

About a year ago, this was the first committee I testified before, advocating for increased investment in housing programs. I was eager to do so—but I was also told that not a single dollar from housing funds allocated two years earlier had reached the Northeast Kingdom.

What I've learned since is not that decision-makers are unaware of rural challenges. It's that everyone is trying to get the biggest bang for the buck. But the reality is this: **what pencils in Chittenden County often does not pencil in rural Vermont**. Without intentionally different tools, rural regions will continue to fall behind—not for lack of demand or ideas, but for lack of workable pathways.

What I am presenting today is a **Rural Housing Enablement Package**—a coordinated legislative framework designed to unlock housing production in rural Vermont by aligning regulation, capital, infrastructure, workforce, and risk with rural reality.

## 1) Rural Act 250 Modernization Act

### Goal: Make Act 250 predictable, proportional, and workable for rural housing

The Downtown and Neighborhood Development Area exemptions have helped—but they are not sufficient for rural Vermont.

In many rural towns, historic village centers overlap with floodplains. In my own community, the 2024 flood damaged homes and businesses, and FEMA buyouts further reduced already-scarce housing stock.

We need a rural housing pathway that:

- Raises Act 250 thresholds for village-scale projects
- Establishes firm statutory review timelines
- Limits standing for appeals on modest housing projects
- Expands exemptions for infill, conversion, and mixed-use housing in village centers

For small developers, **predictability matters as much as cost**. Years of uncertainty kill rural projects long before a shovel hits the ground.

## 2) Rural Infrastructure Access & Incentives Act

### Goal: Ensure CHIP, TIF, and infrastructure tools function in rural contexts

In rural Vermont, zoning is rarely the binding constraint. **Infrastructure is**.

Programs like CHIP and TIF are helpful, but rural projects need:

- Eligibility based on **public benefit**, not just public ownership
- Explicit support for shared septic systems, decentralized wastewater, and private roads

- TIF thresholds, match requirements, and timelines that reflect rural project economics

Without this flexibility, projects that make sense on paper stall before they begin.

### **3) Small Developer Capital & Tax Stabilization Act**

**Goal: Support local housing producers with patient, predictable capital**

We are never going to see Market Street–scale development in the Northeast Kingdom. Our developers are local, small, and deeply invested in their communities.

They need:

- Predevelopment revolving loan funds
- State-backed loan guarantees
- Predictable, patient capital

One change I heard repeatedly: extending property tax stabilization from seven years to **ten or twelve**. Developers told me plainly—*that change alone would make projects feasible*.

### **4) Rural Zoning & Permit Streamlining Act**

**Goal: Remove zoning and review barriers where housing logically belongs**

Tier 1 designation and zoning-based incentives are functionally inaccessible to most rural towns. Communities without zoning or administrative capacity are actively penalized by current policy.

We need:

- Zoning-exempt or administratively approved housing in mapped village centers
- Concurrent—not sequential—state permit review
- Deemed approval when statutory timelines are missed

Right now, benefits accrue to communities that already have staff and consultants. Rural towns are locked out by process.

### **5) Rural Housing Workforce & CTE Pipeline Act**

**Goal: Address the labor shortage limiting housing production**

Vermont cannot build housing without builders.

As chair of a school with a CTE center, I see firsthand how regulatory rigidity limits our ability to train skilled tradespeople at the pace and scale we need.

We need:

- Flexibility in CTE and trades training regulations
- Funding for rural housing-specific apprenticeships
- Formal alignment between housing demand, contractors, and education pipelines

Without workforce reform, housing reform fails.

## **6) Automatic Rural Downtown & Village Housing Designation Act**

### **Goal: Remove administrative barriers to accessing housing tools**

Downtown designation currently rewards administrative capacity—not suitability.

We propose:

- Automatic designation for rural towns meeting basic criteria
- Immediate access to Act 250 relief, CHIP, TIF, and zoning flexibility
- State-led mapping using existing data
- An opt-out, non-appealable designation

Rural towns should not need consultants just to qualify to grow.

## **7) Rural Housing Loan Fund & Credit Enhancement Act**

### **Goal: Create a permanent, scalable rural housing finance tool**

Rural projects fail not on demand—but on access to early, flexible capital.

We need a state-enabled revolving loan fund offering:

- Low-interest construction loans
- Gap financing
- Subordinate debt

Paired with credit enhancement, this would unlock private bank lending. This is the **missing keystone** in rural housing production.

## **8) Rural Housing Rehab & Conversion Acceleration Act**

### **Goal: Unlock existing buildings as the fastest housing supply**

Nearly 30% of homes in some NEK towns are uninhabitable. Upper stories sit vacant. Schools, barns, and commercial buildings stand empty.

We need:

- By-right conversion of upper floors, schools, barns, and commercial buildings in village centers
- Streamlined, life-safety-focused rehab codes
- Dedicated rehab grant and loan pools

This is the fastest, least disruptive way to add housing in rural Vermont.

## **9) Municipal Capacity & Shared Services Act**

**Goal: Support towns that lack staff, planners, and technical expertise**

Policy reform without administrative capacity still fails in practice.

We need:

- Regional permitting and planning assistance hubs
- State-funded shared services for zoning administration and inspection
- On-call technical assistance for rural selectboards and developers

Vermont will not meet its housing goals by designing policy for cities and hoping rural towns somehow catch up.

## **10) Rural Housing Risk Mitigation & Insurance Act**

**Goal: Reduce perceived and real risk in rural housing development**

Risk premiums quietly kill rural deals—especially for small developers.

We need:

- State-backed insurance or reserve funds for environmental and infrastructure risk
- Brownfield and legacy site liability protections
- Floodplain and climate adaptation guidance tailored to rural projects

Without risk mitigation, capital will continue to flow elsewhere.

## **Closing**

Bills 1–4 remove regulatory friction.

Bills 5 and 9 rebuild workforce and capacity.

Bills 3, 7, and 10 fix capital and risk.

Bills 6 and 8 unlock villages and existing assets.

Together, they allow rural Vermont to produce housing at the **scale, speed, and character that makes sense—without sprawl and without waiting for urban solutions to trickle outward.**

If Vermont is serious about solving its housing crisis statewide, rural communities must be **equipped—not expected—to contribute.**

Vermont is investing heavily in housing and relocation. But that investment will fail if people cannot afford to live here. When high taxes are layered on top of high housing costs, Vermonters don't make speeches—they leave. And when the middle of our workforce leaves, our communities, our employers, and our economy weaken in ways that are very hard to reverse.

Housing policy cannot succeed in isolation. It must be aligned with tax policy, business policy, workforce policy, and the real economics of rural development. Without that alignment, we risk spending billions of dollars to build a state fewer Vermonters can afford to call home.

This package replaces urban-scaled assumptions with rural reality: smaller projects, local developers, existing buildings, limited staff, and tight margins.

These bills do not lower standards.

**They right-size them—so housing can actually be built, sustained, and lived in.**

Thank you for your time and for your willingness to engage seriously with rural Vermont. I'm happy to answer any questions.