

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on General, Housing, and Military Affairs to which was  
3 referred Senate Bill No. 237 entitled “An act relating to promoting affordable  
4 housing” respectfully reports that it has considered the same and recommends  
5 that the House propose to the Senate that the bill be amended by striking out all  
6 after the enacting clause and inserting in lieu thereof the following:

7 \* \* \* Municipal Zoning \* \* \*

8 Sec. 1. 24 V.S.A. § 4412 is amended to read:

9 § 4412. REQUIRED PROVISIONS AND PROHIBITED EFFECTS

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

12 (1) Equal treatment of housing and required provisions for affordable  
13 housing.

14 \* \* \*

15 (E) Except for flood hazard and fluvial erosion area bylaws adopted  
16 pursuant to section 4424 of this title, no bylaw shall have the effect of  
17 excluding as a permitted use one accessory dwelling unit that is located within  
18 or appurtenant to ~~an owner-occupied~~ a single-family dwelling on an owner-  
19 occupied lot. A bylaw may require a single-family dwelling with an accessory  
20 dwelling unit to be subject to the same review, dimensional, or other controls  
21 as required for a single-family dwelling without an accessory dwelling unit.

1 An accessory dwelling unit means ~~an efficiency or one-bedroom apartment a~~  
2 distinct unit that is clearly subordinate to a single-family dwelling, and has  
3 facilities and provisions for independent living, including sleeping, food  
4 preparation, and sanitation, provided there is compliance with all the  
5 following:

- 6 (i) The property has sufficient wastewater capacity.
- 7 (ii) The unit does not exceed 30 percent of the total habitable floor  
8 area of the single-family dwelling or 900 square feet, whichever is greater.
- 9 ~~(iii) Applicable setback, coverage, and parking requirements~~  
10 ~~specified in the bylaws are met.~~

11 (F) Nothing in subdivision (a)(1)(E) of this section shall be construed  
12 to prohibit:

- 13 (i) a bylaw that is less restrictive of accessory dwelling units; or
- 14 (ii) a bylaw that ~~requires conditional use review for one or more of~~  
15 ~~the following that is involved in creation of an accessory dwelling unit:~~
- 16 ~~(I) a new accessory structure;~~
- 17 ~~(II) an increase in the height or floor area of the existing~~  
18 ~~dwelling; or~~
- 19 ~~(III) an increase in the dimensions of the parking areas~~  
20 regulates short-term rental units distinctly from residential rental units.

21 \* \* \*



1 These general standards shall require that the proposed conditional use shall  
2 not result in an undue adverse effect on any of the following:

- 3 (i) The capacity of existing or planned community facilities.
- 4 (ii) The character of the area affected, as defined by the purpose or  
5 purposes of the zoning district within which the project is located, and  
6 specifically stated policies and standards of the municipal plan.
- 7 (iii) Traffic on roads and highways in the vicinity.
- 8 (iv) Bylaws and ordinances then in effect.
- 9 (v) Utilization of renewable energy resources.

10 \* \* \*

11 (E) A multiunit dwelling project consisting of four or fewer units  
12 located in a district allowing multiunit dwellings may not be denied solely due  
13 to an undue adverse effect on the character of the area affected.

14 \* \* \*

15 Sec. 3. 24 V.S.A. § 2291 is amended to read:

16 § 2291. ENUMERATION OF POWERS

17 For the purpose of promoting the public health, safety, welfare, and  
18 convenience, a town, city, or incorporated village shall have the following  
19 powers:

20 \* \* \*

1           (29) To regulate by means of an ordinance or bylaw the operation of  
2           short-term rentals within the municipality, provided that the ordinance or  
3           bylaw does not adversely impact the availability of long-term rental housing.  
4           As used in this subdivision, “short-term rental” means a furnished house,  
5           condominium, or other dwelling room or self-contained dwelling unit rented to  
6           the transient, traveling, or vacationing public for a period of fewer than 30  
7           consecutive days and for more than 14 days per calendar year.

8           Sec. 4. 27 V.S.A. § 545 is added to read:

9           § 545. COVENANTS, CONDITIONS, AND RESTRICTIONS OF

10           SUBSTANTIAL PUBLIC INTEREST

11           Deed restrictions, covenants, or similar binding agreements added after  
12           January 1, 2021 that prohibit or have the effect of prohibiting land  
13           development allowed under a municipality’s bylaws shall not be valid. This  
14           section shall not affect the enforceability of any property interest held in whole  
15           or in part by a qualified organization or State agency as defined in 10 V.S.A.  
16           § 6301a, including any restrictive easements, such as conservation easements  
17           and historic preservation rights and interests defined in 10 V.S.A. § 822. This  
18           section shall not affect the enforceability of any property interest that is  
19           restricted by a housing subsidy covenant as defined by section 610 of this title  
20           and held in whole or in part by an eligible applicant as defined in 10 V.S.A.  
21           § 303(4) or the Vermont Housing Finance Agency.



1 Sec. 6. 10 V.S.A. § 10 is amended to read:

2 § 10. VERMONT STATE TREASURER; CREDIT FACILITY FOR LOCAL  
3 INVESTMENTS

4 (a) Notwithstanding any provision of 32 V.S.A. § 433(a) to the contrary,  
5 the Vermont State Treasurer shall have the authority to establish a credit  
6 facility of up to 10 percent of the State’s average cash balance on terms  
7 acceptable to the Treasurer and consistent with prudent investment principles  
8 and guidelines pursuant to 32 V.S.A. § 433(b)–(c) and the Uniform Prudent  
9 Investor Act, 14A V.S.A. chapter 9.

10 (b) ~~The amount authorized in subsection (a) of this section shall include all~~  
11 ~~credit facilities authorized by the General Assembly and established by the~~  
12 ~~Treasurer, and the renewal or replacement of those credit facilities. The~~  
13 Treasurer may use amounts available under this section to provide financing  
14 for infrastructure projects in Vermont mobile home parks and may modify the  
15 terms of such financing in his or her discretion as is necessary to promote the  
16 availability of mobile home park housing and to protect the interests of the  
17 State.

18 \* \* \* Effective Date \* \* \*

19 Sec. 7. EFFECTIVE DATE

20 This act shall take effect on passage.

21

1

2

3

4 (Committee vote: \_\_\_\_\_)

5

\_\_\_\_\_

6

Representative \_\_\_\_\_

7

FOR THE COMMITTEE