

ATTACHMENT 1

VARIANCE APPLICATION RE: PERMIT ZON19-060

AUGUST 18, 2022

I. INTRODUCTION

On behalf of Applicant Green Mountain Development Group, Inc. and property owner Mongeon Properties, LLC (collectively “Applicants”), the purpose of this application is to request a variance that will enable the affordable housing development at 101 and 109 Main Street (the “Property”) to move forward as permitted under zoning permit ZON19-060 (the “Zoning Permit”).

For the past 16 months, Applicants have worked diligently to pursue the affordable housing financing necessary to develop this parcel as a mixed-income housing community. The City of Winooski has been a tremendous ally in this process, with the City Council and City Manager providing key letters of support to the Vermont Housing Conservation Board and Vermont Housing Finance Agency. Unfortunately, due to a number of factors including rising construction costs and highly competitive funding rounds, Applicants do not anticipate having the resources secured to begin construction until 2023. The existing Zoning Permit will expire on November 19, 2022, and cannot be extended by simple administrative amendment.

As set forth in detail below, Applicants request a variance to authorize the extension of the Zoning Permit until December 31, 2023, or in the alternative a variance approving the re-permitting of the already-approved project, pursuant to a variance from the requirements of Appendix B: Gateway Districts FBC: Part 4: 402.G.14.

II. BACKGROUND

On June 11, 2020, Mongeon Properties received the Zoning Permit, authorizing the construction of a 54 unit, mixed-use development at the Property. *See* Zoning Permit attached hereto as Exhibit 1. The Zoning Permit was then administratively extended through November 19, 2022. On April 16, 2021, Applicant Green Mountain Development Group, Inc., the development arm of Summit Properties, entered an option agreement to acquire the property for the purpose of developing a mixed-income development that will include 32 affordable, 21 market rate apartments and street level commercial space.

Applicants have applied for multiple affordable housing financing resources, including Low Income Housing Tax Credits (LIHTC) and American Rescue Plan Act (ARPA) funds, which will enable the development of a true mixed-income community including 32 apartments affordable to low-income families earning less than 60% of Area Median Income, 8 of which will provide service-enriched housing for the homeless and at-risk.

Due to the competitive nature of the affordable housing resources necessary for the development of this property, particularly the fact that LIHTC allocations are only made once per year, Applicants will be unable to secure the resources to move forward with the Project until late summer or fall of 2023.

Within the last several months, the Winooski Land Use Regulations were amended, and under the new regulations the Project would need to be significantly redesigned to the point where it would not be feasible to move forward if required to re-permit. This site is severely sloped, and under the new regulations, no portion of any parking floor may be located above grade within 20 feet of the RBL. See Appendix B: Gateway Districts FBC: Part 4: 402.G.14. The impact of this change is that a significant portion of the front of the building would become essentially unusable because it is below grade and therefore not usable as commercial space, and yet is prohibited from use as parking as designed in the approved Zoning Permit. Under the new regulations the Project would lose 10 parking spaces, thus reducing the number of affordable units that could be developed. On a site with such significant slopes there is no reasonable way to develop this property in accordance with the intent of the Land Use Regulations.

III. VARIANCE REQUEST

In order for this high priority housing project to move forward, Applicants require a variance allowing the extension of the Zoning Permit until December 31, 2023, or in the alternative a variance approving the re-permitting of the already-approved project. This request meets each of the requirements for a variance, as literal enforcement of the regulations would preclude reasonable use of the property, in accordance with Article VI, Section 6.8 C(2)(a-e) as follows:

- a. *There are unique physical circumstances or conditions, including irregularity, narrowness, or shallowness of lot size or shape, or exceptional topographical or other physical conditions peculiar to the particular property, and that unnecessary hardship is due to these conditions and not the circumstances or conditions generally created by the provisions of these regulations in the neighborhood or district in which the property is located.*

Applicants' variance request meets this requirement as the extreme slope of the property constitutes a unique physical condition creating an undue hardship under Winooski's new development regulations. Due to the slope of this site, Applicants cannot simply re-permit this building without eliminating all parking spaces along the RBL. The severe slopes also prevent re-designing these parking spaces for commercial use. It would be unreasonable, and not in furtherance of the goals of the Regulations to preclude parking spaces along this severely sloped façade.

- b. *Because of such physical circumstances and conditions, there is no possibility that the property can be developed in strict conformity with the provisions of these regulations and that the authorization of a variance is necessary to enable the reasonable use of the property.*

There is no possibility the property can be developed in strict conformity with the regulations. The restriction on parking within 20 feet of the RBL was enacted to provide for usable space in this area (such as street facing commercial), but there is no possibility of using this space for this purpose due to the physical circumstances of this Lot. Strict conformance with the regulations

would not result in a development that provides any reasonable use that accords with the purpose of the City's Regulations.

- c. *The unnecessary hardship has not been created by the applicant or appellant.*

The slopes on the site, and accompanying hardships that would be created by strict conformance with the Regulations, were not created by applicant. In addition, the development team spent significant time and resources developing the approved project under the regulations at the time, the zoning change was outside of the control of the Applicants, and Applicants have diligently pursued the affordable financing resources necessary to develop this Project as quickly as possible.

- d. *The variance, if authorized, will not alter the essential character of the neighborhood or district in which the property is located, substantially or permanently impair the appropriate use or development of adjacent property, reduce access to renewable energy resources, or be detrimental to the public welfare.*

Quite the opposite will occur if granted the variance. This project aligns with the City's master plan, housing goals and efforts to activate street level services.

- e. *The variance, if authorized, will represent the minimum that will afford relief and will represent the least deviation possible from these regulations and from the plan. We are not seeking a variance above and beyond our current, approved project, which has full city council support.*

We are only seeking to extend the permit length so we have time to complete the necessary affordable housing funding work.

IV. REQUEST

Applicants request a variance to authorize the extension of the Zoning Permit until December 31, 2023, or in the alternative a variance approving the re-permitting of the already-approved project, pursuant to a variance from the requirements of Appendix B: Gateway Districts FBC: Part 4: 402.G.14.