



January 12, 2023

David Wetmore  
Planning and Zoning Office  
77 Main Street  
Middlebury, VT 05753

Re: Stonecrop Meadows – Sketch Plan Review Submission

Dear Mr. Wetmore,

We are pleased to submit this application for Sketch Plan Review for Stonecrop Meadows (the “Project”) pursuant to Section 561 of the Middlebury Zoning and Subdivision Regulations (the “Regulations”). Described below and enclosed is the information required for conditional use review under Section 540, which is relevant review standard for planned unit developments and subdivisions. We understand that this application will be reviewed under Section 579, the Traditional Neighborhood Development PUD bylaw (the “TND”) because we are proposing five or more dwelling units on a site within the Residential-20 zoning district.

We have met with the Administrative Officer to complete the Pre-Hearing Consultation required under Section 540. The Administrative Officer has indicated that this constitutes a major subdivision and outlined a 3-step zoning process laid out in the Subdivision Review section of the Regulations consisting of Sketch Plan Review (Section 561), Preliminary Plan Review (Section 562), and Final Plan/Plat Approval (Section 563).

Enclosed are the following:

- **Exhibit A** – Section 540 Conditional Use Review Standards
- **Exhibit B** – Subdivision Plan outlining parcel boundaries, interior roads and sidewalk connections, wetlands and buffers, and other significant parcel features.
- **Exhibit C** – Subdivision Plan with conceptual phasing
- **Exhibit D** – Context Analysis
- **Exhibit E** – Conceptual Plan that was presented to members of the Middlebury community at a public information session hosted by Summit Properties on September 7, 2022. This Conceptual Plan is included only to provide an illustrative vision for building types and locations, not as a proposal for building footprints, architecture, or layout.

## **Project Narrative**

The Town of Middlebury is experiencing a housing crisis caused by decades of Statewide underinvestment in housing and a myriad of regulatory challenges. The crisis is most acute at affordable and workforce income levels, where the lack of state and federal subsidies together with complex regulatory requirements, and ever-increasing construction costs have made affordable development uneconomical and unfeasible at scale. In addition, today's environment is characterized by high inflation, supply chain disruptions, rising interest rates, and labor force shortages, each of which significantly drive-up development costs and further reduce the feasibility of housing development.

This Project represents an innovative solution to each of those challenges. The Project is a collaboration between Summit Properties, a state leader in affordable and mixed-income community development and management, the Town of Middlebury, Middlebury College, local planning and economic development organizations, local non-profit housing organizations including the Addison County Community Trust and Habitat for Humanity of Addison County, the State of Vermont, and State and Federal affordable housing agencies. Traditional zoning challenges have been streamlined in the Town of Middlebury's new TND zoning regulation, which also unlocks State funding opportunities. Lastly, the Project's proposal to develop housing at scale provides the efficiency needed in today's construction environment to create high-quality housing.

The Project is a new construction, mixed-income, highly energy efficient community envisioned on Seminary Street Extension just east of Five Corners. The community is being designed to have mixed housing types, including subsidized for-sale condos/townhomes, modest market rate for-sale condos/townhomes, rental units offered at modest market rates, rental units targeting low-income families earning less than 60% of area median income (AMI), and rental units targeting very low-income families earning less than 30% of AMI and homeless and at-risk families and individuals.

In collaboration with Summit Properties, Middlebury College purchased the site in the spring of 2022 and immediately entered an Option Agreement with Summit, the terms of which support the development of affordable and workforce housing.

## **Design**

The Project exemplifies smart growth principles including high-density, compact housing development, bike- and pedestrian-friendly circulation, and transit-accessibility which are in alignment with the Town's new Traditional Neighborhood Design (TND) criteria. Numerous community amenities will also be included such as community gardens, ample green space, and potential connectivity to Middlebury's recreational trail networks. The surrounding wetlands and buffers provide a unique natural setting with ample opportunity for conservation. Energy efficiency will also be a key component of the project with feedback from Efficiency Vermont being incorporated to maximize energy efficient construction practices across all building types. Multifamily buildings funded through Low Income Housing Tax Credits (LIHTC) will be designed to meet or exceed Efficiency Vermont's High-Performance Track for Multifamily New Construction.

## **Density**

The Project is currently designed to deliver between 150-250 new high-quality, energy-efficient homes to the Town of Middlebury. The final number of homes will be determined based on affordable and market rate financing availability and the maximization of Town goals. Given that financing availability cannot be determined until after preliminary permitting is in place, flexibility within the zoning approvals will be critical to ensuring the overall success of the development. To address the need for flexibility, the Subdivision Plan, enclosed as Exhibit B, proposes lot subdivisions with flexible density ranges for each lot and a maximum unit cap of 250 homes for the overall development, well below the maximum allowable within the TND (upwards of 600). This proposal both preserves flexibility to take advantage of financing conditions on a lot-by-lot basis while also placing a limit on overall project density.

## **Tenure and Affordability**

To address Middlebury's housing crisis, a balance between rental and homeownership units across a variety of income levels is critical. While the mix of rental and homeownership units has no mandatory criteria, the project is currently targeted to deliver an equal number of rental and homeownership units based on our understanding of the need within the community. The exact breakdown will vary depending on the availability of financing and market conditions and therefore we request that no requirements be included as part of the permitting process.

Minimum affordability criteria for both rental and homeownership are established by the Town's TND Housing Affordability standards. These standards require 20% of all rental units and 15%-20% of homeownership units be rented or sold at affordable rates defined by VHFA. The project is designed to meet or exceed these standards across all housing types. At least half of the proposed units are currently targeted to be affordable below market rates, but this will vary depending on the availability of affordable financing. We have preliminarily identified financing to deliver the proposed unit mix and are moving forward with initial funding applications.

## **Timing and Phasing**

Construction is anticipated to begin in late 2023/early 2024, dependent on State and local permitting, and span three or more phases. The initial phase encompasses the installation of the loop road and associated infrastructure. Subsequent phasing of individual lots for housing will not be determined until affordable and market rate financing can be secured. Conceptual phases have been overlayed on the Subdivision Plan which is enclosed as Exhibit C. Build out of the individual lots is likely to start at Seminary Street Extension and work north into the parcel.

This location and this moment provide a unique, once-in-a-generation opportunity to address the chronic undersupply of housing. This Project represents a partnership between one of Vermont's most respected and experienced private affordable housing developers, Addison County's largest employer, local non-profit housing organizations, and the community as a whole.

Thank you for your consideration of this Project. We are confident that this Project accomplishes the spirit and specifications of the TND regulation and is designed to accomplish the goals of the Middlebury Town Plan. We look forward to meeting with all department heads and receiving feedback from the Development Review Board, Administrative Officer, Town Planner, and other Town of Middlebury officials, boards, and committees to make this project something the region will be proud of for decades to come.

Sincerely,

A handwritten signature in black ink, appearing to read 'Zeke Davisson', with a long horizontal line extending to the right.

Zeke Davisson  
COO, Summit Properties