual air emissions will go down. That is a good thing for our environmental impact assessment.

Mr. Bloch said that is a really old system.

Ms. Hallsmith agreed totally. It is very inefficient. We are using more wood right now than we need to in order to achieve the same energy goals. With a more efficient upgraded system we will be using our own natural resources more efficiently than we do now.

Mr. Moorman asked if they would still be burning oil.

Ms. Hallsmith said oil will be a back up for the system, and it will be an oil back up that will be able to pick up the entire system if necessary because there are times of year when wood can be hard to get. They are designing the system to have a fair amount of wood storage but they are still looking at only five days and mud season can last longer than that. We need to have the capability of running the entire system on oil so there will be oil back up. It will be used primarily as a back up and not as an independent part of the load, which is what Veolia had proposed. The other thing about their proposal is that it didn't completely meet our needs. They were proposing that the oil would carry some of the load at the out end of the system.

Ms. Pombar said she thinks the CAN neighborhood groups are a great way to get information out but someone would need to be present to answer questions.

Ms. Hallsmith said she and Harold would attend if they could organize a meeting between now and November 2<sup>nd</sup>.

### **Carr Lot Update:**

The Carr Lot is moving forward. She has asked that she not be responsible for that project because with the energy plant she has her hands full. Bill Fraser is now the lead person on

the Carr Lot project. It is a major property acquisition that she has nothing to do with so he would be able to answer questions better. FEMA has accepted the data the city submitted on the appeal which means that when they issue the new maps a portion of the Carr Lot will no longer be in the floodway and they are hoping it is a portion big enough to build a transit center on and they are hoping they haven't moved the floodway down State Street. The maps have not been issued yet. Barre is appealing their loss of the appeal because they did not win their appeal. Because the maps are on a county wide basis it may well take until they have finished before the city sees the maps. They are hoping they will at least get the Montpelier maps soon so we can see what is going on with the Carr Lot. Federal Transit is coming up for a visit at some point soon. Jeff Tucker, who is the project manager from DuBois & King, and Bill are planning to be at that meeting.

Once the floodway designation was ruled by FEMA, not the appeal but the former one, they actually pulled our FONSI which means findings of no significant impact. That is the ruling you have to achieve under the National Environmental Protection Policy Act before you can move forward with spending federal funds on any project. Having the FONSI withdrawn by the Federal Transit Administration meant we couldn't proceed until we had received the FONSI again. The floodway was one issue; the brownfields was another; and the retaining wall was still a third issue that needed to be addressed before they were going to issue the FONSI again. There is still a piece of work to do before we will leave to spend any federal money. The other piece of work that needs to be completed is where we are landing the bike path on the other side of the river because we never had our FONSI from Federal Highway but only from Federal Transit. This meant we could have built the transit center but we couldn't spend any of the stuff with the highway fund, and the highway funds are actually the bulk of the funding. Out of \$7 million \$2 million is in the transit center and \$5 million is in the highway budget. They submitted a grant in late August to the federal government to restructure the Barre Street and Main Street intersection and to look at putting a capstone building at the end of the block. Some of that will be accomplished under the Carr Lot project. Not all of it is dependent upon the federal grant. If they get the federal grant that will give us more money to do the right thing with the Barre and Main Intersection, but in terms of landing the bridge, taking the buildings, putting a way through there for bikes and pedestrians to travel that probably can be accomplished under the Carr Lot project.

### **REACH Program Update:**

The REACH Program is moving along. They have now a cadre for a pilot project. 40 people have now participated in their orientation and training. They are enlisting members and they expect the pilot project will be completed before the end of the year and then they will move into a major public outreach to expand the membership and continue the project. Of course, REACH is also working with the Senior Center some to help support their efforts on a capital campaign and help to look at all of the different uses and services that can go into the Senior Center when it is reconstructed.

They have made a lot of progress getting the funding for the Senior Center. There is another meeting on the grant they have submitted for implementation October 7<sup>th</sup> or 8<sup>th</sup> with VCDP. All of those questions have been answered. There is another meeting coming up with another funding source. The figure they have managed to pull together between the insurance and all of the different grant programs is close to \$3.2 million to reconstruct and put housing in the upper floors.

**Turntable Park Update:**

Turntable Park is also underway. That project has been on the boards since she started working here.

**Other Business:**

October 11<sup>th</sup> is a holiday and on the 12<sup>th</sup> they have had to reschedule either the DRB or DRC meeting. She would propose they not have a meeting on the 11<sup>th</sup> and have our next meeting on October 25<sup>th</sup>.

Mr. Borgendale said the Regional Planning Commission is going to take up the Montpelier Master Plan on October 12<sup>th</sup>. Ms. Hallsmith said it will be on their December agenda for ratification. A committee will be assigned by the Regional Planning Commission to review it. On October 25<sup>th</sup> the Planning Commission will meet and then on October 27<sup>th</sup> meet with City Council, and then on November 8<sup>th</sup> will the All Board Meeting.

**Adjournment:**

Upon motion by Mr. Bloch and Mr. Goldman the Planning Commission meeting adjourned.

Respectfully submitted,

Gwen Hallsmith, Director  
Planning and Community Development

Transcribed by: Joan Clack