



## Affordable Housing Committee

Town of Hinesburg

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### Meeting Minutes – September 20, 2023 In-person and Zoom Meeting – 7:00 PM (Town Hall Third Floor Conference Room)

**Committee Members Present:** Carl Bohlen, Roberta MacDonald, Xander Patterson, Beth Whitlock, Andy Miller, Rocky Martin, and Dale Wernhoff

**Also Present:** Alex Weinhausen (Director of Planning and Zoning, Town of Hinesburg)

The meeting came to order at approximately 7:15 PM.

*Work on a Work Plan (part 1):* We're dedicating the bulk of this meeting to coming up with the basis of a work plan. Carl came up with a list of 45 different "issues we have been working on or have discussed at prior meetings." That list is not all-inclusive; there could be more issues. Committee member Dave Nagel was not able to attend tonight's meeting but did provide a summary of his thoughts on the topic. They were:

- Sustain our existing initiatives.
- Figure out a process to decide between new initiatives.
- Consider whether a community engagement initiative would be worthwhile.

Andy asked if we could frame our conversation regarding how to proceed. Referring to *Map 2: Current Zoning Town of Hinesburg*, Andy pointed out that the only zoning area where affordable housing would likely be provided is in the village growth area. Affordable housing developments require density to make them affordable and that kind of density will only occur in the village growth area. Also, funding sources score development applications based on several criteria. One of the key criteria is being in a town center or village center. There are numerous different designations for these growth centers, one of which is a "Neighborhood Development Area" (NDA). This designation comes from the Department of Housing and Community Development for the State of Vermont. These are locations within a neighborhood planning area that are suitable for new and infill housing. The NDA designation allows the developer to get funding from VHFA and to opt out of an Act 250 review. The town currently has two NDAs (Meadow Mist and Kelley's Field), and Carl thinks Alex Weinhausen, the town's Director of Planning and Zoning, is working on an application for a third (Windy Ridge and possibly Haystack Crossing Phase 2).

Roberta inquired if any of the mobile home parks in town could be expanded, but there is no additional land to expand on. Xander asked if affordable housing must be dense. Andy said that while there are ways around that, such as the ADU initiative we've discussed, typically a project needs density to be affordable. The state has eliminated single-family zoning so you can now build a duplex anywhere, which is another way to help with the housing crunch. Beth mentioned a

constraint for affordable housing in town is our inclusionary zoning regulations, which none of the neighboring towns have. Carl added that Burlington and South Burlington are the only other nearby towns with it. Hinesburg went to inclusionary zoning after two developments were done in town with no affordable component, even though the town tried to entice them to provide some.

Xander inquired about the status of the developments currently in process in town. Carl reported:

- Hinesburg Center Phase 2: Final approvals granted by the town; currently under Act 250 review.
- Haystack Crossing Phase 1: Same as above.
- Joe Laster Project: There may have been Native American ruins found on site.
- Windy Ridge: We'll get a full update at our 9/27/23 meeting.

School capacity is another issue. The town and the school district should work together with the developers to ensure there is adequate room in the school system for the additional students any new developments provide.

*Discuss Planning Commission Questions on Inclusionary Zoning Changes:* Alex Weinhausen gave us an update on the inclusionary zoning revisions currently being debated by the planning commission. The town has a consultant who is working on the bylaw modernization project in conjunction with the planning commission and the town's office of planning and zoning. There are two sticking points:

- The consultant wants the town to revise their definition of affordability to match the state's definition. The town considers affordable housing as housing that is affordable to someone earning 80% of the Area Median Income (AMI) while the state changed that in 2019 to 120% of AMI. Using the 120% figure allows more middle-income housing to qualify as affordable. But it makes it easier for developers to say they're meeting our inclusionary zoning while not catering to the lower-income people who really need assistance.
- Income eligibility is the other issue. Currently, our regulations set the affordability at 80% of AMI but we allow people who are going to buy or rent those units to earn up to 100% of AMI. That 20% spread provides a larger pool of people who can buy or rent the unit. The consultant suggests we sync up with the state, which doesn't allow that spread.

As to the first item, Xander agreed with Alex that a more stringent percentage would be better. Carl suggested a tiered approach. Alex said one of the planning commission members also mentioned a tiered system, but that adds complexity where Alex would like to keep it simple. Andy also would like to keep it closer to 80% but with some flexibility. A two-tiered approach, with a certain percentage of units in each development intended for affordability at 80% AMI, and another percentage at 120% AMI. Xander and Roberta agreed with Andy's thoughts. Beth asked if the 80% units would be rentals while the 120% units would be for ownership. Andy said that is probably how it would work out. Alex clarified that the state has raised the AMI to 120% on for-sale units; it's still at 80% AMI for rental units. The town is increasing the inclusionary zoning for the number of affordable units from 10% in each development to 15%. Alex suggests doing the first 10% at 80% AMI and the remaining 5% at 120% AMI. Andy liked that from a developer standpoint. Alex also mentioned that the town would like to see all housing developments include multi-family rentals. Hinesburg is lower on multi-family than it is on single-family ones.

On the second item, we had similar thoughts. Even though the consultant thinks we should follow the state, we feel we should have a cushion, so the seller has a larger pool of potential renters or buyers. Andy explained that if a house price is set for someone at 80% AMI, and the purchaser makes 78%, they can't afford to buy it because they can't get a mortgage because they don't have enough income. It's similar if someone makes 82%; now they earn too much to qualify for the house. The 20% cushion makes it easier to find a buyer. Alex said the problem is, if we look at the two-tiered approach for item 1, then a 20% cushion on the 120% AMI units brings the potential buyer pool up to 140% of AMI. Now you must question if the people you're serving at that income level are truly the ones that need the help. Alex thinks the best solution is to keep the item 2 figures as they are, but then they don't align with item 1.

Alex is going to provide our feedback to the planning commission. Our only definitive point is we don't feel the need to be in alignment with the state figures.

Carl asked Alex if he was working on another NDA. Alex said he was, which includes the buildable portion of Windy Ridge, Haystack Crossing Phase 2, and Joe Laster's project. It does not include any steep slopes or floodplain areas.

Xander asked how many units the town sees becoming available in the next year or two. Alex said only the Kelley's Field addition will be completed. The remainder are two or more years out.

Upon further discussion, we agreed on the following:

- Rental units would be set at 80% of AMI, with a cushion of 20%, up to 100% of AMI.
- Ownership units would be set at 100% of AMI, with a cushion of 20%, up to 120% of AMI.
- The percentage of affordable units would increase from the current 10% to 15%.

*Hinesburg Fall Festival Participation:* Emily did a save-the-date flyer for our next ADU forum on 10/26/23 and Dave is going to bring copies of the Cathedral Square Home Improvement Grant program.

*Work on a Work Plan (part 2):* Carl summarized our discussion from earlier this evening. Beth suggested we should talk to South Burlington about how they set up their housing trust fund. Carl said the issue for us is how to raise the money to fund it. We then discussed several of the issues surrounding possible funding.

*Motion to Adjourn:* Xander motioned to adjourn, and Roberta seconded. The meeting was adjourned at approximately 9:00 PM.

### **Next Meeting –**

September 27<sup>th</sup> – Time and topics to be determined; see agenda on the town website.

Respectfully submitted,

Dale Wernhoff  
HAHC Secretary

