

April 27, 2025

Richmond Selectboard and Community,

On Monday, May 5 at 7:00 PM, the Selectboard will review proposed zoning amendments to the Jolina Court (JC) district as submitted by the Planning Commission after 20 months of discussion. JC district is almost entirely composed of the Creamery development, which we have owned since undertaking the expensive, complicated brownfield clean-up in 2015.

The proposed JC zoning amendments, as currently written, will restrict housing and economic opportunity in Richmond. They are not aligned with the Town Plan or the findings of the 2022 Housing Study and will limit Richmond's ability to achieve the state housing targets to address the current housing crisis.

Key considerations:

- **Vermont is in a housing crisis.** Progress to mitigate the housing crisis has been slow. Antihousing town regulations & NIMBYism is one barrier. Act 47 required the establishment of municipal housing targets to address the statewide housing shortage. Richmond's target ranges from 202 to 606 new residential units (see appendix).
- The Creamery is identified as a primary site for infill housing. Richmond's 2022 Housing Study lists the Creamery as the #1 priority location for increasing residential density in Richmond.
- **Site readiness.** The Creamery is a shovel-ready site with over 75,000 square feet of developable downtown space with town water, sewer, and pedestrian access. The permitted site has met all applicable environmental, stormwater, parking, and traffic standards, and the current net zero building received recognition for environmental performance.
- **Density limitations:** The proposed zoning amendments maintain a cap of 45 total residential units (set in 2015), allowing for 31 *new* units across the 5 acres. This is a gross underutilization of developable space and would offer only 5–15% of Richmond's housing target through 2050.
- Comparative zoning inequity. The proposed JC density is 46% lower than the as-built density and regulations of the neighboring district Village Downtown (VD) district. VD district has the highest allowable density in Richmond but, due to space limitations, the VD district is unlikely to accommodate significant new housing units. Whereas, JC has ample developable, centrally located space. An increase in JC baseline density is logical, necessary and recommended.
- Density bonus provisions: The proposed optional incentive structure will not be effective under current market conditions. The bonuses do not outweigh the costs. In low-growth, rural areas like Richmond, best practices suggest that increasing base density is more effective than relying on incentive-based systems. As proposed, the bonus program is unlikely to increase the total number of units developed in Jolina Court.
- Conversion limitations: Current JC zoning prohibits residential use on ground floor of existing structures even when a significant amount of the building is located on private roads and is not visible from a main street (e.g. Bridge Street). There is an opportunity to maintain ground level main street commercial and allowing for redevelopment of vacant commercial space into housing at lower cost and faster timelines than new construction. Plus, with anticipated long-term vacancy of the commercial property (currently 10 months with 0 tenants), conversion of non-Bridge Street space would add vibrancy to Richmond downtown.
- Market conditions are the worst on record. Construction costs far exceed returns. Financing
 any projects is challenging due to imbalance of costs to income. In response, the State and



many towns are reducing fees, offering tax credits, and actively supporting developers with permitting and financial support. Whilst, Richmond's Planning Commission has done the opposite - adding costs, limiting density, and creating barriers.

• Regulatory history: Previous amendments to JC zoning in 2019–2020 required a high commercial requirement that stalled all development for the past six years. Those requirements are now being removed, suggesting a need to evaluate proposed zoning changes more carefully to avoid repeating delays.

If Richmond is serious about helping address the housing crisis and provide meaningful housing solutions, the following strategies – recommended in your own 2022 <u>Housing Study</u> – must be pursued.

- 1. Increase baseline residential density in Jolina Court to be at least equal to neighboring district, Village Downtown.
- 2. Remove unnecessary barriers and cost increases to housing production (e.g., commercial mandates, excessive unit size and storage requirements, fees and more).
- 3. Advocate for housing projects including creating financial and permitting support, including tax abatements, fee reductions, in-kind contributions, housing trust etc. And, <u>importantly</u>, support a Tier 1B designation to unlock state/federal support and reduce costs.
- 4. Streamline the permitting process and reduce regulatory burdens.
- 5. Cultivate positive relationships with developers and landlords.

We hope that you agree that Richmond can and should play an active role in Vermont's housing crisis and this proposal falls short of that goal. Whatever your decision, we remain committed—as fellow Vermonters—to championing thoughtful, inclusive, and forward-looking solutions for housing and economic development across our state.

Regards,

Josi & Brendan

Owners of the Creamery

https://www.richmondcreamery.com/

Winners of the Vermont's Greenest Building Awards for Commercial + Multi-Family



Vermont's Municipality Housing Targets

Based on Richmond's housing targets and with the purposed maximum new units in Jolina Court, other districts would have to provide 171 to 575 units in the next 25 years.

	2050 Housing Target Ranges	New Allowable Units in JC	GAP: Other Units Required
Low Level Needs Assessment	202	31	171
Med Level Needs Assessment	404	31	373
High Level Needs Assessment	606	31	575

The Housing Study recommended density in specific locations to best utilize infrastructure, improve local economy and reduce environmental impact. The Creamery at Jolina Court was the #1 Priority Area. However, the current proposal will constrain density in that location and either require other areas to increase supply OR the town will fail to achieve the targets.

