

Side-by-Side-by-Side Comparison
S.127, H.479, and Senate Proposals

S.127 Proposal	H.479 Proposal	Senate CHIP Proposal
<p>Sec. 1.</p> <p>§ 699. VERMONT RENTAL HOUSING IMPROVEMENT PROGRAM</p> <p>(a) Creation of Program. * * *</p> <p>(5)(A) The Department may cooperate with and subgrant funds to State agencies and governmental subdivisions and public and private organizations in order to carry out the purposes of this subsection section.</p> <p><u>(B) Solely with regards to actions undertaken pursuant to this subdivision (5), entities carrying out the provisions of this section, including grantees, subgrantees, and contractors of the State, shall be exempt from the provisions of 8 V.S.A. chapter 73 (licensed lenders, mortgage brokers, mortgage loan originators, sales finance companies, and loan solicitation companies).</u> * * *</p> <p>(d) Program requirements applicable to grants and forgivable loans.</p> <p>(1)(A) A grant or loan shall not exceed:</p> <p>(i) \$70,000.00 per unit, for rehabilitation or creation of an eligible rental housing unit meeting the applicable building</p>	<p>Sec. 1.</p> <p>§ 699. VERMONT RENTAL HOUSING IMPROVEMENT PROGRAM</p> <p>(a) Creation of Program. * * *</p> <p>(5)(A) The Department may cooperate with and subgrant funds to State agencies and governmental subdivisions and public and private organizations in order to carry out the purposes of this subsection.</p> <p><u>(B) Solely with regards to actions undertaken pursuant to this subdivision, entities carrying out the provisions of this section, including grantees, subgrantees, and contractors of the State, shall be exempt from the provisions of 8 V.S.A. chapter 73 (licensed lenders, mortgage brokers, mortgage loan originators, sales finance companies, and loan solicitation companies).</u> * * *</p> <p>(d) Program requirements applicable to grants and forgivable loans.</p> <p>(1)(A) A grant or loan shall not exceed:</p> <p>(i) \$70,000.00 per unit, for rehabilitation or creation of an eligible rental housing unit meeting the applicable building</p>	

<p>accessibility requirements under the Vermont Access Rules; or</p> <p>(ii) \$50,000.00 per unit, for rehabilitation or creation of any other eligible rental housing unit. <u>Up to an additional \$20,000.00 per unit may be made available for specific elements that collectively bring the unit to the visitable standard outlined in the rules adopted by the Vermont Access Board.</u></p> <p style="text-align: center;">* * *</p> <p>(e) Program requirements applicable to grants and five-year forgivable loans. For a grant or five-year forgivable loan awarded through the Program, the following requirements apply for a minimum period of five years:</p> <p>(1) A landlord shall coordinate with nonprofit housing partners and local coordinated entry <u>homelessness service organizations approved by the Department</u> to identify potential tenants.</p> <p>(2)(A) Except as provided in subdivision (2)(B) of this subsection <u>subdivision (e)(2)</u>, a landlord shall lease the unit to a household that is:</p> <p>(i) exiting homelessness, including any individual under 25 years of age who secures housing through a master lease held by a youth service provider on behalf of individuals under 25 years of age;</p>	<p>accessibility requirements under the Vermont Access Rules; or</p> <p>(ii) \$50,000.00 per unit, for rehabilitation or creation of any other eligible rental housing unit. <u>Up to an additional \$20,000.00 per unit may be made available for specific elements that collectively bring the unit to the visitable standard outlined in the rules adopted by the Vermont Access Board.</u></p> <p style="text-align: center;">* * *</p> <p>(e) Program requirements applicable to grants and five-year forgivable loans. For a grant or five-year forgivable loan awarded through the Program, the following requirements apply for a minimum period of five years:</p> <p>(1) A landlord shall coordinate with nonprofit housing partners and local coordinated entry <u>homelessness service organizations approved by the Department</u> to identify potential tenants.</p> <p>(2)(A) Except as provided in subdivision (2)(B) of this subsection (e), a landlord shall lease the unit to a household that is:</p> <p>(i) exiting homelessness, including any individual under 25 years of age who secures housing through a master lease held by a youth service provider on behalf of individuals under 25 years of age;</p>	
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<p>(ii) actively working with an immigrant or refugee resettlement program; or</p> <p>(iii) composed of at least one individual with a disability who <u>receives or is eligible approved</u> to receive Medicaid-funded home- and community-based <u>home- and community-based</u> services or Social Security Disability Insurance;</p> <p>(iv) <u>displaced due to a natural disaster; or</u></p> <p>(v) <u>with approval from the Department in writing, an organization that will hold a master lease that explicitly states the unit will be used in service of the populations described in this subsection (e).</u></p> <p style="text-align: center;">* * *</p> <p>(4)(A) A landlord may convert a grant to a forgivable loan upon approval of the Department and the housing organization that approved the grant.</p> <p>(B) A landlord who converts a grant to a forgivable loan shall receive a 10-percent <u>prorated</u> credit for loan forgiveness for each year in which the landlord participates in the Program.</p> <p>(f) Requirements applicable to 10-year forgivable loans. For a 10-year forgivable loan awarded through the Program, the following requirements apply for a minimum period of 10 years:</p> <p>(1) A landlord shall coordinate with nonprofit housing partners and local</p>	<p>(ii) actively working with an immigrant or refugee resettlement program; or</p> <p>(iii) composed of at least one individual with a disability who <u>receives or is eligible approved</u> to receive Medicaid-funded home- and community-based <u>home- and community-based</u> services or Social Security Disability Insurance;</p> <p>(iv) <u>displaced due to a natural disaster; or</u></p> <p>(v) <u>with approval from the Department in writing, an organization that will hold a master lease that explicitly states the unit will be used in service of the populations described in this subsection (e).</u></p> <p style="text-align: center;">* * *</p> <p>(4)(A) A landlord may convert a grant to a forgivable loan upon approval of the Department and the housing organization that approved the grant.</p> <p>(B) A landlord who converts a grant to a forgivable loan shall receive a 10-percent <u>prorated</u> credit for loan forgiveness for each year in which the landlord participates in the Program.</p> <p>(f) Requirements applicable to 10-year forgivable loans. For a 10-year forgivable loan awarded through the Program, the following requirements apply for a minimum period of 10 years:</p> <p>(1) A landlord shall coordinate with nonprofit housing partners and local</p>	
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<p>coordinated entry organizations to identify potential tenants <u>The total cost of rent for the unit, including utilities not covered by rent payments, shall not exceed the applicable fair market rent established by the Department of Housing and Urban Development, except that a landlord may accept a housing voucher that exceeds fair market rent, if available.</u></p> <p>(2)(A) Except as provided in subdivision (2)(B) of this subsection (f), a landlord shall lease the unit to a household that is:</p> <p style="padding-left: 40px;">(i) exiting homelessness, including any individual under 25 years of age who secures housing through a master lease held by a youth service provider on behalf of individuals under 25 years of age;</p> <p style="padding-left: 40px;">(ii) actively working with an immigrant or refugee resettlement program;</p> <p>or</p> <p style="padding-left: 40px;">(iii) composed of at least one individual with a disability who is eligible to receive Medicaid-funded home and community based services.</p> <p>(B) If, upon petition of the landlord, the Department or the housing organization that issued the grant determines that a household under subdivision (2)(A) of this subsection (f) is not available to lease the unit, then the landlord shall lease the unit:</p> <p style="padding-left: 40px;">(i) to a household with an income equal to or less than 80 percent of area median income; or</p>	<p>coordinated entry organizations to identify potential tenants <u>The total cost of rent for the unit, including utilities not covered by rent payments, shall not exceed the applicable fair market rent established by the Department of Housing and Urban Development, except that a landlord may accept a housing voucher that exceeds fair market rent, if available.</u></p> <p>(2)(A) Except as provided in subdivision (2)(B) of this subsection (f), a landlord shall lease the unit to a household that is:</p> <p style="padding-left: 40px;">(i) exiting homelessness, including any individual under 25 years of age who secures housing through a master lease held by a youth service provider on behalf of individuals under 25 years of age;</p> <p style="padding-left: 40px;">(ii) actively working with an immigrant or refugee resettlement program;</p> <p>or</p> <p style="padding-left: 40px;">(iii) composed of at least one individual with a disability who is eligible to receive Medicaid-funded home and community based services.</p> <p>(B) If, upon petition of the landlord, the Department or the housing organization that issued the grant determines that a household under subdivision (2)(A) of this subsection (f) is not available to lease the unit, then the landlord shall lease the unit:</p> <p style="padding-left: 40px;">(i) to a household with an income equal to or less than 80 percent of area median income; or</p>	
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<p>(ii) if such a household is unavailable, to another household with the approval of the Department or housing organization.</p> <p>(3)(A) A landlord shall accept any housing vouchers that are available to pay all, or a portion of, the tenant's rent and utilities.</p> <p>(B) If no housing voucher or federal or State subsidy is available, the cost of rent for the unit, including utilities not covered by rent payments, shall not exceed the applicable fair market rent established by the Department of Housing and Urban Development.</p> <p>(4)(3) The Department shall forgive 10 percent of the <u>a prorated</u> amount of a forgivable loan for each year a landlord participates in the loan program.</p> <p><u>(g) Minimum funding for grants and five-year forgivable loans.</u></p> <p><u>(1) Annually, the Department shall establish a minimum allocation of funding set aside to be used for five-year grants or forgivable loans to serve eligible households pursuant to subsection (e) of this section. Remaining funds may be used for either five-year grants or forgivable loans or 10-year forgivable loans pursuant to subsection (f) of this section. The set aside shall be a minimum of 30 percent of funds disbursed annually.</u></p> <p><u>(2) The Department shall consult with the Agency of Human Services to evaluate</u></p>	<p>(ii) if such a household is unavailable, to another household with the approval of the Department or housing organization.</p> <p>(3)(A) A landlord shall accept any housing vouchers that are available to pay all, or a portion of, the tenant's rent and utilities.</p> <p>(B) If no housing voucher or federal or State subsidy is available, the cost of rent for the unit, including utilities not covered by rent payments, shall not exceed the applicable fair market rent established by the Department of Housing and Urban Development.</p> <p>(4)(3) The Department shall forgive 10 percent of the <u>a prorated</u> amount of a forgivable loan for each year a landlord participates in the loan program.</p> <p><u>(g) Minimum funding for grants and five-year forgivable loans.</u></p> <p><u>(1) Annually, the Department shall establish a minimum allocation of funding set aside to be used for five-year grants or forgivable loans to serve eligible households pursuant to subsection (e) of this section. Remaining funds may be used for either five-year grants or forgivable loans or 10-year forgivable loans pursuant to subsection (f) of this section. The set aside shall be a minimum of 30 percent of funds disbursed annually.</u></p> <p><u>(2) The Department shall consult with the Agency of Human Services to evaluate</u></p>	
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<p><u>factors in establishing the amount of the set aside, including:</u></p> <p><u>(A) the availability of housing vouchers;</u></p> <p><u>(B) the current need for housing for eligible households;</u></p> <p><u>(C) the ability and desire of landlords to house eligible households;</u></p> <p><u>(D) the support services available for landlords; and</u></p> <p><u>(E) the prior uptake and success rates for participating landlords.</u></p> <p><u>(3) The Department shall coordinate with the local Coordinated Entry Lead Agencies and Homeownership Centers to direct referrals for those individuals or families prioritized to be housed pursuant to the five-year grants or forgivable loans.</u></p> <p><u>(4) Funds from the set aside not utilized after nine months shall become available for 10-year forgivable loans.</u></p> <p><u>(5) The Department shall annually publish the amount of the set aside on its website.</u></p> <p style="text-align: center;">* * *</p> <p><u>(i) Creation of the Vermont Rental Housing Improvement Program Revolving Fund. Funds repaid or returned to the Department from forgivable loans or grants funded by the Program shall return to the Vermont Rental Housing Improvement Revolving Fund to be used for Program</u></p>	<p><u>factors in establishing the amount of the set aside, including:</u></p> <p><u>(A) the availability of housing vouchers;</u></p> <p><u>(B) the current need for housing for eligible households;</u></p> <p><u>(C) the ability and desire of landlords to house eligible households;</u></p> <p><u>(D) the support services available for landlords; and</u></p> <p><u>(E) the prior uptake and success rates for participating landlords.</u></p> <p><u>(3) The Department shall coordinate with the local Coordinated Entry Lead Agencies and HomeOwnership Centers to direct referrals for those individuals or families prioritized to be housed pursuant to the five-year grants or forgivable loans.</u></p> <p><u>(4) Funds from the set aside not utilized after nine months shall become available for 10-year forgivable loans.</u></p> <p><u>(5) The Department shall annually publish the amount of the set aside on its website.</u></p> <p style="text-align: center;">* * *</p> <p><u>(i) Creation of the Vermont Rental Housing Improvement Program Fund. Funds repaid or returned to the Department from forgivable loans or grants funded by the Program shall return to the Vermont Rental Housing Improvement Program Fund to be used for Program expenditures and</u></p>	
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<p><u>expenditures and administrative costs at the discretion of the Department.</u></p> <p><u>(j) Annual report. Annually, the Department shall submit a report to the House Committees on Human Services and on General and Housing and the Senate Committee on Economic Development, Housing and General Affairs regarding the following:</u></p> <p><u>(1) separately, the number of units funded and the number of units rehabilitated through grants, through a five-year forgivable loan, and through a 10-year forgivable loan;</u></p> <p><u>(2) for grants and five-year forgivable loans, for the first year after the expiration of the lease requirements outlined in subdivision (e)(2)(A) of this section, whether the unit is still occupied by a tenant who meets the qualifications of that subdivision;</u></p> <p><u>(3) for each program, for the first year after the expiration of the applicable lease requirements outlined in this section, the amount of rent charged by the landlord and how that rent compares to fair market rent established by the Department of Housing and Urban Development; and</u></p> <p><u>(4) the rate of turnover for tenants housed utilizing grants or five-year forgivable loans and 10-year forgivable loans separately.</u></p>	<p><u>administrative costs at the discretion of the Department.</u></p> <p><u>(j) Annual report. Annually, the Department shall submit a report to the House Committees on Human Services and on General and Housing and the Senate Committee on Economic Development, Housing and General Affairs regarding the following:</u></p> <p><u>(1) separately, the number of units funded and the number of units rehabilitated through grants, through a five-year forgivable loan, and through a 10-year forgivable loan;</u></p> <p><u>(2) for grants and five-year forgivable loans, for the first year after the expiration of the lease requirements outlined in subdivision (e)(2)(A) of this section, whether the unit is still occupied by a tenant who meets the qualifications of that subdivision;</u></p> <p><u>(3) for each program, for the first year after the expiration of the applicable lease requirements outlined in this section, the amount of rent charged by the landlord and how that rent compares to fair market rent established by the Department of Housing and Urban Development; and</u></p> <p><u>(4) the rate of turnover for tenants housed utilizing grants or five-year forgivable loans and 10-year forgivable loans separately.</u></p>	
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<p>Sec. 3.</p> <p>§ 4686. VERMONT INFRASTRUCTURE SUSTAINABILITY FUND</p> <p><u>(a) Creation. There is created the Vermont Infrastructure Sustainability Fund within the Vermont Bond Bank.</u></p> <p><u>(b) Purpose. The purpose of the Fund is to provide capital to extend and increase capacity of water and sewer service and other public infrastructure in municipalities where lack of extension or capacity is a barrier to housing development.</u></p> <p><u>(c) Administration. The Vermont Bond Bank may administer the Fund in coordination with and support from other State agencies, government component parts, and quasi-governmental agencies.</u></p> <p><u>(d) Program parameters.</u></p> <p><u>(1) The Vermont Bond Bank, in consultation with the Department of Housing and Community Development, shall develop program guidelines to effectively implement the Fund.</u></p> <p><u>(2) The program shall provide low-interest loans or purchase bonds from municipalities to expand infrastructure capacity. Eligible activities include:</u></p>	<p>Sec. 3.</p> <p>§ 4686. VERMONT INFRASTRUCTURE SUSTAINABILITY FUND</p> <p><u>(a) Creation. There is created the Vermont Infrastructure Sustainability Fund within the Vermont Bond Bank.</u></p> <p><u>(b) Purpose. The purpose of the Fund is to provide capital to extend and increase capacity of water and sewer service and other public infrastructure in municipalities where lack of extension or capacity is a barrier to housing development.</u></p> <p><u>(c) Administration. The Vermont Bond Bank may administer the Fund in coordination with and support from other State agencies, government component parts, and quasi-governmental agencies.</u></p> <p><u>(d) Program parameters.</u></p> <p><u>(1) The Vermont Bond Bank, in consultation with the Department of Housing and Community Development, shall develop program guidelines to effectively implement the Fund.</u></p> <p><u>(2) The program shall provide low-interest loans or purchase bonds from municipalities to expand infrastructure capacity. Eligible activities include:</u></p>	
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<p><u>(A) preliminary engineering and planning;</u></p> <p><u>(B) engineering design and bid specifications;</u></p> <p><u>(C) construction for municipal water and wastewater systems;</u></p> <p><u>(D) transportation investments, including those required by municipal regulation, the municipality's official map, designation requirements, or other planning or engineering identifying complete streets and transportation and transit related improvements, including improvements to existing streets; and</u></p> <p><u>(E) other eligible activities as determined by the guidelines produced by the Vermont Bond Bank in consultation with the Department of Housing and Community Development.</u></p> <p><u>(e) Application requirements. Eligible project applications shall demonstrate:</u></p> <p><u>(1) the project will create reserve capacity necessary for new housing unit development;</u></p> <p><u>(2) the project has a direct link to housing unit production; and</u></p> <p><u>(3) the municipality has a commitment to own and operate the project throughout its useful life.</u></p> <p><u>(f) Application criteria. In addition to any criteria developed in the program guidelines,</u></p>	<p><u>(A) preliminary engineering and planning;</u></p> <p><u>(B) engineering design and bid specifications;</u></p> <p><u>(C) construction for municipal water and wastewater systems;</u></p> <p><u>(D) transportation investments, including those required by municipal regulation, the municipality's official map, designation requirements, or other planning or engineering identifying complete streets and transportation and transit related improvements, including improvements to existing streets; and</u></p> <p><u>(E) other eligible activities as determined by the guidelines produced by the Vermont Bond Bank in consultation with the Department of Housing and Community Development.</u></p> <p><u>(e) Application requirements. Eligible project applications shall demonstrate:</u></p> <p><u>(1) the project will create reserve capacity necessary for new housing unit development;</u></p> <p><u>(2) the project has a direct link to housing unit production; and</u></p> <p><u>(3) the municipality has a commitment to own and operate the project throughout its useful life.</u></p> <p><u>(f) Application criteria. In addition to any criteria developed in the program guidelines,</u></p>	
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<p><u>project applications shall be evaluated using the following criteria:</u></p> <p><u>(1) whether there is a direct connection to proposed or in-progress housing development with demonstrable progress toward regional housing targets;</u></p> <p><u>(2) whether the project is an expansion of an existing system;</u></p> <p><u>(3) the proximity to a designated area;</u></p> <p><u>(4) the project readiness and estimated time until the need for financing;</u></p> <p><u>(5) the demonstration of financing for project completion or completion of a project component; and</u></p> <p><u>(6) the relative need and capacity of the community.</u></p> <p><u>(g) Award terms. The Vermont Bond Bank, in consultation with the Department of Housing and Community Development, shall establish award terms that may include:</u></p> <p><u>(1) the maximum loan or bond amount;</u></p> <p><u>(2) the maximum term of the loan or bond amount;</u></p> <p><u>(3) the time by which amortization shall commence;</u></p> <p><u>(4) the maximum interest rate;</u></p> <p><u>(5) whether the loan is eligible for forgiveness and to what percentage or amount;</u></p> <p><u>(6) the necessary security for the loan or bond; and</u></p>	<p><u>project applications shall be evaluated using the following criteria:</u></p> <p><u>(1) whether there is a direct connection to proposed or in-progress housing development with demonstrable progress toward regional housing targets;</u></p> <p><u>(2) whether the project is an expansion of an existing system and the proximity to a designated area;</u></p> <p><u>(3) the project readiness and estimated time until the need for financing; and</u></p> <p><u>(4) the demonstration of financing for project completion or completion of a project component.</u></p> <p><u>(g) Award terms. The Vermont Bond Bank, in consultation with the Department of Housing and Community Development, shall establish award terms that may include:</u></p> <p><u>(1) the maximum loan or bond amount;</u></p> <p><u>(2) the maximum term of the loan or bond amount;</u></p> <p><u>(3) the time by which amortization shall commence;</u></p> <p><u>(4) the maximum interest rate;</u></p> <p><u>(5) whether the loan is eligible for forgiveness and to what percentage or amount;</u></p> <p><u>(6) the necessary security for the loan or bond; and</u></p>	
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<p><u>(7) any additional covenants required to further secure the loan or bond.</u></p> <p><u>(h) Revolving fund.</u></p> <p><u>(1) Any funds repaid or returned from the Infrastructure Sustainability Fund shall be deposited into the Fund and used to continue the program established in this section.</u></p> <p><u>(2) The Bank may use the funds in conjunction with other Bank programs to accomplish the policy objectives outlined in this section.</u></p>	<p><u>(7) any additional covenants required to further secure the loan or bond.</u></p> <p><u>(h) Revolving fund.</u></p> <p><u>(1) Any funds repaid or returned from the Infrastructure Sustainability Fund shall be deposited into the Fund and used to continue the program established in this section.</u></p> <p><u>(2) The Bank may use the funds in conjunction with other Bank programs to accomplish the policy objectives outlined in this section.</u></p>	
<p>Sec. 5.</p> <p>RESIDENTIAL UNIVERSAL DESIGN STANDARDS; STUDY COMMITTEE; REPORT</p> <p><u>(a) Creation. There is created the Residential Universal Design Study Committee to explore implementation of statewide universal design standards for all residential buildings.</u></p> <p><u>(b) Membership. The Committee shall be composed of the following members with preference for appointment of members with lived experience:</u></p> <p><u>(1) one member of the House of Representatives, who shall be appointed by the Speaker of the House;</u></p>	<p><----- Not in H.479 proposal</p>	

<p><u>(2) one member of the Senate, who shall be appointed by the Committee on Committees;</u></p> <p><u>(3) one member, appointed by the Vermont Builders and Remodelers Association;</u></p> <p><u>(4) one member, appointed by the Vermont Chapter of the American Institute of Architects;</u></p> <p><u>(5) the Director of Fire Safety or designee;</u></p> <p><u>(6) one member of the Vermont Access Board, appointed by the Chair;</u></p> <p><u>(7) one member, appointed by the Vermont Housing Finance Agency;</u></p> <p><u>(8) one member, appointed by the Vermont Housing and Conservation Board;</u></p> <p><u>(9) one member, appointed by the Vermont Center for Independent Living;</u></p> <p><u>(10) one member, appointed by the Vermont Developmental Disabilities Council;</u></p> <p><u>(11) the Commissioner of Housing and Community Development or designee;</u></p> <p><u>(12) one member, appointed by the Vermont Leagues of Cities and Towns;</u></p> <p><u>(13) one member, appointed by the Vermont Assessors and Listers Association;</u></p> <p><u>(14) one member, appointed by the Vermont Association of Realtors;</u></p> <p><u>(15) the Commissioner of Disabilities, Aging and Independent Living or designee;</u></p>		
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<p><u>(16) one member, appointed by ADA Inspections Nationwide, LLC; and</u></p> <p><u>(17) one member, appointed by the Associated General Contractors of Vermont.</u></p> <p><u>(c) Powers and duties. The Committee shall study the development and implementation of statewide universal design standards for residential buildings, including identification and analysis of the following issues:</u></p> <p><u>(1) existing federal and state laws regarding the Americans with Disabilities Act, 42 U.S.C. §§ 12101–12213, standards and building codes;</u></p> <p><u>(2) existing federal, state, and international best practices and standards addressing accessibility and adaptability characteristics of single-family and multiunit buildings;</u></p> <p><u>(3) opportunities and challenges for supporting the residential building industry in meeting universal design standards, including considerations of workforce education and training;</u></p> <p><u>(4) cost benefits and impacts of adopting a universal design standard for residential buildings;</u></p> <p><u>(5) opportunities and challenges with enforcement of identified standards; and</u></p> <p><u>(6) impacts to the valuation and financing of impacted buildings.</u></p>		
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<p><u>(d) Assistance. The Committee shall have the administrative, technical, and legal assistance of the Department of Housing and Community Development.</u></p> <p><u>(e) Report. On or before November 1, 2025, the Committee shall submit a written report to the House Committee on General and Housing and the Senate Committee on Economic Development, Housing and General Affairs with its findings and any recommendations for legislative action.</u></p> <p><u>(f) Meetings.</u></p> <p><u>(1) The member of the House of Representatives shall call the first meeting of the Committee to occur on or before June 1, 2025.</u></p> <p><u>(2) The Committee shall select a chair from among its members at the first meeting.</u></p> <p><u>(3) A majority of the membership shall constitute a quorum.</u></p> <p><u>(4) The Committee shall cease to exist on December 1, 2025.</u></p> <p><u>(g)(1) Compensation and reimbursement. For attendance at meetings during adjournment of the General Assembly, a legislative member of the Committee serving in the member's capacity as a legislator shall be entitled to per diem compensation and reimbursement of expenses pursuant to 2 V.S.A. § 23 for not more than six meetings. These payments shall be made from monies appropriated to the General Assembly.</u></p>		
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<p><u>(2) Members of the Committee who are not otherwise compensated for their time shall be entitled to per diem compensation as permitted under 32 V.S.A. § 1010 for not more than six meetings. These payments shall be made from monies appropriated to the Department of Housing and Community Development for that purpose.</u></p> <p><u>(h) Intent to appropriate. Notwithstanding subdivision (g)(2) of this section, per diems for the cost of attending meetings shall only be available in the event an appropriation is made in fiscal year 2026 from the General Fund to the Department of Housing and Community Development for that purpose.</u></p>		
<p>Sec. 10.</p> <p>DHCD LAND BANK REPORT</p> <p><u>(a) On or before November 1, 2025, the Department of Housing and Community Development shall issue a report to the House Committee on General and Housing and the Senate Committee on Economic Development, Housing and General Affairs outlining a legal framework for implementation of a State land bank. The report shall include proposed legislative language specific to:</u></p> <p><u>(1) the creation of a statewide land bank;</u></p>	<p>Sec. 9.</p> <p>DHCD LAND BANK REPORT</p> <p><u>(a) On or before November 1, 2026, the Department of Housing and Community Development shall issue a report to the House Committee on General and Housing and the Senate Committee on Economic Development, Housing and General Affairs outlining a legal framework for implementation of a State land bank. The report shall include proposed legislative language specific to:</u></p> <p><u>(1) the creation and ongoing administration of a statewide land bank;</u></p>	

<p><u>(2) the authorization of regional or municipal land banks; and</u> <u>(3) the identification of funding proposals to support the sustainability of each separate model.</u></p> <p><u>(b) The report shall include an analysis on which option, the creation of a statewide land bank or the authorization of regional or municipal land banks, best serves the interest of Vermont communities, including rural communities.</u></p>	<p><u>(2) the authorization of regional or municipal land banks; and</u> <u>(3) the identification of funding proposals to support the establishment and sustainability of each separate model.</u></p> <p><u>(b) The report shall include an analysis on which option, the creation of a statewide land bank or the authorization of regional or municipal land banks, best serves the interest of Vermont communities, including rural communities.</u></p> <p><u>(c) On or before January 15, 2026, the Department of Housing and Community Development shall provide a written update to the House Committee on General and Housing and the Senate Committee on Economic Development, Housing and General Affairs on progress made, including a preliminary assessment of the information required in the final report.</u></p>	
<p>Sec. 11.</p> <p>§ 4456a. RESIDENTIAL RENTAL APPLICATION FEES; PROHIBITED</p> <p><u>(a)</u> A landlord or a landlord's agent shall not charge an application fee to any individual in order to apply to enter into a rental agreement for a residential dwelling unit. This section <u>subsection</u> shall not be construed to prohibit a person from charging</p>	<p>Sec. 10.</p> <p>§ 4456a. RESIDENTIAL RENTAL APPLICATION FEES; PROHIBITED</p> <p><u>(a)</u> A landlord or a landlord's agent shall not charge an application fee to any individual in order to apply to enter into a rental agreement for a residential dwelling unit. This section <u>subsection</u> shall not be construed to prohibit a person from charging</p>	

<p>a fee to a person in order to apply to rent commercial or nonresidential property.</p> <p><u>(b)(1) In order to conduct a background or credit check, a landlord shall accept any of the following:</u></p> <p><u>(A) an original or a copy of any unexpired form of government-issued identification;</u></p> <p><u>(B) an Individual Taxpayer Identification Number; or</u></p> <p><u>(C) a Social Security number.</u></p> <p><u>(2) A residential rental application shall inform an applicant that the applicant may provide any of the above forms of identification in order to conduct a background or credit check.</u></p>	<p>a fee to a person in order to apply to rent commercial or nonresidential property.</p> <p><u>(b)(1) In order to conduct a background or credit check, a landlord may request a Social Security number from a residential rental applicant.</u></p> <p><u>(2) In the event an applicant does not have a Social Security number, a landlord shall accept one of the following:</u></p> <p><u>(A) an original or a copy of any unexpired form of government-issued identification; or</u></p> <p><u>(B) an Individual Taxpayer Identification Number.</u></p>	
<p>Sec. 15.</p> <p>§ 8502. DEFINITIONS</p> <p>As used in this chapter:</p> <p style="text-align: center;">* * *</p> <p>(7) “Person aggrieved” means a person who alleges an injury to a particularized interest protected by the provisions of law listed in section 8503 of this title, attributable to an act or decision by a district coordinator, District Commission, the Secretary, <u>an appropriate municipal panel</u>, or the Environmental Division that can be redressed by the Environmental Division or the Supreme Court.</p> <p style="text-align: center;">* * *</p>	<p><----- Not in H.479 proposal</p>	

<p>Sec. 16.</p> <p>§ 8504. APPEALS TO THE ENVIRONMENTAL DIVISION</p> <p style="text-align: center;">* * *</p> <p>(b) Planning and zoning chapter appeals.</p> <p>(1) Within 30 days of the date of the act or decision, an interested person, as defined in 24 V.S.A. § 4465, <u>or a person aggrieved</u>, who has participated as defined in 24 V.S.A. § 4471 in the municipal regulatory proceeding under that chapter may appeal to the Environmental Division an act or decision made under that chapter by a board of adjustment, a planning commission, or a development review board; provided, however, that decisions of a development review board under 24 V.S.A. § 4420 with respect to local Act 250 review of municipal impacts are not subject to appeal but shall serve as presumptions under chapter 151 of this title.</p> <p style="text-align: center;">* * *</p> <p>(h) De novo hearing. The Environmental Division, applying the substantive standards that were applicable before the tribunal appealed from, shall hold a de novo hearing on those issues that have been appealed; except. <u>For a municipal land use permit application for a housing development, if the appeal is of a denial, the Environmental</u></p>	<p><----- Not in H.479 proposal</p>	
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Division shall determine if the application is consistent with the municipal bylaw or land use regulation that directly affects the property or if the appeal is of an approval, if the application is inconsistent with the municipal bylaw or land use regulation that directly affects the property. It shall not be de novo in the case of:

(1) a decision being appealed on the record pursuant to 24 V.S.A. chapter 117; or

(2) a decision of the Commissioner of Forests, Parks and Recreation under section 2625 of this title being appealed on the record, in which case the court shall affirm the decision, unless it finds that the Commissioner did not have reasonable grounds on which to base the decision.

* * *

(k) Limitations on appeals.

Notwithstanding any other provision of this section:

(1) there shall be no appeal from a District Commission decision when the Commission has issued a permit and no hearing was requested or held, or no motion to alter was filed following the issuance of an administrative amendment;

(2) a municipal decision regarding whether a particular application qualifies for a recorded hearing under 24 V.S.A. § 4471(b) shall not be subject to appeal;

(3) if a District Commission issues a partial decision under subsection 6086(b) of

<p>this title, any appeal of that decision must be taken within 30 days following the date of that decision; and</p> <p>(4) it shall be the goal of the Environmental Division to issue a decision on a case regarding an appeal of an appropriate municipal panel decision under 24 V.S.A. chapter 117 within 90 days following the close of the hearing; <u>and</u></p> <p>(5) <u>except for cases the court considers of greater importance, appeals of an appropriate municipal panel decision under 24 V.S.A. chapter 117 involving housing development take precedence on the docket over other cases and shall be assigned for hearing and trial or for argument accordingly.</u></p> <p style="text-align: center;">* * *</p>		
<p>Sec. 17.</p> <p>§ 4465. APPEALS OF DECISIONS OF THE ADMINISTRATIVE OFFICER</p> <p style="text-align: center;">* * *</p> <p>(b) As used in this chapter, an “interested person” means any one of the following:</p> <p>(1) A person owning title to property, or a municipality or solid waste management district empowered to condemn it or an interest in it, affected by a bylaw, who alleges that the bylaw imposes on the property unreasonable or inappropriate restrictions of</p>	<p><----- Not in H.479 proposal</p>	

<p>present or potential use under the particular circumstances of the case.</p> <p>(2) The municipality that has a plan or a bylaw at issue in an appeal brought under this chapter or any municipality that adjoins that municipality.</p> <p>(3) A person owning or occupying property in the immediate neighborhood of a property that is the subject of any decision or act taken under this chapter, who can demonstrate a physical or environmental impact on the person's interest under the criteria reviewed, and who alleges that the decision or act, if confirmed, will not be in accord with the policies, purposes, or terms of the plan or bylaw of that municipality.</p> <p>(4) Any 20 persons who may be any combination of voters, residents, or real property owners within a municipality listed in subdivision (2) of this subsection who, by signed petition to the appropriate municipal panel of a municipality, the plan or a bylaw of which is at issue in any appeal brought under this title, allege that any relief requested by a person under this title, if granted, will not be in accord with the policies, purposes, or terms of the plan or bylaw of that municipality. This petition to the appropriate municipal panel must designate one person to serve as the representative of the petitioners regarding all matters related to the appeal. For purposes of this subdivision, an appeal shall not include</p>		
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<p>the character of the area affected if the project has a residential component that includes affordable housing.</p> <p>(5) Any department and administrative subdivision of this State owning property or any interest in property within a municipality listed in subdivision (2) of this subsection, and the Agency of Commerce and Community Development of this State.</p> <p>* * *</p>		
<p>Sec. 18.</p> <p>§ 4441. PREPARATION OF BYLAWS AND REGULATORY TOOLS; AMENDMENT OR REPEAL</p> <p>* * *</p> <p><u>(i) Notwithstanding this section and any other law to the contrary, for bylaw amendments that are required to comply with amendments to this chapter, no hearings are required to be held on the bylaw amendments.</u></p>	<p><----- Not in H.479 proposal</p>	
<p>Not in S.127 proposal -----></p>	<p>Sec. 23a.</p> <p>ANR REPORT ON SURFACE WATER DISCHARGES</p> <p><u>On or before November 15, 2025, the Secretary of Natural Resources shall submit a report to the General Assembly investigating</u></p>	

	<u>the steps currently necessary to permit new surface water direct discharges of domestic wastewater in Vermont, identifying funding sources available to support the construction of such projects, and any recommendations for improving or streamlining the process.</u>	
<p>Sec. 25.</p> <p>TAX INCREMENT FINANCING</p> <p><u>Subchapter 7. Community and Housing Infrastructure Program</u></p> <p><u>§ 1906. DEFINITIONS</u> <u>As used in this subchapter:</u></p> <p>(1) “Brownfield” means a property on which the presence or potential presence of a</p>	<p>Sec. 23.</p> <p>TAX INCREMENT FINANCING</p> <p><u>Subchapter 7. Community and Housing Infrastructure Program</u></p> <p><u>§ 1906. DEFINITIONS</u> <u>As used in this subchapter:</u></p> <p>(1) “Brownfield” means a property on which the presence or potential presence of a</p>	<p>TAX INCREMENT FINANCING</p> <p><u>Subchapter 7. Community and Housing Infrastructure Program</u></p> <p><u>§ 1906. DEFINITIONS</u> <u>As used in this subchapter:</u> <u>(1) “Affordable housing” has the same meaning as in 24 V.S.A. § 4303.</u> <u>(2) “Affordable housing development” means a housing development of which at least 15 percent of the units are affordable housing units. Affordable units shall be subject to covenants or restrictions that preserve their affordability until all indebtedness for the housing infrastructure project of which the housing development is part has been retired. During this period, the annual increase in rent for an affordable unit shall not exceed three percent or an amount otherwise authorized by the Vermont Economic Progress Council.</u> <u>(3) “Brownfield” means a property on which the presence or potential presence of a</u></p>

<p><u>hazardous material, pollutant, or contaminant complicates the expansion, development, redevelopment, or reuse of the property.</u></p> <p><u>(2) “Committed” means pledged and appropriated for the purpose of the current and future payment of financing and related costs.</u></p> <p><u>(3) “Developer” means the person undertaking to construct a housing development.</u></p> <p><u>(4) “Financing” means debt, including principal, interest, and any fees or charges directly related to that debt, incurred by a sponsor, or other instruments or borrowing used by a sponsor, to pay for a housing infrastructure project and, in the case of a sponsor that is a municipality, authorized by the municipality pursuant to section 1910a of this subchapter.</u></p> <p><u>(5) “Housing development” means the construction, rehabilitation, or renovation of any building on a housing development site approved under this subchapter.</u></p> <p><u>(6) “Housing development site” means the parcel or parcels encompassing a housing development as authorized by a municipality pursuant to section 1908 of this subchapter.</u></p> <p><u>(7) “Housing infrastructure agreement” means a legally binding agreement to finance and develop a housing infrastructure project and to construct a housing development among a municipality, a developer, and, if applicable, a third-party sponsor.</u></p>	<p><u>hazardous material, pollutant, or contaminant complicates the expansion, development, redevelopment, or reuse of the property.</u></p> <p><u>(2) “Committed” means pledged and appropriated for the purpose of the current and future payment of financing and related costs.</u></p> <p><u>(3) “Developer” means the person undertaking to construct a housing development.</u></p> <p><u>(4) “Financing” means debt, including principal, interest, and any fees or charges directly related to that debt, incurred by a sponsor, or other instruments or borrowing used by a sponsor, to pay for a housing infrastructure project and, in the case of a sponsor that is a municipality, authorized by the municipality pursuant to section 1910a of this subchapter.</u></p> <p><u>(5) “Housing development” means the construction of one or more buildings that includes housing.</u></p> <p><u>(6) “Housing development site” means the parcel or parcels encompassing a housing development as authorized by a municipality pursuant to section 1908 of this subchapter.</u></p> <p><u>(7) “Housing infrastructure agreement” means a legally binding agreement to finance and develop a housing infrastructure project and to construct a housing development among a municipality, a developer, and, if applicable, a third-party sponsor.</u></p>	<p><u>hazardous material, pollutant, or contaminant complicates the expansion, development, redevelopment, or reuse of the property.</u></p> <p><u>(4) “Committed” means pledged and appropriated for the purpose of the current and future payment of financing and related costs.</u></p> <p><u>(5) “Developer” means the person undertaking to construct a housing development.</u></p> <p><u>(6) “Financing” means debt, including principal, interest, and any fees or charges directly related to that debt, incurred by a sponsor, or other instruments or borrowing used by a sponsor, to pay for a housing infrastructure project and, in the case of a sponsor that is a municipality, authorized by the municipality pursuant to section 1910a of this subchapter.</u></p> <p><u>(7) “Housing development” means the construction, rehabilitation, or renovation of any building on a housing development site approved under this subchapter.</u></p> <p><u>(8) “Housing development site” means the parcel or parcels encompassing a housing development as authorized by a municipality pursuant to section 1908 of this subchapter.</u></p> <p><u>(9) “Housing infrastructure agreement” means a legally binding agreement to finance and develop a housing infrastructure project and to construct a housing development among a municipality, a developer, and, if applicable, a third-party sponsor.</u></p>
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<p><u>(8) “Housing infrastructure project” means one or more improvements authorized by a municipality pursuant to section 1908 of this subchapter.</u></p> <p><u>(9) “Improvements” means:</u></p> <p><u>(A) any of the following that will serve a public good and fulfill the purpose of section 1907 of this subchapter:</u></p> <p><u>(i) the installation or construction of:</u></p> <p><u>(I) wastewater, storm water, water dispersal, water collection, water treatment facilities and equipment, or related wastewater, storm water, or water equipment;</u></p> <p><u>(II) public roads, streets, bridges, multimodal facilities, public transit stop equipment and amenities, street and sidewalk lighting, sidewalks, streetscapes, way-finding signs and kiosks, traffic signals, medians, or turn lanes; or</u></p> <p><u>(III) digital or telecommunications infrastructure;</u></p> <p><u>(ii) site preparation for development or redevelopment, including land and property acquisition, demolition, brownfield remediation, or flood remediation and mitigation; and</u></p> <p><u>(B) the funding of debt service interest payments for a period of up to four years, beginning on the date on which the debt is first incurred.</u></p> <p><u>(10) “Legislative body” means the mayor and alderboard, the city council, the</u></p>	<p><u>(8) “Housing infrastructure project” means one or more improvements authorized by a municipality pursuant to section 1908 of this subchapter.</u></p> <p><u>(9) “Improvements” means:</u></p> <p><u>(A) the installation or construction of infrastructure that will serve a public good and fulfill the purpose of housing infrastructure tax increment financing as stated in section 1907 of this subchapter, including utilities, digital infrastructure, transportation, public recreation, parking, public facilities and amenities, land and property acquisition and demolition, brownfield remediation, site preparation, and flood remediation and mitigation; and</u></p> <p><u>(B) the funding of debt service interest payments for a period of up to four years, beginning on the date on which the debt is first incurred.</u></p> <p><u>(10) “Legislative body” means the mayor and alderboard, the city council, the</u></p>	<p><u>(10) “Housing infrastructure project” means one or more improvements authorized by a municipality pursuant to section 1908 of this subchapter.</u></p> <p><u>(11) “Improvements” means:</u></p> <p><u>(A) the installation or construction of infrastructure that will serve a public good and fulfill the purpose stated in section 1907 of this subchapter, including utilities, digital infrastructure, transportation, public recreation, parking, public facilities and amenities, land and property acquisition and demolition, brownfield remediation, site preparation, and flood remediation and mitigation; and</u></p> <p><u>(B) the funding of debt service interest payments for a period of up to four years, beginning on the date on which the debt is first incurred.</u></p> <p><u>(12) “Legislative body” means the mayor and alderboard, the city council, the</u></p>
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<p>selectboard, and the president and trustees of an incorporated village, as appropriate.</p> <p>(11) “Lifetime education property tax increment retention” means the total education property tax increment to be retained for a housing infrastructure project across its lifetime.</p> <p>(12) “Mixed-income housing” means housing that is subject to a housing subsidy covenant, as defined in 27 V.S.A. § 610, of perpetual duration.</p> <p>(13) “Mixed-income housing development” means a housing development of which at least 20 percent of the units are mixed-income housing units.</p>	<p>selectboard, and the president and trustees of an incorporated village, as appropriate.</p>	<p>selectboard, and the president and trustees of an incorporated village, as appropriate.</p> <p>(13) “Moderate-income housing” means housing for which the total annual cost of renting or ownership, as applicable, does not exceed 30 percent of the gross annual income of a household at 150 percent of the highest of the following:</p> <p>(A) the county median income, as defined by the U.S. Department of Housing and Urban Development;</p> <p>(B) the standard metropolitan statistical area median income if the municipality is located in such an area, as defined by the U.S. Department of Housing and Urban Development; or</p> <p>(C) the statewide median income, as defined by the U.S. Department of Housing and Urban Development.</p> <p>(14) “Moderate-income housing development” means a housing development of which at least 25 percent of the units are moderate-income housing units. Moderate-income units shall be subject to covenants or restrictions that preserve their affordability until all indebtedness for the housing infrastructure project of which the housing development is part has been retired. During this period, the annual increase in rent for a moderate-income unit shall not exceed three percent or an amount otherwise authorized by the Vermont Economic Progress Council.</p>
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<p><u>(14) “Municipality” means a city, town, or incorporated village.</u></p> <p><u>(15) “Original taxable value” means the total valuation as determined in accordance with 32 V.S.A. chapter 129 of all taxable real property located within a housing development site as of its creation date, provided that no parcel within the housing development site shall be divided or bisected.</u></p> <p><u>(16) “Related costs” means expenses incurred and paid by a municipality, exclusive of the actual cost of constructing and financing improvements, that are directly related to the creation and implementation of the municipality’s housing infrastructure project, including reimbursement of sums previously advanced by the municipality for those purposes. Related costs may include direct municipal expenses such as departmental or personnel costs related to creating or administering the housing infrastructure project to the extent they are paid from the tax increment realized from municipal and not education taxes and using only that portion of the municipal increment above the percentage required for servicing debt as determined in accordance with subsection 1910c of this subchapter.</u></p> <p><u>(17) “Sponsor” means the person undertaking to finance a housing infrastructure project. Any of a municipality, a developer, or an independent agency that</u></p>	<p><u>(11) “Municipality” means a city, town, or incorporated village.</u></p> <p><u>(12) “Original taxable value” means the total valuation as determined in accordance with 32 V.S.A. chapter 129 of all taxable real property located within a housing development site as of its creation date, provided that no parcel within the housing development site shall be divided or bisected.</u></p> <p><u>(13) “Related costs” means expenses incurred and paid by a municipality, exclusive of the actual cost of constructing and financing improvements, that are directly related to the creation and implementation of the municipality’s housing infrastructure project, including reimbursement of sums previously advanced by the municipality for those purposes. Related costs may include direct municipal expenses such as departmental or personnel costs related to creating or administering the housing infrastructure project to the extent they are paid from the tax increment realized from municipal and not education taxes and using only that portion of the municipal increment above the percentage required for servicing debt as determined in accordance with subsection 1910c(c) of this subchapter.</u></p> <p><u>(14) “Sponsor” means the person undertaking to finance a housing infrastructure project. Any of a municipality, a developer, or an independent agency that</u></p>	<p><u>(15) “Municipality” means a city, town, or incorporated village.</u></p> <p><u>(16) “Original taxable value” means the total valuation as determined in accordance with 32 V.S.A. chapter 129 of all taxable real property located within a housing development site as of its creation date, provided that no parcel within the housing development site shall be divided or bisected.</u></p> <p><u>(17) “Related costs” means expenses incurred and paid by a municipality, exclusive of the actual cost of constructing and financing improvements, that are directly related to the creation and implementation of the municipality’s housing infrastructure project, including reimbursement of sums previously advanced by the municipality for those purposes. Related costs may include direct municipal expenses such as departmental or personnel costs related to creating or administering the housing infrastructure project to the extent they are paid from the tax increment realized from municipal and not education taxes and using only that portion of the municipal increment above the percentage required for servicing debt as determined in accordance with subsection 1910c of this subchapter.</u></p> <p><u>(18) “Sponsor” means the person undertaking to finance a housing infrastructure project. Any of a municipality, a developer, or an independent agency that</u></p>
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<p>meets State lending standards may serve as a sponsor for a housing infrastructure project.</p> <p>§ 1907. PURPOSE</p> <p>The purpose of the pilot Community and Housing Infrastructure Program is to encourage the development of new primary residences for households of low and moderate income across both rural and urban areas of all Vermont counties that would not be created but for the infrastructure improvements funded by the Program.</p> <p>§ 1908. CREATION OF HOUSING INFRASTRUCTURE PROJECT AND HOUSING DEVELOPMENT SITE</p> <p>(a) The legislative body of a municipality may create within its jurisdiction a housing infrastructure project, which shall consist of improvements that stimulate the development of housing, and a housing development site, which shall consist of the parcel or parcels on which a housing development is installed or constructed.</p> <p>(b) To create a housing infrastructure project and housing development site, a municipality, in coordination with stakeholders, shall:</p> <p>(1) develop a housing development plan, including:</p>	<p>meets State lending standards may serve as a sponsor for a housing infrastructure project.</p> <p>§ 1907. PURPOSE</p> <p>The purpose of housing infrastructure tax increment financing is to provide revenues for improvements and related costs to encourage the development of primary residences for households of low or moderate income.</p> <p>§ 1908. CREATION OF HOUSING INFRASTRUCTURE PROJECT AND HOUSING DEVELOPMENT SITE</p> <p>(a) The legislative body of a municipality may create within its jurisdiction a housing infrastructure project, which shall consist of improvements that stimulate the development of housing, and a housing development site, which shall consist of the parcel or parcels on which a housing development is installed or constructed and any immediately contiguous parcels.</p> <p>(b) To create a housing infrastructure project and housing development site, a municipality, in coordination with stakeholders, shall:</p> <p>(1) develop a housing development plan, including:</p>	<p>meets State lending standards may serve as a sponsor for a housing infrastructure project.</p> <p>§ 1907. PURPOSE</p> <p>The purpose of the Community and Housing Infrastructure Program is to encourage the development of new primary residences for households of low and moderate income across both rural and urban areas of all Vermont counties that would not be created but for the infrastructure improvements funded by the Program.</p> <p>§ 1908. CREATION OF HOUSING INFRASTRUCTURE PROJECT AND HOUSING DEVELOPMENT SITE</p> <p>(a) The legislative body of a municipality may create within its jurisdiction a housing infrastructure project, which shall consist of improvements that stimulate the development of housing, and a housing development site, which shall consist of the parcel or parcels on which a housing development is installed or constructed and any immediately contiguous parcels.</p> <p>(b) To create a housing infrastructure project and housing development site, a municipality, in coordination with stakeholders, shall:</p> <p>(1) develop a housing development plan, including:</p>
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<p><u>(A) a description of the proposed housing infrastructure project, the proposed housing development, and the proposed housing development site;</u></p> <p><u>(B) identification of a sponsor;</u></p> <p><u>(C) a tax increment financing plan meeting the standards of subsection 1910(h) of this subchapter;</u></p> <p><u>(D) a pro forma projection of expected costs of the proposed housing infrastructure project;</u></p> <p><u>(E) a projection of the tax increment to be generated by the proposed housing development;</u></p> <p><u>(F) a development schedule that includes a list, a cost estimate, and a schedule for the proposed housing infrastructure project and the proposed housing development; and</u></p> <p><u>(G) a determination that the proposed housing development furthers the purpose of section 1907 of this subchapter;</u></p> <p><u>(2) develop a plan describing the housing development site by its boundaries and the properties therein, entitled “Proposed Housing Development Site (municipal name), Vermont”;</u></p> <p><u>(3) hold one or more public hearings, after public notice, on the proposed housing infrastructure project, including the plans developed pursuant to this subsection; and</u></p> <p><u>(4) adopt by act of the legislative body of the municipality the plan developed under</u></p>	<p><u>(A) a description of the proposed housing infrastructure project, the proposed housing development, and the proposed housing development site;</u></p> <p><u>(B) identification of a sponsor;</u></p> <p><u>(C) a tax increment financing plan meeting the standards of subsection 1910(f) of this subchapter;</u></p> <p><u>(D) a pro forma projection of expected costs of the proposed housing infrastructure project;</u></p> <p><u>(E) a projection of the tax increment to be generated by the proposed housing development; and</u></p> <p><u>(F) a development schedule that includes a list, a cost estimate, and a schedule for the proposed housing infrastructure project and the proposed housing development;</u></p> <p><u>(2) develop a plan describing the housing development site by its boundaries and the properties therein, entitled “Proposed Housing Development Site (municipal name), Vermont”;</u></p> <p><u>(3) hold one or more public hearings, after public notice, on the proposed housing infrastructure project, including the plans developed pursuant to this subsection; and</u></p> <p><u>(4) adopt by act of the legislative body of the municipality the plan developed under</u></p>	<p><u>(A) a description of the proposed housing infrastructure project, the proposed housing development, and the proposed housing development site;</u></p> <p><u>(B) identification of a sponsor;</u></p> <p><u>(C) a tax increment financing plan meeting the standards of subsection 1910(h) of this subchapter;</u></p> <p><u>(D) a pro forma projection of expected costs of the proposed housing infrastructure project;</u></p> <p><u>(E) a projection of the tax increment to be generated by the proposed housing development;</u></p> <p><u>(F) a development schedule that includes a list, a cost estimate, and a schedule for the proposed housing infrastructure project and the proposed housing development; and</u></p> <p><u>(G) a determination that the proposed housing development furthers the purpose of section 1907 of this subchapter;</u></p> <p><u>(2) develop a plan describing the housing development site by its boundaries and the properties therein, entitled “Proposed Housing Development Site (municipal name), Vermont”;</u></p> <p><u>(3) hold one or more public hearings, after public notice, on the proposed housing infrastructure project, including the plans developed pursuant to this subsection; and</u></p> <p><u>(4) adopt by act of the legislative body of the municipality the plan developed under</u></p>
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<p><u>subdivision (2) of this subsection, which shall be recorded with the municipal clerk and lister or assessor.</u></p> <p><u>(c) The creation of a housing development site shall occur at 12:01 a.m. on April 1 of the calendar year in which the Vermont Economic Progress Council approves the use of tax increment financing for the housing infrastructure project pursuant to section 1910 of this subchapter.</u></p> <p><u>§ 1909. HOUSING INFRASTRUCTURE AGREEMENT</u></p> <p><u>(a) The housing infrastructure agreement for a housing infrastructure project shall:</u></p> <p><u>(1) clearly identify the sponsor for the housing infrastructure project;</u></p> <p><u>(2) clearly identify the developer and the housing development for the housing development site;</u></p> <p><u>(3) obligate the tax increments retained pursuant to section 1910c of this subchapter for not more than the financing and related costs for the housing infrastructure project;</u></p> <p><u>(4) provide terms and sufficient remedies or, if the municipality so elects, an ordinance to ensure that any housing unit within the housing development be offered exclusively as a bona fide domicile in perpetuity; and</u></p>	<p><u>subdivision (2) of this subsection, which shall be recorded with the municipal clerk and lister or assessor.</u></p> <p><u>(c) The creation of a housing development site shall occur at 12:01 a.m. on April 1 of the calendar year in which the Vermont Economic Progress Council approves the use of tax increment financing for the housing infrastructure project pursuant to section 1910 of this subchapter.</u></p> <p><u>§ 1909. HOUSING INFRASTRUCTURE AGREEMENT</u></p> <p><u>(a) The housing infrastructure agreement for a housing infrastructure project shall:</u></p> <p><u>(1) clearly identify the sponsor for the housing infrastructure project;</u></p> <p><u>(2) clearly identify the developer and the housing development for the housing development site;</u></p> <p><u>(3) obligate the tax increments retained pursuant to section 1910c of this subchapter for not more than the financing and related costs for the housing infrastructure project; and</u></p>	<p><u>subdivision (2) of this subsection, which shall be recorded with the municipal clerk and lister or assessor.</u></p> <p><u>(c) The creation of a housing development site shall occur at 12:01 a.m. on April 1 of the calendar year in which the Vermont Economic Progress Council approves the use of tax increment financing for the housing infrastructure project pursuant to section 1910 of this subchapter.</u></p> <p><u>§ 1909. HOUSING INFRASTRUCTURE AGREEMENT</u></p> <p><u>(a) The housing infrastructure agreement for a housing infrastructure project shall:</u></p> <p><u>(1) clearly identify the sponsor for the housing infrastructure project;</u></p> <p><u>(2) clearly identify the developer and the housing development for the housing development site;</u></p> <p><u>(3) obligate the tax increments retained pursuant to section 1910c of this subchapter for not more than the financing and related costs for the housing infrastructure project;</u></p> <p><u>(4) provide terms and sufficient remedies or, if the municipality so elects, an ordinance to ensure that no housing unit within the housing development be offered as a short-term rental as defined in 18 V.S.A. § 4301 until all indebtedness for the housing infrastructure project has been retired; and</u></p>
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<p><u>(5) provide for performance assurances to reasonably secure the obligations of all parties under the housing infrastructure agreement.</u></p> <p><u>(b) A municipality shall provide notice of the terms of the housing infrastructure agreement for the municipality's housing infrastructure project to the legal voters of the municipality and shall provide the same information as set forth in subsection 1910a(e) of this subchapter.</u></p> <p><u>§ 1910. HOUSING INFRASTRUCTURE PROJECT APPLICATION; VERMONT ECONOMIC PROGRESS COUNCIL</u></p> <p><u>(a) Application. A municipality, upon approval of its legislative body, may apply to the Vermont Economic Progress Council to use tax increment financing for a housing infrastructure project.</u></p> <p><u>(b) But-for test. The Vermont Economic Progress Council shall review each application to determine whether the infrastructure improvements proposed to serve the housing development site and the proposed housing development would not have occurred as proposed in the application or would have occurred in a significantly different and less desirable manner than as proposed in the application but for the proposed utilization of the incremental tax revenues. The review shall take into account:</u></p>	<p><u>(4) provide for performance assurances to reasonably secure the obligations of all parties under the housing infrastructure agreement.</u></p> <p><u>(b) A municipality shall provide notice of the terms of the housing infrastructure agreement for the municipality's housing infrastructure project to the legal voters of the municipality and shall provide the same information as set forth in subsection 1910a(e) of this subchapter.</u></p> <p><u>§ 1910. HOUSING INFRASTRUCTURE PROJECT APPLICATION; VERMONT ECONOMIC PROGRESS COUNCIL</u></p> <p><u>(a) Application. A municipality, upon approval of its legislative body, may apply to the Vermont Economic Progress Council to use tax increment financing for a housing infrastructure project.</u></p> <p><u>(b) Review. The Vermont Economic Progress Council may approve only applications that:</u></p> <p><u>(1) meet the process requirements, the project criterion, and any of the location criteria of this section; and</u></p> <p><u>(2) are submitted on or before December 31, 2035.</u></p>	<p><u>(5) provide for performance assurances to reasonably secure the obligations of all parties under the housing infrastructure agreement.</u></p> <p><u>(b) A municipality shall provide notice of the terms of the housing infrastructure agreement for the municipality's housing infrastructure project to the legal voters of the municipality and shall provide the same information as set forth in subsection 1910a(e) of this subchapter.</u></p> <p><u>§ 1910. HOUSING INFRASTRUCTURE PROJECT APPLICATION; VERMONT ECONOMIC PROGRESS COUNCIL</u></p> <p><u>(a) Application. A municipality, upon approval of its legislative body, may apply to the Vermont Economic Progress Council to use tax increment financing for a housing infrastructure project.</u></p> <p><u>(b) But-for test. The Vermont Economic Progress Council shall review each application to determine whether the infrastructure improvements proposed to serve the housing development site and the proposed housing development would not have occurred as proposed in the application or would have occurred in a significantly different and less desirable manner than as proposed in the application but for the proposed utilization of the incremental tax revenues.</u></p>
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<p>(1) the amount of additional time, if any, needed to complete the proposed housing development and the amount of additional cost that might be incurred if the project were to proceed without education property tax increment financing;</p> <p>(2) how the proposed housing development components and size would differ, if at all, including, if applicable to the housing development, in the number of units of mixed-income housing, without education property tax increment financing; and</p> <p>(3)(A) the amount of additional revenue expected to be generated as a result of the proposed housing development;</p> <p>(B) the percentage of that revenue that shall be paid to the Education Fund;</p> <p>(C) the percentage that shall be paid to the municipality; and</p> <p>(D) the percentage of the revenue paid to the municipality that shall be used to pay financing incurred for the infrastructure improvements.</p> <p>(c) Process requirements. The Vermont Economic Progress Council shall review a municipality's housing infrastructure project application to determine whether the municipality has:</p> <p>(1) created a housing infrastructure project and housing development site pursuant to section 1908 of this subchapter;</p> <p>(2) executed a housing infrastructure agreement for the housing infrastructure</p>	<p>(c) Process requirements. The Vermont Economic Progress Council shall review a municipality's housing infrastructure project application to determine whether the municipality has:</p> <p>(1) created a housing infrastructure project and housing development site pursuant to section 1908 of this subchapter;</p> <p>(2) executed a housing infrastructure agreement for the housing infrastructure</p>	<p>(c) Process requirements. The Vermont Economic Progress Council shall review a municipality's housing infrastructure project application to determine whether the municipality has:</p> <p>(1) created a housing infrastructure project and housing development site pursuant to section 1908 of this subchapter;</p> <p>(2) executed a housing infrastructure agreement for the housing infrastructure</p>
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<p><u>project that adheres to the standards of section 1909 of this subchapter with a developer and, if the municipality is not financing the housing infrastructure project itself, a sponsor; and</u></p> <p><u>(3) approved or pledged to use incremental municipal tax revenues for the housing infrastructure project in the proportion provided for municipal tax revenues in section 1910c of this subchapter.</u></p> <p><u>(d) Project criterion. The Vermont Economic Progress Council shall review a municipality's housing infrastructure project application to determine whether at least 65 percent of the floor area of the projected housing development is dedicated to housing.</u></p> <p><u>(e) Mixed-income criterion. The Vermont Economic Progress Council shall review a municipality's housing infrastructure project application to determine whether the projected housing development is a mixed-income housing development for purposes of the increased education property tax increment retention percentage under section 1910c of this subchapter.</u></p>	<p><u>project adhering to the standards of section 1909 of this subchapter with a developer and, if the municipality is not financing the housing infrastructure project itself, a sponsor; and</u></p> <p><u>(3) approved or pledged to use incremental municipal tax revenues for the housing infrastructure project in the proportion provided for municipal tax revenues in section 1910c of this subchapter.</u></p> <p><u>(d) Project criterion. The Vermont Economic Progress Council shall review a municipality's housing infrastructure project application to determine whether the projected housing development includes housing.</u></p> <p><u>(e) Location criteria. The Vermont Economic Progress Council shall review a municipality's housing infrastructure project application to determine whether the housing development site is located within one of the following areas:</u></p> <p><u>(1) an area designated Tier 1A or Tier 1B pursuant to 10 V.S.A. chapter 151 (State land use and development plans) or an area exempt from the provisions of that chapter pursuant to 10 V.S.A. § 6081(dd) (interim housing exemptions);</u></p> <p><u>(2) an area designated Tier 2 pursuant to 10 V.S.A. chapter 151 (State land use and development plans) or an area in which the housing development site is compatible with</u></p>	<p><u>project that adheres to the standards of section 1909 of this subchapter with a developer and, if the municipality is not financing the housing infrastructure project itself, a sponsor; and</u></p> <p><u>(3) approved or pledged to use incremental municipal tax revenues for the housing infrastructure project in the proportion provided for municipal tax revenues in section 1910c of this subchapter.</u></p> <p><u>(d) Project criterion. The Vermont Economic Progress Council shall review a municipality's housing infrastructure project application to determine whether the projected housing development includes housing.</u></p> <p><u>(e) Affordability criterion. The Vermont Economic Progress Council shall review a municipality's housing infrastructure project application to determine whether the projected housing development is an affordable housing development or a moderate-income housing development for purposes of the increased education property tax increment retention percentage under section 1910c of this subchapter.</u></p>
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<p>(f) Tax increment financing plan. The Vermont Economic Progress Council shall approve a municipality's tax increment financing plan prior to a sponsor's incurrence of debt for the housing infrastructure project, including, if the sponsor is a municipality, prior to a public vote to pledge the credit of the municipality under section 1910a of this subchapter. The tax increment financing plan shall include:</p> <ul style="list-style-type: none"> (1) a statement of costs and sources of revenue; (2) estimates of assessed values within the housing development site; (3) the portion of those assessed values to be applied to the housing infrastructure project; (4) the resulting tax increments in each year of the financial plan and the lifetime education property tax increment retention; (5) the amount of bonded indebtedness or other financing to be incurred; (6) other sources of financing and anticipated revenues; and 	<p>regional and town land use plans as evidenced by a letter of support from the regional planning commission for the municipality; or</p> <p>(3) an existing settlement or an area within one-half mile of an existing settlement, as that term is defined in 10 V.S.A. § 6001(16).</p> <p>(f) Tax increment financing plan. The Vermont Economic Progress Council shall approve a municipality's tax increment financing plan prior to a sponsor's incurrence of debt for the housing infrastructure project, including, if the sponsor is a municipality, prior to a public vote to pledge the credit of the municipality under section 1910a of this subchapter. The tax increment financing plan shall include:</p> <ul style="list-style-type: none"> (1) a statement of costs and sources of revenue; (2) estimates of assessed values within the housing development site; (3) the portion of those assessed values to be applied to the housing infrastructure project; (4) the resulting tax increments in each year of the financial plan; (5) the amount of bonded indebtedness or other financing to be incurred; (6) other sources of financing and anticipated revenues; and 	<p>(f) Tax increment financing plan. The Vermont Economic Progress Council shall approve a municipality's tax increment financing plan prior to a sponsor's incurrence of debt for the housing infrastructure project, including, if the sponsor is a municipality, prior to a public vote to pledge the credit of the municipality under section 1910a of this subchapter. The tax increment financing plan shall include:</p> <ul style="list-style-type: none"> (1) a statement of costs and sources of revenue; (2) estimates of assessed values within the housing development site; (3) the portion of those assessed values to be applied to the housing infrastructure project; (4) the resulting tax increments in each year of the financial plan; (5) the amount of bonded indebtedness or other financing to be incurred; (6) other sources of financing and anticipated revenues; and
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<p><u>(7) the duration of the financial plan.</u></p> <p><u>(g) Approval. The Vermont Economic Progress Council shall approve or deny an application submitted pursuant to this section not later than 45 days following receipt of the completed application. The Vermont Economic Progress Council shall only approve tax increment financing for applications:</u></p> <p><u>(1) that meet the but-for test, the process requirements, and the project criterion of this section;</u></p> <p><u>(2) for which the Council has approved the tax increment financing plan; and</u></p> <p><u>(3) that are submitted on or before December 31, 2031.</u></p> <p><u>(h) Limit. The Vermont Economic Progress Council shall not annually approve more than \$40,000,000.00 in aggregate lifetime education property tax increment retention. The Vermont Economic Progress Council may increase this limit by not more than \$5,000,000.00 upon application by the Governor to, and approval of, the Joint Fiscal Committee. In evaluating the Governor's request, the Joint Fiscal Committee shall consider the economic and fiscal condition of the State, including recent revenue forecasts and budget projections. The Vermont Economic Progress Council shall provide the Joint Fiscal Committee with testimony, documentation, housing infrastructure project</u></p>	<p><u>(7) the duration of the financial plan.</u></p>	<p><u>(7) the duration of the financial plan.</u></p> <p><u>(g) Approval. The Vermont Economic Progress Council shall only approve tax increment financing for applications:</u></p> <p><u>(1) that meet the but-for test, the process requirements, and the project criterion of this section;</u></p> <p><u>(2) for which the Council has approved the tax increment financing plan; and</u></p> <p><u>(3) that are submitted on or before December 31, 2035.</u></p> <p><u>(h) Limit. The Vermont Economic Progress Council shall approve no further tax increment financing pursuant to this subchapter upon certification from the Commissioner of Housing and Community Development that the housing needs of the State have been met.</u></p>
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<p><u>application data, and any other information the Committee requests to demonstrate that increasing the cap will create an opportunity for the creation of additional housing to meet the needs of a municipality or municipalities and the State.</u></p> <p><u>§ 1910a. INDEBTEDNESS</u></p> <p><u>(a) A municipality approved for tax increment financing under section 1910 of this subchapter may incur indebtedness against revenues of the housing development site at any time during a period of up to five years following the creation of the housing development site. The Vermont Economic Progress Council may extend this debt incursion period by up to three years.</u></p> <p><u>(b) Notwithstanding any provision of any municipal charter, each instance of borrowing by a municipality to finance or otherwise pay for a housing infrastructure project shall occur only after the legal voters of the municipality, by a majority vote of all voters present and voting on the question at a special or annual municipal meeting duly warned for the purpose, authorize the legislative body to pledge the credit of the</u></p>	<p><u>§ 1910a. INDEBTEDNESS</u></p> <p><u>(a) A municipality approved for tax increment financing under section 1910 of this subchapter may incur indebtedness against revenues of the housing development site at any time during a period of up to five years following the creation of the housing development site. The Vermont Economic Progress Council may extend this debt incursion period by up to three years. If no debt is incurred for the housing infrastructure project during the debt incursion period, whether by the municipality or sponsor, the housing development site shall terminate.</u></p> <p><u>(b) Notwithstanding any provision of any municipal charter, each instance of borrowing by a municipality to finance or otherwise pay for a housing infrastructure project shall occur only after the legal voters of the municipality, by a majority vote of all voters present and voting on the question at a special or annual municipal meeting duly warned for the purpose, authorize the legislative body to pledge the credit of the</u></p>	<p><u>§ 1910a. INDEBTEDNESS</u></p> <p><u>(a) A municipality approved for tax increment financing under section 1910 of this subchapter may incur indebtedness against revenues of the housing development site at any time during a period of up to five years following the creation of the housing development site. The Vermont Economic Progress Council may extend this debt incursion period by up to three years.</u></p> <p><u>(b) Notwithstanding any provision of any municipal charter, each instance of borrowing by a municipality to finance or otherwise pay for a housing infrastructure project shall occur only after the legal voters of the municipality, by a majority vote of all voters present and voting on the question at a special or annual municipal meeting duly warned for the purpose, authorize the legislative body to pledge the credit of the</u></p>
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<p><u>municipality, borrow, or otherwise secure the debt for the specific purposes so warned.</u></p> <p><u>(c) Any indebtedness incurred under this section may be retired over any period authorized by the legislative body of the municipality.</u></p> <p><u>(d) The housing development site shall continue until the date and hour the indebtedness is retired or, if no debt is incurred, the debt incursion period ends.</u></p> <p><u>(e) A municipal legislative body shall provide information to the public prior to the public vote required under subsection (b) of this section. This information shall include the amount and types of debt and related costs to be incurred, including principal, interest, and fees; terms of the debt; the housing infrastructure project to be financed; the housing development projected to occur because of the housing infrastructure project; and notice to the voters that if the tax increment received by the municipality from any property tax source is insufficient to pay the principal and interest on the debt in any year, the municipality shall remain liable for the full payment of the principal and interest for the term of the indebtedness. If interfund loans within the municipality are used, the information must also include documentation of the terms and conditions of the loan.</u></p>	<p><u>municipality, borrow, or otherwise secure the debt for the specific purposes so warned.</u></p> <p><u>(c) Any indebtedness incurred under this section may be retired over any period authorized by the legislative body of the municipality.</u></p> <p><u>(d) The housing development site shall continue until the date and hour the indebtedness is retired or, if no debt is incurred, five years following the creation of the housing development site.</u></p> <p><u>(e) A municipal legislative body shall provide information to the public prior to the public vote required under subsection (b) of this section. This information shall include the amount and types of debt and related costs to be incurred, including principal, interest, and fees; terms of the debt; the housing infrastructure project to be financed; the housing development projected to occur because of the housing infrastructure project; and notice to the voters that if the tax increment received by the municipality from any property tax source is insufficient to pay the principal and interest on the debt in any year, the municipality shall remain liable for the full payment of the principal and interest for the term of the indebtedness. If interfund loans within the municipality are used, the information must also include documentation of the terms and conditions of the loan.</u></p>	<p><u>municipality, borrow, or otherwise secure the debt for the specific purposes so warned.</u></p> <p><u>(c) Any indebtedness incurred under this section may be retired over any period authorized by the legislative body of the municipality.</u></p> <p><u>(d) The housing development site shall continue until the date and hour the indebtedness is retired or, if no debt is incurred, the debt incursion period ends.</u></p> <p><u>(e) A municipal legislative body shall provide information to the public prior to the public vote required under subsection (b) of this section. This information shall include the amount and types of debt and related costs to be incurred, including principal, interest, and fees; terms of the debt; the housing infrastructure project to be financed; the housing development projected to occur because of the housing infrastructure project; and notice to the voters that if the tax increment received by the municipality from any property tax source is insufficient to pay the principal and interest on the debt in any year, the municipality shall remain liable for the full payment of the principal and interest for the term of the indebtedness. If interfund loans within the municipality are used, the information must also include documentation of the terms and conditions of the loan.</u></p>
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<p><u>(f) If interfund loans within the municipality are used as the method of financing, no interest shall be charged.</u></p> <p><u>(g) The use of a bond anticipation note shall not be considered a first incurrence of debt pursuant to subsection (a) of this section.</u></p> <p><u>§ 1910b. ORIGINAL TAXABLE VALUE; TAX INCREMENT</u></p> <p><u>(a) As of the date the housing development site is created, the lister or assessor for the municipality shall certify the original taxable value and shall certify to the legislative body in each year thereafter during the life of the housing development site the amount by which the total valuation as determined in accordance with 32 V.S.A. chapter 129 of all taxable real property within the housing development site has increased or decreased relative to the original taxable value.</u></p> <p><u>(b) Annually throughout the life of the housing development site, the lister or assessor shall include not more than the original taxable value of the real property in the assessed valuation upon which the treasurer computes the rates of all taxes levied by the municipality and every other taxing district in which the housing development site is situated, but the treasurer shall extend all rates so determined against</u></p>	<p><u>(f) If interfund loans within the municipality are used as the method of financing, no interest shall be charged.</u></p> <p><u>(g) The use of a bond anticipation note shall not be considered a first incurrence of debt pursuant to subsection (a) of this section.</u></p> <p><u>§ 1910b. ORIGINAL TAXABLE VALUE; TAX INCREMENT</u></p> <p><u>(a) As of the date the housing development site is created, the lister or assessor for the municipality shall certify the original taxable value and shall certify to the legislative body in each year thereafter during the life of the housing development site the amount by which the total valuation as determined in accordance with 32 V.S.A. chapter 129 of all taxable real property within the housing development site has increased or decreased relative to the original taxable value.</u></p> <p><u>(b) Annually throughout the life of the housing development site, the lister or assessor shall include not more than the original taxable value of the real property in the assessed valuation upon which the treasurer computes the rates of all taxes levied by the municipality and every other taxing district in which the housing development site is situated, but the treasurer shall extend all rates so determined against</u></p>	<p><u>(f) If interfund loans within the municipality are used as the method of financing, no interest shall be charged.</u></p> <p><u>(g) The use of a bond anticipation note shall not be considered a first incurrence of debt pursuant to subsection (a) of this section.</u></p> <p><u>§ 1910b. ORIGINAL TAXABLE VALUE; TAX INCREMENT</u></p> <p><u>(a) As of the date the housing development site is created, the lister or assessor for the municipality shall certify the original taxable value and shall certify to the legislative body in each year thereafter during the life of the housing development site the amount by which the total valuation as determined in accordance with 32 V.S.A. chapter 129 of all taxable real property within the housing development site has increased or decreased relative to the original taxable value.</u></p> <p><u>(b) Annually throughout the life of the housing development site, the lister or assessor shall include not more than the original taxable value of the real property in the assessed valuation upon which the treasurer computes the rates of all taxes levied by the municipality and every other taxing district in which the housing development site is situated, but the treasurer shall extend all rates so determined against</u></p>
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<p><u>the entire assessed valuation of real property for that year.</u></p> <p><u>(c) Annually throughout the life of the housing development site, a municipality shall remit not less than the aggregate education property tax due on the original taxable value to the Education Fund.</u></p> <p><u>(d) Annually throughout the life of the housing development site, the municipality shall hold apart, rather than remit to the taxing districts, that proportion of all taxes paid that year on the real property within the housing development site that the excess valuation bears to the total assessed valuation. The amount held apart each year is the “tax increment” for that year. The tax increment shall only be used for financing and related costs.</u></p> <p><u>(e) Not more than the percentages established pursuant to section 1910c of this subchapter of the municipal and State education tax increments received with respect to the housing development site and committed for the payment for financing for improvements and related costs shall be segregated by the municipality in a special tax increment financing account and in its official books and records until all capital indebtedness incurred for the housing infrastructure project has been fully paid. The final payment shall be reported to the treasurer, who shall thereafter include the</u></p>	<p><u>the entire assessed valuation of real property for that year.</u></p> <p><u>(c) Annually throughout the life of the housing development site, a municipality shall remit not less than the aggregate education property tax due on the original taxable value to the Education Fund.</u></p> <p><u>(d) Annually throughout the life of the housing development site, the municipality shall hold apart, rather than remit to the taxing districts, that proportion of all taxes paid that year on the real property within the housing development site that the excess valuation bears to the total assessed valuation. The amount held apart each year is the “tax increment” for that year. The tax increment shall only be used for financing and related costs.</u></p> <p><u>(e) Not more than the percentages established pursuant to section 1910c of this subchapter of the municipal and State education tax increments received with respect to the housing development site and committed for the payment for financing for improvements and related costs shall be segregated by the municipality in a special tax increment financing account and in its official books and records until all capital indebtedness incurred for the housing infrastructure project has been fully paid. The final payment shall be reported to the treasurer, who shall thereafter include the</u></p>	<p><u>the entire assessed valuation of real property for that year.</u></p> <p><u>(c) Annually throughout the life of the housing development site, a municipality shall remit not less than the aggregate education property tax due on the original taxable value to the Education Fund.</u></p> <p><u>(d) Annually throughout the life of the housing development site, the municipality shall hold apart, rather than remit to the taxing districts, that proportion of all taxes paid that year on the real property within the housing development site that the excess valuation bears to the total assessed valuation. The amount held apart each year is the “tax increment” for that year. The tax increment shall only be used for financing and related costs.</u></p> <p><u>(e) Not more than the percentages established pursuant to section 1910c of this subchapter of the municipal and State education tax increments received with respect to the housing development site and committed for the payment for financing for improvements and related costs shall be segregated by the municipality in a special tax increment financing account and in its official books and records until all capital indebtedness incurred for the housing infrastructure project has been fully paid. The final payment shall be reported to the treasurer, who shall thereafter include the</u></p>
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<p><u>entire assessed valuation of the housing development site in the assessed valuations upon which the municipal and other tax rates are computed and extended, and thereafter no taxes from the housing development site shall be deposited in the special tax increment financing account.</u></p> <p><u>(f) Notwithstanding any charter provision or other provision, all property taxes assessed within a housing development site shall be subject to the provisions of this section. Special assessments levied under chapter 76A or 87 of this title or under a municipal charter shall not be considered property taxes for the purpose of this section if the proceeds are used exclusively for operating expenses related to properties within the housing development site and not for improvements within the housing development site.</u></p> <p><u>§ 1910c. USE OF TAX INCREMENT; RETENTION PERIOD</u></p> <p><u>(a) Uses of tax increments. A municipality may apply tax increments retained pursuant to this subchapter to debt incurred within the period permitted under section 1910a of this subchapter, to related costs, and to the direct payment of the cost of a housing infrastructure project. A municipality may provide tax increment to a sponsor only upon receipt of an invoice for payment of the financing, and the sponsor</u></p>	<p><u>entire assessed valuation of the housing development site in the assessed valuations upon which the municipal and other tax rates are computed and extended, and thereafter no taxes from the housing development site shall be deposited in the special tax increment financing account.</u></p> <p><u>(f) Notwithstanding any charter provision or other provision, all property taxes assessed within a housing development site shall be subject to the provisions of this section. Special assessments levied under chapter 76A or 87 of this title or under a municipal charter shall not be considered property taxes for the purpose of this section if the proceeds are used exclusively for operating expenses related to properties within the housing development site and not for improvements within the housing development site.</u></p> <p><u>§ 1910c. USE OF TAX INCREMENT; RETENTION PERIOD</u></p> <p><u>(a) Uses of tax increments. A municipality may apply tax increments retained pursuant to this subchapter to debt incurred within the period permitted under section 1910a of this subchapter, to related costs, and to the direct payment of the cost of a housing infrastructure project. Any direct payment shall be subject to the same public vote provisions of section 1910a of this subchapter as apply to debt.</u></p>	<p><u>entire assessed valuation of the housing development site in the assessed valuations upon which the municipal and other tax rates are computed and extended, and thereafter no taxes from the housing development site shall be deposited in the special tax increment financing account.</u></p> <p><u>(f) Notwithstanding any charter provision or other provision, all property taxes assessed within a housing development site shall be subject to the provisions of this section. Special assessments levied under chapter 76A or 87 of this title or under a municipal charter shall not be considered property taxes for the purpose of this section if the proceeds are used exclusively for operating expenses related to properties within the housing development site and not for improvements within the housing development site.</u></p> <p><u>§ 1910c. USE OF TAX INCREMENT; RETENTION PERIOD</u></p> <p><u>(a) Uses of tax increments. A municipality may apply tax increments retained pursuant to this subchapter to debt incurred within the period permitted under section 1910a of this subchapter, to related costs, and to the direct payment of the cost of a housing infrastructure project. A municipality may provide tax increment to a sponsor only upon receipt of an invoice for payment of the financing, and the sponsor</u></p>
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<p>shall confirm to the municipality once the tax increment has been applied to the financing. Any direct payment shall be subject to the same public vote provisions of section 1910a of this subchapter as apply to debt.</p> <p>(b) Education property tax increment.</p> <p>(1) For a housing infrastructure project that does not satisfy the mixed-income criterion of section 1910 of this subchapter, up to 60 percent of the education property tax increment may be retained for up to 20 years, beginning the first year in which debt is incurred for the housing infrastructure project.</p> <p>(2) For a housing infrastructure project that satisfies the mixed-income criterion of section 1910 of this subchapter, up to 80 percent of the education property tax increment may be retained for up to 20 years, beginning the first year in which debt is incurred for the housing infrastructure project.</p> <p>(3) Upon incurring the first debt, a municipality shall notify the Department of Taxes and the Vermont Economic Progress Council of the beginning of the retention period of the education property tax increment.</p> <p>(c) Municipal property tax increment. Not less than 85 percent of the municipal property tax increment may be retained, beginning the first year in which debt is</p>	<p>(b) Education property tax increment. Up to 80 percent of the education property tax increment may be retained for up to 20 years, beginning the first year in which debt is incurred for the housing infrastructure project. Upon incurring the first debt, a municipality shall notify the Department of Taxes and the Vermont Economic Progress Council of the beginning of the retention period of the education property tax increment.</p> <p>(c) Municipal property tax increment. Not less than 100 percent of the municipal property tax increment may be retained, beginning the first year in which debt is</p>	<p>shall confirm to the municipality once the tax increment has been applied to the financing. Any direct payment shall be subject to the same public vote provisions of section 1910a of this subchapter as apply to debt.</p> <p>(b) Education property tax increment.</p> <p>(1) For a housing infrastructure project that does not satisfy the affordability criterion of section 1910 of this subchapter, up to 75 percent of the education property tax increment may be retained for up to 20 years, beginning the first year in which debt is incurred for the housing infrastructure project.</p> <p>(2) For a housing infrastructure project that satisfies the affordability criterion of section 1910 of this subchapter, up to 85 percent of the education property tax increment may be retained for up to 20 years, beginning the first year in which debt is incurred for the housing infrastructure project.</p> <p>(3) Upon incurring the first debt, a municipality shall notify the Department of Taxes and the Vermont Economic Progress Council of the beginning of the retention period of the education property tax increment.</p> <p>(c) Municipal property tax increment. Not less than 85 percent of the municipal property tax increment may be retained, beginning the first year in which debt is</p>
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<p><u>incurred for the housing infrastructure project.</u></p> <p><u>(d) Excess tax increment.</u></p> <p><u>(1) Of the municipal and education property tax increments received in any tax year that exceed the amounts committed for the payment of the financing and related costs for a housing infrastructure project, equal portions of each increment may be retained for the following purposes:</u></p> <p><u>(A) to prepay principal and interest on the financing;</u></p> <p><u>(B) to place in a special tax increment financing account required pursuant to subsection 1910b(e) of this subchapter and use for future financing payments; or</u></p> <p><u>(C) to use for defeasance of the financing.</u></p> <p><u>(2) Any remaining portion of the excess education property tax increment shall be distributed to the Education Fund. Any remaining portion of the excess municipal property tax increment shall be distributed to the city, town, or village budget in the proportion that each budget bears to the combined total of the budgets unless otherwise negotiated by the city, town, or village.</u></p> <p><u>(e) Adjustment of percentage. During the fifth year following the creation of a housing development site, the municipality shall</u></p>	<p><u>incurred for the housing infrastructure project.</u></p> <p><u>(d) Excess tax increment.</u></p> <p><u>(1) Of the municipal and education property tax increments received in any tax year that exceed the amounts committed for the payment of the financing and related costs for a housing infrastructure project, equal portions of each increment may be retained for the following purposes:</u></p> <p><u>(A) to prepay principal and interest on the financing;</u></p> <p><u>(B) to place in a special tax increment financing account required pursuant to subsection 1910b(e) of this subchapter and use for future financing payments; or</u></p> <p><u>(C) to use for defeasance of the financing.</u></p> <p><u>(2) Any remaining portion of the excess education property tax increment shall be distributed to the Education Fund. Any remaining portion of the excess municipal property tax increment shall be distributed to the city, town, or village budget in the proportion that each budget bears to the combined total of the budgets unless otherwise negotiated by the city, town, or village.</u></p>	<p><u>incurred for the housing infrastructure project.</u></p> <p><u>(d) Excess tax increment.</u></p> <p><u>(1) Of the municipal and education property tax increments received in any tax year that exceed the amounts committed for the payment of the financing and related costs for a housing infrastructure project, equal portions of each increment may be retained for the following purposes:</u></p> <p><u>(A) to prepay principal and interest on the financing;</u></p> <p><u>(B) to place in a special tax increment financing account required pursuant to subsection 1910b(e) of this subchapter and use for future financing payments; or</u></p> <p><u>(C) to use for defeasance of the financing.</u></p> <p><u>(2) Any remaining portion of the excess education property tax increment shall be distributed to the Education Fund. Any remaining portion of the excess municipal property tax increment shall be distributed to the city, town, or village budget in the proportion that each budget bears to the combined total of the budgets unless otherwise negotiated by the city, town, or village.</u></p> <p><u>(e) Adjustment of percentage. During the fifth year following the creation of a housing development site, the municipality shall</u></p>
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<p>submit an updated tax increment financing plan to the Vermont Economic Progress Council that shall include adjustments and updates of appropriate data and information sufficient for the Vermont Economic Progress Council to determine, based on tax increment financing debt actually incurred and the history of increment generated during the first five years, whether the percentages approved under this section should be continued or adjusted to a lower percentage to be retained for the remaining duration of the retention period and still provide sufficient municipal and education increment to service the remaining debt.</p> <p><u>§ 1910d. INFORMATION REPORTING</u></p> <p>(a) A municipality with an active housing infrastructure project shall:</p> <p>(1) develop a system, segregated for the housing infrastructure project, to identify, collect, and maintain all data and information necessary to fulfill the reporting requirements of this section;</p> <p>(2) provide timely notification to the Department of Taxes and the Vermont Economic Progress Council of any housing infrastructure project debt, public vote, or vote by the municipal legislative body immediately following the debt incurrence or public vote on a form prescribed by the Council, including copies of public notices,</p>	<p>submit an updated tax increment financing plan to the Vermont Economic Progress Council that shall include adjustments and updates of appropriate data and information sufficient for the Vermont Economic Progress Council to determine, based on tax increment financing debt actually incurred and the history of increment generated during the first five years, whether the percentages approved under this section should be continued or adjusted to a lower percentage to be retained for the remaining duration of the retention period and still provide sufficient municipal and education increment to service the remaining debt.</p> <p><u>§ 1910d. INFORMATION REPORTING</u></p> <p>(a) A municipality with an active housing infrastructure project shall:</p> <p>(1) develop a system, segregated for the housing infrastructure project, to identify, collect, and maintain all data and information necessary to fulfill the reporting requirements of this section;</p> <p>(2) provide timely notification to the Department of Taxes and the Vermont Economic Progress Council of any housing infrastructure project debt, public vote, or vote by the municipal legislative body immediately following the debt incurrence or public vote on a form prescribed by the Council, including copies of public notices,</p>	<p>submit an updated tax increment financing plan to the Vermont Economic Progress Council that shall include adjustments and updates of appropriate data and information sufficient for the Vermont Economic Progress Council to determine, based on tax increment financing debt actually incurred and the history of increment generated during the first five years, whether the percentages approved under this section should be continued or adjusted to a lower percentage to be retained for the remaining duration of the retention period and still provide sufficient municipal and education increment to service the remaining debt.</p> <p><u>§ 1910d. INFORMATION REPORTING</u></p> <p>(a) A municipality with an active housing infrastructure project shall:</p> <p>(1) develop a system, segregated for the housing infrastructure project, to identify, collect, and maintain all data and information necessary to fulfil the reporting requirements of this section;</p> <p>(2) provide timely notification to the Department of Taxes and the Vermont Economic Progress Council of any housing infrastructure project debt, public vote, or vote by the municipal legislative body immediately following the debt incurrence or public vote on a form prescribed by the Council, including copies of public notices,</p>
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<p><u>agendas, minutes, vote tally, and a copy of the information provided to the public pursuant to subsection 1910a(e) of this subchapter; and</u></p> <p><u>(3) annually on or before February 15, submit on a form prescribed by the Vermont Economic Progress Council an annual report to the Council and the Department of Taxes, including the information required by subdivision (2) of this subsection if not previously submitted, the information required for annual audit under section 1910e of this subchapter, and any information required by the Council or the Department of Taxes for the report required pursuant to subsection (b) of this section.</u></p> <p><u>(b) Annually on or before April 1, the Vermont Economic Progress Council and the Department of Taxes shall submit a report to the Senate Committees on Economic Development, Housing and General Affairs and on Finance and the House Committees on Commerce and Economic Development, on General and Housing, and on Ways and Means on housing infrastructure projects approved pursuant to this subchapter, including for each:</u></p> <p><u>(1) the date of approval;</u></p> <p><u>(2) a description of the housing infrastructure project;</u></p> <p><u>(3) the original taxable value of the housing development site;</u></p>	<p><u>agendas, minutes, vote tally, and a copy of the information provided to the public pursuant to subsection 1910a(e) of this subchapter; and</u></p> <p><u>(3) annually on or before February 15, submit on a form prescribed by the Vermont Economic Progress Council an annual report to the Council and the Department of Taxes, including the information required by subdivision (2) of this subsection if not previously submitted, the information required for annual audit under section 1910e of this subchapter, and any information required by the Council or the Department of Taxes for the report required pursuant to subsection (b) of this section.</u></p> <p><u>(b) Annually on or before April 1, the Vermont Economic Progress Council and the Department of Taxes shall submit a report to the Senate Committees on Economic Development, Housing and General Affairs and on Finance and the House Committees on Commerce and Economic Development and on Ways and Means on housing infrastructure projects approved pursuant to this subchapter, including for each of the following:</u></p> <p><u>(1) the date of approval;</u></p> <p><u>(2) a description of the housing infrastructure project;</u></p> <p><u>(3) the original taxable value of the housing development site;</u></p>	<p><u>agendas, minutes, vote tally, and a copy of the information provided to the public pursuant to subsection 1910a(e) of this subchapter; and</u></p> <p><u>(3) annually on or before February 15, submit on a form prescribed by the Vermont Economic Progress Council an annual report to the Council and the Department of Taxes, including the information required by subdivision (2) of this subsection if not previously submitted, the information required for annual audit under section 1910e of this subchapter, and any information required by the Council or the Department of Taxes for the report required pursuant to subsection (b) of this section.</u></p> <p><u>(b) Annually on or before April 1, the Vermont Economic Progress Council and the Department of Taxes shall submit a report to the Senate Committees on Economic Development, Housing and General Affairs and on Finance and the House Committees on Commerce and Economic Development, on General and Housing, and on Ways and Means on housing infrastructure projects approved pursuant to this subchapter, including for each:</u></p> <p><u>(1) the date of approval;</u></p> <p><u>(2) a description of the housing infrastructure project;</u></p> <p><u>(3) the original taxable value of the housing development site;</u></p>
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<p><u>(4) the scope and value of projected and actual improvements and developments in the housing development site, including the number of housing units created;</u></p> <p><u>(5) the expected or actual sale and rental prices of any housing units;</u></p> <p><u>(6) the number of housing units known to be occupied on a basis other than as primary residences;</u></p> <p><u>(7) the number and types of housing units for which a permit is being pursued under 10 V.S.A. chapter 151 (State land use and development plans) and, for each applicable housing development, the current stage of the permitting process;</u></p> <p><u>(8) projected and actual incremental revenue amounts;</u></p> <p><u>(9) the allocation of incremental revenue, including the amount allocated to related costs;</u></p> <p><u>(10) projected and actual financing; and</u></p> <p><u>(11) an evaluation of the amount of public funds flowing to private ownership or usage.</u></p> <p><u>(c) On or before January 15, 2030, the Vermont Economic Progress Council shall submit a report to the Senate Committees on</u></p>	<p><u>(4) the scope and value of projected and actual improvements and developments in the housing development site, including the number of housing units created;</u></p> <p><u>(5) the number and types of housing units for which a permit is being pursued under 10 V.S.A. chapter 151 (State land use and development plans) and, for each applicable housing development, the current stage of the permitting process;</u></p> <p><u>(6) projected and actual incremental revenue amounts;</u></p> <p><u>(7) the allocation of incremental revenue; and</u></p> <p><u>(8) projected and actual financing.</u></p> <p><u>(c) On or before January 15, 2035, the Vermont Economic Progress Council shall submit a report to the Senate Committees on</u></p>	<p><u>(4) the scope and value of projected and actual improvements and developments in the housing development site, including the number of housing units created;</u></p> <p><u>(5) the sale prices for initial offerings of any housing units;</u></p> <p><u>(6) the number and types of housing units for which a permit is being pursued under 10 V.S.A. chapter 151 (State land use and development plans) and, for each applicable housing development, the current stage of the permitting process;</u></p> <p><u>(7) projected and actual incremental revenue amounts;</u></p> <p><u>(8) the allocation of incremental revenue, including the amount allocated to related costs;</u></p> <p><u>(9) projected and actual financing;</u></p> <p><u>(10) an evaluation of the amount of public funds flowing to private ownership or usage; and</u></p> <p><u>(11) an evaluation of the amount of grand list growth attributable to the housing development and the amount of grand list growth attributable to property value appreciation.</u></p> <p><u>(c) On or before January 15, 2035, the Vermont Economic Progress Council shall submit a report to the Senate Committees on</u></p>
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<p><u>Economic Development, Housing and General Affairs and on Finance and the House Committees on Commerce and Economic Development, on General and Housing, and on Ways and Means evaluating the success of the Community and Housing Infrastructure Program in achieving its purpose, as stated in section 1907 of this chapter, including by identifying the amount and kinds of housing produced through the Program and by determining whether housing development pursued through the Program meets the project criterion of section 1910 of this chapter.</u></p> <p><u>§ 1910e. AUDITING</u></p> <p><u>Annually on or before April 1 until the year following the end of the period for retention of education property tax increment, a municipality with a housing infrastructure project approved under this subchapter shall ensure that the special tax increment financing account required by section 1910b of this subchapter is subject to the annual audit prescribed in section 1681 or 1690 of this title and submit a copy to the Vermont Economic Progress Council. If an account is subject only to the audit under section 1681 of this title, the Council shall ensure a process is in place to subject the account to an independent audit. Procedures for the audit must include verification of the original</u></p>	<p><u>Economic Development, Housing and General Affairs and on Finance and the House Committees on Commerce and Economic Development and on Ways and Means evaluating the success of the Community and Housing Infrastructure Program in achieving its purpose, as stated in section 1907 of this chapter, including by identifying the amount and kinds of housing produced through the Program and by determining whether housing development pursued through the Program meets the project criterion and location criteria of section 1910 of this chapter.</u></p> <p><u>§ 1910e. AUDITING</u></p> <p><u>Annually on or before April 1 until the year following the end of the period for retention of education property tax increment, a municipality with a housing infrastructure project approved under this subchapter shall ensure that the special tax increment financing account required by section 1910b of this subchapter is subject to the annual audit prescribed in section 1681 or 1690 of this title and submit a copy to the Vermont Economic Progress Council. If an account is subject only to the audit under section 1681 of this title, the Council shall ensure a process is in place to subject the account to an independent audit. Procedures for the audit must include verification of the original</u></p>	<p><u>Economic Development, Housing and General Affairs and on Finance and the House Committees on Commerce and Economic Development, on General and Housing, and on Ways and Means evaluating the success of the Community and Housing Infrastructure Program in achieving its purpose, as stated in section 1907 of this chapter, including by identifying the amount and kinds of housing produced through the Program and by determining whether housing development pursued through the Program meets the project criterion of section 1910 of this chapter.</u></p> <p><u>§ 1910e. AUDITING</u></p> <p><u>Annually on or before April 1 until the year following the end of the period for retention of education property tax increment, a municipality with a housing infrastructure project approved under this subchapter shall ensure that the special tax increment financing account required by section 1910b of this subchapter is subject to the annual audit prescribed in section 1681 or 1690 of this title and submit a copy to the Vermont Economic Progress Council. If an account is subject only to the audit under section 1681 of this title, the Council shall ensure a process is in place to subject the account to an independent audit. Procedures for the audit must include verification of the original</u></p>
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<p><u>taxable value and annual and total municipal and education property tax increments generated, expenditures for financing and related costs, and current balance.</u></p> <p>§ 1910f. RULEMAKING</p> <p>The Vermont Economic Progress Council may adopt rules that are reasonably necessary to implement this subchapter. The Council shall specifically adopt rules to:</p> <p>(1) govern the prioritization of applications submitted for approval of tax increment financing under this subchapter that take into consideration the purpose of section 1907 of this subchapter, vacancy or dilapidation, regional equity and verifiable housing shortages, and labor sheds;</p> <p>(2) determine the appropriate floor area measure for purposes of the project criterion under subsection 1910(e) of this subchapter; and</p> <p>(3) supplement the but-for test under subsection 1910(c) of this subchapter giving due consideration to any rulemaking undertaken to supplement the but-for test under 32 V.S.A. § 5404a(h)(1)(A).</p> <p><u>§ 1910g. GUIDANCE</u></p>	<p><u>taxable value and annual and total municipal and education property tax increments generated, expenditures for financing and related costs, and current balance.</u></p> <p><u>§ 1910f. GUIDANCE</u></p>	<p><u>taxable value and annual and total municipal and education property tax increments generated, expenditures for financing and related costs, and current balance.</u></p> <p><u>§ 1910f. RULEMAKING; GUIDANCE</u></p> <p>(a) Authority to adopt rules. The Vermont Economic Progress Council may adopt rules that are reasonably necessary to implement this subchapter.</p>
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<p><u>(a) The Secretary of Commerce and Community Development, after reasonable notice to a municipality and an opportunity for a hearing, may issue decisions to a municipality on questions and inquiries concerning the administration of housing infrastructure projects, statutes, rules, noncompliance with this subchapter, and any instances of noncompliance identified in audit reports conducted pursuant to section 1910e of this subchapter.</u></p> <p><u>(b) The Vermont Economic Progress Council shall prepare recommendations for the Secretary of Commerce and Community Development prior to any decision issued pursuant to subsection (a) of this section. The Council may prepare recommendations in consultation with the Commissioner of Taxes, the Attorney General, and the State Treasurer. In preparing recommendations, the Council shall provide a municipality with a reasonable opportunity to submit written information in support of its position.</u></p> <p><u>(c) The Secretary of Commerce and Community Development shall review the recommendations of the Council and issue a final written decision on each matter within 60 days following receipt of the recommendations. The Secretary may permit an appeal to be taken by any party to a Superior Court for determination of questions</u></p>	<p><u>(a) The Secretary of Commerce and Community Development, after reasonable notice to a municipality and an opportunity for a hearing, may issue decisions to a municipality on questions and inquiries concerning the administration of housing infrastructure projects, statutes, rules, noncompliance with this subchapter, and any instances of noncompliance identified in audit reports conducted pursuant to section 1910e of this subchapter.</u></p> <p><u>(b) The Vermont Economic Progress Council shall prepare recommendations for the Secretary of Commerce and Community Development prior to any decision issued pursuant to subsection (a) of this section. The Council may prepare recommendations in consultation with the Commissioner of Taxes, the Attorney General, and the State Treasurer. In preparing recommendations, the Council shall provide a municipality with a reasonable opportunity to submit written information in support of its position.</u></p> <p><u>(c) The Secretary of Commerce and Community Development shall review the recommendations of the Council and issue a final written decision on each matter within 60 days following receipt of the recommendations. The Secretary may permit an appeal to be taken by any party to a Superior Court for determination of questions</u></p>	<p><u>(b) Authority to issue decisions.</u></p> <p><u>(1) The Secretary of Commerce and Community Development, after reasonable notice to a municipality and an opportunity for a hearing, may issue decisions to a municipality on questions and inquiries concerning the administration of housing infrastructure projects, statutes, rules, noncompliance with this subchapter, and any instances of noncompliance identified in audit reports conducted pursuant to section 1910e of this subchapter.</u></p> <p><u>(2) The Vermont Economic Progress Council shall prepare recommendations for the Secretary of Commerce and Community Development prior to any decision issued pursuant to subsection (b) of this section. The Council may prepare recommendations in consultation with the Commissioner of Taxes, the Attorney General, and the State Treasurer. In preparing recommendations, the Council shall provide a municipality with a reasonable opportunity to submit written information in support of its position.</u></p> <p><u>(3) The Secretary of Commerce and Community Development shall review the recommendations of the Council and issue a final written decision on each matter within 60 days following receipt of the recommendations. The Secretary may permit an appeal to be taken by any party to a Superior Court for determination of questions of law in the same manner as the Supreme</u></p>
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<p><u>of law in the same manner as the Supreme Court may by rule provide for appeals before final judgment from a Superior Court before issuing a final decision.</u></p>	<p><u>of law in the same manner as the Supreme Court may by rule provide for appeals before final judgment from a Superior Court before issuing a final decision.</u></p> <p><u>(d) The Vermont Economic Progress Council may adopt rules that are reasonably necessary to implement this subchapter.</u></p>	<p><u>Court may by rule provide for appeals before final judgment from a Superior Court before issuing a final decision.</u></p> <p><u>(c) Remedy for noncompliance. If the Secretary issues a decision under subsection (b) of this section that includes a finding of noncompliance and that noncompliance has resulted in the improper reduction in the amount due the Education Fund, the Secretary, unless and until the Secretary is satisfied that there is no longer any such failure to comply, shall request that the State Treasurer bill the municipality for the total identified underpayment. The amount of the underpayment shall be due from the municipality upon receipt of the bill. If the municipality does not pay the underpayment amount within 60 days, the amount may be withheld from any funds otherwise payable by the State to the municipality or a school district in the municipality or of which the municipality is a member.</u></p> <p><u>(d) Referral; Attorney General. In lieu of or in addition to any action authorized in subsection (c) of this section, the Secretary of Commerce and Community Development or the State Treasurer may refer the matter to the Office of the Attorney General with a recommendation that an appropriate civil action be initiated.</u></p> <p><u>(e) Appeal; hearing officer. A hearing that is held pursuant to this section shall be subject to the provisions of 3 V.S.A. chapter</u></p>
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		25 relating to contested cases. The hearing shall be conducted by the Secretary or by a hearing officer appointed by the Secretary. If a hearing is conducted by a hearing officer, the hearing officer shall have all authority to conduct the hearing that is provided for in the applicable contested case provisions of 3 V.S.A. chapter 25, including issuing findings of fact, hearing evidence, and compelling, by subpoena, the attendance and testimony of witnesses.
<p>Sec. 26.</p> <p>§ 3325. VERMONT ECONOMIC PROGRESS COUNCIL</p> <p>(a) Creation. The Vermont Economic Progress Council is created to exercise the authority and perform the duties assigned to it, including its authority and duties relating to:</p> <p>(1) the Vermont Employment Growth Incentive Program pursuant to subchapter 2 of this chapter; and</p> <p>(2) tax increment financing districts pursuant to 24 V.S.A. chapter 53, subchapter 5 and section 5404a of this title; <u>and</u></p> <p><u>(3) the Community and Housing Infrastructure Program pursuant to 24 V.S.A. chapter 53, subchapter 7.</u></p> <p><u>(b) Membership.</u></p>	<p>Sec. 24.</p> <p>§ 3325. VERMONT ECONOMIC PROGRESS COUNCIL</p> <p>(a) Creation. The Vermont Economic Progress Council is created to exercise the authority and perform the duties assigned to it, including its authority and duties relating to:</p> <p>(1) the Vermont Employment Growth Incentive Program pursuant to subchapter 2 of this chapter; and</p> <p>(2) tax increment financing districts pursuant to 24 V.S.A. chapter 53, subchapter 5 and section 5404a of this title; <u>and</u></p> <p><u>(3) housing infrastructure tax increment financing pursuant to 24 V.S.A. chapter 53, subchapter 7.</u></p> <p style="text-align: center;">* * *</p>	<p>§ 3325. VERMONT ECONOMIC PROGRESS COUNCIL</p> <p>(a) Creation. The Vermont Economic Progress Council is created to exercise the authority and perform the duties assigned to it, including its authority and duties relating to:</p> <p>(1) the Vermont Employment Growth Incentive Program pursuant to subchapter 2 of this chapter; and</p> <p>(2) tax increment financing districts pursuant to 24 V.S.A. chapter 53, subchapter 5 and section 5404a of this title; <u>and</u></p> <p><u>(3) the Community and Housing Infrastructure Program pursuant to 24 V.S.A. chapter 53, subchapter 7.</u></p> <p>(b) Membership.</p>

<p>(1) The Council shall have 11 voting members:</p> <p>(A) nine residents of the State appointed by the Governor with the advice and consent of the Senate who are knowledgeable and experienced in the subjects of community development and planning, education funding requirements, economic development, State fiscal affairs, property taxation, or entrepreneurial ventures and represent diverse geographical areas of the State and municipalities of various sizes;</p> <p>(B) one member of the Vermont House of Representatives appointed by the Speaker of the House; and</p> <p>(C) one member of the Vermont Senate appointed by the Senate Committee on Committees.</p> <p>(2)(A) The Council shall have two regional members from each region of the State, one appointed by the regional development corporation of the region and one appointed by the regional planning commission of the region.</p> <p>(B) A regional member shall be a nonvoting member and shall serve during consideration by the Council of an application from his or her the member's region.</p> <p>(3) Exclusively for purposes of reviewing and approving housing infrastructure project applications under the</p>		<p>(1) The Council shall have 11 voting members:</p> <p>(A) nine residents of the State appointed by the Governor with the advice and consent of the Senate who are knowledgeable and experienced in the subjects of community development and planning, education funding requirements, economic development, State fiscal affairs, property taxation, or entrepreneurial ventures and represent diverse geographical areas of the State and municipalities of various sizes;</p> <p>(B) one member of the Vermont House of Representatives appointed by the Speaker of the House; and</p> <p>(C) one member of the Vermont Senate appointed by the Senate Committee on Committees.</p> <p>(2)(A) The Council shall have two regional members from each region of the State, one appointed by the regional development corporation of the region and one appointed by the regional planning commission of the region.</p> <p>(B) A regional member shall be a nonvoting member and shall serve during consideration by the Council of an application from his or her the member's region.</p> <p>(3) Exclusively for purposes of reviewing and approving housing infrastructure project applications under the Community and Housing Infrastructure</p>
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<p><u>Community and Housing Infrastructure Program</u>, the Council shall additionally have:</p> <p>(A) two voting members as follows:</p> <p>(i) the Executive Director of the Vermont Housing Finance Agency or designee; and</p> <p>(ii) the Executive Director of the Vermont Housing and Conservation Board or designee; and</p> <p>(B) as a nonvoting member, the Commissioner of Housing and Community Development or designee.</p> <p style="text-align: center;">* * *</p> <p>(g) Decisions not subject to review. A decision of the Council to approve or deny an application under subchapter 2 of this chapter, or to approve or deny a tax increment financing district pursuant to 24 V.S.A. chapter 53, subchapter 5 and section 5404a of this title, <u>or to approve or deny a housing infrastructure project pursuant to 24 V.S.A. chapter 53, subchapter 7</u> is an administrative decision that is not subject to the contested case hearing requirements under 3 V.S.A. chapter 25 and is not subject to judicial review.</p>	<p>(g) Decisions not subject to review. A decision of the Council to approve or deny an application under subchapter 2 of this chapter, or to approve or deny a tax increment financing district pursuant to 24 V.S.A. chapter 53, subchapter 5 and section 5404a of this title, <u>or to approve or deny a housing infrastructure project pursuant to 24 V.S.A. chapter 53, subchapter 7</u> is an administrative decision that is not subject to the contested case hearing requirements under 3 V.S.A. chapter 25 and is not subject to judicial review.</p>	<p>Program, the Council shall additionally have <u>three nonvoting members</u>:</p> <p>(A) the Executive Director of the Vermont Housing Finance Agency or designee;</p> <p>(B) the Executive Director of the Vermont Housing and Conservation Board or designee; and</p> <p>(C) the Commissioner of Housing and Community Development or designee.</p> <p style="text-align: center;">* * *</p> <p>(g) Decisions not subject to review. A decision of the Council to approve or deny an application under subchapter 2 of this chapter, or to approve or deny a tax increment financing district pursuant to 24 V.S.A. chapter 53, subchapter 5 and section 5404a of this title, <u>or to approve or deny a housing infrastructure project pursuant to 24 V.S.A. chapter 53, subchapter 7</u> is an administrative decision that is not subject to the contested case hearing requirements under 3 V.S.A. chapter 25 and is not subject to judicial review.</p>
<p>Sec. 27.</p> <p>§ 5404a. TAX STABILIZATION AGREEMENTS; TAX INCREMENT FINANCING DISTRICTS</p>	<p><----- Not in H.479 proposal</p>	

<p>(f) A municipality that establishes a tax increment financing district under 24 V.S.A. chapter 53, subchapter 5 shall collect all property taxes on properties contained within the district and apply not more than 70 percent of the State education property tax increment, and not less than 85 percent of the municipal property tax increment, to repayment of financing of the improvements and related costs for up to 20 years pursuant to 24 V.S.A. § 1894, if approved by the Vermont Economic Progress Council pursuant to this section, subject to the following:</p> <p>(1) In a municipality with one or more approved districts, the Council shall not approve an additional district until the municipality retires the debt incurred for all of the districts in the municipality.</p> <p>(2) The Council shall not approve more than six districts in the State, and not more than two per county, provided:</p> <p>(A) The districts listed in 24 V.S.A. § 1892(d) shall not be counted against the limits imposed in this subdivision (2).</p> <p>(B) The Council shall consider complete applications in the order they are submitted, except that if during any calendar month the Council receives applications for more districts than are actually available in a county, the Council shall evaluate each application and shall approve the application that, in the Council's discretion, best meets</p>		
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<p>the economic development needs of the county.</p> <p>(3)(A) A municipality shall immediately notify the Council if it resolves not to incur debt for an approved district within five years of approval or a five-year extension period as required in 24 V.S.A. § 1894.</p> <p>(B) Upon receiving notification pursuant to subdivision (A) of this subdivision (3), the Council shall terminate the district and may approve a new district, subject to the provisions of this section and 24 V.S.A. chapter 53, subchapter 5.</p> <p>(4) The Council shall only approve under this section applications for tax increment financing submitted prior to December 31, 2031.</p>		
<p>Sec. 30.</p> <p>VHFA OFF-SITE CONSTRUCTION REPORT</p> <p><u>Provided there are sufficient resources, the Vermont Housing Finance Agency shall issue a report by December 15, 2026 that, at a minimum:</u></p> <p><u>(1) identifies and recommends a set of State policy objectives and priorities related to off-site housing construction;</u></p> <p><u>(2) defines the structure and relevant actors for using bulk purchases of single- and</u></p>	<p><----- Not in H.479 proposal</p>	

<p><u>multi-family homes produced through off-site construction to achieve lower construction costs;</u></p> <p><u>(3) gathers input from potential manufacturers about how to best achieve cost savings through a bulk purchase program;</u></p> <p><u>(4) determines any business planning support needed for existing Vermont businesses seeking to develop or expand off-site construction;</u></p> <p><u>(5) explores creating a working group of neighboring states that considers a regional market and shared approach; and</u></p> <p><u>(6) prepares an analysis of the funding and structure needed to support greater development of off-site homes.</u></p>		
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<p>Not in S.127 proposal -----></p>	<p>Sec. 22.</p> <p>POSITIVE RENTAL PAYMENT CREDIT REPORTING PILOT</p> <p><u>(a) Definitions. As used in this section:</u></p> <p><u>(1) “Contractor” means the third-party vendor that the State Treasurer’s Office contracts with to administer the pilot program described in this section.</u></p> <p><u>(2) “Dwelling unit” has the same meaning as in 9 V.S.A. § 4451(3).</u></p> <p><u>(3) “Participant property owner” means a landlord that has agreed in writing to participate in the pilot program and has satisfied the requirements described in subsection (c) of this section.</u></p> <p><u>(4) “Participant tenant” means a tenant that has elected to participate in the pilot program and whose landlord is a participant property owner.</u></p> <p><u>(5) “Rental payment information” means information concerning a participating tenant’s timely payment of rent. “Rent payment information” does not include information concerning a participating tenant’s payment or nonpayment of fees.</u></p> <p><u>(b) Pilot program creation.</u></p> <p><u>(1) The State Treasurer shall create and implement a two-year positive rental payment reporting pilot program to facilitate the reporting of rent payment information</u></p>	
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	<p><u>from participating tenants to consumer reporting agencies.</u></p> <p><u>(2) On or before May 1, 2026, the State Treasurer shall contract with a third party to administer a positive rental payment pilot program and facilitate the transmission of rent reporting information from a participant property owner to a consumer reporting agency. The third-party administrator shall be required to:</u></p> <p><u>(A) enter into an agreement with one or more participant property owners in the State in accordance with the requirements of this section for participation in the pilot program;</u></p> <p><u>(B) ensure that information to a credit reporting agency includes only rent payment information after the date on which the participant tenant elected to participate in the pilot program;</u></p> <p><u>(C) develop and implement a process for removal of participant tenants for failure to comply with program requirements, including failure make timely rental payments;</u></p> <p><u>(D) establish a standard form for a participant tenant to use to elect to participate or cease participation in the pilot program, which shall include a statement that the tenant's participation is voluntary and that a participant may cease participating in the pilot program at any time and for any reason by providing notice to the participant's</u></p>	
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	<p><u>landlord and that the tenant may be removed from the program for failure to comply with program requirements, including failure to make timely rental payments; and</u></p> <p><u>(E) offer an optional financial education course for participant tenants.</u></p> <p><u>(c) Program agreements. A participant property owner shall agree in writing:</u></p> <p><u>(1) to participate in the pilot program for the duration of the program;</u></p> <p><u>(2) not to charge a participant tenant for participation in the pilot program;</u></p> <p><u>(3) to comply with the requirements of the program;</u></p> <p><u>(4) to provide information as required by the State Treasurer concerning the implementation of the pilot program; and</u></p> <p><u>(5) to assist in the recruitment of tenants to participate in the pilot program.</u></p> <p><u>(d) Program participants. On or before June 1, 2026, the Contractor shall, in coordination with the State Treasurer, recruit not more than 10 participant property owners and, to the extent practicable, not less than 100 participant tenants, to participate in the pilot program. The Contractor shall seek to select participant tenants from populations that are under-served and under-represented in home ownership. The Contractor shall also seek to recruit participant landlords who offer:</u></p>	
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	<p><u>(1) a variety of types of dwelling units for rent, including dwelling units of various sizes;</u></p> <p><u>(2) dwelling units for rent that are located in geographically diverse areas of the State; and</u></p> <p><u>(3) at least five dwelling units for rent.</u></p> <p><u>(e) Termination. The State Treasurer may terminate the pilot program at any time in the Treasurer's sole discretion or terminate participation of a participant property owner for failure to comply with the requirements of the program.</u></p> <p><u>(f) Reports.</u></p> <p><u>(1) On or before November 1, 2027, the State Treasurer shall submit an interim report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on General and Housing regarding the findings of the pilot program. The report shall include:</u></p> <p><u>(A) the number of participant tenants, including information regarding the demographic makeup of participant tenants, such as race, ethnicity, gender, income, and age, as voluntarily provided by the participant;</u></p> <p><u>(B) the number of participant tenants who ceased participating in the program voluntarily;</u></p> <p><u>(C) the number of participant tenants who were removed from the program and the reasons why;</u></p>	
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	<p><u>(D) a breakdown of costs of administering the program, including the monthly costs associated with rent reporting;</u></p> <p><u>(E) a description of challenges faced by the participating property owners and participating tenants during the pilot program;</u></p> <p><u>(F) an analysis of the outcomes of rent reporting on participant tenant's credit scores; and</u></p> <p><u>(G) recommendations for legislative action, including proposed statutory language and an appropriation for associated costs.</u></p> <p><u>(2) On or before November 1, 2028, the State Treasurer shall submit a final report to the Senate Committee on Economic Development, Housing and General Affairs and the House Committee on General and Housing regarding the findings of the pilot program. The report shall include an update to the information required in the interim report.</u></p>	
Not in S.127 proposal ----->	<p>Sec. 22a.</p> <p>POSITIVE RENTAL PAYMENT CREDIT REPORTING PILOT; IMPLEMENTATION</p> <p><u>The duty to implement Sec. 26 of this act shall be contingent upon an appropriation of funds in fiscal year 2026 from the General Fund to the Office of the State Treasurer for the purposes of carryout that section.</u></p>	

Sec. 31. EFFECTIVE DATES <u>This act shall take effect on July 1, 2025, except that Sec. 4 (Rental Housing Revolving Loan Program), Sec. 5 (Residential Universal Design Study Committee), Sec. 8 (repeal; Act 181 prospective landlord certificate changes), and this section shall take effect on passage.</u>	Sec. 25. EFFECTIVE DATES <u>This act shall take effect on July 1, 2025, except that Sec. 4 (Rental Housing Revolving Loan Program), Sec. 7 (repeal; Act 181 prospective landlord certificate changes), and this section shall take effect on passage.</u>	
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