

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20

S.226

Representative Stevens of Waterbury moves that the House propose to the Senate that the bill be amended by striking out Sec. 4 in its entirety and inserting in lieu thereof a new Sec. 4 to read:

Sec. 4. COMMUNITY PARTNERSHIP FOR NEIGHBORHOOD
DEVELOPMENT

(1) The Department of Housing and Community Development shall lead a collaborative among municipalities, nonprofit and for-profit developers, State agencies, employers, and other relevant stakeholders to develop at least 3 pilot neighborhoods and demonstrate how new partnership models for targeted and coordinated investments can support the development of at least 300 homes in inclusive, smart growth neighborhoods.

(2) The collaborative shall be steered by a Housing Equity Council with representatives from the Vermont Department of Housing Community Development, the Vermont Housing Finance Agency, the Agency of Natural Resources, the Agency of Transportation, the Department of Public Service, the Vermont Bond Bank, the Vermont Economic Development Authority, the Vermont Housing and Conservation Board, the Vermont Association of Planning & Development Agencies, the Vermont League of Cities and Towns, and the Vermont Regional Development Corporations.

1 (3) The Council shall identify at least three pilot neighborhood
2 development projects in three separate regional planning commission regions
3 using a competitive process to select municipalities able to demonstrate need,
4 collaboration, preliminary planning, bylaw modernization, and budgetary
5 commitments to support smart growth and housing development in locations
6 within or up to one quarter of a mile from a neighborhood planning area, as
7 defined in 24 V.S.A. § 2791, or locations that otherwise represent a logical
8 extension of an existing compact settlement pattern that is consistent with
9 smart growth principles.

10 (4) The program shall coordinate with the pilot municipalities through
11 2026 on the strategic use of public resources to create a development-ready
12 framework for new and infill neighborhood development and construction-
13 ready building lots through the integrated coordination of the following:

14 (A) State, regional, and municipal planning.

15 (B) State and municipal regulation.

16 (C) Land acquisition and land banking.

17 (D) Physical improvement planning, design and scoping.

18 (E) Capital investment in infrastructure.

19 (F) Financing and funding, including funding from the American
20 Rescue Plan Act and Infrastructure Investment and Jobs Act.

1 (G) Lot and building development by private and non-profit
2 developers.

3 (H) The sale or leasing of homes.

4 (5) The program shall seek to achieve the following goals:

5 (A) The development of neighborhoods that:

6 (i) are compact and human-scaled, with densities of at least eight
7 dwelling units per acre, including modestly sized dwellings on small lots;

8 (ii) are characteristic of Vermont’s smart growth principles, as
9 provided in 24 V.S.A. § 2791;

10 (iii) are located in proximity to existing residential, employment,
11 and civic uses;

12 (iv) provide for a mix of housing types, styles, tenure, and sizes to
13 accommodate diverse household of varying composition, age, and income,
14 including no less than 25 percent of the units with perpetual affordability and
15 35 percent of the homes affordable at 80 percent of the area median income;

16 (v) provide for a mix of transportation modes with interconnected
17 streets and sidewalks;

18 (vi) are designed in a manner that enhances historic resources,
19 climate readiness, energy efficiency, environmental quality, resident health,
20 and overall livability.

1 (B) Successful models for the acquisition or banking of developable-
2 or development-ready land for new neighborhood development or infill
3 development within existing, developed neighborhoods.

4 (C) Successful models for the integration of planning and
5 implementation for water, sewer, and other public utilities and services with
6 land use planning and transportation investments in new or upgraded streets.

7 (6) \$5,000,000 is appropriated from ARPA? to the Department of
8 Housing & Community development for pre-development grants that
9 implement this section, which may fund municipal planning, site control, land
10 acquisition, design, scoping, and surveying for the development of pilot
11 neighborhoods.

12 (7) Of the amounts appropriated in this section, the Department may
13 reserve not more than \$225,000 for related administrative expenses through
14 fiscal year 2026.

15 (8) The Agency of Natural Resources and the Agency of Transportation
16 shall report back to the General Assembly by December 15, 2024 on financial
17 contributions the agencies can make to this program’s pilot neighborhoods.

18 (9) The Department of Housing & Community Development shall report
19 back to the General Assembly on the results of the program by December 15,
20 2026.

21