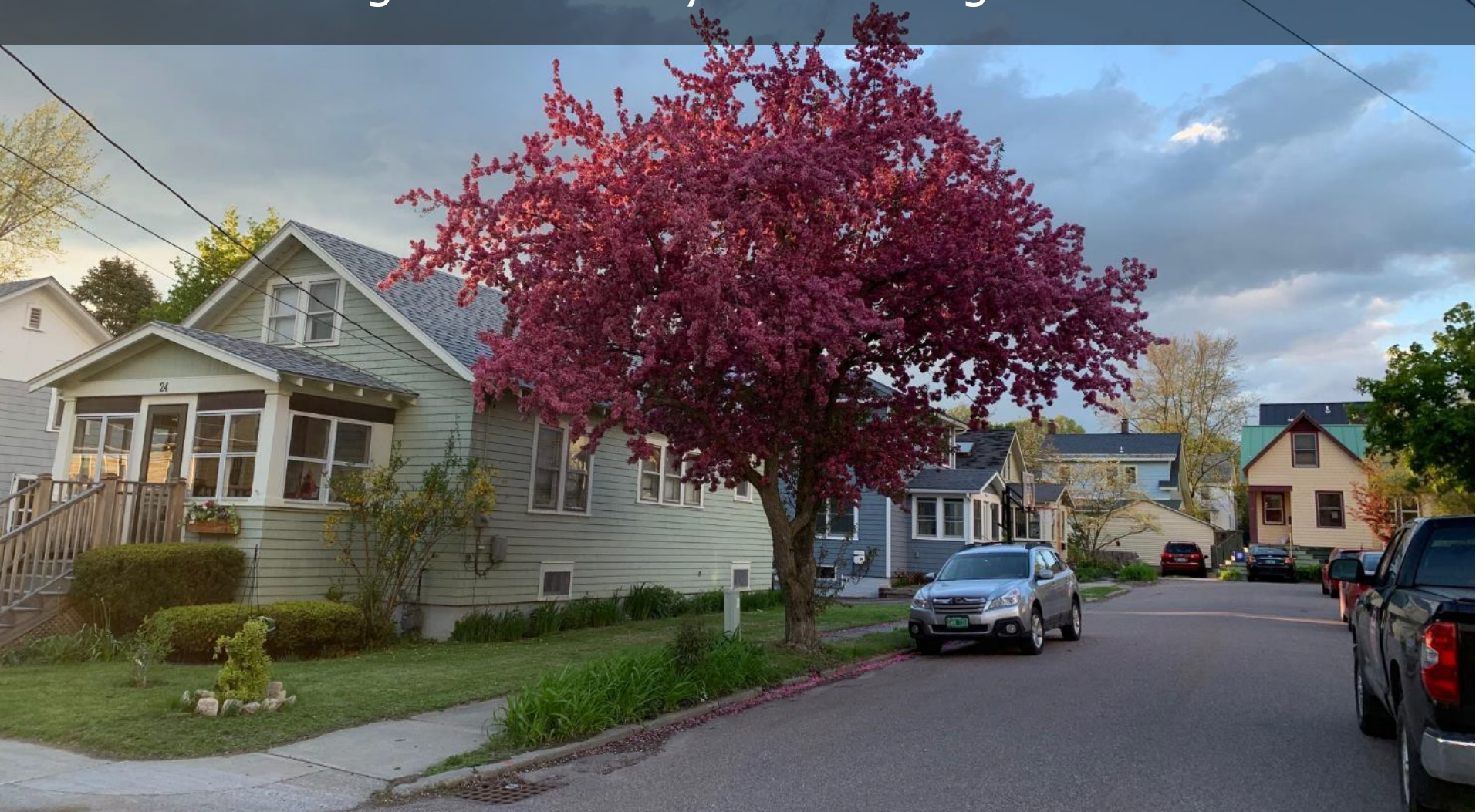


# H.782

An act relating to community and housing investment



# H.782

An act relating to community and housing investment

## **Modernize state regulations to support housing**

### **Act 250 in State Designated Downtowns & Neighborhoods**

- Modifies jurisdiction to exempt development-ready downtowns and neighborhoods
- Transitions existing permits to municipal review

### **State & Municipal Water/Wastewater Connection Permits**

- Exempts state connection permits in willing and capable municipalities
- Requires communities improve maps of their sewer and water infrastructure

# H.782

An act relating to community and housing investment

## **Regulation, Municipal Technical Assistance & Training**

- New funding [\$150K for Regional Planning Commissions; \$150K for Municipal Planning Grants] to help cities and towns update and adopt housing ready bylaws\*
- Funding [\$50K] to train “missing middle” builders and landlords to jumpstart development in all counties

\* The ‘best practices’ bylaw project is led by DHCD, in partnership with Congress for the New Urbanism, six municipalities, and the Regional Planning Commissions. The project was funded by VHCB, VT-AARP, and the VT Association of Realtors

# H.782

An act relating to community and housing investment

## **Proposed new funding support community revitalization**

### **\$1.4 M Increase in Downtown and Village Center Tax Credits**

- Provides tax credits for income producing properties within Neighborhood Development Areas
- Supports elevation and floodproofing buildings at risk

### **\$1M Vermont Housing Improvement Program Grants**

- Creates housing provider grants to bring unsafe, blighted, and vacant rental units up to code and back online.

### **\$250K “Better Places” Crowd-granting Framework**

- Establishes a framework to leverage funding from private foundations for placemaking in state designated centers.

# Number of State Designations: 223



**Village Centers: 187**



**Downtowns: 23**



**New Town Centers: 2**

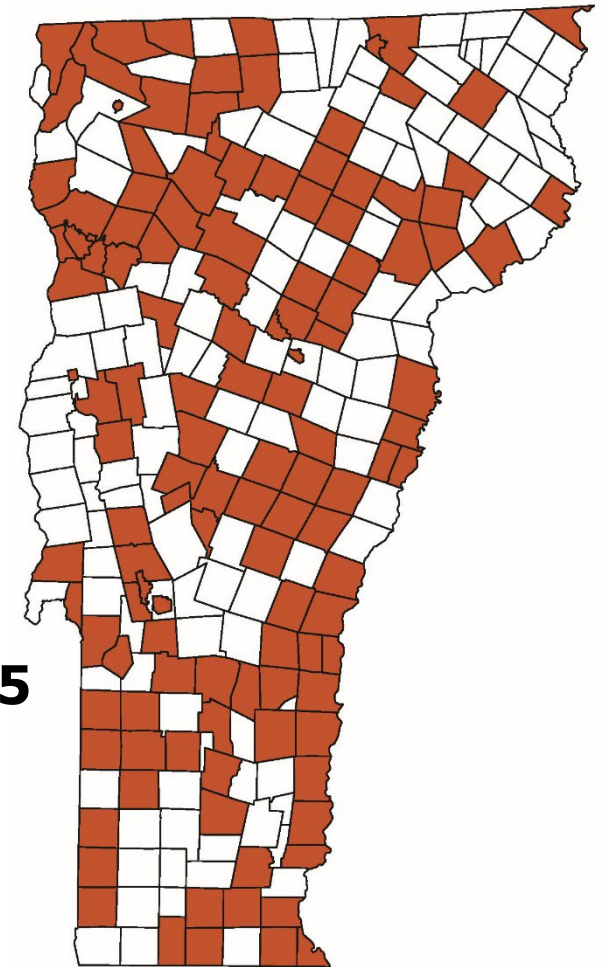
## Add-On Designations



**Neighborhood Development Areas: 5**



**Growth Centers: 6**





# Downtown and Village Center Tax Credits

## **The Basics**

- Goal to stimulate investment in commercial centers, large and small
- Award \$2.6 Million in credits annually
- Applications are competitive
- Project must be a Designated Downtown or Village Center
- 23 Designated Downtowns, 187 Designated Village Centers

# Downtown & Village Center Tax Credits

## Tax Credit Tiers

**10%** credit for qualified rehabilitation with approved federal application

**25%** credit for façade repairs

**50%** credit for code improvements including elevators and sprinkler systems



Landry Block, St. Johnsbury



# Tax Credit Outcomes



French Block, Montpelier

By the Numbers 2015-2019

**112**  
Projects  
Awarded

**53**  
Communities  
Served

**\$12M**  
Awarded

**\$150M**  
Total  
Investment

# Program Survey



By the Numbers – Responses Tallied from 96 Respondents

**894**

Permanent Jobs  
Retained/Created

**754**

Temporary Jobs

**34**

New Businesses

**16**

Expanded Businesses

# Wilmington



## **Dot's Restaurant**

Total Project Cost  
\$802,000

Tax Credits Awarded  
\$92,087



## **The Village Roost**

Total Project Cost  
\$575,000

Tax Credits Awarded  
\$41,764

# Case Studies



Grand List Before \$198,000



Grand List After \$230,100

## Maple Corner Store, Calais

Total Project Cost  
\$92,712

Tax Credits Awarded  
\$4,536



Grand List Before \$738,500



Grand List After \$1,341,700

## Lackey's Store, Stowe

Total Project Cost  
\$1,003,706

Tax Credits Awarded  
\$103,339

# Case Studies



Grand List Before: \$132,700



Grand List After: \$175,700

## **Hancock General Store**

Total Project Cost  
\$145,000

Tax Credits Awarded  
\$19,850



Grand List Pre-Construction: \$88,000

## **Albany General Store**

Total Project Cost  
\$381,000

Tax Credits Awarded  
\$55,125

# Brownsville General Store



- Total Project Cost: \$413,771
- Tax Credits Awarded: \$51,444
- Grand List pre-construction \$379,000

# H.782

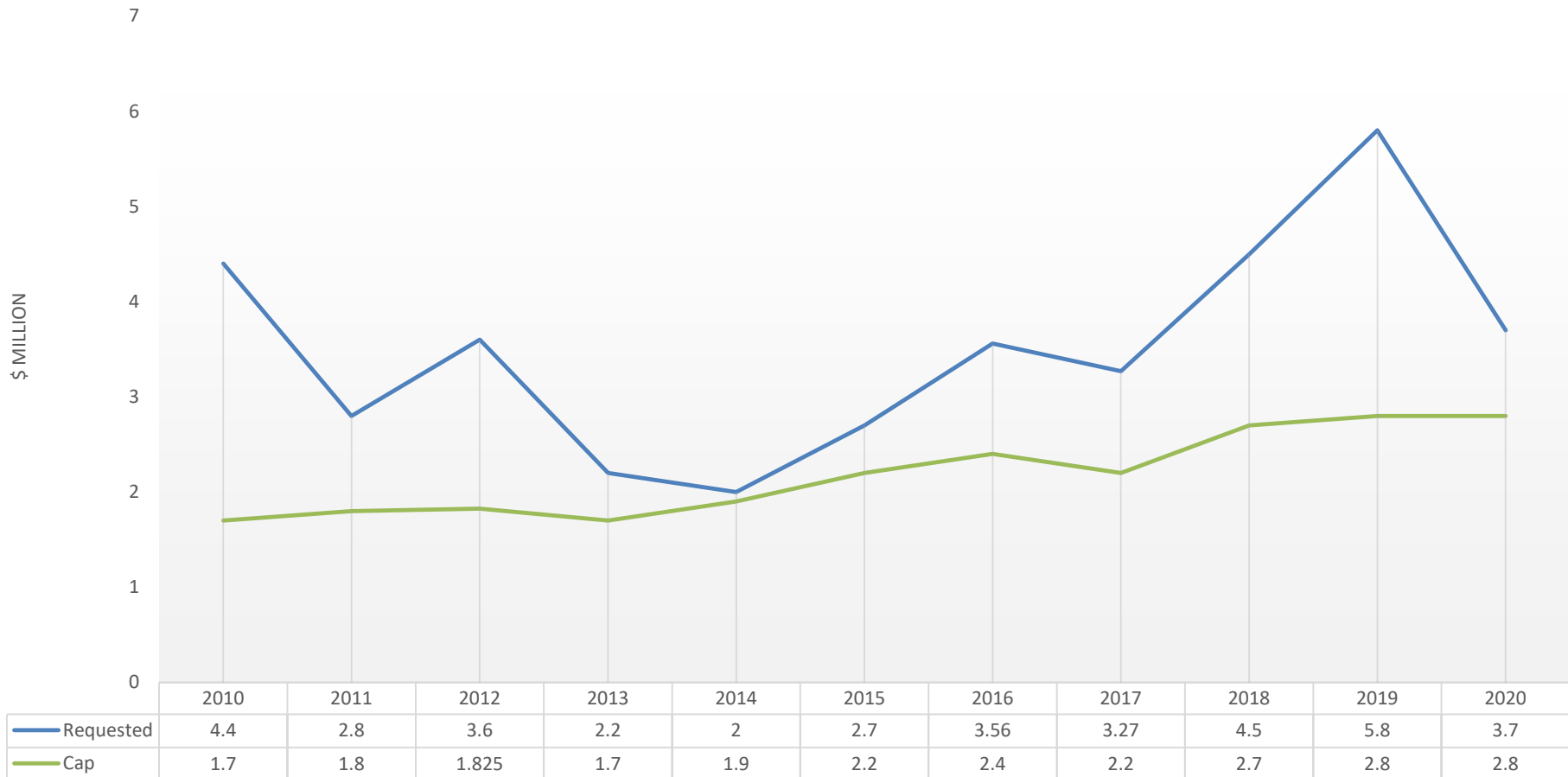
## An act relating to community and housing investment

### **Proposed Amendments**

- Increase annual cap from \$2.6M to \$4M
- Enable credits to support “Qualified Flood Mitigation” projects to encourage investment in making communities more resilient
  - 50% credit with a cap of \$75,000
  - Projects within flood hazard areas as mapped by FEMA
- Extend program benefit to designated Neighborhood Development Areas to encourage investment in housing around our commercial centers

# Downtown & Village Center Tax Credits

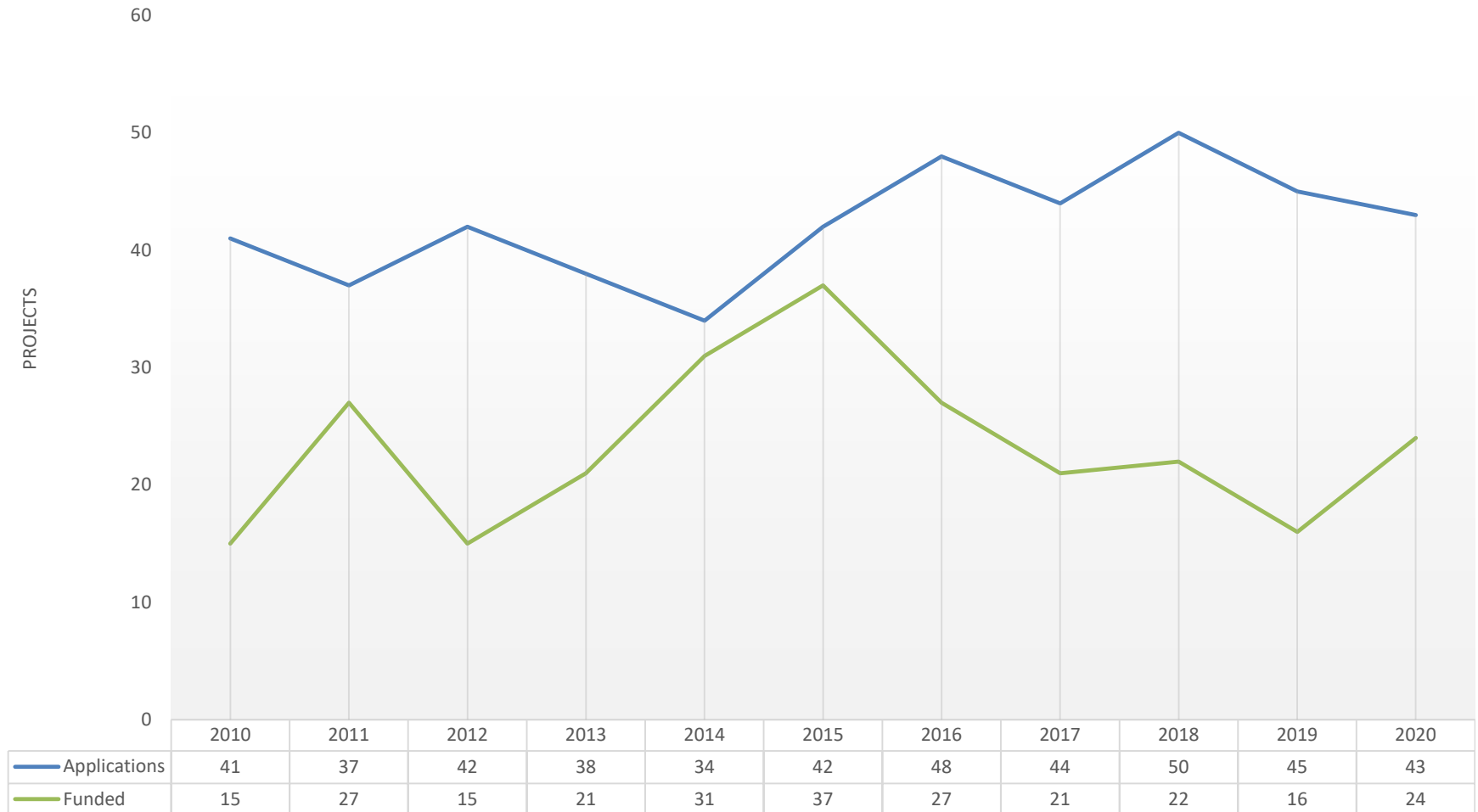
## Funding Demand FY 2010-2020



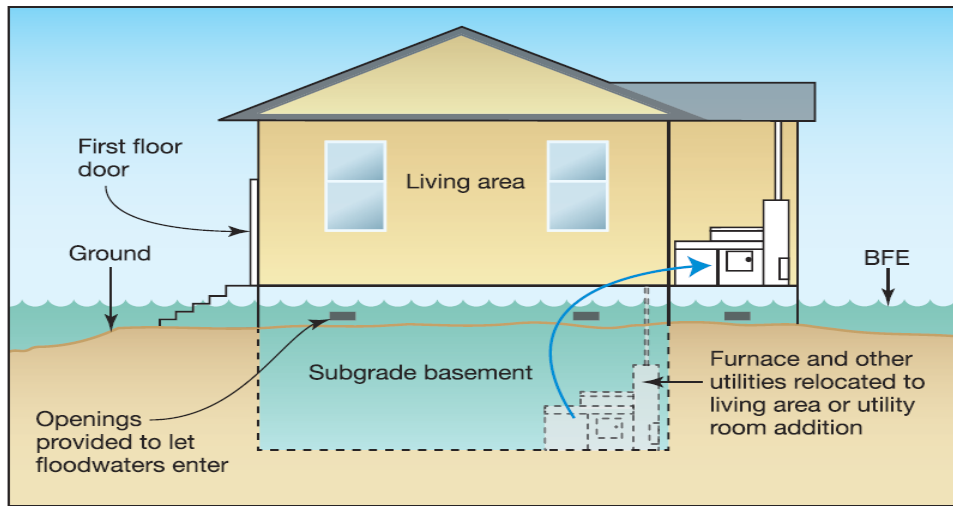


# Downtown & Village Center Tax Credits

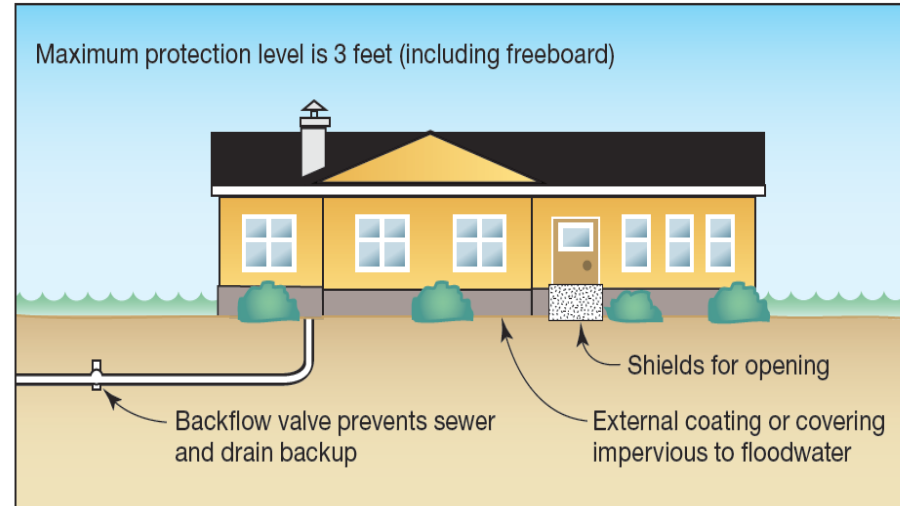
## Project Demand FY 2010-2020



# Floodproofing



wet floodproofing



dry floodproofing

# Floodproofing



# Housing Barriers Survey Results

## Difficulties (Top 4 out of 8)

**1**

Lack or High Cost of Real Estate

**2**

High Construction Costs (includes infrastructure)

**3**

Resistance to Neighborhood Change

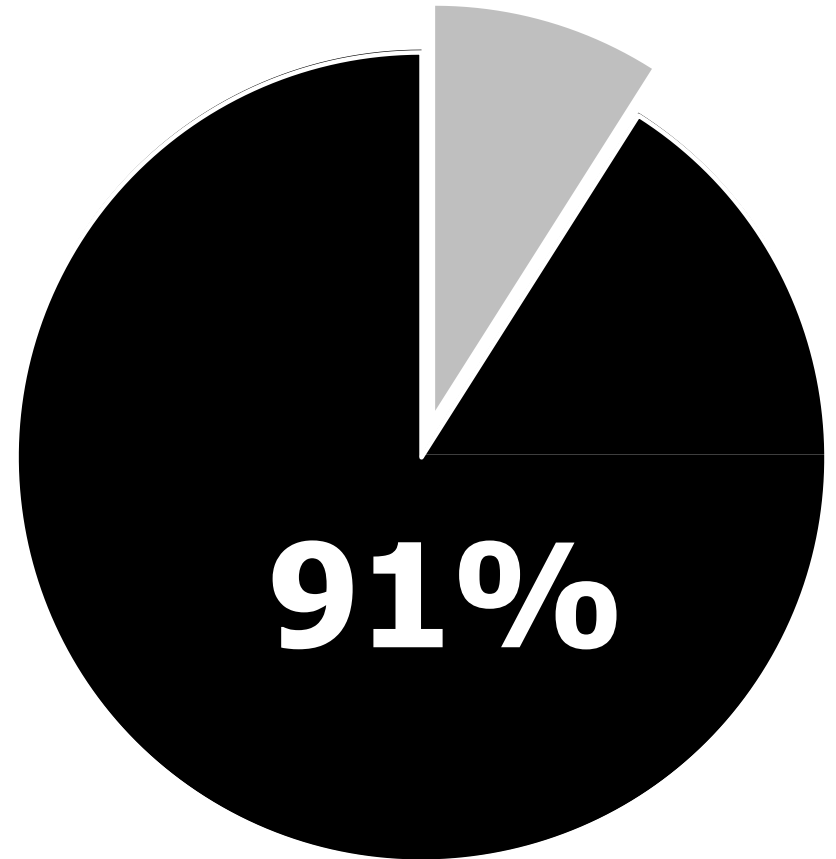
**4**

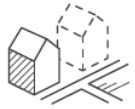
Municipal Zoning/Land Use Regulations

# Most Needed Housing Types



I would walk to  
work, school,  
shopping or  
other activities  
if they were  
close enough...





# Neighborhood Development Areas

1. Burlington
2. Essex Junction
3. Manchester
4. South Burlington
5. Winooski
6. Westford



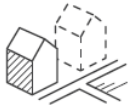


# Neighborhood Development Areas

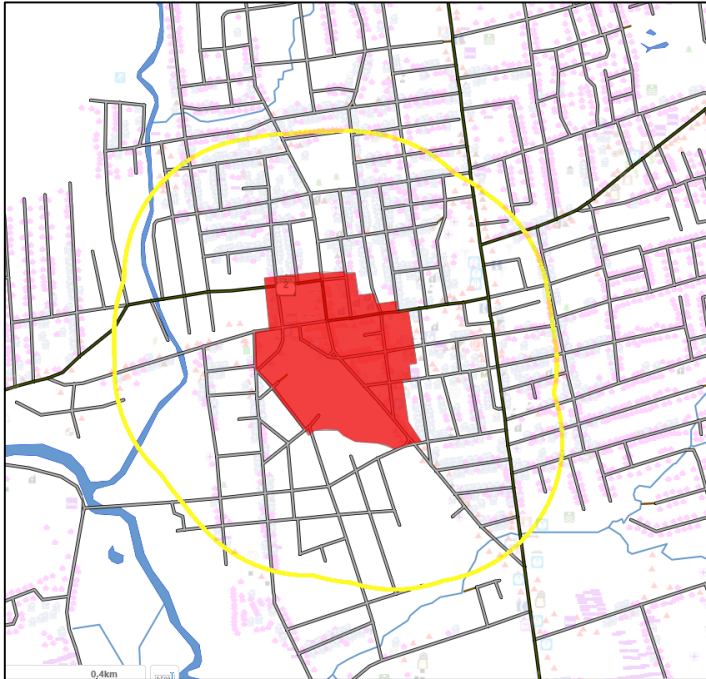
1. Barre\*
2. Brattleboro\* - application in the works
3. Bristol
4. Cabot
5. Castleton
6. E. Montpelier
7. Fair Haven
8. Fairlee
9. Hinesburg\*
10. Hyde Park
11. Jericho\*
12. Johnson
13. Lyndon
14. Middlebury\*
15. Middlesex
16. Montpelier\*
17. Putney
18. Richmond
19. Rutland
20. Shoreham
21. South Hero\*
22. Swanton
23. Vergennes\*
24. Waterbury
25. Stowe
26. Randolph

\* close to qualifying



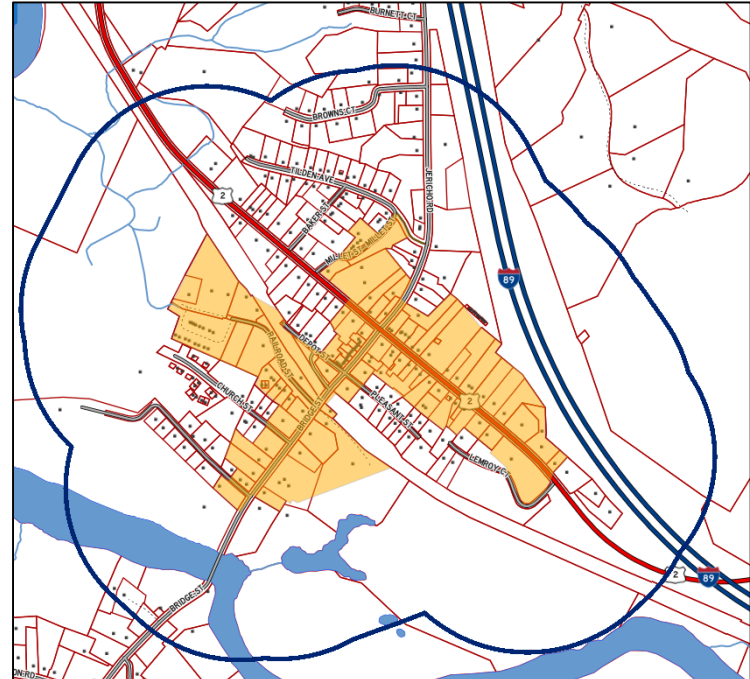


# Neighborhood Development Areas



**Downtowns – 1/2 mile**

15 min walk



**Village Center – 1/4 mile**

5-10 min walk

# Policies & Bylaw Requirements

1

## Density

Minimum 4 DU/Acre

2

## Building & Lot Patterns

3

## Uses

4

## Complete Streets



**Neighborhood  
Development Area  
Designation  
Program**

**Application  
Guidelines**



State Designation Programs  
Community Planning + Revitalization  
July 2017

 **VERMONT**  
AGENCY OF COMMERCE & COMMUNITY DEVELOPMENT  
DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT



**Thank You.**



**Department of Housing + Community Development  
Community Planning + Revitalization**