

1 Introduced by Committee on Economic Development and Housing and

2 General Affairs

3 Referred to Committee on

4 Date:

5 Subject: Commerce and trade; housing

6 Statement of purpose of bill as introduced: This bill proposes to promote

7 affordable and sustainable housing through changes relating to: tax increment

8 finance districts; affordable housing; priority housing projects.

9 An act relating to promoting affordable and sustainable housing

10 It is hereby enacted by the General Assembly of the State of Vermont:

11 * * * Workforce Housing Pilot Projects * * *

12 Sec. 1. WORKFORCE HOUSING PILOT PROJECTS

13 (a) Definitions. As used in this act:

14 (1) “Improvements” means the installation, new construction, or
15 reconstruction of infrastructure to benefit a workforce housing pilot project,
16 including utilities, transportation, public facilities and amenities, land and
17 property acquisition and demolition, and site preparation.

18 (2) “New workforce housing development” means new construction of
19 owner-occupied housing, rental housing, or both, on a single parcel or multiple

1 contiguous parcels of land, to create 12 or more independent dwelling units,
2 which may be detached or connected.

3 (3) “Related costs” means expenses incurred and paid by the
4 municipality, exclusive of the actual cost of constructing and financing
5 improvements, that are directly related to the creation and implementation of a
6 workforce housing tax increment financing district, including reimbursement
7 of sums previously advanced by the municipality for those purposes, direct
8 municipal expenses such as departmental or personnel costs related to creating
9 or administering the project, and audit costs allocable to the district.

10 (4) “Senior housing redevelopment” means renovation of one or more
11 existing structures on a single parcel or multiple contiguous parcels of land to
12 create four or more independent dwelling units of owner-occupied housing,
13 rental housing, or both, the occupation of each unit of which is limited by
14 covenant or restriction to include at least one person who is 55 years of age or
15 older.

16 (5) “Workforce housing pilot project” means a new workforce housing
17 development, a senior housing redevelopment, or a workforce housing
18 redevelopment, subject to the following criteria:

19 (A) The project is:

1 (i) located in a designated downtown development district,
2 designated new town center, designated growth center, or designated
3 neighborhood development area under 24 V.S.A. chapter 76A; or

4 (ii)(I) has a minimum residential density greater than or equal to
5 four single-family detached dwelling units per acre, exclusive of accessory
6 dwelling units as defined in 24 V.S.A. § 4303, or no fewer than the average
7 existing density of the surrounding neighborhood, whichever is greater; and

8 (II) the area in which the project is located represents a logical
9 extension of an existing settlement pattern.

10 (B) For purposes of calculating density pursuant to subdivision
11 (A)(ii)(I) of this subsection, total acreage includes all of the acreage within the
12 parcel or parcels on which a project is located, regardless of whether any
13 portion of the land may be unsuitable for development.

14 (C) If the project is a new workforce housing development or
15 workforce housing redevelopment:

16 (i) For a minimum of 25 percent of the total units in the project,
17 the total annual cost of owner-occupied housing, including principal, interest,
18 taxes, insurance, and condominium association fees, and the total annual cost
19 of rental housing, including rent, utilities, and condominium association fees,
20 will not exceed 30 percent of the gross annual income of a household at
21 80 percent of:

1 (I) the county median income, as defined by the U.S.

2 Department of Housing and Urban Development; or

3 (II) the standard metropolitan statistical area median income if
4 the municipality is located in such an area, as defined by the U.S. Department
5 of Housing and Urban Development.

6 (ii) For a minimum of 50 percent of the total units in the project,
7 the total annual cost of owner-occupied housing, including principal, interest,
8 taxes, insurance, and condominium association fees, and the total annual cost
9 of rental housing, including rent, utilities, and condominium association fees,
10 will be between 30 percent of the gross annual income of a household at more
11 than 80 percent, and 30 percent of the gross annual income of a household at
12 120 percent, of:

13 (I) the county median income, as defined by the U.S.

14 Department of Housing and Urban Development; or

15 (II) the standard metropolitan statistical area median income if
16 the municipality is located in such an area, as defined by the U.S. Department
17 of Housing and Urban Development.

18 (6) “Workforce housing redevelopment” means renovation of one or
19 more existing structures on a single parcel or multiple contiguous parcels of
20 land to create four or more independent dwelling units of owner-occupied
21 housing, rental housing, or both.

1 (b) Eligible workforce housing pilot projects; approval. The Agency of
2 Commerce and Community Development shall create an application and
3 approval process to authorize a workforce housing pilot project in up to five
4 municipalities, subject to the following limitations:

5 (1) Not more than one project may be located in a single county.

6 (2) Not more than one project may be located in a single municipality.

7 (c) If the Agency approves a project in a municipality that is currently
8 authorized to use education tax increment financing under 24 V.S.A. § 1894,
9 the municipality shall segregate all monies and accounts related to the project
10 and to the authorized tax increment financing district.

11 (d) Reports. On or before January 15, 2018 and annually thereafter, the
12 Agency of Commerce and Community Development shall report to the House
13 Committees on Commerce and Economic Development and on General,
14 Housing and Military Affairs and the Senate Committee on Economic
15 Development, Housing and General Affairs on action it has taken pursuant to
16 this act, the status of any municipal action on developing one or more
17 workforce housing pilot projects, and any recommendations for additional
18 administrative or legislative action.

19 Sec. 2. WORKFORCE HOUSING TAX INCREMENT FINANCING

20 (a) General authority. Notwithstanding any provision of 24 V.S.A. chapter
21 53 or 32 V.S.A. § 5404a to the contrary, upon approval of the Agency of

1 Commerce and Community Development, a municipality may incur debt to
2 provide funding for improvements and related costs and use workforce housing
3 tax increment financing pursuant to this section to repay the debt and related
4 costs.

5 (b) Municipal approval.

6 (1) A municipality may issue a request for proposals from one or more
7 developers to create a workforce housing pilot project within the municipality.

8 (2) The legislative body of the municipality shall hold one or more
9 public hearings to gather information and consider the details of project
10 proposals, including:

11 (A) the type and scope of the workforce housing pilot project;

12 (B) how the project and municipal funding conforms with the criteria
13 and purposes of this act;

14 (C) the current taxable value of the tax parcel or parcels on which the
15 project is planned and the projected value of the parcel or parcels following
16 completion of the project; and

17 (D) a workforce housing tax increment financing plan that includes
18 the type and amount of debt the municipality would incur, projections on the
19 economic feasibility of the project, and an analysis of the ability to repay
20 the debt.

1 (3) Following public notice, hearing, and opportunity to comment, the
2 legislative body of the municipality may grant initial approval to a proposal
3 and pursue approval from the Agency of Commerce and Community
4 Development.

5 (c) Board approval; voter approval.

6 (1) The Agency shall review and approve applications in its discretion
7 based on:

8 (A) a finding that the project will generate a net fiscal benefit to the
9 State and the municipality; and

10 (B) the overall viability of the project and the extent to which it
11 achieves the efficient creation of necessary housing and promotes economic
12 development in the municipality and the region.

13 (2) If the Agency approves a project, before the municipality may incur
14 debt for the project the voters of the municipality shall approve the debt
15 obligation by a majority vote of those present and voting at a regular or special
16 meeting for which voting upon the debt obligation was properly warned.

17 (3) Following final voter approval, the municipality has up to one year
18 to incur debt pursuant to the financing plan, which the Agency may extend up
19 to one additional year for good cause.

20 (d) Life of district. A workforce housing tax increment financing district
21 remains active and subject to this act from the date the municipality incurs debt

1 for the project until the date the municipality repays the debt, including debt
2 that it refinances, or for 20 years, whichever is sooner.

3 (e) Financing. During the life of an active district, the following apply,
4 notwithstanding any provision of law to the contrary:

5 (1) Valuation.

6 (A) Within 30 days of voter approval pursuant to subsection (c) of
7 this section, the lister or assessor for a municipality shall certify to the
8 legislative body of the municipality the original taxable value of a workforce
9 housing pilot project parcel as of the date the voters approved the debt
10 obligation.

11 (B) On or before June 30 following voter approval and annually
12 thereafter, the lister or assessor shall assess and certify to the legislative body
13 the current value of a project parcel.

14 (2) Tax rate.

15 (A) The lister or assessor shall use the original taxable value of a
16 project parcel when computing the municipal tax rate.

17 (B) When calculating the amount of tax due on a project parcel, the
18 treasurer shall apply the municipal tax rate to the current assessed value, rather
19 than the original taxable value.

1 (3) Tax increment.

2 (A) The “tax increment” is the amount of tax paid on a project parcel,
3 as calculated pursuant to subdivision (2)(B) of this subsection using the current
4 assessed value, that exceeds the amount of tax that would have been due if the
5 tax rate were applied to the original taxable value.

6 (B) The tax increment includes both the municipal share and the
7 State share of the tax owed.

8 (C) A municipality shall segregate the tax increment in a special
9 account and in its official books and records.

10 (4) Use of tax increment.

11 (A) As of each date the municipality receives a tax payment and
12 retains a portion of the tax increment pursuant to this section, the municipality
13 shall use the portion of the tax increment that is necessary to pay costs actually
14 incurred as of that date for debt service and related costs.

15 (B) If, after paying for improvements and related costs, there remains
16 any excess portion of the tax increment, the municipality shall:

17 (i) allocate 25 percent of the excess portion to a debt service
18 reserve fund for future debt service and related costs;

19 (ii) allocate 25 percent of the excess portion to its general
20 fund; and

1 (iii) transfer 50 percent of the excess portion to the Vermont
2 Housing and Conservation Board for the purpose of supporting affordable
3 housing.

4 (f) Annual audit.

5 (1) The municipality shall ensure that the segregated account for the
6 workforce housing tax increment financing district required by this act is
7 subject to the annual audit requirements prescribed in 24 V.S.A. §§ 1681
8 and 1690.

9 (2) Any audit procedures shall include verification of the original
10 taxable value and current assessed value, expenditures for project debt service
11 and related costs, annual and total tax increment funds generated, and
12 allocation of tax increment funds.

13 * * * TIF Districts; Removal of Cap * * *

14 Sec. 3. 24 V.S.A. § 1892 is amended to read:

15 § 1892. CREATION OF DISTRICT

16 (a) Upon a finding that such action will serve the public purposes of this
17 subchapter ~~and subject to subsection (d) of this section~~, the legislative body of
18 any municipality may create within its jurisdiction a special district to be
19 known as a tax increment financing district. The district shall be described by
20 its boundaries and the properties therein and the district boundary shall be
21 shown on a plan entitled "Proposed Tax Increment Financing District

1 (municipal name), Vermont." The legislative body shall hold one or more
2 public hearings, after public notice, on the proposed plan.

3 * * *

4 ~~(d) The following municipalities have been authorized to use education tax~~
5 ~~increment financing for a tax increment financing district, and the Vermont~~
6 ~~Economic Progress Council is not authorized to approve any additional tax~~
7 ~~increment financing districts even if one of the districts named in this~~
8 ~~subsection is terminated pursuant to subsection 1894(a) of this subchapter:~~

9 ~~(1) the City of Burlington, Downtown;~~

10 ~~(2) the City of Burlington, Waterfront;~~

11 ~~(3) the Town of Milton, North and South;~~

12 ~~(4) the City of Newport;~~

13 ~~(5) the City of Winooski;~~

14 ~~(6) the Town of Colchester;~~

15 ~~(7) the Town of Hartford;~~

16 ~~(8) the City of St. Albans;~~

17 ~~(9) the City of Barre; and~~

18 ~~(10) the Town of Milton, Town Core. [Repealed.]~~

19 * * * Municipal Outreach; Sewerage and Water Service Connections * * *

20 Sec. 4. AGENCY OF NATURAL RESOURCES; EDUCATION AND
21 OUTREACH; DELEGATION; SEWERAGE AND WATER

1 SERVICE CONNECTIONS

2 (a) The Secretary of Natural Resources, after consultation with the
3 Vermont League of Cities and Towns, shall conduct outreach and education
4 for municipalities regarding the ability of a municipality under 10 V.S.A.
5 § 1976 to be delegated the authority to permit the connection of a municipal
6 sewer or water service line to subdivided land, a building, or a campground.

7 (b) The education and outreach shall specify the conditions or requirements
8 for delegation, how a municipality can seek delegation, and contact
9 information or other resource to provide additional information regarding
10 delegation. The education and outreach may include educational materials,
11 workshops, or classes regarding the ability of a municipality to be delegated
12 under 10 V.S.A. § 1976 the permitting of sewer and water service connection
13 permitting.

14 (c) On or before January 15, 2018, the Secretary of Natural Resources shall
15 submit a report to the Senate Committees on Natural Resources and Energy
16 and Economic Development, Housing and General Affairs and the House
17 Committees on Natural Resources, Fish and Wildlife and Commerce
18 summarizing the education and outreach conducted or planned by the
19 Secretary under the requirements of this section and whether any municipality
20 has sought delegation of sewer and water service connection permitting under
21 10 V.S.A. § 1976 since the effective date of this act.

1 * * * Housing Revenue Bond; Property Transfer Tax; Housing Projects * * *

2 Sec. 5. HOUSING FOR ALL

3 (a) Findings and Purpose.

4 (1) The General Assembly finds that investments are needed to help
5 house the most vulnerable as well as creating more homes for workers.

6 (2) The shortage of affordable and available homes has been highlighted
7 recently by:

8 (A) the Vermont Futures Project of the Vermont Chamber of
9 Commerce, which set a growth target of 5,000 new and improved housing
10 units annually;

11 (B) a national consultant’s recommendations for a Roadmap to End
12 Homelessness, which calls for 368 new units for permanent supportive housing
13 and 1,251 new homes affordable at 30 percent of median or below over the
14 next five years; and

15 (C) the 2015 statewide housing needs assessment by Bowen National
16 Research, which found the largest gaps in housing affordable to households
17 below 30 percent of median and between 85 percent and 120 percent, and a
18 lack of housing availability across the income spectrum.

19 (3) The purpose of this section is to promote the development and
20 improvement of housing for Vermonters.

1 (b)(1) The Vermont Housing and Conservation Board shall use housing
2 revenue bond proceeds to fund the creation and improvement of ownership and
3 rental housing for Vermonters with very-low to middle-income in areas
4 targeted for growth and reinvestment.

5 (2)(A) Not less than 25 percent of the housing shall be targeted to
6 Vermonters with very low income, meaning households below 50 percent of
7 area median income; and

8 (B) not less than 25 percent shall be targeted to Vermonters with
9 moderate income, meaning households between 80 and 120 percent of median
10 income.

11 Sec. 6. 32 V.S.A. § 9610 is amended to read:

12 § 9610. REMITTANCE OF RETURN AND TAX; INSPECTION OF
13 RETURNS

14 (a) Not later than 30 days after the receipt of any property transfer return, a
15 town clerk shall file the return in the office of the town clerk and electronically
16 forward a copy of the acknowledged return to the Commissioner; provided,
17 however, that with respect to a return filed in paper format with the town, the
18 Commissioner shall have the discretion to allow the town to forward a paper
19 copy of that return to the department.

20 (b) The copies of property transfer returns in the custody of the town clerk
21 may be inspected by any member of the public.

1 (c) Prior to distributions of property transfer tax revenues under 10 V.S.A. §
2 312, 24 V.S.A. § 4306(a), and 32 V.S.A. § 435(b)(10), one percent of the
3 revenues received from the property transfer tax shall be deposited in a special
4 fund in the Department of Taxes for Property Valuation and Review
5 administration costs.

6 (d) Prior to any distribution of property transfer tax revenue under 10
7 V.S.A. § 312, 24 V.S.A. § 4306(a), and section 435(b)(10) of this title, \$2.5
8 million of the revenue received from the property transfer tax shall be used for
9 the purpose of repaying a housing revenue bond, the proceeds of which shall
10 be deposited in the Vermont Housing and Conservation Trust Fund.

11 Sec. 7. 10 V.S.A. § 323 is amended to read:

12 § 323. ANNUAL REPORT

13 Prior to January 31 of each year, the ~~board~~ Board shall submit a report
14 concerning its activities to the ~~governor~~ Governor and legislative committees
15 on agriculture, natural resources and energy, appropriations, ways and means,
16 finance, and institutions. The report shall include, ~~but not be limited to,~~ the
17 following:

18 (1) a list and description of activities funded by the board during the
19 preceding year, including commitments made to fund projects through housing
20 bond proceeds and project descriptions, levels of affordability, and geographic
21 location;

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* * * Municipal Land Use and Development; Affordable Housing * * *

Sec. 8. 24 V.S.A. § 4303 is amended to read:

§ 4303. DEFINITIONS

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

(1) “Affordable housing” means either of the following:

(A) Housing that is owned by its inhabitants whose gross annual household income does not exceed ~~80~~ 120 percent of the county median income, or ~~80~~ 120 percent of the standard metropolitan statistical area income if the municipality is located in such an area, as defined by the U.S. Department of Housing and Urban Development, and the total annual cost of the housing, including principal, interest, taxes, insurance, and condominium association fees is not more than 30 percent of the household’s gross annual income.

(B) Housing that is rented by its inhabitants whose gross annual household income does not exceed 80 percent of the county median income, or 80 percent of the standard metropolitan statistical area income if the municipality is located in such an area, as defined by the U.S. Department of Housing and Urban Development, and the total annual cost of the housing,

1 including rent, utilities, and condominium association fees, is not more than 30
2 percent of the household's gross annual income.

3 * * *

4 * * * Act 250; Priority Housing Projects * * *

5 Sec. 9. 10 V.S.A. § 6001 is amended to read:

6 § 6001. DEFINITIONS

7 In this chapter:

8 * * *

9 (3)(A) "Development" means each of the following:

10 * * *

11 (iv) The construction of housing projects such as cooperatives,
12 condominiums, or dwellings, or construction or maintenance of mobile homes
13 or mobile home parks, with 10 or more units, constructed or maintained on a
14 tract or tracts of land, owned or controlled by a person, within a radius of five
15 miles of any point on any involved land, and within any continuous period of
16 five years. However:

17 (I) A priority housing project shall constitute a development
18 under this subdivision (iv) only if the number of housing units in the project is:

19 (aa) ~~275 or more, in a municipality with a population of~~
20 ~~15,000 or more; [Repealed.]~~

1 (bb) ~~150 or more, in a municipality with a population of~~
2 ~~10,000 or more but less than 15,000; [Repealed.]~~

3 (cc) 75 or more, in a municipality with a population of 6,000
4 or more but less than 10,000;

5 (dd) 50 or more, in a municipality with a population of
6 3,000 or more but less than 6,000;

7 (ee) 25 or more, in a municipality with a population of less
8 than 3,000; and

9 (ff) notwithstanding subdivisions ~~(aa)~~(cc) through (ee) of
10 this subdivision (3)(A)(iv)(I), 10 or more if the construction involves the
11 demolition of one or more buildings that are listed on or eligible to be listed on
12 the State or National Register of Historic Places. However, demolition shall
13 not be considered to create jurisdiction under this subdivision if the Division
14 for Historic Preservation has determined that the proposed demolition will
15 have no adverse effect, will have no adverse effect if specified conditions are
16 met, or will have an adverse effect that will be adequately mitigated. Any
17 imposed conditions shall be enforceable through a grant condition, deed
18 covenant, or other legally binding document.

19 (II) The determination of jurisdiction over a priority housing
20 project shall count only the housing units included in that discrete project.

1 (III) Housing units in a priority housing project shall not count
2 toward determining jurisdiction over any other project.

3 * * *

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

5 * * *

6 (viii) The construction of a priority housing project in a
7 municipality with a population of 10,000 or more. However, if the
8 construction of the project involves demolition of one or more buildings that
9 are listed or eligible to be listed on the State or National Register of Historic
10 Places, this exemption shall not apply unless the Division for Historic
11 Preservation has made the determination described in subdivision
12 (3)(A)(iv)(I)(ff) of this section and any imposed conditions are enforceable in
13 the manner set forth in that subdivision.

14 * * *

15 (27) “Mixed income housing” means a housing project in which the
16 following apply:

17 (A) Owner-occupied housing. At the option of the applicant,
18 owner-occupied housing may be characterized by either of the following:

19 (i) at least 15 percent of the housing units have a purchase price
20 which at the time of first sale does not exceed 85 percent of the new

1 construction, targeted area purchase price limits established and published
2 annually by the Vermont Housing Finance Agency; or

3 (ii) at least 20 percent of the housing units have a purchase price
4 which at the time of first sale does not exceed 90 percent of the new
5 construction, targeted area purchase price limits established and published
6 annually by the Vermont Housing Finance Agency;

7 (B) Rental Housing. ~~At least 20 percent of the housing units that are~~
8 ~~rented constitute affordable housing and have a duration of affordability of no~~
9 ~~less than 20 years~~ In addition to owner-occupied housing, the project may
10 include housing units that are rented.

11 (28) “Mixed use” means construction of both mixed income housing
12 and construction of space for any combination of retail, office, services,
13 artisan, and recreational and community facilities, provided at least 40 percent
14 of the gross floor area of the buildings involved is mixed income housing.
15 “Mixed use” does not include industrial use.

16 (29) “Affordable housing” means either of the following:

17 (A) Housing that is owned by its occupants whose gross annual
18 household income does not exceed 80 percent of the county median income, or
19 80 percent of the standard metropolitan statistical area income if the
20 municipality is located in such an area, as defined by the U.S. Department of
21 Housing and Urban Development, and the total annual cost of the housing,

1 including principal, interest, taxes, insurance, and condominium association
2 fees, is not more than 30 percent of the gross annual household income.

3 (B) Housing that is rented by the occupants whose gross annual
4 household income does not exceed 80 percent of the county median income, or
5 80 percent of the standard metropolitan statistical area income if the
6 municipality is located in such an area, as defined by the U.S. Department of
7 Housing and Urban Development, and the total annual cost of the housing,
8 including rent, utilities, and condominium association fees, is not more than 30
9 percent of the gross annual household income.

10 * * *

11 (35) “Priority housing project” means a discrete project located on a
12 single tract or multiple contiguous tracts of land that consists exclusively of:

13 (A) mixed income housing or mixed use, or any combination thereof,
14 and is located entirely within a designated downtown development district,
15 designated new town center, designated growth center, or designated village
16 center that is also a designated neighborhood development area under
17 24 V.S.A. chapter 76A; or

18 (B) mixed income housing and is located entirely within a designated
19 Vermont neighborhood or designated neighborhood development area under
20 24 V.S.A. chapter 76A.

21 * * *

1 Sec. 10. 10 V.S.A. § 6081 is amended to read:

2 § 6081. PERMITS REQUIRED; EXEMPTIONS

3 (a) No person shall sell or offer for sale any interest in any subdivision
4 located in this State, or commence construction on a subdivision or
5 development, or commence development without a permit. This section shall
6 not prohibit the sale, mortgage, or transfer of all, or an undivided interest in all,
7 of a subdivision unless the sale, mortgage, or transfer is accomplished to
8 circumvent the purposes of this chapter.

9 * * *

10 (o) If a ~~downtown development district~~ designation pursuant to 24 V.S.A.
11 ~~§ 2793~~ chapter 76A is removed, subsection (a) of this section shall apply to
12 any subsequent substantial change to a priority housing project that was
13 originally exempt pursuant to subdivision 6001(3)(A)(iv)(I) of this title on the
14 basis of that designation.

15 (p)(1) No permit or permit amendment is required for any change to a
16 project that is located entirely within a downtown development district
17 designated pursuant to 24 V.S.A. § 2793, if the change consists exclusively of
18 any combination of mixed use and mixed income housing, and the cumulative
19 changes within any continuous period of five years, commencing on or after
20 the effective date of this subsection, remain below the jurisdictional threshold
21 specified in subdivision 6001(3)(A)(iv)(I) of this title.

1 (2) No permit or permit amendment is required for a priority housing
2 project in a designated center other than a downtown development district if
3 the project remains below the jurisdictional threshold specified in subdivision
4 6001(3)(A)(iv)(I) of this title and will comply with all conditions of any
5 existing permit or permit amendment issued under this chapter that applies to
6 the tract or tracts on which the project will be located. If such a priority
7 housing project will not comply with one or more of these conditions, an
8 application may be filed pursuant to section 6084 of this title.

9 * * *

10 **Sec. 11. 10 V.S.A. § 6084 is amended to read:**

11 **§ 6084. NOTICE OF APPLICATION; HEARINGS, COMMENCEMENT OF**
12 **REVIEW**

13 * * *

14 (f) This subsection concerns an application for a permit amendment to
15 change the conditions of an existing permit or permit amendment in order to
16 authorize the construction of a priority housing project described in
17 subdivision 6081(p)(2) of this title.

18 (1) The District Commission may authorize a district coordinator to
19 issue such an amendment, without notice and a hearing, if the applicant
20 demonstrates that all parties to the permit or permit amendment or their

1 successors in interest have consented to the proposed changes to conditions
2 relative to the criteria for which the party retained party status.

3 (2) If the applicant is not able to obtain the consent of a party or parties
4 or their successors in interest with respect to one or more of the conditions
5 proposed to be changed, the applicant shall file a permit application pursuant to
6 this section. However, review by the District Commission shall be limited to
7 whether the changes to conditions not consented to by the party or parties or
8 their successors in interest enable positive findings under subsection 6086(a)
9 and are authorized under subsection 6086(c) of this title.

10 * * * Downtown Tax Credits * * *

11 Sec. 12. 32 V.S.A. § 5930ee is amended to read:

12 § 5930EE. LIMITATIONS

13 Beginning in fiscal year 2010 and thereafter, the State Board may award tax
14 credits to all qualified applicants under this subchapter, provided that:

15 (1) the total amount of tax credits awarded annually, together with sales
16 tax reallocated under section 9819 of this title, does not exceed ~~\$2,200,000.00~~
17 \$2,400,000.00;

18 (2) a total annual allocation of no more than 30 percent of these tax
19 credits in combination with sales tax reallocation may be awarded in
20 connection with all of the projects in a single municipality;

1 (3) façade tax credits shall not be available for projects that qualify for
2 the federal rehabilitation tax credit;

3 (4) no credit shall be allowed under this subchapter for the cost of
4 acquiring any building or interest in a building;

5 (5) credit under any one subsection of 5930cc of this subchapter may not
6 be allocated more often than once every two years with respect to the same
7 building; ~~and~~

8 (6) credit awarded under section 5930cc of this subchapter that is
9 rescinded or recaptured by the State Board shall be available for the State
10 Board to award to applicants in any subsequent year, in addition to the total
11 amount of tax credits authorized under this section; and

12 (7) of the total amount of credits authorized by this section, \$200,000.00
13 of those credits shall be prioritized to support projects creating co-work
14 facilities in downtown and village centers which do not have a small business
15 incubation facility, as that term is used in chapter 12 of title 10.

16 Sec. 13. EFFECTIVE DATE

17 This act shall take effect on July 1, 2017.