TO: Representative Sheldon and Members of the House Committee on Environment and Energy

DATE: April 12, 2023

FROM: Michelle Kersey, Chair, Vermont Affordable Housing Coalition

RE: S. 100

Dear Representative Sheldon and Members of the House Committee on Environment and Energy,

I am writing to you on behalf of the Vermont Affordable Housing Coalition in support of S.100. I want to thank you for the many positive efforts being made to enact statewide zoning reform and <u>ask that the municipal changes and temporary changes to Act 250 in bill S.100 be kept intact.</u>

As you know, our current housing crisis has been decades in the making and will require adjustments to our land use policies as well as significant financial investments in affordable housing across income levels to correct. In order to create the housing we need, it will be necessary to focus on Smart Growth principles and remove barriers to development in the places we most want homes - in downtown areas next to jobs, stores, services, and public transportation.

Encouraging density by decreasing parking requirements; allowing duplexes where single-family homes are allowed and quadplexes on land served by water and sewer; making it easier to convert nonresidential buildings into accessory dwelling units; and allowing five or more units per acre as well as increasing building heights and providing density bonuses for affordable housing developments in areas served by water and sewer will help both increase production and decrease the cost of new homes. Spreading the cost of land and construction of high-cost items such as basements and roofs, combined with using municipal water and sewer as opposed to drilling a well or building a septic system, can decrease the per unit cost of housing significantly.

It is essential that we make these changes at the state level since housing challenges affect entire regions, not just individual towns. According to <u>an article by the Brookings</u> <u>Institution</u>, "If land-restricting policies are adopted only locally, housing prices are very likely to rise. Only if such policies are adopted regionally, along with other policies that raise densities, can smart growth avoid making housing less affordable." We can learn from New Zealand's example – <u>"In 2016, the nation's largest city, Auckland, upzoned approximately three-quarters of its residential land area under the Auckland Unitary Plan (AUP)...the AUP has enabled a construction boom... Immediately prior to the plan, new</u>

housing units permitted peaked at about 6,000 in 2015. By 2020, that figure had climbed to over 14,300."

Eliminating appeals based on character of the area is also an important step. Too often appeals made on this basis delay the creation of much-needed housing and lead to increased costs. Legal fees, staff time to deal with appeals, and rising construction costs can add hundreds of thousands of dollars to a project's price tag. And character of the area appeals can affect our ability to meet statewide environmental goals. During my time working for both Downstreet Housing & Community Development and Twin Pines Housing, several projects with initial plans for flat roofs to hold solar panels were changed to pitched roofs to accommodate character of the area objections, limiting the potential to use renewable energy.

We also appreciate the initial steps taken to adjust Act 250 to better balance our housing needs with our preservation goals. Eliminating the Act 250 threshold in designated areas will have real implications. While temporary adjustments are a good place to start, a careful re-examination of Act 250 over the next few years is necessary. In order to create 30,000-40,000 new units of housing, we'll need to look beyond the 41 square miles that make up our village centers.

We're grateful for the work done to date to meet the present challenges and are excited about the opportunities these changes will bring.

Sincerely,

Michelle Kersey Chair, VAHC