

February 10, 2020

Senator Michael Sirotkin, Chair

Senate Committee on Economic Development, Housing and General Affairs

115 State Street

Montpelier, VT 05633

Dear Chair Sirotkin,

Thank you for your Committee's statewide tour on housing and your leadership on these issues. Please accept these comments on S. 237 as introduced:

1. I think the most important addition that I would make to S. 237 as introduced, would be to make a change on page 3 in line 11 so that the owner of a property can live in the accessory dwelling unit or the main house. The bill does not address this issue. Some people would construct a small ADU as a rental, but also as a more accessible home for their later years. As it stands, if you move to the ADU and rent the house, you would create a violation. To rectify this, I suggest line 11 be changed to:

"or appurtenant to an owner-occupied a single-family dwelling on an owner-occupied lot."

2. I think the changes on lines 15 and 16 of page 3 are **not** a good idea, as they do away with accessory dwelling units being accessory. There are two parts to this, doing away with the one-bedroom requirement and doing away with the subordinate part. I think the subordinate part is most important, and a small two-bedroom ADU might work fine. But as proposed it just means everyone can build a second house. Towns are currently enabled to loosen up their rules as much as they want, so they can go that route if desired.
3. Under the 4460 Appropriate Municipal Panel proposal, I believe discharging of permits ought to be done by the entity that originally issues them.
4. Regarding the "Opt-out" provision in the Inclusionary Growth section, I suggest that you require the Department of Housing and Community Development to go beyond just receiving municipal Opt-out Reports, rather they "shall approve or disapprove a municipality's report and justification(s)."

Gerald Fredrickson, Chair ~ Peter G. Gregory, AICP, Executive Director
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5. I suggest you change the “may” to a “shall” in 4382(a). No town should be enabled to use its discretion on whether or not its planning is consistent with the planning goals found in 4302.

6. I think the next biggest thing would be to curtail regulation of smaller multi-unit dwellings. There is functionally no difference on the outside between a 5-bedroom house and a triplex with 5 bedrooms total. The triplex might need more parking, but so might the house if it is rented by five medical students. I think saying if you want a standard to apply then it applies to all homes is fair and will help us get many larger homes into the market as rentals. To that end, I suggest that lines 4-7 on page 3 change to:

“municipality as a permitted use. In districts that permit multiunit residential dwellings, such dwellings with four or fewer units may be subject to review standards relating to design, noise, traffic, lighting, landscaping, character of the area, and other impacts, but only so far as they apply to all residential units in that district.”

7. I do think we have to be careful in that all the ways we make housing easier to build might just end up getting us a bunch more Airbnbs. To that end, I think the state should clearly enable regulation of short-term rentals in terms of total number allowed in town, total days rented, and whether they have to be on owner-occupied sites. Line 12 on page 4 of the bill is a step in that direction, but only limited to ADUs and not near enough enabling. Section 21 on page 35 of the bill is way late to the game, but is another baby step. Both Division of Fire Safety and Department of Taxes should be brought into this so that every short-term rental gets a fire inspection, pays rooms and meals tax, and is known to the town.

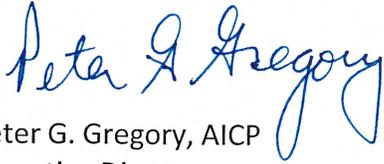
8. The mandatory minimum densities in areas with public sewer and water should be enacted as of July 1, 2020.

9. The bill does not have wider enabling for incentives. A 24 VSA section 4414(16) could be added as follows:

Housing incentives. Municipalities may provide for incentives for residential development that creates housing to meet housing needs as identified in the municipal plan. Such incentives may include, but are not limited to, increases in density, number of units, height, size, lot coverage, floor area ration; decreases in parking, lot size, fees; and other alterations to standards.

Thank you for the opportunity to provide some feedback for your consideration.

Sincerely,



Peter G. Gregory, AICP
Executive Director

cc: Members of the Committee
Chris Cochran, DHCD