S.237 An act relating to promoting affordable housing

Department of Housing and Community Development

May 20, 2020 Senate Finance

Community Planning + Revitalization

Provides tools, training, grants, and incentives for local leaders to plan and implement projects that support thriving, <u>walkable</u> communities.















































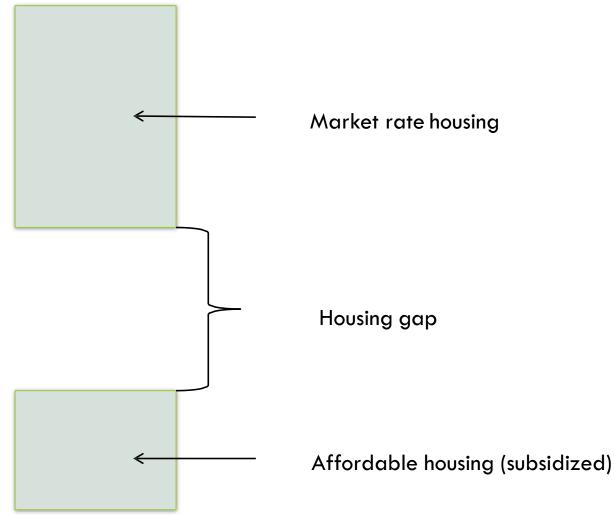


Most Needed Housing Types

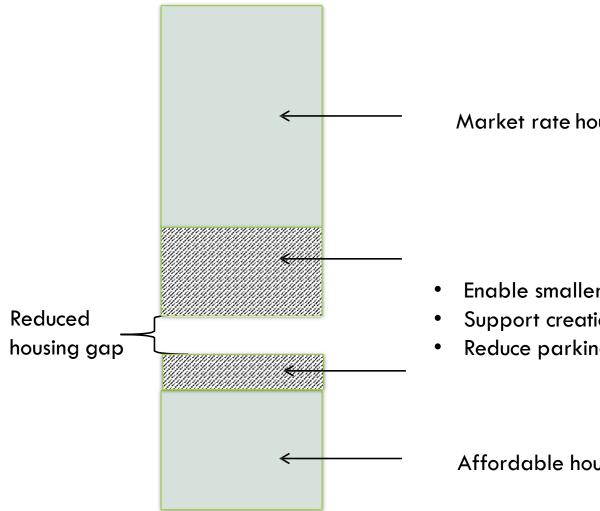




Housing Market



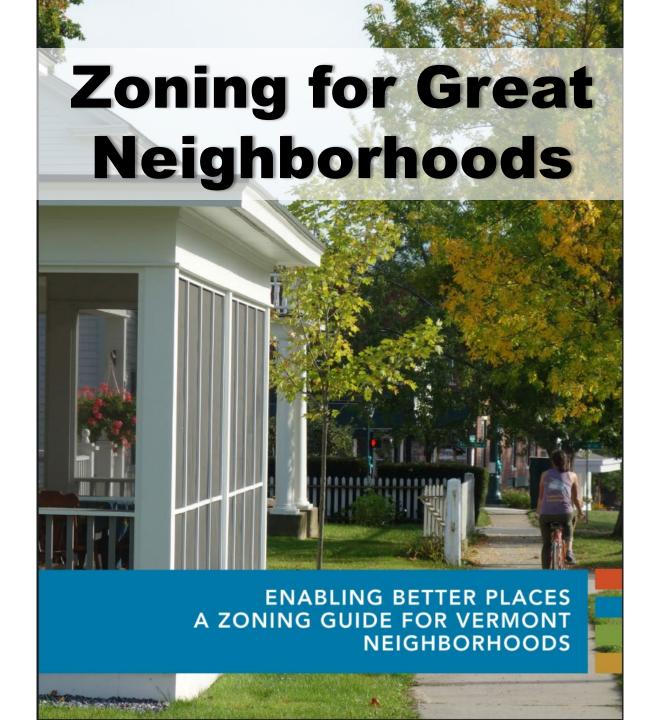
Housing Market



Market rate housing

- Enable smaller lots + buildings
- Support creation of accessory dwellings
- **Reduce** parking

Affordable housing (subsidized)











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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 Boulbol 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

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Updates state regulations to jump start housing investment

Removes Act 250 Jurisdiction in State Designated Downtowns & Neighborhood Development Areas

- Modifies jurisdiction to exempt development-ready downtowns and neighborhoods
- 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

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Modernizes municipal regulations for inclusive housing

- Requires cities and towns to update local bylaws to enable smaller lots and support more types of housing development like ADUs.
- Provides new funding [\$150K for Regional Planning Commissions; \$150K for Municipal Planning Grants] to help cities and towns update and adopt housing ready bylaws
- Provides funding [\$50K] to train builders and landlords to jumpstart housing development in all counties

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Proposed new funding support community revitalization

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

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

\$1M Vermont Housing Improvement Program Grants

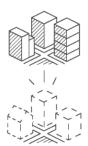
 Creates housing provider grants to bring unsafe, blighted, and vacant rental units up to code and back online.

Number of State Designations: 229

Core Designations:



Village Centers: 191



Downtowns: 23

New Town Centers: 2

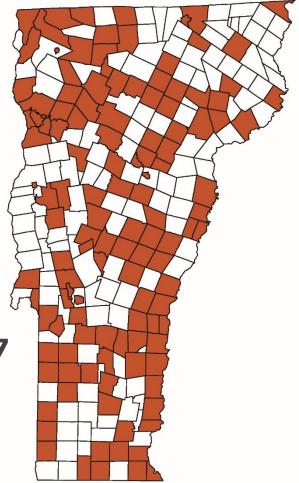
Add-On Designations: (must have a core designation to qualify)



Neighborhood Development Areas: 7



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 and reviewed by the Downtown Board
- Project must be a Designated Downtown or Village Center
- 23 Designated Downtowns, 191 Designated Village Centers

Downtown & Village Center Tax Credits

Tax Credit Tiers

25% credit for façade repairs

50% credit for code improvements including elevators and sprinkler systems

Landry Block, St. Johnsbury







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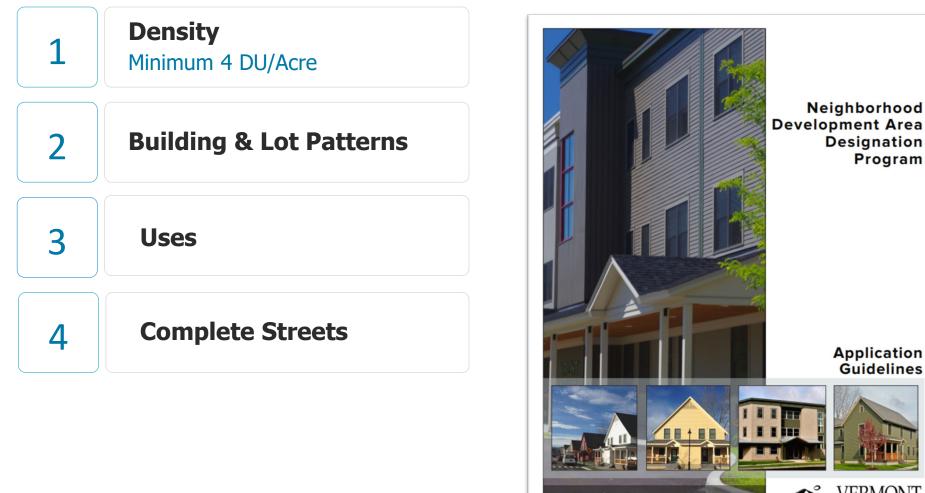
Proposed Amendments

- 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

Neighborhood Development Areas

Brattleboro
Burlington
Essex Junction
Manchester
South Burlington
Westford
Winooski

Policies & Bylaw Requirements

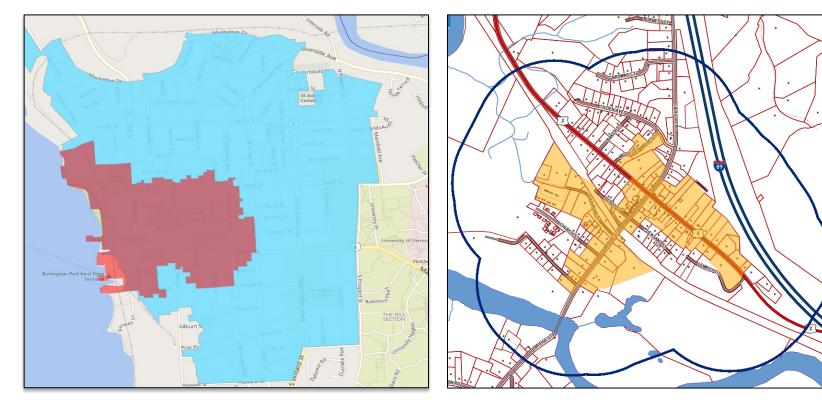


State Designation Programs Community Planning + Revitalization July 2017

AGENCY OF COMMERCE & COMMUNITY DEVELOPMENT

DEPARTMENT OF HOUSING & COMMUNITY DEVELO

Neighborhood Development Areas



Downtowns – 1/2 mile

15 min walk

Village Center – 1/4 mile

5-10 min walk

Neighborhood Development Areas

- 1. Barre*
- 2. Bristol
- 3. Cabot
- 4. Castleton
- 5. E. Montpelier
- 6. Fair Haven
- 7. Fairlee
- 8. Hinesburg*
- 9. Hyde Park
- 10.Jericho*
- 11.Johnson
- 12.Lyndon

- 14. Middlebury*
- 15. Middlesex
- 16. Montpelier*
- 17. Putney
- 18. Randolph
- 19. Richmond
- 20. Rutland
- 21.Shoreham
- 22. South Hero*
- 23. Stowe
- 24. Swanton
- 25. Vergennes*
- 26. Waterbury

Thank You.

Department of Housing + Community Development Community Planning + Revitalization