

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Environment and Energy to which was referred Senate
3 Bill No. 100 entitled “An act relating to housing opportunities made for
4 everyone” respectfully reports that it has considered the same and recommends
5 that the House propose to the Senate that the report of the committee on
6 General and Housing be amended by striking out Secs. 1–25 and inserting in
7 lieu thereof the following:

8 * * * Municipal Zoning * * *

9 Sec. 1. 24 V.S.A. § 4414 is amended to read:

10 § 4414. ZONING; PERMISSIBLE TYPES OF REGULATIONS

11 * * *

12 (4) Parking and loading facilities. A municipality may adopt provisions
13 setting forth standards for permitted and required facilities for off-street
14 parking and loading, which may vary by district and by uses within each
15 district. In any district that is served by municipal sewer and water
16 infrastructure that allows residential uses, a municipality shall not require more
17 than one parking space per dwelling unit. However, a municipality may
18 require 1.5 parking spaces for duplexes and multi-unit dwellings in areas not
19 served by water and sewer and in areas that are located more than one-quarter
20 mile away from public parking rounded down to the nearest whole number
21 when calculating the total number of spaces. These bylaws may also include

1 provisions covering the location, size, design, access, landscaping, and
2 screening of those facilities. In determining the number of parking spaces for
3 nonresidential uses and size of parking spaces required under these regulations,
4 the appropriate municipal panel may take into account the existence or
5 availability of employer “transit pass” and rideshare programs, public transit
6 routes, and public parking spaces in the vicinity of the development. ~~However,~~
7 ~~a municipality shall not require an accessory dwelling unit to have more than~~
8 ~~one parking space per bedroom.~~

9 * * *

10 Sec. 2. 24 V.S.A. § 4412 is amended to read:

11 § 4412. REQUIRED PROVISIONS AND PROHIBITED EFFECTS

12 Notwithstanding any existing bylaw, the following land development
13 provisions shall apply in every municipality:

14 (1) Equal treatment of housing and required provisions for affordable
15 housing.

16 * * *

17 (D) Bylaws shall designate appropriate districts and reasonable
18 regulations for multiunit or multifamily dwellings. No bylaw shall have the
19 effect of excluding these multiunit or multifamily dwellings from the
20 municipality. In any district that allows year-round residential development,
21 duplexes shall be an allowed use with the same dimensional standards as a

1 single-unit dwelling. In any district that is served by municipal sewer and
2 water infrastructure that allows residential development, multiunit dwellings
3 with four or fewer units shall be an allowed use.

4 (E) Except for flood hazard and fluvial erosion area bylaws adopted
5 pursuant to section 4424 of this title, no bylaw shall have the effect of
6 excluding as a permitted use one accessory dwelling unit that is located within
7 or appurtenant to a single-family dwelling on an owner-occupied lot. A bylaw
8 ~~may~~ shall require a single-family dwelling with an accessory dwelling unit to
9 be subject to the same review, dimensional, or other controls as required for a
10 single-family dwelling without an accessory dwelling unit. ~~An accessory~~
11 ~~dwelling unit means a distinct unit that is clearly subordinate to a single family~~
12 ~~dwelling, and has facilities and provisions for independent living, including~~
13 ~~sleeping, food preparation, and sanitation, provided there is compliance with~~
14 ~~all the following:~~ The criteria for conversion of an existing detached
15 nonresidential building to habitable space for an accessory dwelling unit shall
16 not be more restrictive than the criteria used for a single-family dwelling
17 without an accessory dwelling unit.

18 (i) ~~The property has sufficient wastewater capacity.~~

19 (ii) ~~The unit does not exceed 30 percent of the total habitable floor~~
20 ~~area of the single family dwelling or 900 square feet, whichever is greater.~~

21 * * *

1 (H) No bylaw shall have the effect of prohibiting or penalizing a
2 hotel from renting rooms to provide housing assistance through the State of
3 Vermont’s General Assistance program, or to any person whose room is rented
4 with public funds. The term “hotel” has the same meaning as in 32 V.S.A.
5 9202(3).

6 * * *

7 (12) In any area served by municipal sewer and water infrastructure that
8 allows residential development, bylaws shall establish lot and building
9 dimensional standards that allow five or more dwelling units per acre for each
10 allowed residential use, and density standards for multiunit dwellings shall not
11 be more restrictive than those required for single-family dwellings.

12 (13) In any area served by municipal sewer and water infrastructure that
13 allows residential development, bylaws shall permit any affordable housing
14 development, as defined in subdivision 4303(2) of this title, including mixed-
15 use development, to exceed density limitations for residential developments by
16 an additional 40 percent, which may include exceeding maximum height
17 limitations, provided that the structure complies with the Vermont Fire and
18 Building Safety Code.

19 (14)(A) As used in this section, an area “served by municipal sewer and
20 water infrastructure” means:

1 (i) an area where residential connections and expansions are
2 available to municipal water and direct and indirect discharge wastewater
3 systems and not prohibited by:

4 (I) State regulations or permits;

5 (II) identified capacity constraints; or

6 (III) municipally adopted service and capacity agreements; or

7 (ii) an area established by the municipality by ordinance or bylaw
8 where residential connections and expansions are available to municipal water
9 and direct and indirect discharge wastewater systems and which may exclude:

10 (I) flood hazard or inundation areas as established by statute,
11 river corridors or fluvial erosion areas as established by statute, shorelands,
12 areas within a zoning district or overlay district the purpose of which is natural
13 resource protection, and wherever year-round residential development is not
14 allowed;

15 (II) identified service limits established by State regulations or
16 permits, identified capacity constraints, or municipally adopted service and
17 capacity agreements;

18 (III) areas served by sewer and water to address an identified
19 community-scale public health hazard or environmental hazard;

20 (IV) areas serving a mobile home park that is not within an area
21 planned for year-round residential growth;

1 (V) areas serving an industrial site or park;

2 (VI) areas where service lines are located to serve the areas
3 described in subdivisions (III)–(V) of this subdivision (ii), but no connections
4 or expansions are permitted;

5 (VII) areas that, through an approved Planned Unit
6 Development under section 4417 of this title or Transfer of Development
7 Rights under section 4423 of this title, prohibit year-round residential
8 development; or

9 (VIII) or modify the zoning provisions allowed under this
10 chapter in areas served by indirect discharge designed for less than 100,000
11 gallons per day.

12 (B) Municipally adopted areas served by municipal sewer and water
13 infrastructure that limit sewer and water connections and expansions shall not
14 result in the unequal treatment of housing by discriminating against a year-
15 round residential use or housing type otherwise allowed in this chapter.

16 Sec. 3. 24 V.S.A. § 4413 is amended to read:

17 § 4413. LIMITATIONS ON MUNICIPAL BYLAWS

18 (a)(1) The following uses may be regulated only with respect to location,
19 size, height, building bulk, yards, courts, setbacks, density of buildings, off-
20 street parking, loading facilities, traffic, noise, lighting, landscaping, and

1 screening requirements, and only to the extent that regulations do not have the
2 effect of interfering with the intended functional use:

3 (A) State- or community-owned and ~~operated~~ operated institutions
4 and facilities;

5 (B) public and private schools and other educational institutions
6 certified by the Agency of Education;

7 (C) churches and other places of worship, convents, and parish
8 houses;

9 (D) public and private hospitals;

10 (E) regional solid waste management facilities certified under 10
11 V.S.A. chapter 159;

12 (F) hazardous waste management facilities for which a notice of
13 intent to construct has been received under 10 V.S.A. § 6606a; and

14 (G) emergency shelters.

15 (2) Except for State-owned and -operated institutions and facilities, a
16 municipality may regulate each of the land uses listed in subdivision (1) of this
17 subsection for compliance with the National Flood Insurance Program and for
18 compliance with a municipal ordinance or bylaw regulating development in a
19 flood hazard area or river corridor, consistent with the requirements of
20 subdivision 2291(25) and section 4424 of this title. These regulations shall not
21 have the effect of interfering with the intended functional use.

1 (3) For purposes of this subsection, regulating the daily or seasonal
2 hours of operation of an emergency shelter shall constitute interfering with the
3 intended functional use.

4 * * *

5 Sec. 4. 24 V.S.A. § 4303 is amended to read:

6 § 4303. DEFINITIONS

7 The following definitions shall apply throughout this chapter unless the
8 context otherwise requires:

9 * * *

10 (38) “Accessory dwelling unit” means a distinct unit that is clearly
11 subordinate to a single-family dwelling and has facilities and provisions for
12 independent living, including sleeping, food preparation, and sanitation,
13 provided there is compliance with all the following:

14 (A) the property has sufficient wastewater capacity; and

15 (B) the unit does not exceed 30 percent of the total habitable floor
16 area of the single-family dwelling or 900 square feet, whichever is greater.

17 (39) “Duplex” means a residential building that has two dwelling units
18 in the same building and neither unit is an accessory dwelling unit.

19 (40) “Emergency shelter” means any facility, the primary purpose of
20 which is to provide a temporary shelter for the homeless in general or for

1 specific populations of the homeless and that does not require occupants to
2 sign leases or occupancy agreements.

3 (41) “Multiunit or multifamily dwelling” means a building that contains
4 three or more dwelling units in the same building.

5 Sec. 5. 24 V.S.A. § 4441 is amended to read:

6 § 4441. PREPARATION OF BYLAWS AND REGULATORY TOOLS;

7 AMENDMENT OR REPEAL

8 * * *

9 (c) When considering an amendment to a bylaw, the planning commission
10 shall prepare and approve a written report on the proposal. A single report
11 may be prepared so as to satisfy the requirements of this subsection concerning
12 bylaw amendments and subsection 4384(c) of this title concerning plan
13 amendments. ~~The Department of Housing and Community Development shall~~
14 ~~provide all municipalities with a form for this report.~~ The report shall provide
15 a brief explanation of the proposed bylaw, amendment, or repeal and shall
16 include a statement of purpose as required for notice under section 4444 of this
17 title; and shall include findings regarding how the proposal:

18 (1) ~~Conforms~~ conforms with or furthers the goals and policies contained
19 in the municipal plan, including the effect of the proposal on the availability of
20 safe and affordable housing-, and sections 4412, 4413, and 4414 of this title;

1 (2) ~~Is~~ is compatible with the proposed future land uses and densities of
2 the municipal plan; and

3 (3) ~~Carries~~ carries out, as applicable, any specific proposals for any
4 planned community facilities.

5 * * *

6 (h) Upon adoption or amendment of a bylaw, the planning commission
7 shall prepare an adoption report in form and content provided by the
8 Department of Housing and Community Development that:

9 (1) confirms that zoning districts’ GIS data has been submitted to the
10 Department and that the data complies with the Vermont Zoning GIS Data
11 Standard adopted pursuant to 10 V.S.A. § 123;

12 (2) confirms that the complete bylaw has been uploaded to the
13 Municipal Plan and Bylaw Database;

14 (3) demonstrates conformity with sections 4412, 4413, and 4414 of this
15 title; and

16 (4) provides information on the municipal application of subchapters 7
17 (bylaws), 9 (administration), and 10 (panels) of this chapter for the Municipal
18 Planning Data Center and the prospective development of a statewide zoning
19 atlas.

20 Sec. 6. 24 V.S.A. § 4465 is amended to read:

21 § 4465. APPEALS OF DECISIONS OF THE ADMINISTRATIVE OFFICER

1 (a) An interested person may appeal any decision or act taken by the
2 administrative officer in any municipality by filing a notice of appeal with the
3 secretary of the board of adjustment or development review board of that
4 municipality or with the clerk of that municipality if no such secretary has been
5 elected. This notice of appeal must be filed within 15 days ~~of~~ following the
6 date of that decision or act, and a copy of the notice of appeal shall be filed
7 with the administrative officer.

8 (b) ~~For the purposes of~~ As used in this chapter, an “interested person”
9 means any one of the following:

10 (1) A person owning title to property, or a municipality or solid waste
11 management district empowered to condemn it or an interest in it, affected by a
12 bylaw, who alleges that the bylaw imposes on the property unreasonable or
13 inappropriate restrictions of present or potential use under the particular
14 circumstances of the case.

15 (2) The municipality that has a plan or a bylaw at issue in an appeal
16 brought under this chapter or any municipality that adjoins that municipality.

17 (3) A person owning or occupying property in the immediate
18 neighborhood of a property that is the subject of any decision or act taken
19 under this chapter, who can demonstrate a physical or environmental impact on
20 the person’s interest under the criteria reviewed, and who alleges that the

1 decision or act, if confirmed, will not be in accord with the policies, purposes,
2 or terms of the plan or bylaw of that municipality.

3 (4) Any ~~ten persons who may be any combination of voters or real~~
4 ~~property owners within a municipality listed in subdivision (2) of this~~
5 ~~subsection who, by signed petition to the appropriate municipal panel of a~~
6 ~~municipality, the plan or a bylaw of which is at issue in any appeal brought~~
7 ~~under this title, allege that any relief requested by a person under this title, if~~
8 ~~granted, will not be in accord with the policies, purposes, or terms of the plan~~
9 ~~or bylaw of that municipality~~ person aggrieved as defined in 10 V.S.A.
10 § 8502(7). ~~This petition to the appropriate municipal panel must designate one~~
11 ~~person to serve as the representative of the petitioners regarding all matters~~
12 ~~related to the appeal.~~ For purposes of this subdivision, a particularized interest
13 shall not include the character of the area affected if the project has a
14 residential component that includes affordable housing.

15 (5) Any department and administrative subdivision of this State owning
16 property or any interest in property within a municipality listed in subdivision
17 (2) of this subsection, and the Agency of Commerce and Community
18 Development of this State.

19 * * *

20 Sec. 6a. 10 V.S.A. § 8502(7) is amended to read:

1 (7) “Person aggrieved” means a person who alleges an injury to a
2 particularized interest protected by the provisions of law listed in section 8503
3 of this title, or in 24 V.S.A. chapter 117, attributable to an act or decision by a
4 district coordinator, District Commission, the Secretary, or in the case of an act
5 or decision related to 24 V.S.A. chapter 117, an appropriate municipal panel,
6 administrative officer, or municipal official, or the Environmental Division that
7 can be redressed by the Environmental Division or the Supreme Court.

8 * * * Subdivisions * * *

9 Sec. 7. 24 V.S.A. § 4463 is amended to read:

10 § 4463. SUBDIVISION REVIEW

11 (a) Approval of plats. Before ~~any~~ a plat for a major subdivision is
12 approved, a public hearing on the plat ~~shall~~ may be held by the appropriate
13 municipal panel after public notice. A bylaw may provide for the
14 administrative officer to approve minor subdivisions. A copy of the notice
15 shall be sent to the clerk of an adjacent municipality, in the case of a plat
16 located within 500 feet of a municipal boundary, at least 15 days prior to the
17 public hearing.

18 (b) Plat; record. The approval of the appropriate municipal panel or
19 administrative officer, if the bylaws provide for their approval of minor
20 subdivisions, shall expire 180 days from that approval or certification unless,
21 within that 180-day period, that plat shall have been duly filed or recorded in

1 the office of the clerk of the municipality. After an approved plat or
2 certification by the clerk is filed, no expiration of that approval or certification
3 shall be applicable.

4 (1) The bylaw may allow the administrative officer to extend the date
5 for filing the plat by an additional 90 days, if final local or State permits or
6 approvals are still pending.

7 (2) No plat showing a new street or highway may be filed or recorded in
8 the office of the clerk of the municipality until it has been approved by the
9 appropriate municipal panel, or administrative officer if allowed under the
10 bylaws, pursuant to subsection (a) of this section, and that approval is endorsed
11 in writing on the plat, or the certificate of the clerk of the municipality showing
12 the failure of the appropriate municipal panel to take action within the 45-day
13 period is attached to the plat and filed or recorded with the plat. After that
14 filing or recording, the plat shall be a part of the official map of the
15 municipality.

16 * * *

17 Sec. 8. 24 V.S.A. § 4418 is amended to read:

18 § 4418. SUBDIVISION BYLAWS

19 * * *

20 (2) Subdivision bylaws may include:

1 (A) ~~Provisions~~ provisions allowing the appropriate municipal panel
2 to waive or modify, subject to appropriate conditions, the provision of any or
3 all improvements and requirements as in its judgment of the special
4 circumstances of a particular plat or plats are not requisite in the interest of the
5 public health, safety, and general welfare, or are inappropriate because of
6 inadequacy or lack of connecting facilities adjacent or in proximity to the
7 subdivision;

8 (B) ~~Procedures~~ procedures for conceptual, preliminary, partial, and
9 other reviews preceding submission of a subdivision plat, including any
10 administrative reviews;

11 (C) ~~Specific~~ specific development standards to promote the
12 conservation of energy or to permit the utilization of renewable energy
13 resources, or both;

14 (D) State standards and criteria under 10 V.S.A. § 6086(a); and

15 (E) provisions to allow the administrative officer to approve **minor**
16 subdivisions.

17 * * * Appeals * * *

18 Sec. 9. 24 V.S.A. § 4471 is amended to read:

19 § 4471. APPEAL TO ENVIRONMENTAL DIVISION

20 * * *

1 (e) ~~Neighborhood development area~~ Designated areas. Notwithstanding
2 subsection (a) of this section, a determination by an appropriate municipal
3 panel that a residential development will not result in an undue adverse effect
4 on the character of the area affected shall not be subject to appeal if the
5 ~~determination is that a proposed residential development~~ seeking conditional
6 use approval under subdivision 4414(3) of this title is within a designated
7 downtown development district, designated growth center, ~~designated Vermont~~
8 neighborhood, or designated neighborhood development area seeking
9 ~~conditional use approval will not result in an undue adverse effect on the~~
10 ~~character of the area affected under subdivision 4414(3) of this title.~~ Other
11 elements of the determination made by the appropriate municipal panel may be
12 appealed.

13 * * * By Right * * *

14 Sec. 10. 24 V.S.A. § 4464(b) is amended to read:

15 (b) Decisions.

16 * * *

17 (7)(A) A decision rendered by the appropriate municipal panel for a
18 housing development or the housing portion of a mixed-use development shall
19 not:

20 (i) require a larger lot size than the minimum as determined in the
21 municipal bylaws;

1 (ii) require more parking spaces than the minimum as determined
2 in the municipal bylaws and in section 4414 of this title;

3 (iii) limit the building size to less than that allowed in the
4 municipal bylaws, including reducing the building footprint or height;

5 (iv) limit the density of dwelling units to below that allowed in the
6 municipal bylaws; and

7 (v) otherwise disallow a development to abide by the minimum or
8 maximum applicable municipal standards.

9 (B) However, a decision may require adjustments to the applicable
10 municipal standards listed in subdivision (A) of this subdivision (7) if the panel
11 or officer issues a written finding stating:

12 (i) why the modification is necessary to comply with a
13 prerequisite State or federal permit, municipal permit, or a nondiscretionary
14 standard in a bylaw or ordinance, including requirements related to wetlands,
15 setbacks, and flood hazard areas and river corridors; and

16 (ii) how the identified restrictions do not result in an unequal
17 treatment of housing or an unreasonable exclusion of housing development
18 otherwise allowed by the bylaws.

19 Sec. 11. 24 V.S.A. § 4348a is amended to read:

20 § 4348a. ELEMENTS OF A REGIONAL PLAN

1 (a) A regional plan shall be consistent with the goals established in section
2 4302 of this title and shall include the following:

3 * * *

4 (9) A housing element that identifies the regional and community-level
5 need for housing for all economic groups in the region and communities. In
6 establishing the identified need, due consideration shall be given to that will
7 result in an adequate supply of building code and energy code compliant
8 homes where most households spend not more than 30 percent of their income
9 on housing and not more than 15 percent on transportation. To establish
10 housing needs, the Department of Housing and Community Development shall
11 publish statewide and regional housing targets or ranges as part of the
12 Statewide Housing Needs Assessment. The regional planning commission
13 shall consult the Statewide Housing Needs Assessment; current and expected
14 demographic data; the current location, quality, types, and cost of housing;
15 other local studies related to housing needs; and data gathered pursuant to
16 subsection 4382(c) of this title. If no such data has been gathered, the regional
17 planning commission shall gather it. The regional planning commission's
18 assessment shall estimate the total needed housing investments in terms of
19 price, quality, unit size or type, and zoning district as applicable and shall
20 disaggregate regional housing targets or ranges by municipality. The housing

1 element shall include a set of recommended actions to satisfy the established
2 needs.

3 * * *

4 Sec. 12. 24 V.S.A. § 4382 is amended to read:

5 § 4382. THE PLAN FOR A MUNICIPALITY

6 (a) A plan for a municipality ~~may~~ shall be consistent with the goals
7 established in section 4302 of this title and compatible with approved plans of
8 other municipalities in the region and with the regional plan and shall include
9 the following:

10 * * *

11 (10) A housing element that shall include a recommended program for
12 ~~addressing low and moderate income persons'~~ public and private actions to
13 address housing needs as identified by the regional planning commission
14 pursuant to subdivision 4348a(a)(9) of this title. The program should use data
15 on year-round and seasonal dwellings and include specific actions to address
16 the housing needs of persons with low income and persons with moderate
17 income and account for permitted ~~necessary dwelling units, as defined in~~
18 ~~subdivision 4412(1)(E) of this title, which provide affordable housing~~
19 ~~residential development as described in section 4412 of this title.~~

20 * * *

21 Sec. 13. 24 V.S.A. § 4385 is amended to read:

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Sec. 13. 24 V.S.A. § 4442 is amended to read:

§ 4442. ADOPTION OF BYLAWS AND RELATED REGULATORY
TOOLS; AMENDMENT OR REPEAL

* * *

(c) Routine adoption.

(1) A bylaw, bylaw amendment, or bylaw repeal shall be adopted by a majority of the members of the legislative body at a meeting that is held after the final public hearing, and shall be effective 21 days after adoption unless, by action of the legislative body, the bylaw, bylaw amendment, or bylaw repeal is warned for adoption by the municipality by Australian ballot at a special or regular meeting of the municipality.

~~(2) However, a rural town as defined in section 4303 of this chapter, by vote of that town at a special or regular meeting duly warned on the issue, may elect to require that bylaws, bylaw amendments, or bylaw repeals shall be adopted by vote of the town by Australian ballot at a special or regular meeting duly warned on the issue. That procedure shall then apply until rescinded by the voters at a regular or special meeting of the town.~~

* * *

Sec. 14. 24 V.S.A. § 4306 is amended read:

§ 4306. MUNICIPAL AND REGIONAL PLANNING FUND

1 * * *

2 (b)(1) Allocations for performance contract funding to regional planning
3 commissions shall be determined according to a formula to be adopted by rule
4 under 3 V.S.A. chapter 25 by the Department for the assistance of the regional
5 planning commissions. Disbursement of funding to regional planning
6 commissions shall be predicated upon meeting performance goals and targets
7 pursuant to the terms of the performance contract.

8 (2) Disbursement to municipalities shall be awarded annually on or
9 before December 31 through a competitive program administered by the
10 Department providing the opportunity for any eligible municipality or
11 municipalities to compete regardless of size, provided that to receive funds, a
12 municipality:

13 (A) shall be confirmed under section 4350 of this title; or

14 (B)(i) shall use the funds for the purpose of developing a municipal
15 plan to be submitted for approval by the regional planning commission, as
16 required for municipal confirmation under section 4350 of this title; and

17 (ii) shall have voted at an annual or special meeting to provide
18 local funds for municipal and regional planning purposes.

19 (3) Of the annual disbursement to municipalities, an amount not to
20 exceed 20 percent of the total may be disbursed to the Department to
21 administer a program providing direct technical consulting assistance under

1 retainer on a rolling basis to any eligible municipality to meet the requirements
2 for designated neighborhood development area under chapter 76A of this title,
3 provided that the municipality is eligible for funding under subdivision (2) and
4 meets funding guidelines established by the Department to ensure accessibility
5 for lower capacity communities, municipal readiness, and statewide coverage.

6 (4) Of the annual disbursement to municipalities, the Department may
7 allocate funding as bylaw modernization grants under 4307.

8 * * *

9 ~~(d) New funds allocated to municipalities under this section may take the~~
10 ~~form of Municipal Bylaw Modernization Grants in accordance with section~~
11 ~~4307 of this title.~~

12 * * * Regional Planning * * *

13 Sec. 15. REGIONAL PLANNING REPORT

14 (a) On or before December 15, 2023, the Vermont Association of Planning
15 and Development Agencies shall report on statutory recommendations to better
16 integrate and implement municipal, regional, and State plans, policies, and
17 investments by focusing on regional future land use maps and policies.

18 (b) The recommendations shall address how to accomplish the following:

19 (1) Aligning policies and implementation between municipalities,
20 regional planning commissions, and State entities to better address climate

1 change, climate resiliency, natural resources, housing, transportation,
2 economic development, and other place-based issues.

3 (2) Building upon municipal and regional enhanced energy plans and
4 their implementation.

5 (3) Evaluating place-based policy and project decisions by the State,
6 regional planning commissions, and municipalities related to implementing
7 regional future land use maps and policies and recommending changes to
8 which of those governmental levels those decisions should occur, if necessary.

9 (4) Ensuring that State agency investment and policy decisions that
10 relate to land development are consistent with regional and local plans. The
11 investments assessed should include, at a minimum:

12 (A) drinking water;

13 (B) wastewater;

14 (C) stormwater;

15 (D) transportation;

16 (E) community and economic development;

17 (F) housing;

18 (G) energy; and

19 (H) telecommunications.

20 (5) Achieving statewide consistency of future land use maps and
21 policies to better support Act 250 and 30 V.S.A. § 248.

1 (6) How Act 250 and 30 V.S.A. § 248 could better support
2 implementation of regional future land use maps and policies.

3 (7) Better support implementation of regional future land use maps and
4 policies in the State designation program under 24 V.S.A. chapter 76A.

5 (8) Improving the quality and effectiveness of future land use maps in
6 regional and municipal plans through changes to 24 V.S.A. chapter 117
7 including:

8 (A) future land use map area delineations, definitions, statements,
9 and policies;

10 (B) existing settlement definitions and their relationship to future
11 land use maps;

12 (C) the role of regional plans in the review and approval of municipal
13 plans and planning processes; and

14 (D) a review mechanism to ensure bylaws are consistent with
15 municipal plans.

16 (c) The report should also discuss how best to implement the
17 recommendations, including the following:

18 (1) how best to phase in the recommendations;

19 (2) how to establish a mechanism for the independent review of regional
20 plans to ensure consistency with statutory requirements;

1 (3) what guidance and training will be needed to implement the
2 recommendations; and

3 (4) what incentives and accountability mechanisms are necessary to
4 accomplish these changes at all levels of government.

5 (d) The Vermont Association of Planning and Development Agencies shall
6 consult with the Agency of Transportation, the Agency of Natural Resources,
7 the Agency of Commerce and Community Development, the Department of
8 Public Service, Vermont Emergency Management, the Natural Resources
9 Board, the regional development corporations, the Vermont League of Cities
10 and Towns, statewide environmental organizations, and other interested parties
11 in developing the report and shall summarize comments.

12 (e) On or before December 15, 2023, the Vermont Association of Planning
13 and Development Agencies shall submit the report to the following
14 committees: the Senate Committees on Economic Development, Housing and
15 General Affairs, on Government Operations, on Natural Resources and
16 Energy, and on Transportation and the House Committees on Commerce and
17 Economic Development, on Environment and Energy, on General and
18 Housing, on Government Operations and Military Affairs, and on
19 Transportation.

1 (f) The Vermont Association of Planning and Development Agencies shall
2 be funded in fiscal year 2023 and fiscal year 2024 for this study through the
3 regional planning grant established in 24 V.S.A. § 4306.

4 Sec. 15a. HOUSING RESOURCE NAVIGATOR FOR REGIONAL
5 PLANNING COMMISSIONS

6 (a) The Vermont Association of Planning and Development Agencies shall
7 hire Housing Resource Navigators to work with municipalities, regional and
8 local housing organizations, and private developers to identify housing
9 opportunities, match communities with funding resources, and provide project
10 management support.

11 (b) There is appropriated the sum of \$300,000.00 in fiscal year 2024 to the
12 Vermont Association of Planning and Development Agencies for the purpose
13 of hiring the Housing Navigators as described in subsection (a) of this section.

14 * * * Act 250 * * *

15 Sec. 16. 10 V.S.A. § 6001 is amended to read:

16 § 6001. DEFINITIONS

17 As used in this chapter:

18 * * *

19 (3)(A) “Development” means each of the following:

20 * * *

1 (iv) The construction of housing projects such as cooperatives,
2 condominiums, ~~or~~ dwellings, or construction **or maintenance** of mobile homes
3 or mobile home parks, with 10 or more units, constructed or maintained on a
4 tract or tracts of land, owned or controlled by a person, within a radius of five
5 miles of any point on any involved land and within any continuous period of
6 five years. However:

7 * * *

8 (xi) Notwithstanding any other provision of law to the contrary,
9 until July 1, 2026, the construction of housing projects such as cooperatives,
10 condominiums, dwellings, or mobile homes, with 25 or more units, constructed
11 or maintained on a tract or tracts of land, located entirely within a designated
12 downtown development district, a designated neighborhood development area,
13 designated village center with permanent zoning and subdivision bylaws, or a
14 designated growth center, owned or controlled by a person, within a radius of
15 five miles of any point on any involved land and within any continuous period
16 of five years.

17 * * *

18 (D) The word “development” does not include:

19 * * *

20 (viii)(I) The construction of a priority housing project in a
21 municipality with a population of 10,000 or more.

1 (II) If the construction of a priority housing project in this
2 subdivision (3)(D)(viii) involves demolition of one or more buildings that are
3 listed or eligible to be listed on the State or National Register of Historic
4 Places, this exemption shall not apply unless the Division for Historic
5 Preservation has made the determination described in subdivision (A)(iv)(I)(ff)
6 of this subdivision (3) and any imposed conditions are enforceable in the
7 manner set forth in that subdivision.

8 (III) Notwithstanding any other provision of law to the
9 contrary, until July 1, 2026, the construction of a priority housing project
10 located entirely within a designated downtown development district,
11 designated neighborhood development area, or a designated growth center.

12 * * *

13 Sec. 16a. ACT 250 EXEMPTION REQUIREMENTS

14 In order to qualify for the exemptions established in 10 V.S.A. § 6001
15 (3)(A)(xi) and (3)(D)(viii)(III), a person shall request a jurisdictional opinion
16 under 10 V.S.A. § 6007 on or before June 30, 2026. The jurisdictional opinion
17 shall require the project to substantially complete construction on or before
18 June 30, 2029 in order to remain exempt.

1 Sec. 17. 10 V.S.A. § 6086b is amended to read:

2 § 6086b. DOWNTOWN DEVELOPMENT; FINDINGS; MASTER PLAN

3 PERMITS

4 (a) Findings and conclusions. Notwithstanding any provision of this
5 chapter to the contrary, each of the following shall apply to a development or
6 subdivision that is completely within a downtown development district
7 designated under 24 V.S.A. chapter 76A and for which a permit or permit
8 amendment would otherwise be required under this chapter:

9 (1) In lieu of obtaining a permit or permit amendment, a person may
10 request findings and conclusions from the District Commission, which shall
11 approve the request if it finds that the development or subdivision will meet
12 subdivisions 6086(a)(1) (air and water pollution), (2) (sufficient water
13 available), (3) (burden on existing water supply), (4) (soil erosion), (5)
14 (traffic), (8) (aesthetics, historic sites, rare and irreplaceable natural areas),
15 (8)(A) (endangered species; necessary wildlife habitat), (9)(B) (primary
16 agricultural soils), (9)(C) (productive forest soils), (9)(F) (energy
17 conservation), and (9)(K) (public facilities, services, and lands) of this title.

18 * * *

19 (b) Master plan permits.

20 (1) Any municipality within which a downtown development district or
21 neighborhood development area has been formally designated pursuant to

1 24 V.S.A. chapter 76A may apply to the District Commission for a master plan
2 permit for that area or any portion of that area pursuant to the rules of the
3 Board. Municipalities making an application under this subdivision are not
4 required to exercise ownership of or control over the affected property.

5 (2) Subsequent development of an individual lot within the area of the
6 master plan permit that requires a permit under this chapter shall take the form
7 of a permit amendment.

8 (3) In neighborhood development areas, subsequent master plan permit
9 amendments shall only be issued for development that is housing.

10 (4) In approving a master plan permit and amendments, the District
11 Commission may include specific conditions that an applicant for an individual
12 project permit shall be required to meet.

13 (5) For a master plan permit issued pursuant to this section, an
14 application for an amendment may use the findings issued in the master plan
15 permit as a rebuttable presumption to comply within any applicable criteria
16 under subsection 6086(a) of this title.

17 Sec. 18. 10 V.S.A. § 6083a is amended to read:

18 § 6083a. ACT 250 FEES

19 (a) All applicants for a land use permit under section 6086 of this title shall
20 be directly responsible for the costs involved in the publication of notice in a
21 newspaper of general circulation in the area of the proposed development or

1 subdivision and the costs incurred in recording any permit or permit
2 amendment in the land records. In addition, applicants shall be subject to each
3 of the following fees for the purpose of compensating the State of Vermont for
4 the direct and indirect costs incurred with respect to the administration of the
5 Act 250 program:

6 (1) For applications for projects involving construction, \$6.65 for each
7 \$1,000.00 of the first \$15,000,000.00 of construction costs, and \$3.12 for each
8 \$1,000.00 of construction costs above \$15,000,000.00. An additional \$0.75
9 for each \$1,000.00 of the first \$15,000,000.00 of construction costs shall be
10 paid to the Agency of ~~Natural~~ Natural Resources to account for the Agency of
11 Natural Resources' review of Act 250 applications.

12 (2) For applications for projects involving the creation of lots, \$125.00
13 for each lot.

14 (3) For applications for projects involving exploration for or removal of
15 oil, gas, and fissionable source materials, a fee as determined under
16 subdivision (1) of this subsection or \$1,000.00 for each day of Commission
17 hearings required for such projects, whichever is greater.

18 (4) For applications for projects involving the extraction of earth
19 resources, including sand, gravel, peat, topsoil, crushed stone, or quarried
20 material, the greater of: a fee as determined under subdivision (1) of this
21 subsection; or a fee equivalent to the rate of \$0.02 per cubic yard of the first

1 million cubic yards of the total volume of earth resources to be extracted over
2 the life of the permit, and \$.01 per cubic yard of any such earth resource
3 extraction above one million cubic yards. Extracted material that is not sold or
4 does not otherwise enter the commercial marketplace shall not be subject to the
5 fee. The fee assessed under this subdivision for an amendment to a permit
6 shall be based solely upon any additional volume of earth resources to be
7 extracted under the amendment.

8 (5) For applications for projects involving the review of a master plan, a
9 fee equivalent to \$0.10 per \$1,000.00 of total estimated construction costs in
10 current dollars in addition to the fee established in subdivision (1) of this
11 subsection for any portion of the project seeking construction approval.

12 ~~(6) In no event shall a permit application fee exceed \$165,000.00.~~

13 (b) Notwithstanding the provisions of subsection (a) of this section, there
14 shall be a minimum fee of \$187.50 for original applications and \$62.50 for
15 amendment applications, in addition to publication and recording costs. These
16 costs shall be in addition to any other fee established by statute, unless
17 otherwise expressly stated. In addition, in no event shall the fee for an
18 individual permit or permit amendment application, including each individual
19 permit or permit amendment application seeking approval for any portion of a
20 project involving a master plan, exceed \$165,000.00.

21 * * *

1 Sec. 19. 2022 Acts and Resolves No. 182, Sec. 41 is amended to read:

2 Sec. 41. REPORT; NATURAL RESOURCES BOARD

3 (a) On or before December 31, 2023, the Chair of the Natural Resources
4 Board shall report to the House Committees on ~~Natural Resources, Fish, and~~
5 ~~Wildlife~~ Environment and Energy and on Ways and Means and the Senate
6 Committees on Finance and on Natural Resources and Energy on necessary
7 updates to the Act 250 program.

8 (b) The report shall include:

9 (1) How to transition to a system in which Act 250 jurisdiction is based
10 on location, which shall encourage development in designated areas; the
11 maintenance of intact rural working lands; and the protection of natural
12 resources of statewide significance, including biodiversity. Location-based
13 jurisdiction would adjust the threshold for Act 250 jurisdiction based on the
14 characteristics of the location. This section of the report shall consider whether
15 to develop thresholds and tiers of jurisdiction as recommended in the
16 Commission on Act 250: the Next 50 Years Report.

17 (2) How to use the Capability and Development Plan to meet the
18 statewide planning goals.

19 (3) An assessment of the current level of staffing of the Board and
20 District Commissions, including whether there should be a district coordinator
21 located in every district.

1 (4) Whether the permit fees are sufficient to cover the costs of the
2 program and, if not, a recommendation for a source of revenue to supplement
3 the fees.

4 (5) Whether the permit fees are effective in providing appropriate
5 incentives.

6 (6) Whether the Board should be able to assess its costs on applicants.

7 (7) Whether increasing jurisdictional thresholds for housing
8 development to 25 units under 10 V.S.A. § 6001(3)(A)(iv) would affect
9 housing affordability, especially for primary homeownership, and what the
10 potential impact of increasing those thresholds to 25 units would have on
11 natural and community resources addressed under existing Act 250 criteria.

12 * * * Covenants * * *

13 Sec. 20. 27 V.S.A. § 545 is amended to read:

14 § 545. COVENANTS, CONDITIONS, AND RESTRICTIONS OF
15 SUBSTANTIAL PUBLIC INTEREST

16 (a) Deed restrictions, covenants, or similar binding agreements added after
17 March 1, 2021 that prohibit or have the effect of prohibiting land development
18 allowed under 24 V.S.A. § 4412(1)(E) and (2)(A) shall not be valid.

19 (b) Deed restrictions or covenants added after July 1, 2023 shall not be
20 valid if they require a minimum dwelling unit size on the property or more
21 than one parking space per dwelling unit if the property is located in an area

1 served by municipal sewer and water infrastructure as defined in 24 V.S.A.
2 § 4412(14).

3 (c) This section shall not affect the enforceability of any property interest
4 held in whole or in part by a qualified organization or State agency as defined
5 in 10 V.S.A. § 6301a, including any restrictive easements, such as
6 conservation easements and historic preservation rights and interests defined in
7 10 V.S.A. § 822. This section shall not affect the enforceability of any
8 property interest that is restricted by a housing subsidy covenant as defined by
9 section 610 of this title and held in whole or in part by an eligible applicant as
10 defined in 10 V.S.A. § 303(4) or the Vermont Housing Finance Agency.

11 * * * Road Disclosure * * *

12 Sec. 21. 27 V.S.A. § 617 is added to read:

13 § 617. DISCLOSURE OF CLASS 4 ROAD

14 (a) Disclosure of maintenance on class 4 highway. Any property owner
15 who sells property located on a class 4 highway or legal trail shall disclose to
16 the buyer that the municipality is not required to maintain the highway or trail
17 as described in 19 V.S.A. § 310.

18 (b) Marketability of title. Noncompliance with the requirements of this
19 section shall not affect the marketability of title of a property.

20 * * * Building Energy Code Study Committee * * *

21 Sec. 22. FINDINGS

1 The General Assembly finds that:

2 (1) Vermont established the Residential Building Energy Standards
3 (RBES) in 1997 and the Commercial Building Energy Standards (CBES) in
4 2007. The Public Service Department is responsible for adopting and updating
5 these codes regularly but does not have the capacity to administer or enforce
6 them.

7 (2) The RBES and CBES are mandatory, but while municipalities with
8 building departments handle some aspects of review and inspection, there is no
9 State agency or office designated to interpret, administer, and enforce them.

10 (3) The Division of Fire Safety in the Department of Public Safety is
11 responsible for development, administration, and enforcement of building
12 codes but does not currently have expertise or capacity to add administration or
13 enforcement of energy codes in buildings.

14 (4) Studies in recent years show compliance with the RBES at about 54
15 percent and CBES at about 87 percent, with both rates declining. Both codes
16 are scheduled to become more stringent with the goal of “net-zero ready” by
17 2030.

18 (5) In December 2022, the U.S. Department of Energy issued the
19 Bipartisan Infrastructure Law: Resilient and Efficient Codes Implementation
20 Funding Opportunity Announcement. The first \$45 million of a five-year \$225

1 million program is available in 2023. Vermont’s increased code compliance
2 plans should include contingencies for this potential funding.

3 Sec. 23. ENERGY CODE COMPLIANCE; STUDY COMMITTEE

4 (a) Creation. There is created the Building Energy Code Study Committee
5 to recommend strategies for increasing compliance with the Residential
6 Building Energy Standards (RBES) and Commercial Building Energy
7 Standards (CBES).

8 (b) Membership. The Committee shall have 15 members with applicable
9 expertise, to include program design and implementation, building code
10 administration and enforcement, and Vermont’s construction industry. The
11 Speaker of the House shall appoint three members, including up to one
12 legislator. The Committee on Committees shall appoint two members,
13 including up to one legislator. The remaining members shall be the following:

14 (1) the Commissioner of Public Service or designee;

15 (2) the Director of Fire Safety or designee;

16 (3) a representative of Efficiency Vermont;

17 (4) a representative of American Institute of Architects–Vermont;

18 (5) a representative of the Vermont Builders and Remodelers

19 Association;

20 (6) a representative the Burlington Electric Department;

21 (7) a representative of Vermont Gas Systems;

1 (8) a representative of the Association of General Contractors of
2 Vermont;

3 (9) a representative of the Vermont League of Cities and Towns; and

4 (10) a representative from a regional planning commission.

5 (c) Powers and duties. The Committee shall:

6 (1) consider and recommend strategies to increase awareness of and
7 compliance with the RBES and CBES, including the potential designation of
8 the Division of Fire Safety (DFS) in the Department of Public Safety as the
9 statewide authority having jurisdiction for administration, interpretation, and
10 enforcement, in conjunction with DFS' existing jurisdiction, over building
11 codes;

12 (2) evaluate current cost-effectiveness analyses for the RBES and the
13 CBES, whether they include or should include nonenergy benefits such as
14 public health benefits and the cost of carbon, and how that impacts the
15 affordability of housing projects and provide recommendations; and

16 (3) in consultation with the Division of Fire Safety identify and examine
17 provisions from other jurisdictions' fire and life safety codes for residential
18 buildings that would facilitate in Vermont: the increased construction of new
19 residential units; the conversion of existing space into new residential units, or
20 both; and could be incorporated into the Vermont Fire & Building Safety

1 Code, including recommendations for any legislative action necessary to
2 enable the identified provisions into Vermont's Fire and Building Safety Code.

3 (d) Assistance. The Committee shall have the administrative, technical,
4 and legal assistance of the Department of Public Service. The Department
5 shall hire a third-party consultant to assist and staff the Committee, which may
6 be funded by monies appropriated by the General Assembly or any grant
7 funding received.

8 (e) Report. On or before December 1, 2023, the Committee shall submit a
9 written report to the General Assembly with its findings and recommendations
10 for legislative action.

11 (f) Meetings.

12 (1) The Department of Public Service shall call the first meeting of the
13 Committee to occur on or before July 15, 2023.

14 (2) The Committee shall elect a chair from among its members at the
15 first meeting.

16 (3) A majority of the membership shall constitute a quorum.

17 (4) The final meeting shall be held on or before October 31, 2023. The
18 Committee shall cease to exist on December 1, 2023.

19 (g) Compensation and reimbursement.

20 (1) For attendance at meetings during adjournment of the General
21 Assembly, a legislative member of the Committee serving in the legislator's

1 capacity as a legislator shall be entitled to per diem compensation and
2 reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than six
3 meetings.

4 (2) Other members of the Committee who are not otherwise
5 compensated by their employer shall be entitled to per diem compensation and
6 reimbursement of expenses as permitted under 32 V.S.A. § 1010 for not more
7 than six meetings.

8 (3) The payments under this subsection (g) shall be made from monies
9 appropriated by the General Assembly or any grant funding received.

10 Sec. 24. RURAL RECOVERY COORDINATION COUNCIL

11 (a) Goals. The Rural Recovery Coordination Council is created to study
12 and make recommendations on how to strengthen coordination between
13 agencies and stakeholders involved in rural community development.

14 (b) Purposes. The Council shall consider and identify strategies to:

15 (1) prioritize areas of investment into Vermont's rural communities in
16 order to ensure necessary resources to meet Vermont's climate goals, rural
17 community development objectives, and environmental sustainability
18 requirements;

19 (2) build long-term emergency and disaster preparedness and recovery;

20 (3) ensure intergovernmental and regional communications and
21 coordination; and

1 (4) improve access to technical assistance and support from regional and
2 statewide agencies and programs.

3 (c) Powers and duties. The Council shall identify structural changes and
4 improve coordination across all levels of government to support rural
5 community development, including addressing the following issues:

6 (1) a permanent structure for ensuring rural community development
7 programming within State government;

8 (2) how to better include rural voices in regional collaboration and
9 prioritization projects;

10 (3) how municipal, regional, and State plans, policies, and investments
11 can be integrated and mutually supportive;

12 (4) where to establish an office of Rural Community Development and
13 how long the office should be authorized for; and

14 (5) how to support capacity at the municipal level and how to support
15 multitown coordination and collaboration.

16 (d) Report. On or before December 15, 2023, the Council shall report to
17 the General Assembly and to the Agency of Administration with its findings,
18 recommendations, and draft legislation.

19 (e) Members. The Council shall comprise the following members:

20 (1) the Vermont Chief Performance Officer or designee;

- 1 (2) the Secretary of Commerce and Community Development or
2 designee;
- 3 (3) the Commissioner of Public Service or designee;
- 4 (4) the Secretary of Transportation or designee;
- 5 (5) the Director of Racial Equity or designee;
- 6 (6) one or more representatives from the regional planning commissions
7 appointed by the Vermont Association of Planning and Development
8 Agencies;
- 9 (7) one or more representatives from the regional development
10 corporations appointed by the Regional Development Corporations of
11 Vermont;
- 12 (8) the Executive Director of the Vermont League of Cities and Towns
13 or designee;
- 14 (9) a member, appointed by the Vermont Communications Union
15 Districts Association;
- 16 (10) the Secretary of Natural Resources or designee;
- 17 (11) a member, appointed by the University of Vermont Office of
18 Engagement;
- 19 (12) a member, appointed by the Vermont Housing and Conservation
20 Board;

1 (13) a member of the House of Representatives, appointed by the
2 Speaker of the House; and

3 (14) a member of the Senate, appointed by the Committee on
4 Committees.

5 (f) Compensation and reimbursement.

6 (1) For attendance at meetings during adjournment of the General
7 Assembly, a legislative member of the Council shall be entitled to per diem
8 compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23.

9 (2) Other members of the Council shall be entitled to per diem
10 compensation and reimbursement of expenses as permitted under 32 V.S.A.
11 § 1010.

12 (g) Meetings; administration.

13 (1) The Council shall meet at least five times and take testimony from a
14 variety of stakeholders, including from representatives from municipalities of
15 variety of sizes and from those with experience in state land use planning,
16 regional planning, municipal planning, economic planning, or strategic
17 planning.

18 (2) The Vermont Council on Rural Development shall convene the first
19 meeting the Rural Recovery Coordination Council, facilitate the meetings, and
20 provide administrative support.

21 (3) The Committee shall cease to exist on March 31, 2024.

1 (h) Appropriation. In fiscal year 2024, the amount of \$40,000.00 is
2 appropriated from the General Fund to the Agency of Commerce and
3 Community Development to provide funding for the Council as follows:

4 (1) \$30,000.00 to the Vermont Council on Rural Development to
5 convene meetings of the Council and provide administrative and policy
6 support; and

7 (2) \$10,000.00 to provide per diem compensation and reimbursement of
8 expenses for members of the Council.

9 **Sec. 25. ANR REVIEW OF PERMITTING OF POTABLE WATER AND**
10 **WASTEWATER CONNECTION PERMITS**

11
12 **Sec. 25a. 2022 Acts and Resolves No. 182, Sec. 40 is amended to read:**

13 Sec. 40. DESIGNATED AREA REPORT; APPROPRIATION

14 * * *

15 (3) On or before ~~July 15, 2023,~~ **December 31, 2023,** the consultant shall
16 submit a written report to the General Assembly with its findings and any
17 recommendations for legislative action.

1 (Committee vote: _____)

2

3

Representative _____

4

FOR THE COMMITTEE