

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Natural Resources, Fish, and Wildlife to which was  
3 referred Senate Bill No. 101 entitled “An act relating to promoting housing  
4 choice and opportunity in smart growth areas” respectfully reports that it has  
5 considered the same and recommends that the House propose to the Senate that  
6 the bill be in Sec. 2, 24 V.S.A. § 4307, by striking it out in its entirety and  
7 inserting in lieu thereof the following:

8 Sec. 2. 24 V.S.A. § 4307 is added to read:

9 § 4307. MUNICIPAL BYLAW MODERNIZATION GRANTS

10 (a) There is created Municipal Bylaw Modernization Grants to assist  
11 municipalities in updating their land use and development bylaws to support a  
12 development pattern that is pedestrian oriented and consistent with the smart  
13 growth principles established in section 2791 of this title. The Grants shall be  
14 funded by monies allocated from the municipality allocation of the Municipal  
15 and Regional Planning Funds established in subdivision 4306 (a)(3)(C) of this  
16 title and any other monies appropriated for this purpose.

17 (b) A municipality that receives a grant shall use the funds for the adoption  
18 of bylaws that increase housing choice, affordability, and opportunity in smart  
19 growth areas. These smart growth areas shall be areas that reflect the smart  
20 growth principles established in section 2791 of this title, that are located  
21 outside important natural resource areas, and are located outside identified

1 flood hazard areas and river corridors or are acceptable for infill development  
2 as defined in § 29–201 of the Vermont Flood Hazard Area and River Corridor  
3 Rule.

4 (c) Disbursement to municipalities shall be administered by the Department  
5 of Housing and Community Development through a competitive process  
6 providing the opportunity for all regions and any eligible municipality to  
7 compete regardless of size. The Department shall, to the extent reasonably  
8 possible, ensure that grants are awarded with the intent of achieving even  
9 geographic distribution across the State.

10 (d) Funds may be disbursed by the Department in installments to ensure the  
11 municipal bylaw updates meet the goals of this section.

12 (e) Funding may be used for mapping, the cost of regional planning  
13 commission staff or consultant time, carrying out the provisions of  
14 subchapters 5 through 10 of this chapter, and any other purpose approved by  
15 the Department.

16 (f) To receive a grant, the municipality shall:

17 (1) identify any municipal water supply and wastewater disposal  
18 capacity, opportunities, and constraints within mapped service areas in both  
19 traditional water and wastewater systems and smaller scale municipal systems,  
20 including soil-based wastewater treatment and decentralized water and  
21 wastewater systems;

1           (2) allow, at a minimum, duplexes within smart growth areas to the  
2           same extent that single-family dwellings are allowed;

3           (3) require parking waiver provisions in appropriate smart growth areas  
4           and situations;

5           (4) review and modify street standards that implement the complete  
6           streets principles as described in 19 V.S.A. § 309d and that are oriented to  
7           pedestrians;

8           (5) adopt dimensional, use, parking, and other standards that allow  
9           compact neighborhood form and support walkable lot and unit density, which  
10           may be achieved with a standard allowing at least four units per acre with site  
11           and building design standards or by other means established in guidelines  
12           issued by the Department; and

13           (6) demonstrate how the bylaws support implementation of the housing  
14           element of its municipal plan as provided in 24 V.S.A. § 4382(a)(10) related to  
15           addressing lower and moderate-income housing needs.

16           (g) On or before September 1, 2021, the Department shall adopt guidelines  
17           to assist municipalities applying for grants under this section.

18           (Committee vote: \_\_\_\_\_)

19           \_\_\_\_\_

20           Representative \_\_\_\_\_

21           FOR THE COMMITTEE