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H.253

SHORT FORM

Introduced by Representatives Holcombe of Norwich and Lalley of Shelburne

Referred to Committee on

Date:

Subject: Conservation and development; land use; housing

Statement of purpose of bill as introduced: This bill proposes to enact housing policy that advances Vermont’s housing and climate goals, while reducing costs and growing the economy, by (1) establishing a revolving fund at the Vermont Housing Finance Agency (VHFA) that incentivizes development of low cost, climate- and labor-friendly modular housing, (2) creating a new Act 250 designation called workforce housing zones, and (3) prioritizing water and wastewater systems within the newly designated workforce housing zones.

First, the VHFA shall serve as the fiscal agent for a newly created revolving fund and shall develop a plan to use bulk purchasing of homes produced through off-site construction to achieve lower construction costs for single-family and missing middle housing and develop a long-term plan for using off-site construction to achieve lower multifamily construction costs. The homes shall meet criteria for energy efficiency and affordability as determined by criteria established by the VHFA. Funds may be utilized through grants and

1 technical assistance to existing businesses to develop or expand off-site
2 construction capacity.

3 Second, there is established a designation of workforce housing zones to
4 include geographic areas within (1) six miles of the centroid of a census tract
5 that has 7,200 or more jobs, (2) five miles of the centroid of a census tract that
6 has between 4,999 to 7,200 jobs, and (3) three and one-half miles of the
7 centroid of a census tract that has between 2,499 and 5,000 jobs.

8 The workforce housing zones shall be reviewed and revised every five years
9 using information from the U.S. Census Bureau and may be adjusted slightly
10 to account for local circumstances within a duly adopted town plan with the
11 concurrence of the applicable regional planning commission.

12 The workforce housing zones shall receive the same benefits that apply to
13 designated neighborhood development areas, except that the thresholds for
14 applying jurisdiction under 10 V.S.A. chapter 151 shall be raised from (1) 10
15 to 50 units for the construction of a housing project, (2) 10 to 50 lots for the
16 definition of a subdivision, and (3) six to 25 lots for the definition of a
17 subdivision in a municipality that does not have duly adopted permanent
18 zoning and subdivision bylaws.

19 Finally, this bill proposes to prioritize funding for public water and
20 wastewater systems in workforce housing zones from any State funding source
21 purposed for that or similar use. The Agency of Natural Resources shall study

1 (1) the proximity of existing water and wastewater systems to workforce
2 housing zones that could be expanded or upgraded, (2) the barriers and
3 feasibility to the development of public municipal water and wastewater
4 systems within workforce housing zones, (3) the options for expanding septic
5 capacity in workforce housing zones through innovative and alternative
6 wastewater treatment systems, and (4) the costs and benefits of creating
7 additional capacity within the Department of Environmental Conservation for
8 managing the development of water and wastewater systems of a fee basis for
9 small municipalities and regions with workforce housing zones and the
10 development of a model for accomplishing this objective.

11 An act relating to workforce housing zones

12 It is hereby enacted by the General Assembly of the State of Vermont:

13 (TEXT OMITTED IN SHORT-FORM BILLS)