

State of Vermont
Department of Housing and Community Development
Deane C. Davis Building – 6th Floor
One National Life Drive
Montpelier, VT 05620-0501

*Agency of Commerce and
Community Development*

[phone] 802-828-3211

TO: Downtown Board
FROM: Jacob Hemmerick, DHCD Planning & Policy Manager
DATE: February 3, 2021
CC: Paul Conner, Director of Planning City of South Burlington
Ilona Blanchard, Community Development Director City of South Burlington
RE: City of South Burlington New Town Center & Neighborhood Development
Area Designations

SUBJECT: 4-YEAR REVIEW OF NTC & NDA DESIGNATIONS

For the Downtown Board's review and consent at the March 22, 2021 meeting, a 4-year review of the City of South Burlington's New Town Center and Neighborhood Development area is below.

Name of Municipality: [City of South Burlington](#)

Primary Contact: [Paul Conner, Director of Planning & Zoning](#)

Phone: [\(802\) 846-4106](#)

E-Mail: pconner@sburl.com

Background

Designated New Town Centers (NTC) are eligible for [benefits](#) for eight years. A 4-year review is required 4 years prior to the next renewal of New Town Center Designation.

(d) A designation issued under this section shall be effective for eight years and may be renewed on application by the municipality. The State Board also shall review a new town center designation four years after issuance or renewal and may review compliance with the designation requirements at more frequent intervals. 24 V.S.A. § 2793b

For New Town Centers with Neighborhood Development Area (NDA) Designation, the NDA is reviewed concurrently with the NTC.

(e) Length of designation. Initial designation of a neighborhood development area shall be reviewed concurrently with the next periodic review conducted of the underlying designated downtown, village center, new town center, or growth center. 24 V.S.A. § 2793e

Process

- ✓ Schedule a meeting with DHCD staff and municipal staff in your municipality four years prior to renewal or New Town Center Designation
 - [Held February 3, 2021 at 1PM](#)
- ✓ Meet with DHCD staff in the community to provide program update.
 - [In-person meetings have been suspended during the state of emergency.](#)
- ✓ The Downtown Board will review a summary of the designation status questions shown below at a regularly scheduled board meeting as a consent agenda item.
 - [South Burlington's responses in blue font below.](#)

- ✓ Representative of designated community is not expected to attend the board meeting unless needed or by request.
 - Attendance not expected.

NEW TOWN CENTER

Review of Incentives/Program Improvement

- Which program incentives have been most useful?
Enabling Tax Increment Finance District; enabling Neighborhood Development Area designation. Priority in grant applications (Electric Vehicle Charging Station, Pedestrian and Bicycle Grants, and Municipal Planning Grants).
- Which program incentives need improvement?
The NTC provides few direct benefits, with the exclusion of TIF Districts. Many State downtown programs either exclude New Town Centers from participation or do not prioritize participation.
- Are there new incentives that would help the municipality better achieve its goals?
 - Ability to reduce maximum speed limit below 25 mph
 - VTTrans congestion policy acknowledgement (i.e., greater tolerance for higher levels of traffic congestion (LOS E and F) as signs of a vibrant downtown).
 - A ‘green tape’ program to prioritize stormwater, wetland, and other state level review of permits in New Town Centers.
 - Better coordination between competing priorities at the State level, e.g. Economic Development, Housing, Wetlands, Stormwater, and coordination during the permitting review process (for public and private projects).
- Are there any actions stakeholders could take to make improvements to this program?
 - More participation (in terms of incentives) from other funding entities in VT.
 - Showcase Vermont designations as priority private sector investment areas.
 - Market and communicate the assets of designated areas outside Vermont.

Planning

- Does the municipality intend to maintain a confirmed municipal plan that continues to address the NTC for designation renewal, to “plan for the community’s central business district, composed of compact, pedestrian-friendly, multistory, and mixed-use development that is characteristic of a traditional downtown, supported by planned or existing urban infrastructure, including curbed streets with sidewalks and on-street parking, stormwater treatment, sanitary sewers, and public water supply”?
Yes. Comprehensive Plan adopted in 2016; slated for review and re-adoption in 2024.
- What changes or enhancements in the planning vision or specific area plan for the NTC have occurred since the last renewal?

State of Vermont
Department of Housing and Community Development
Deane C. Davis Building – 6th Floor
One National Life Drive
Montpelier, VT 05620-0501

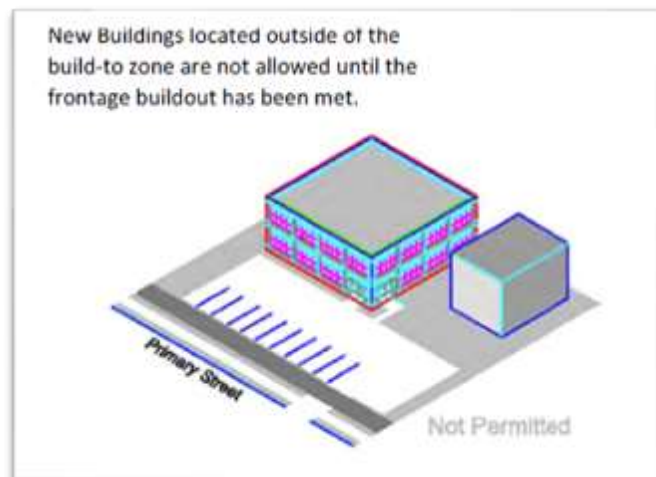
*Agency of Commerce and
Community Development*

[phone] 802-828-3211

No major changes. The City has followed the plan pretty closely, including reconstruction of Market Street (completed), construction of Garden Street, construction of a City Hall/Library (underway), construction of City Center park (Phase I completed). The most significant change was removal of a planned connector street from Garden Street to San Remo Drive. Not approved by Army Corps / State Wetlands due to an open water crossing, and so the city removed it from the Official Map.

Implementation

- What regulatory changes as they related to the NTC have occurred since last renewal?
 - City was in final stages of adopting City Center Form Based Code during last renewal [and was presented as such]. It was adopted in March 2016.
 - Adjustments since that time:
 - Buildings in T4 district can be up to 5 stories (previously 4 – this covers the bulk of the land area in the district).
 - Inclusionary Zoning was restructured slightly and expanded from City Center to our principal transportation corridors.
 - A variety of minor items were addressed in response to errors, omissions, or requests to bring the FBC more in line with downtown versus suburban development priorities.



South Burlington Form-Based Code Illustration

- What official map changes as they relate to the NTC have occurred since last renewal?
 - As noted above, planned roadway connection between Garden Street and San Remo Drive was eliminated, as was street connector north for same reason (wetlands/stormwater)
- What changes to the capital budget and program as they relate to the NTC have occurred since last renewal?

State of Vermont
Department of Housing and Community Development
Deane C. Davis Building – 6th Floor
One National Life Drive
Montpelier, VT 05620-0501

*Agency of Commerce and
Community Development*

[phone] 802-828-3211

- The City amends the 10-year Capital Improvement Program annually, and each year, the following fiscal year's programmed costs are coded into the budget for approval at Town Meeting. Budget costs and project timing are updated annually based on available information. Within the New Town Center, the Capital Improvement Program projects have not changed significantly, with the exception that the Senior Center and Recreation Center have been broken into two projects. It is anticipated that the Recreation Center will not be built in the New Town Center; however, construction of the Library, City Hall, and Senior Center are underway.
- What changes to utility & infrastructure provision/needs as they relate to the NTC have occurred since last renewal?
 - City has constructed conduit for telecom utilities as part of Market Street for lease to telecom service providers.
 - City has received funding for and is in design / outreach phase of a streetscape enhancement along the south side of Williston Road to include a new shared use path.
 - The Garden Street project to connect to Midas Drive and complete pedestrian/utility infrastructure at the Dorset Street end of Garden Street is on ballot for voters to consider for TIF debt in March 2021.
 - The City has completed a concept for a sidewalk along Mary Street to Williston Road.
 - City has completed scoping study for bike/ped improvements on Hinesburg Road / VT 116 to include lanes, crosswalks, and a future recreation path.



Market Street Prior to Opening

- What is the status of the community investment agreement or other partnerships?
 - They remain in place. South Burlington City Center, LLC (SBCC, LLC) has partnered with developers to construct five buildings, stormwater infrastructure and roadway infrastructure to date; and has approvals for two additional

State of Vermont
Department of Housing and Community Development
Deane C. Davis Building – 6th Floor
One National Life Drive
Montpelier, VT 05620-0501

*Agency of Commerce and
Community Development*

[phone] 802-828-3211

buildings. The City purchased a parcel from SBCC, LCC in order to construct the new City Hall/Library which is presently under construction. University Mall ownership has changed due to bankruptcy but local management has stayed the same and dialogue for infill development continues.



Integrated Recreation & Stormwater Facility

- What is the status of public/civic buildings & spaces?

The South Burlington Public Library and City Hall (a new three-story building) is scheduled to open summer 2021.



New City Hall, Library & Senior Center Now Under Construction

State of Vermont
Department of Housing and Community Development
Deane C. Davis Building – 6th Floor
One National Life Drive
Montpelier, VT 05620-0501

*Agency of Commerce and
Community Development*

[phone] 802-828-3211

- City has constructed a recreation area using the Market Street stormwater facility that includes public art, walking trails, landscaping and views of the ponds and wetlands.
- City completed the first phase of the construction of City Center Park, adjacent to the NTC, and is working with adjacent property owners to connect the park to the Market Street stormwater pond and Garden Street (Phase II).



City Center Park Map

- The South Burlington Food Shelf (a new non-profit) opened in 2019.
- What is the status of mixed-income housing?
 - Allard Square (Cathedral Square), 39 units of senior housing (31 affordable), completed and operating



Allard Square by Cathedral Square

State of Vermont
Department of Housing and Community Development
Deane C. Davis Building – 6th Floor
One National Life Drive
Montpelier, VT 05620-0501

*Agency of Commerce and
Community Development*

[phone] 802-828-3211

- Garden Apartments (Champlain Housing Trust), 60 units of affordable family housing (including a range of 1 to 4 br. units) completed and operating
- Two units within the 12-unit townhome-style BlackBay Ventures VIII development at the east end of Market Street meet the City's Inclusionary Zoning Requirements



Garden Apartments by Champlain Housing Trust

Progress & Development Trends

- What overall progress or trends is the municipality seeing in the NTC?
 - Overall very positive progress, especially in private development of housing and with the public response towards the completion of City projects
 - Commercial rents have been soft in Chittenden County for some time, this has had a negative impact on willingness to take on perceived risk associated with mixed-use development within the NTC. One mixed-use project has been approved (but is on hold for at least a year) and immediately adjacent to the NTC a new multi-story hotel has been approved and a two-story, mixed use medical office / apartment building has been constructed.
- Are there any best practices that you would recommend for other communities?
 - Coupling NTC with NDA has been beneficial
 - City has taken an investment lead through use of TIF financing, grants, impact fees, and municipal funds. This has spurred development in an areas that had seen little to no development for a long time
 - Update the Capital Improvement Program on an annual or every other year basis. Ensures priorities remain aligned.
 - Establish a Capital Improvement Program Reserve Fund. Reduces impacts on property tax payors imposed by Bond Bank lending debt payment structure.
- Are there special areas of focus the municipality intends to pursue for the NTC in the next four years?

State of Vermont
Department of Housing and Community Development
Deane C. Davis Building – 6th Floor
One National Life Drive
Montpelier, VT 05620-0501

*Agency of Commerce and
Community Development*

[phone] 802-828-3211

- Complete connections between City Center Park and Market Street Stormwater pond (which will then become City Center Park; connection between the park and Garden Street (Phase II of City Center Park).
- Complete Williston Road Streetscape
- Complete Garden Street
- Construct a pedestrian/bicycle bridge across I-89 to connect the NTC to the UVM/UVM Medical Center complex and neighborhoods to the west.
- Program City Center area with activities, events, including in the new South Burlington Public Library and City Hall, on Market Street and in the City Center Park.
- Work with private sector for continued cohesive buildout

NEIGHBORHOOD DEVELOPMENT AREA

Review of Incentives/Program Improvement

- Which program incentives have been most useful?
 - Act 250 reduced jurisdiction
 - Priority consideration for state grants
 - Reduction in fees
- Which program incentives need improvement?
 - See above under NTC
- Are there new incentives that would help the municipality better achieve its goals?
 - See above under NTC
- Are there any actions stakeholders could take to make improvements to this program?
 - See above under NTC

Planning

- Does the municipality intend to maintain a confirmed municipal plan for designation renewal?
 - Yes. Current Comprehensive Plan in place until spring 2024. City is beginning preparations for next update / re-adoption.

Implementation

- What regulatory changes as they related to the NDA have occurred since last renewal to support new and infill housing in the NDA (e.g. density, building/lot patterns, complete streets)?
 - As noted above, T4 district now allows 5 stories instead of four
 - Established a “gateway area” node at intersection of Dorset Street / Williston Road requiring prominent architectural feature oriented to the intersection and eliminating step-back requirements for corners facing the intersection
 - Clarified building envelope standard applicability for building sides facing the Interstate [windows and building breaks continue to be required, entry requirements removed]

State of Vermont
Department of Housing and Community Development
Deane C. Davis Building – 6th Floor
One National Life Drive
Montpelier, VT 05620-0501

*Agency of Commerce and
Community Development*

[phone] 802-828-3211

- Removed a planned roadway connection from San Remo Drive to Garden Street and north to adjacent parcel.
- What changes to utility & infrastructure provision/needs as they relate to the NDA have occurred since last renewal?
 - See above under NTC

Progress/Development Trends

- What overall progress or trends is the municipality seeing in the NDA (e.g. housing projects/units)?
 - See above under NTC
- Are there any best practices you would recommend for other communities?
 - See above under NTC
- Are there special areas of focus the municipality intends to pursue in the next four years?
 - Possible expansion of the DA boundary.