

# S.237

An act relating to promoting affordable housing

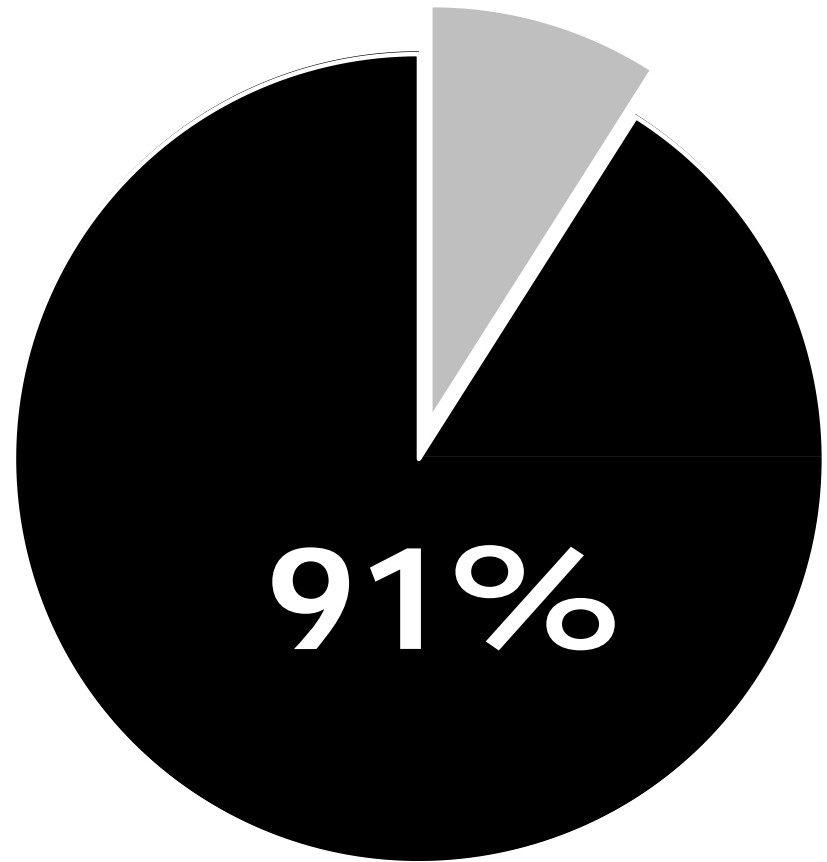


Chris Cochran  
Department of Housing and Community Development

September 1, 2020  
House Committee on Ways and Means



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





Construction underway on new homes at the Hillside at O'Brien Farm development in South Burlington on Monday, June 22, 2020. Costs of lumber and building supplies have shot up during the pandemic. Glenn Russell/VTDigger

# S.237, Stakeholders Consulted

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## **General Assembly Members**

Senator Sirotkin, Chittenden County  
Senator Cummings, Washington County  
Representative Marcotte, Newport  
Representative Kimbell, Woodstock  
Representative Stevens, Waterbury  
Representative Sheldon, Middlebury

## **Non-Profit Housing Developers**

Nancy Owens and Kathy Beyer, Housing Vermont  
Cindy Reid and Miranda Lescaze, Cathedral Square  
Ludy Biddle, Neighborworks of Western Vermont  
Jen Hollar, VHCB  
Andrew Winter, Twin Pines Housing  
Maura Collins and Seth Leonard, VHFA  
Chris Donnelly and Amy Demetrowitz, Champlain Housing Trust  
Erhard Mahnke, Vermont Affordable Housing Coalition  
Tyler Maas, Vermont State Housing Authority

## **For-Profit Housing Developers**

Chris Snyder, Snyder Homes  
Erik Hoekstra, Redstone Development  
Katie Buckley, M+S Development

## **Municipal Leaders and Regional Planners**

Sharon Murray, Front Porch Community Planning  
Charles Baker and Regina Mahony, CCRPC  
Meagan Tuttle, City of Burlington/VPA  
Peter Gregory and Kevin Geiger, TRORC  
Alex Weinhagen, Town of Hinesburg/VPA  
Catherine Dimitruk, NRPC  
Tasha Wallis and Seth Jenson, LCRPC  
David Snedeker, NVDA  
Steve Lotspeich, Waterbury  
Dominic Cloud and Chip Sawyer, City of St. Albans  
Jeff Wennberg, City of Rutland  
Jessie Baker, City of Winooski  
David Rugh, Stitzel, Page + Fletcher/VPA  
Elaine Haney, Essex  
Jim Jutras, Essex Junction  
Justin Rabidoux, City of South Burlington  
Charles Safford, Stowe  
Peter Elwell and Sue Fillion, Brattleboro  
Miro Weinberger, Burlington  
William Fraser, Montpelier  
Mary Ann Goulette, West Rutland

## **State House Advocates**

Vermont Mayors Collation  
Paul Bruhn and Liz Gamache, Preservation Trust of Vermont  
Andrew Brewer, DRM  
Kelly Stoddard Poor and Philene Taormina, AARP  
Gwynn Zakov and Karen Horn, VLCT  
Nancy Lynch, Vermont Association of Realtors  
Tom Torti and Austin Davis, Lake Champlain Chamber of Commerce  
Adam Necrason, Necrason Group  
Brian Shupe, Jon Groveman and Kate McCarthy, Vermont Natural Resources Council  
Charles Martin, Vermont Chamber of Commerce  
Sandra Levine, Conservation Law Foundation  
Chris D'Elia, Vermont Bankers Association  
Angela Zaikowski, VT Landlords Association

## **Sister Agencies**

Matt Chapman, Bryan Redmond, Rob Evans, and Billy Coster, ANR  
Greg Boubol and Evan Meenan, NRB  
Douglas Farnham, Department of Taxes

## **Others**

Eli Spevak, Orange Splot, Oregon  
State Treasure Beth Pearce

## **Better Places Stakeholders**

Kelly Stoddard Poor, AARP Vermont  
Michele Bailey, Amy Cunningham, and Karen Mittleman, Vermont Arts Council  
Maura Carroll and Abby Friedman, VLCT  
Sarah Waring and Chelsea Bardot Lewis, Vermont Community Foundation  
Beth Rusnock, National Life Foundation  
Liz Gamache and Lisa Ryan, Preservation Trust of Vermont  
Jenna Koloski, Vermont Council of Rural Development  
Rebecca Sandborn Stone, Bethel Revitalization Initiative  
Ward Joyce, Ward Joyce Design  
Katherine Sims, Northeast Kingdom Collaborative  
Shelby Semmes, Trust for Public Land  
Kate McCarthy, Vermont Natural Resources Council  
Karen Yacos, Local Motion  
Ben Doyle, USDA-Rural Development  
Suzanne Kelley, Department of Health  
Alissa Matthews, Agency of Agriculture, Food, and Markets  
Jackie Cassino and Jon Kaplan, VTrans  
Jessica Savage, ANR - FPR  
Gary Toth, Project for Public Spaces  
The states of Michigan, Indiana, and Massachusetts

# S.237, Key Provisions

An act relating to promoting affordable housing

**Added to H.926 - Passed House, now in Senate NR+E**

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

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

## **One-stop 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

# S.237, Key Provisions

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## **Unanimously Passed Senate, now in House General**

**Creates create more housing opportunities in areas with sewer and water capacity.**

- Enables subdivision of small lots in residential zoning districts
- Provides funding priority for water and sewer systems, municipal planning grants, community development grants, and downtown and village tax credits

### **Expands Downtown and Village Tax Credits**

- Extends program benefit to designated Neighborhood Development Areas to encourage investment in housing around our commercial centers
- Enables 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

# People's United Bank

**Total Project Cost**  
\$19M

**Tax Credits Awarded**  
\$200,000

**Housing Units**  
40 Market Rate  
10 Affordable





# East Calais General Store

**Total Project Cost**  
\$417,083

**Tax Credits  
Awarded**  
\$75,000

**Housing Units**  
3



# Tax Credit Demand

## Total Applications

51 (43 last year)

## Total Requests

\$5 million

## Funded Projects

30

## Communities

27

## Total Value

\$160 million

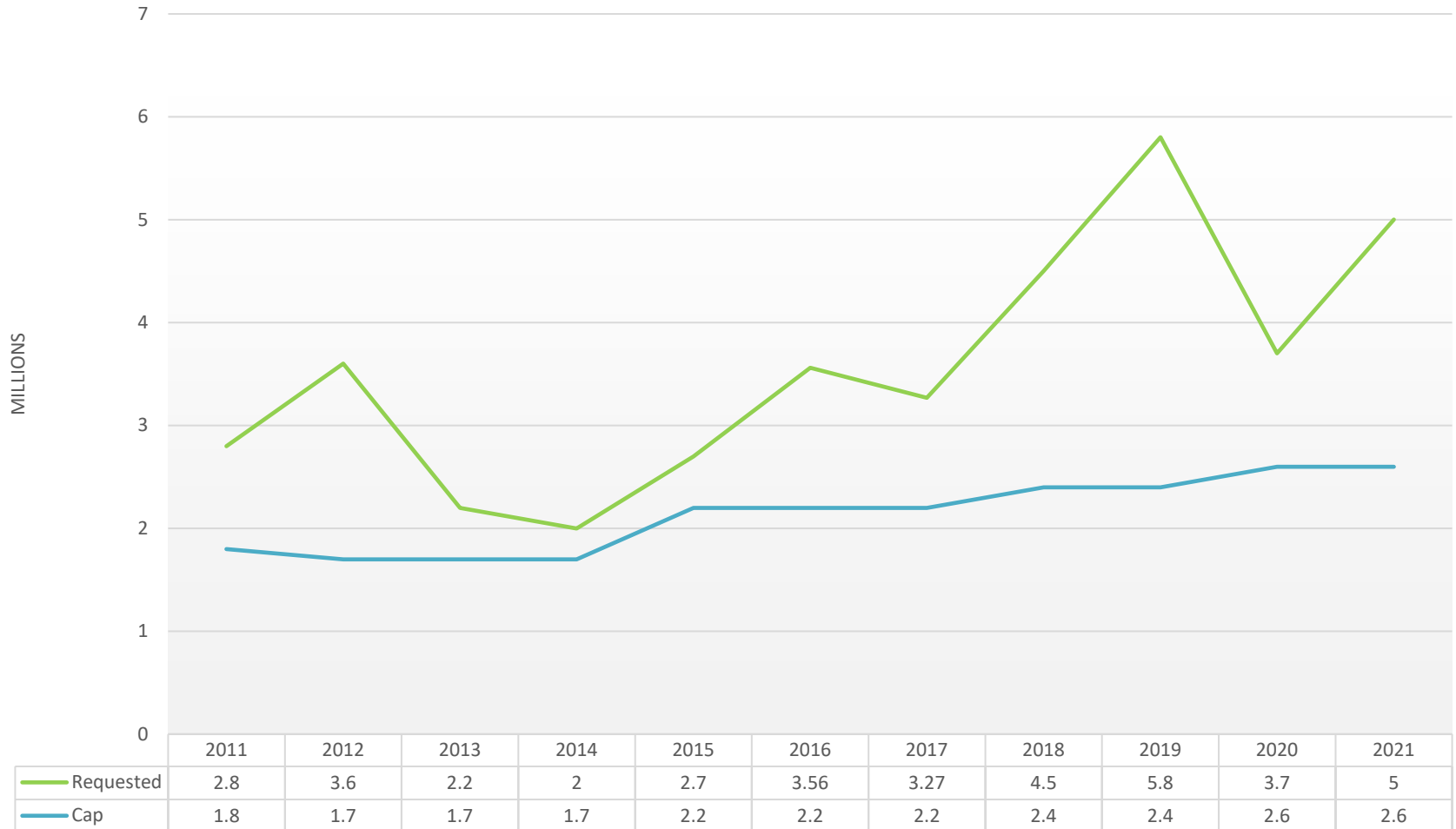
## Unfunded

\$2 million



# Downtown & Village Center Tax Credits

## Funding Demand FY 2011-2021



# Downtown & Village Center Tax Credits

## Project Demand FY 2011-2021

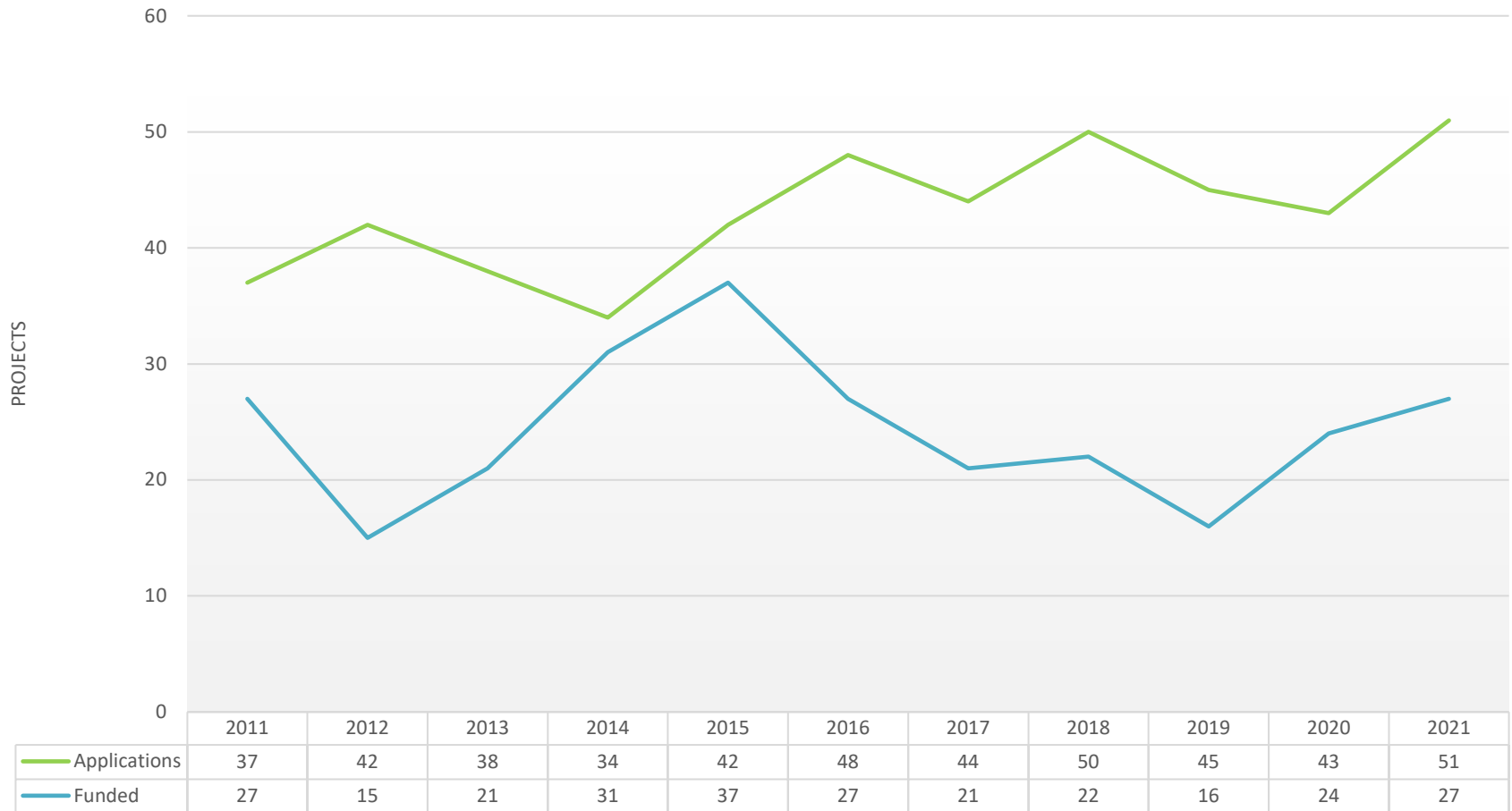


photo credit: NPS National Register of Historic Places Nomination



**Bristol, VT**



# Downtown & Village Center Tax Credits



French Block, Montpelier

By the Numbers CY 2016-2020

119

Projects  
Awarded

54

Communities  
Served

\$15M

Awarded

\$593M

Total  
Investment

# Program Survey



Putnam Block, Bennington

## By the Numbers – Responses Tallied from 96 Respondents

894

Permanent Jobs  
Retained/Created

754

Temporary  
Jobs

34

New  
Businesses

16

Expanded  
Businesses



# 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

# Case Studies

## Hancock General Store

Total Project Cost  
\$145,000

Tax Credits Awarded  
\$19,850



Grand List Before: \$132,700



Grand List After: \$175,700

## Albany General Store

Total Project Cost  
\$700,000

Tax Credits Awarded  
\$55,125



Grand List: \$88,000

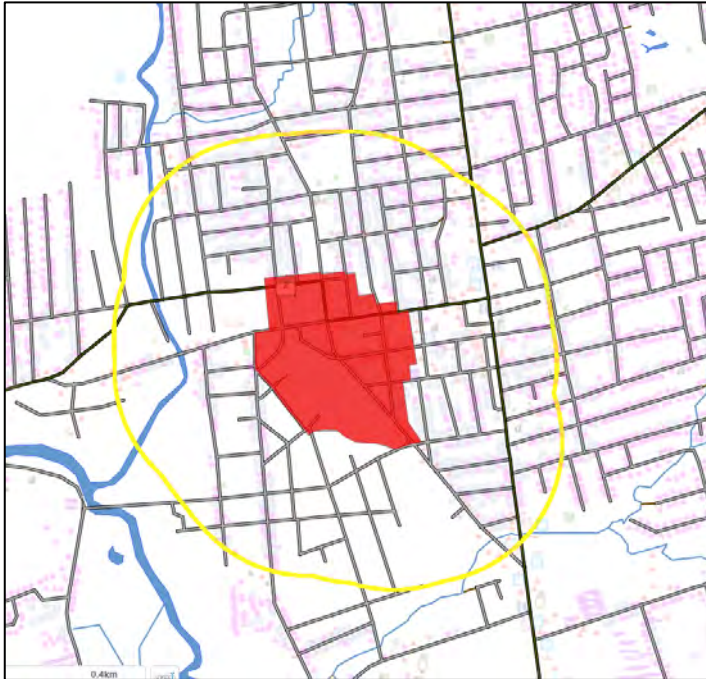




Neighborhoods

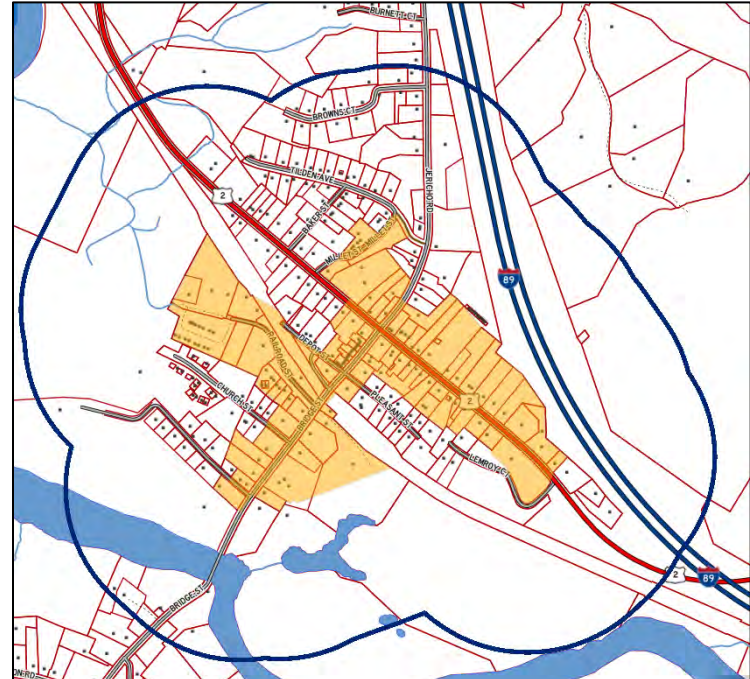


# Neighborhood Development Areas



**Downtowns – 1/2 mile**

15 min walk



**Village Center – 1/4 mile**

5-10 min walk



# Neighborhood Development Areas

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





# Neighborhood Development Areas

1. Barre\*
2. Berlin
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

