

1

S.328

2

An act relating to housing and common interest communities

3

The Senate concurs in the House proposal of amendment with further

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proposal of amendment as follows:

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First: In Sec. 3, 10 V.S.A. § 10, by striking out subsection (a) in its entirety

6

and inserting in lieu thereof a new subsection (a) to read as follows:

7

(a) Notwithstanding any provision of 32 V.S.A. § 433(a) to the contrary,

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the Vermont State Treasurer shall have the authority to establish a credit

9

facility of up to ~~10~~ 12.5 percent of the State's average cash balance on terms

10

acceptable to the Treasurer and consistent with prudent investment principles

11

and guidelines pursuant to 32 V.S.A. § 433~~(b)~~ ~~(e)(b)~~ and (c) and the Uniform

12

Prudent Investor Act, 14A V.S.A. chapter 9.

13

Second: In Sec. 4, off-site construction accelerator pilot, in subdivision

14

(c)(2), after the words "Department of Housing and Community Development"

15

by inserting ", the Vermont Economic Progress Council,"

16

Third: In Sec. 6, 10 V.S.A. § 699, by striking out subsection (a) in its

17

entirety

18

Fourth: In Sec. 8, 24 V.S.A. § 4382, in subdivision (a)(10), by inserting

19

", labor," after the word "regulatory"

1 (D) Bylaws shall designate appropriate districts and reasonable
2 regulations for multiunit or multifamily dwellings. No bylaw shall have the
3 effect of excluding these multiunit or multifamily dwellings from the
4 municipality. In any district that allows year-round residential development,
5 duplexes shall be ~~an allowed~~ a permitted use with dimensional standards that
6 are not more restrictive than is required for a single-unit dwelling, including no
7 additional land or lot area than would be required for a single-unit dwelling. In
8 any district that is served by municipal sewer and water infrastructure that
9 allows residential development, multiunit dwellings with four or fewer units
10 shall be a permitted use on the same size lot as a single-unit dwelling, ~~unless~~
11 ~~that district specifically requires multiunit structures to have more than four~~
12 ~~dwelling units.~~

13 (E) Except for flood hazard and fluvial erosion area bylaws adopted
14 pursuant to section 4424 of this title, no bylaw shall have the effect of
15 excluding as a permitted use one accessory dwelling unit that is located within
16 or appurtenant to a single-family dwelling ~~on an owner-occupied lot~~. A bylaw
17 shall require a single-family dwelling with an accessory dwelling unit to be
18 subject to the same review, dimensional, or other controls as required for a
19 single-family dwelling without an accessory dwelling unit. The criteria for
20 conversion of an existing detached nonresidential building to habitable space

1 for an accessory dwelling unit shall not be more restrictive than the criteria
2 used for a single-family dwelling without an accessory dwelling unit.

3 * * *

4 (15) No bylaw shall require a duplex to be constructed on an owner-
5 occupied lot.

6 Sixth: By adding a new section to be Sec. 9a to read as follows:

7 Sec. 9a. 24 V.S.A. § 4412 is amended to read:

8 § 4412. REQUIRED PROVISIONS AND PROHIBITED EFFECTS

9 Notwithstanding any existing bylaw, the following land development
10 provisions shall apply in every municipality:

11 (1) Equal treatment of housing and required provisions for affordable
12 housing.

13 * * *

14 (D) Bylaws shall designate appropriate districts and reasonable
15 regulations for multiunit or multifamily dwellings. No bylaw shall have the
16 effect of excluding these multiunit or multifamily dwellings from the
17 municipality. In any district that allows year-round residential development,
18 duplexes shall be a permitted use with dimensional standards that are not more
19 restrictive than is required for a single-unit dwelling, including no additional
20 land or lot area than would be required for a single-unit dwelling. In any

1 district that is served by municipal sewer and water infrastructure that allows
2 residential development, multiunit dwellings with four or fewer units shall be a
3 permitted use on the same size lot as a single-unit dwelling, unless that district
4 specifically requires multiunit structures to have more than four dwelling units.

5 * * *

6 (15) ~~No bylaw shall require a duplex to be constructed on an owner-~~
7 ~~occupied lot. [Repealed.]~~

8 Seventh: By adding a reader assistance heading and new section to be Sec.
9 9b to read as follows:

10 * * * State Community Investment Program * * *

11 Sec. 9b. 24 V.S.A. § 5803 is amended to read:

12 § 5803. DESIGNATION OF DOWNTOWN AND VILLAGE CENTERS

13 * * *

14 (f) Benefits Steps. A center may receive the benefits associated with the
15 steps in this section by meeting the established requirements. The Department
16 shall review applications from municipalities to advance from Step One to
17 Two and from Step Two to Three and issue written decisions. The Department
18 shall issue a written administrative decision within 30 days following an
19 application. If a municipal application is rejected by the Department, the
20 municipality may appeal the administrative decision to the State Board. To

1 maintain a downtown approved under chapter 76A after December 31, 2026,
2 the municipality shall apply for renewal following a regional planning
3 approval by the LURB and meet the program requirements. Step Three
4 designations that are not approved for renewal revert to Step Two. The
5 municipality may appeal the administrative decision of the Department to the
6 State Board. Appeals of administrative decisions shall be heard by the State
7 Board at the next meeting following a timely filing stating the reasons for the
8 appeal. The State Board's decision is final. The Department shall issue
9 guidance to administer these steps.

10 * * *

11 (2) Step Two.

12 (A) Requirements. Step Two is established to create a mid-level
13 designation for villages throughout the State to increase planning and
14 implementation capacity for community-scale projects. A center reaches Step
15 Two if it:

16 * * *

17 (iv) a portion of the center is listed or eligible for listing in the
18 National Register of Historic Places, unless recognized by the program as a
19 preexisting designated new town center.

20 * * *

1 (3) Step Three.

2 (A) Requirements. Step Three is established to create an advanced
3 designation for downtowns throughout the State to create mixed-use centers
4 and join the Vermont Downtown Program. A center reaches Step Three if the
5 Department finds that it meets the following requirements:

6 * * *

7 (ii) Is A portion of the center is listed or eligible for listing in the
8 National Register of Historic Places, unless recognized by the program as a
9 preexisting designated new town center.

10 * * *

11 Eighth: In Sec. 10, Office of Legislative Counsel; common interest
12 community report, by striking out subsection (a) in its entirety and inserting in
13 lieu thereof a new subsection (a) to read as follows:

14 (a) On or before November 15, 2026, the Office of Legislative Counsel
15 shall provide a written report to the House Committee on General and Housing
16 and the Senate Committee on Economic Development, Housing and General
17 Affairs outlining any legal, conventional financing, and funding compliance
18 issues related to requiring common interest communities to:

19 (1) authorize leasing of residential units;

20 (2) authorize commercial purposes within a dwelling unit;

