

1 H.479

2 Introduced by Committee on General and Housing

3 Date:

4 Subject: Housing; housing programs; conservation and development; land use;

5 municipal zoning; appeals; municipal and county government;

6 Vermont Bond Bank; taxation and finance; tax credits; municipal

7 taxes

8 Statement of purpose of bill as introduced: This bill proposes to make multiple
9 changes related to housing programs. Specifically, the bill proposes to make
10 amendments to the Vermont Rental Housing Improvement Program and create
11 the Manufactured Home Improvement and Repair Program, create the
12 Vermont Infrastructure Sustainability Fund, allow for tax credits for the First-
13 Generation Homebuyer and Down Payment Assistance Program, make
14 changes to the Brownfield Property Cleanup Program, allow for municipalities
15 to enact a one percent tax on short-term rentals, make amendments to the
16 landlord certificate requirements, make changes to the requirements for
17 municipal zoning appeals, create the universal design study committee, and
18 require multiple housing related reports.

19 An act relating to housing

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

2 * * * Vermont Rental Housing Improvement Program * * *

3 Sec. 1. 10 V.S.A. § 699 is amended to read:

4 § 699. VERMONT RENTAL HOUSING IMPROVEMENT PROGRAM

5 (a) Creation of Program.

6 * * *

7 (5)(A) The Department may cooperate with and subgrant funds to State
8 agencies and governmental subdivisions and public and private organizations
9 in order to carry out the purposes of this subsection.

10 (B) Solely with regards to actions undertaken pursuant to this
11 subdivision, entities carrying out the provisions of this section, including
12 grantees, subgrantees, and contractors of the State, shall be exempt from the
13 provisions of 8 V.S.A. chapter 73 (licensed lenders, mortgage brokers,
14 mortgage loan originators, sales finance companies, and loan solicitation
15 companies).

16 * * *

17 (d) Program requirements applicable to grants and forgivable loans.

18 (1)(A) A grant or loan shall not exceed:

19 (i) ~~\$70,000.00 per unit, for rehabilitation or creation of an eligible~~
20 ~~rental housing unit meeting the applicable building accessibility requirements~~
21 ~~under the Vermont Access Rules; or~~

1 (ii) \$50,000.00 per unit, for rehabilitation or creation of any other
2 eligible rental housing unit. Up to an additional \$20,000.00 per unit may be
3 made available for specific elements that collectively bring the unit to the
4 visitable standard outlined in the rules adopted by the Vermont Access Board.

5 * * *

6 (e) Program requirements applicable to grants and five-year forgivable
7 loans. For a grant or five-year forgivable loan awarded through the Program,
8 the following requirements apply for a minimum period of five years:

9 (1) A landlord shall coordinate with nonprofit housing partners and local
10 ~~coordinated entry~~ homelessness service organizations approved by the
11 Department to identify potential tenants.

12 (2)(A) Except as provided in subdivision (2)(B) of this subsection (e), a
13 landlord shall lease the unit to a household that is:

14 (i) exiting homelessness, including any individual under 25 years
15 of age who secures housing through a master lease held by a youth service
16 provider on behalf of individuals under 25 years of age;

17 (ii) actively working with an immigrant or refugee resettlement
18 program; ~~or~~

19 (iii) composed of at least one individual with a disability who
20 receives or is eligible approved to receive Medicaid-funded ~~home and~~

1 ~~community-based~~ home- and community-based services or Social Security
2 Disability Insurance; or

3 (iv) with approval from the Department in writing, an organization
4 that will hold a master lease that explicitly states the unit will be used in
5 service of the populations described in this subsection (e).

6 * * *

7 (4)(A) A landlord may convert a grant to a forgivable loan upon
8 approval of the Department and the housing organization that approved the
9 grant.

10 (B) A landlord who converts a grant to a forgivable loan shall receive
11 a ~~10 percent~~ prorated credit for loan forgiveness for each year in which the
12 landlord participates in the Program.

13 (f) Requirements applicable to 10-year forgivable loans. For a 10-year
14 forgivable loan awarded through the Program, the following requirements
15 apply for a minimum period of 10 years:

16 (1) ~~A landlord shall coordinate with nonprofit housing partners and local~~
17 ~~coordinated entry organizations to identify potential tenants~~ The total cost of
18 rent for the unit, including utilities not covered by rent payments, shall not
19 exceed the applicable fair market rent established by the Department of
20 Housing and Urban Development, except that a landlord may accept a housing
21 voucher that exceeds fair market rent, if available.

1 ~~(2)(A) Except as provided in subdivision (2)(B) of this subsection (f), a~~
2 ~~landlord shall lease the unit to a household that is:~~

3 ~~(i) exiting homelessness, including any individual under 25 years~~
4 ~~of age who secures housing through a master lease held by a youth service~~
5 ~~provider on behalf of individuals under 25 years of age;~~

6 ~~(ii) actively working with an immigrant or refugee resettlement~~
7 ~~program; or~~

8 ~~(iii) composed of at least one individual with a disability who is~~
9 ~~eligible to receive Medicaid-funded home and community-based services.~~

10 ~~(B) If, upon petition of the landlord, the Department or the housing~~
11 ~~organization that issued the grant determines that a household under~~
12 ~~subdivision (2)(A) of this subsection (f) is not available to lease the unit, then~~
13 ~~the landlord shall lease the unit:~~

14 ~~(i) to a household with an income equal to or less than 80 percent~~
15 ~~of area median income; or~~

16 ~~(ii) if such a household is unavailable, to another household with~~
17 ~~the approval of the Department or housing organization.~~

18 ~~(3)(A) A landlord shall accept any housing vouchers that are available to~~
19 ~~pay all, or a portion of, the tenant's rent and utilities.~~

20 ~~(B) If no housing voucher or federal or State subsidy is available, the~~
21 ~~cost of rent for the unit, including utilities not covered by rent payments, shall~~

1 ~~not exceed the applicable fair market rent established by the Department of~~
2 ~~Housing and Urban Development.~~

3 (4) The Department shall forgive ~~10 percent of the~~ a prorated amount of
4 a forgivable loan for each year a landlord participates in the loan program.

5 (g) Minimum funding for grants and five-year forgivable loans.

6 (1) Annually, the Department shall establish a minimum allocation of
7 funding set aside to be used for five-year grants or forgivable loans to serve
8 eligible households pursuant to subsection (e) of this section. Remaining funds
9 may be used for either five-year grants or forgivable loans or 10-year
10 forgivable loans pursuant to subsection (f) of this section. The set aside shall
11 be a minimum of 30 percent of funds disbursed annually.

12 (2) The Department shall consult with the Agency of Human Services to
13 evaluate factors in establishing the amount of the set aside, including:

14 (A) the availability of housing vouchers;

15 (B) the current need for housing for eligible households;

16 (C) the ability and desire of landlords to house eligible households;

17 (D) the support services available for landlords; and

18 (E) the prior uptake and success rates for participating landlords.

19 (3) The Department shall coordinate with the local Coordinated Entry
20 Lead Agencies and HomeOwnership Centers to direct referrals for those

1 individuals or families prioritized to be housed pursuant to the five-year grants
2 or forgivable loans.

3 (4) Funds from the set aside not utilized after one year shall become
4 available for 10-year forgivable loans.

5 (5) The Department shall annually publish the amount of the set aside
6 on its website.

7 * * *

8 (i) Creation of the Vermont Rental Housing Improvement Program
9 Revolving Fund. Funds repaid or returned to the Department from forgivable
10 loans or grants funded by the Program shall return to the Vermont Rental
11 Housing Improvement Revolving Fund to be used for Program expenditures
12 and administrative costs at the discretion of the Department.

13 (j) Annually, the Department shall submit a report to the House
14 Committees on Human Services and on General and Housing and the Senate
15 Committee on Economic Development, Housing and General Affairs regarding
16 the following:

17 (1) separately, the number of units funded and the number of units
18 rehabilitated through grants, through a five-year forgivable loan, and through a
19 10-year forgivable loan;

20 (2) for grants and five-year forgivable loans, for the first year after the
21 expiration of the lease requirements outlined in subdivision (e)(2)(A) of this

1 section, whether the unit is still occupied by a tenant who meets the
2 qualifications of that subdivision;

3 (3) for each program, for the first year after the expiration of the
4 applicable lease requirements outlined in this section, the amount of rent
5 charged by the landlord and how that rent compares to fair market rent
6 established by the Department of Housing and Urban Development; and

7 (4) the rate of turnover for tenants housed utilizing grants or five-year
8 forgivable loans and 10-year forgivable loans separately.

9 * * * MHIR * * *

10 Sec. 2. 10 V.S.A. § 700 is added to read:

11 § 700. VERMONT MANUFACTURED HOME IMPROVEMENT AND
12 REPAIR PROGRAM

13 (a) There is created within the Department of Housing and Community
14 Development the Manufactured Home Improvement and Repair Program. The
15 Department shall design and implement the Program to award funding to
16 statewide or regional nonprofit housing organizations, or both, to provide
17 financial assistance or awards to manufactured homeowners and manufactured
18 home park owners to improve existing homes, incentivize new slab placement
19 for prospective homeowners, and incentivize park improvements for infill of
20 more homes.

21 (b) The following projects are eligible for funding through the Program:

1 (1) The Department may award up to \$20,000.00 to owners of
2 manufactured housing communities to complete small-scale capital needs to
3 help infill vacant lots with homes, including disposal of abandoned homes, lot
4 grading and preparation, the siting and upgrading of electrical boxes,
5 enhancing E-911 safety issues, transporting homes out of flood zones, and
6 improving individual septic systems. Costs awarded under this subdivision
7 may also cover legal fees and marketing to help make it easier for home-
8 seekers to find vacant lots around the State.

9 (2) The Department may award funding to manufactured homeowners
10 for which the home is their primary residence to address habitability and
11 accessibility issues to bring the home into compliance with safe living
12 conditions.

13 (3) The Department may award up to \$15,000.00 per grant to a
14 homeowner to pay for a foundation or federal Department of Housing and
15 Urban Development-approved slab, site preparation, skirting, tie-downs, and
16 utility connections on vacant lots within a manufactured home community.

17 (c) The Department may adopt rules, policies, and guidelines to aid in
18 enacting the Program.

19 * * * Vermont Infrastructure Sustainability Fund * * *

20 Sec. 3. 24 V.S.A. chapter 119, subchapter 6 is amended to read:

21 Subchapter 6. Special Funds

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§ 4686. VERMONT INFRASTRUCTURE SUSTAINABILITY FUND

(a) Creation. There is created the Vermont Infrastructure Sustainability Fund within the Vermont Bond Bank.

(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.

(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.

(d) Program parameters.

(1) The Vermont Bond Bank, in consultation with the Department of Housing and Community Development, shall develop program guidelines to effectively implement the Fund.

(2) The program shall provide low-interest loans or bonds to municipalities to expand infrastructure capacity. Eligible activities include:

- (A) preliminary engineering and planning;
- (B) engineering design and bid specifications;
- (C) construction for municipal waste and wastewater systems;

1 (D) transportation investments, including those required by municipal
2 regulation, the municipality's official map, designation requirements, or other
3 planning or engineering identifying complete streets and transportation and
4 transit related improvements, including improvements to existing streets; and

5 (E) other eligible activities as determined by the guidelines produced
6 by the Vermont Bond Bank in consultation with the Department of Housing
7 and Community Development.

8 (e) Application requirements. Eligible project applications shall
9 demonstrate:

10 (1) the project will create reserve capacity necessary for new housing
11 unit development;

12 (2) the project has a direct link to housing unit production; and

13 (3) the municipality has a commitment to own and operate the project
14 throughout its useful life.

15 (f) Application criteria. In addition to any criteria developed in the
16 program guidelines, project applications shall be evaluated using the following
17 criteria:

18 (1) whether there is a direct connection to proposed or in-progress
19 housing development with demonstrable progress toward regional housing
20 targets;

1 (2) whether the project is an expansion of an existing system and the
2 proximity to a designated area;

3 (3) the project readiness and estimated time until the need for financing;
4 and

5 (4) the demonstration of financing for project completion or completion
6 of a project component.

7 (g) Award terms. The Vermont Bond Bank, in consultation with the
8 Department of Housing and Community Development, shall establish award
9 terms that may include:

10 (1) the maximum loan or bond amount;

11 (2) the maximum term of the loan or bond amount;

12 (3) the time by which amortization shall commence;

13 (4) the maximum interest rate;

14 (5) whether the loan is eligible for forgiveness and to what percentage or
15 amount;

16 (6) the necessary security for the loan or bond; and

17 (7) any additional covenants encumbering the improved properties to
18 further secure the loan or bond.

19 (h) Revolving fund. Any funds repaid or returned from the Infrastructure
20 Sustainability Fund shall be deposited into the Fund and used to continue the
21 program established in this section.

1 * * * Universal Design Study Committee * * *

2 Sec. 4. RESIDENTIAL UNIVERSAL DESIGN STANDARDS; STUDY
3 COMMITTEE; REPORT

4 (a) Creation. There is created the Residential Universal Design Study
5 Committee to explore implementation of statewide universal design standards
6 for all residential buildings.

7 (b) Membership. The Committee shall be composed of the following
8 members:

9 (1) one member of the House of Representatives, who shall be
10 appointed by the Speaker of the House;

11 (2) one member of the Senate, who shall be appointed by the Committee
12 on Committees;

13 (3) one member, appointed by the Vermont Builders and Remodelers
14 Association;

15 (4) one member, appointed by the Vermont Chapter of the American
16 Institute of Architects;

17 (5) the Director of Fire Safety or designee;

18 (6) one member of the Vermont Access Board, appointed by the Chair;

19 (7) one member, appointed by the Vermont Housing Finance Agency;

20 (8) one member, appointed by the Vermont Housing and Conservation
21 Board;

1 (9) one member, appointed by the Vermont Center for Independent

2 Living;

3 (10) one member, appointed by the Vermont Developmental Disabilities

4 Council;

5 (11) the Commissioner of the Department of Housing and Community

6 Development or designee;

7 (12) one member, appointed by the Vermont Leagues of Cities and

8 Towns;

9 (13) one member, appointed by the Vermont Assessors and Listers

10 Association;

11 (14) one member, appointed by the Vermont Association of Realtors;

12 (15) the Commissioner of the Department of Disabilities, Aging and

13 Independent Living or designee; and

14 (16) one member, appointed by ADA Inspections Nationwide, LLC.

15 (c) Powers and duties. The Committee shall study the development and

16 implementation of statewide universal design standards for residential

17 buildings, including identification and analysis of the following issues:

18 (1) existing federal and state laws regarding Americans with Disabilities

19 Act, 42 U.S.C. §§ 12101–12213, standards and building codes;

1 (2) existing federal, state, and international best practices and standards
2 addressing accessibility and adaptability characteristics of single-family and
3 multiunit buildings; and

4 (3) opportunities and challenges for supporting the residential building
5 industry in meeting universal design standards, including considerations of
6 workforce education and training;

7 (4) cost benefits and impacts of adopting a universal design standard for
8 residential buildings;

9 (5) opportunities and challenges with enforcement of identified
10 standards; and

11 (6) impacts to the valuation and financing of impacted buildings.

12 (d) Assistance. The Committee shall have the administrative, technical,
13 and legal assistance of the Department of Housing and Community
14 Development.

15 (e) Report. On or before November 1, 2025, the Committee shall submit a
16 written report to the House Committee on General and Housing and the Senate
17 Committee on Economic Development, Housing and General Affairs with its
18 findings and any recommendations for legislative action.

19 (f) Meetings.

20 (1) The member of the House of Representatives shall call the first
21 meeting of the Committee to occur on or before June 1, 2025.

1 (2) The Committee shall select a chair from among its members at the
2 first meeting.

3 (3) A majority of the membership shall constitute a quorum.

4 (4) The Committee shall cease to exist on December 1, 2025.

5 (g)(1) Compensation and reimbursement. For attendance at meetings
6 during adjournment of the General Assembly, a legislative member of the
7 Committee serving in the member's capacity as a legislator shall be entitled to
8 per diem compensation and reimbursement of expenses pursuant to 2 V.S.A.
9 § 23 for not more than six meetings. These payments shall be made from
10 monies appropriated to the General Assembly.

11 (2) Members of the Committee who are not otherwise compensated for
12 their time shall be entitled to per diem compensation as permitted under
13 32 V.S.A. § 1010 for not more than six meetings. These payments shall be
14 made from monies appropriated to the Committee.

15 (h) Appropriation. The sum of \$15,000.00 is appropriated from the
16 General Fund to the Department of Housing and Community Development in
17 fiscal year 2026 for per diem compensation and reimbursement of expenses for
18 members of the Committee and to engage the services of one or more experts
19 as necessary to assist the Committee in its work pursuant to this section.

1 * * * Tax Department Housing Data Access * * *

2 Sec. 5. 32 V.S.A. § 5404 is amended to read:

3 § 5404. DETERMINATION OF EDUCATION PROPERTY TAX GRAND
4 LIST

5 * * *

6 (b) Annually, on or before August 15, the clerk of a municipality, or the
7 supervisor of an unorganized town or gore, shall transmit to the Director in an
8 electronic or other format as prescribed by the Director: education and
9 municipal grand list data, including exemption information and grand list
10 abstracts; tax rates; an extract of the assessor database also referred to as a
11 Computer Assisted Mass Appraisal (CAMA) system or Computer Assisted
12 Mass Appraisal database; and the total amount of taxes assessed in the town or
13 unorganized town or gore. The data transmitted shall identify each parcel by a
14 parcel identification number assigned under a numbering system prescribed by
15 the Director. Municipalities may continue to use existing numbering systems in
16 addition to, but not in substitution for, the parcel identification system
17 prescribed by the Director. If changes or additions to the grand list are made
18 by the listers or other officials authorized to do so after such abstract has been
19 so transmitted, such clerks shall forthwith certify the same to the Director.

20 * * *

1 * * * VHFA First-Generation Homebuyer Program and Down Payment

2 Assistance Program * * *

3 Sec. 6. 32 V.S.A. § 5930u is amended to read:

4 § 5930u. TAX CREDIT FOR AFFORDABLE HOUSING

5 (a) Definitions. As used in this section:

6 * * *

7 (11) “First-generation homebuyer” means a homebuyer who self-attests
8 that the homebuyer is an individual:

9 (A) whose parents or legal guardians:

10 (i) do not have and during the homebuyer’s lifetime have not had
11 any residential ownership interest in any state; or

12 (ii) lost ownership of a home due to foreclosure, short sale, or
13 deed-in-lieu of foreclosure and have not owned a home since that loss; or

14 (B) who has at any time been placed in foster care.

15 * * *

16 (g) Credit allocation.

17 (1) In any fiscal year, the allocating agency may award up to:

18 (A) \$400,000.00 in total first-year credit allocations to all applicants
19 for rental housing projects, for an aggregate limit of \$2,000,000.00 over any
20 given five-year period that credits are available under this subdivision (A).

1 (B) \$675,000.00 in total first-year credit allocations for loans or
2 grants for owner-occupied unit financing or down payment loans as provided
3 in subdivision (b)(2) of this section consistent with the allocation plan,
4 including for new construction and manufactured housing, for an aggregate
5 limit of \$3,375,000.00 over any given five-year period that credits are
6 available under this subdivision (B). Of the total first-year credit allocations
7 made under this subdivision (B), \$250,000.00 shall be used each fiscal year for
8 manufactured home purchase and replacement.

9 (C) \$250,000.00 in total in total first-year credit allocations for grants
10 to first-time homebuyers who are also first-generation homebuyers as provided
11 in subdivision (b)(3)(D) of this section, for an aggregate limit of \$1,250,000.00
12 over any given five-year period that credits are available under this subdivision
13 (C).

14 (2) If the full amount of first-year credits authorized by an award are not
15 allocated to a taxpayer, the Agency may reclaim the amount not allocated and
16 re-award such allocations to other applicants, and such re-awards shall not be
17 subject to the limits set forth in subdivision (1) of this subsection.

18 (h) Credit allocation; Down Payment Assistance Program.

19 (1) In fiscal year 2016 through fiscal year 2019, the allocating agency
20 may award up to \$125,000.00 in total first-year credit allocations for loans

1 through the Down Payment Assistance Program created in subdivision (b)(2)
2 of this section.

3 (2) In fiscal year 2020 through fiscal year 2026, the allocating agency
4 may award up to \$250,000.00 in total first-year credit allocations for loans
5 through the Down Payment Assistance Program created in subdivision (b)(3)
6 of this section.

7 (3) In fiscal year 2027 through fiscal year 2031, the allocating agency
8 may award up to \$250,000.00 in total first-year credit allocations for loans
9 through the Down Payment Assistance Program created in subdivision (b)(3)
10 of this section.

11 * * * Land Bank Report * * *

12 Sec. 7. DHCD LAND BANK REPORT

13 (a) On or before November 1, 2025, the Department of Housing and
14 Community Development shall issue a report to the House Committee on
15 General and Housing and the Senate Committee on Economic Development,
16 Housing and General Affairs outlining a legal framework for implementation
17 of a State land bank. The report shall include proposed legislative language
18 specific to:

19 (1) the creation of a statewide land bank;

20 (2) the authorization of regional or municipal land banks; and

1 (3) the identification of funding proposals to support the sustainability
2 of each separate model.

3 (b) The report shall include an analysis on which option, the creation of a
4 statewide land bank or the authorization of regional or municipal land banks,
5 best serves the interest of Vermont communities, including rural communities.

6 * * * Housing Appeals * * *

7 Sec. 8. 10 V.S.A. § 8502 is amended to read:

8 § 8502. DEFINITIONS

9 As used in this chapter:

10 * * *

11 (7) “Person aggrieved” means a person who alleges an injury to a
12 particularized interest protected by the provisions of law listed in section 8503
13 of this title, attributable to an act or decision by a district coordinator, District
14 Commission, the Secretary, an appropriate municipal panel, or the
15 Environmental Division that can be redressed by the Environmental Division
16 or the Supreme Court.

17 * * *

18 Sec. 9. 10 V.S.A. § 8504 is amended to read:

19 § 8504. APPEALS TO THE ENVIRONMENTAL DIVISION

20 * * *

21 (b) Planning and zoning chapter appeals.

1 (1) Within 30 days of the date of the act or decision, an interested
2 person, as defined in 24 V.S.A. § 4465, or a person aggrieved, who has
3 participated as defined in 24 V.S.A. § 4471 in the municipal regulatory
4 proceeding under that chapter may appeal to the Environmental Division an act
5 or decision made under that chapter by a board of adjustment, a planning
6 commission, or a development review board; provided, however, that decisions
7 of a development review board under 24 V.S.A. § 4420 with respect to local
8 Act 250 review of municipal impacts are not subject to appeal but shall serve
9 as presumptions under chapter 151 of this title.

10 * * *

11 (h) De novo hearing. The Environmental Division, applying the
12 substantive standards that were applicable before the tribunal appealed from,
13 shall hold a de novo hearing on those issues that have been appealed, ~~except~~.
14 For a municipal land use permit application for a housing development, if the
15 appeal is of a denial, the Environmental Division shall determine if the
16 application is consistent with the municipal bylaw or land use regulation that
17 directly affects the property or if the appeal is of an approval, if the application
18 is inconsistent with the municipal bylaw or land use regulation that directly
19 affects the property. It shall not be de novo in the case of:

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

1 (5) except for cases the court considers of greater importance, appeals of
2 an appropriate municipal panel decision under 24 V.S.A. chapter 117 involving
3 housing development, take precedence on the docket over other cases and shall
4 be assigned for hearing and trial or for argument accordingly.

5 * * *

6 Sec. 10. 24 V.S.A. § 4465 is amended to read:

7 § 4465. APPEALS OF DECISIONS OF THE ADMINISTRATIVE OFFICER

8 * * *

9 (b) As used in this chapter, an “interested person” means any one of the
10 following:

11 (1) A person owning title to property, or a municipality or solid waste
12 management district empowered to condemn it or an interest in it, affected by a
13 bylaw, who alleges that the bylaw imposes on the property unreasonable or
14 inappropriate restrictions of present or potential use under the particular
15 circumstances of the case.

16 (2) The municipality that has a plan or a bylaw at issue in an appeal
17 brought under this chapter or any municipality that adjoins that municipality.

18 ~~(3) A person owning or occupying property in the immediate~~
19 ~~neighborhood of a property that is the subject of any decision or act taken~~
20 ~~under this chapter, who can demonstrate a physical or environmental impact on~~
21 ~~the person’s interest under the criteria reviewed, and who alleges that the~~

1 ~~decision or act, if confirmed, will not be in accord with the policies, purposes,~~
2 ~~or terms of the plan or bylaw of that municipality.~~

3 ~~(4) Any 20 persons who may be any combination of voters, residents, or~~
4 ~~real property owners within a municipality listed in subdivision (2) of this~~
5 ~~subsection who, by signed petition to the appropriate municipal panel of a~~
6 ~~municipality, the plan or a bylaw of which is at issue in any appeal brought~~
7 ~~under this title, allege that any relief requested by a person under this title, if~~
8 ~~granted, will not be in accord with the policies, purposes, or terms of the plan~~
9 ~~or bylaw of that municipality. This petition to the appropriate municipal panel~~
10 ~~must designate one person to serve as the representative of the petitioners~~
11 ~~regarding all matters related to the appeal. For purposes of this subdivision, an~~
12 ~~appeal shall not include the character of the area affected if the project has a~~
13 ~~residential component that includes affordable housing.~~

14 ~~(5) Any department and administrative subdivision of this State owning~~
15 ~~property or any interest in property within a municipality listed in subdivision~~
16 ~~(2) of this subsection, and the Agency of Commerce and Community~~
17 ~~Development of this State.~~

18 * * *

19 Sec. 11. 24 V.S.A. § 4441 is amended to read:

20 § 4441. PREPARATION OF BYLAWS AND REGULATORY TOOLS;

21 AMENDMENT OR REPEAL

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(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.

* * * LURB Study * * *

Sec. 12. 2024 Acts and Resolves No. 181, Sec. 11a is amended to read:

Sec. 11a. ACT 250 APPEALS STUDY

(a) On or before ~~January 15, 2026~~ November 15, 2025, the Land Use Review Board shall issue a report evaluating whether to transfer appeals of permit decisions and jurisdictional opinions issued pursuant to 10 V.S.A. chapter 151 to the Land Use Review Board or whether they should remain at the Environmental Division of the Superior Court. The Board shall convene a stakeholder group that at a minimum shall be composed of a representative of environmental interests, attorneys that practice environmental and development law in Vermont, the Vermont League of Cities and Towns, the Vermont Association of Planning and Development Agencies, the Vermont Chamber of Commerce, the Land Access and Opportunity Board, the Office of Racial Equity, the Vermont Association of Realtors, a representative of non-profit housing development interests, a representative of for-profit housing development interests, a representative of commercial development interests, an engineer with experience in development, the Agency of Commerce and

1 Community Development, and the Agency of Natural Resources in preparing
2 the report. The Board shall provide notice of the stakeholder meetings on its
3 website and each meeting shall provide time for public comment.

4 (b) The report shall at minimum recommend:

5 (1) whether to allow consolidation of appeals at the Board, or with the
6 Environmental Division of the Superior Court, and how, including what
7 resources the Board would need, if transferred to the Board, appeals of permit
8 decisions issued under 24 V.S.A. chapter 117 and the Agency of Natural
9 Resources can be consolidated with Act 250 appeals;

10 (2) how to prioritize and expedite the adjudication of appeals related to
11 housing projects, including the use of hearing officers to expedite appeals and
12 the setting of timelines for processing of housing appeals;

13 (3) procedural rules to govern the Board's administration of Act 250 and
14 the adjudication of appeals of Act 250 decisions. These rules shall include
15 procedures to create a firewall and eliminate any potential for conflicts with
16 the Board managing appeals and issuing permit decisions and jurisdictional
17 opinions; and

18 (4) other actions the Board should take to promote the efficient and
19 effective adjudication of appeals, including any procedural improvements to
20 the Act 250 permitting process and jurisdictional opinion appeals.

1 (c) The report shall be submitted to the Senate Committees on Economic
2 Development, Housing and General Affairs and on Natural Resources and
3 Energy and the House Committee on Environment ~~and Energy~~.

4 * * * Brownfields * * *

5 Sec. 13. 10 V.S.A. § 6641 is amended to read:

6 § 6641. BROWNFIELD PROPERTY CLEANUP PROGRAM; CREATION;
7 POWERS

8 (a) There is created the Brownfield Property Cleanup Program to enable
9 certain interested parties to request the assistance of the Secretary to review
10 and oversee work plans for investigating, abating, removing, remediating, and
11 monitoring a property in exchange for protection from certain liabilities under
12 section 6615 of this title. The Program shall be administered by the Secretary
13 who shall:

14 * * *

15 (c) When conducting any review required by this subchapter, the Secretary
16 shall prioritize the review of remediation at a site that contains housing or that
17 is planned for the construction or rehabilitation of single-family or multi-
18 family housing.

19 Sec. 14. BROWNFIELDS PROCESS IMPROVEMENT; REPORT

20 On or before November 1, 2025, the Secretary of Natural Resources shall
21 report to the House Committees on Environment and on General and Housing

1 and the Senate Committees on Economic Development, Housing and General
2 Affairs and on Natural Resources and Energy with proposals to make the
3 Program established pursuant to 10 V.S.A. chapter 159, subchapter 3
4 (brownfields reuse and liability limitation) substantially more efficient. At a
5 minimum, the report shall include both of the following:

6 (1) A survey of stakeholders in the brownfields program to identify
7 areas that present challenges to the redevelopment of contaminated properties,
8 with a focus on redevelopment for housing. The Secretary shall provide
9 recommendations to resolve these challenges.

10 (2) An analysis of strengths and weaknesses of implementing a licensed
11 site professional program within the State. The Secretary shall make a
12 recommendation on whether such a program should be implemented. If the
13 Secretary recommends implementation, the report shall include any changes to
14 statute or budget needed to implement this program.

15 Sec. 15. 2023 Acts and Resolves No. 78, Sec. B.1103, as amended by 2024

16 Acts and Resolves No. 87, Sec. 43, is further amended to read:

17 Sec. B.1103 CLIMATE AND ENVIRONMENT – FISCAL YEAR 2024

18 ONE-TIME APPROPRIATIONS

19 * * *

20 (h) In fiscal year 2024, the amount of \$2,500,000 General Fund is
21 appropriated to the ~~Department of Environmental Conservation~~ Environmental

1 Contingency Fund established pursuant to 10 V.S.A. § 1283 for the
2 Brownfields Reuse and Environmental Liability Limitation Act as codified in
3 10 V.S.A. chapter 159. Funds shall be used for the assessment and cleanup,
4 planning, and cleanup of brownfields sites.

5 * * *

6 * * * Taxes * * *

7 Sec. 16. 24 V.S.A. § 1539 is added to read:

8 § 1539. SHORT TERM RENTAL MUNICIPAL TAXING AUTHORITY

9 (a) If the legislative body of a municipality by a majority vote
10 recommends, the voters of a municipality may, at an annual or special meeting
11 warned for that purpose, by a majority vote of those present and voting, assess
12 a one percent tax on short-term rentals as that term is defined in section 2291
13 of this title.

14 (b) Nothing in this section shall affect the validity of any existing provision
15 of law or municipal charter authorizing a municipality to impose a tax similar
16 to the tax authorized in this section.

17 * * * Landlord Certificate * * *

18 Sec. 17. REPEAL; ACT 181 PROSPECTIVE LANDLORD CERTIFICATE

19 CHANGES

1 2024 Acts and Resolves No. 181, Secs. 98 (landlord certificate
2 amendments) and 114(5) (effective date of landlord certificate amendments) is
3 repealed on passage.

4 Sec. 18. 32 V.S.A. § 6069 is amended to read:

5 § 6069. LANDLORD CERTIFICATE

6 * * *

7 (b) The owner of each rental property shall, on or before January 31 of each
8 year, furnish a certificate of rent to the Department of Taxes.

9 (c) A certificate under this section shall be in a form prescribed by the
10 Commissioner and shall include the following:

11 (1) the name of the each renter;

12 (2) the address and ~~any property tax parcel identification number of the~~
13 ~~homestead, the information required under subsection (f) of this section,~~ the
14 School Property Account Number of the rental property;

15 (3) the name of the owner or landlord of the rental property;

16 (4) the phone number, email address, and mailing address of the owner
17 or landlord of the rental property, as available;

18 (5) the type or types of rental units on the rental property;

19 (6) the number of rental units on the rental property;

20 (7) the number of ADA-accessible units on the rental property; and

1 (8) any additional information that the Commissioner determines is
2 appropriate.

3 * * *

4 (f) ~~Annually on or before October 31, the Department shall prepare and make~~
5 ~~available to a member of the public upon request a database in the form of a~~
6 ~~sortable spreadsheet that contains the following information for each rental unit~~
7 ~~for which the Department received a certificate pursuant to this section:~~

8 (1) ~~name of owner or landlord;~~

9 (2) ~~mailing address of landlord;~~

10 (3) ~~location of rental unit;~~

11 (4) ~~type of rental unit;~~

12 (5) ~~number of units in building; and~~

13 (6) ~~School Property Account Number.~~ Annually on or before December
14 15, the Department shall submit a report on the aggregated data collected under
15 this section to the House Committee on General and Housing and the Senate
16 Committee on Economic Development, Housing and General Affairs.

17 * * * VHFA Off-Site Construction * * *

18 Sec. 19. VHFA OFF-SITE CONSTRUCTION REPORT

19 (a) The sum of \$250,000.00 is appropriated from the General Fund in fiscal
20 year 2026 to the Department of Housing and Community Development granted
21 to the Vermont Housing Finance Agency to further develop recommendations

1 from the 2025 “Opportunities to Utilize Off-Site Construction to Meet
2 Vermont’s Housing, Workforce and Climate Goals” report. The Vermont
3 Housing Finance Agency shall:

4 (1) identify and recommend a set of State policy objectives and
5 priorities related to off-site housing construction;

6 (2) define the structure and relevant actors for using bulk purchases of
7 single- and multi-family homes produced through off-site construction to
8 achieve lower construction costs;

9 (3) gather input from potential manufacturers about how to best achieve
10 cost savings through a bulk purchase program;

11 (4) determine any business planning support needed for existing
12 Vermont businesses seeking to develop or expand off-site construction;

13 (5) explore creating a working group of neighboring states that
14 considers a regional market and shared approach; and

15 (6) prepare an analysis of the funding and structure needed to support
16 greater development of off-site homes.

17 (b) The Vermont Housing Finance Agency shall submit an interim report
18 on or before January 15, 2026 to the House Committee on General and
19 Housing and the Senate Committee on Economic Development, Housing and
20 General Affairs and a final report on December 15, 2026.

* * * Appropriations * * *

Sec. 20. DEPARTMENT OF HOUSING AND COMMUNITY
DEVELOPMENT; POSITIONS; APPROPRIATION

(a) Three full-time, classified positions are created in the Department of Housing and Community Development. The sum of \$450,000.00 is appropriated from the General Fund to the Department in fiscal year 2026 for the purposes of funding these positions.

(b) The sum of \$300,000.00 is appropriated from the General Fund to the Department of Housing and Community Development in fiscal year 2026 for the purposes of funding two existing limited-service positions. One limited-service position shall provide technical assistance to municipalities, nonprofit organizations, and private developers to aid in the development of infill and missing middle-income housing through the Homes for All initiative. One limited-service position shall coordinate funding to distribution amongst State entities and gather and analyze housing data to ensure efficient use of funds.

Sec. 21. APPROPRIATIONS

The following shall be appropriated from the General Fund in fiscal year 2026:

(1) The sum of \$27,000,000.00 to the Vermont Housing and Conservation Board for the following purposes:

1 (A) \$25,000,000.00 to provide support and enhance capacity for the
2 production and preservation of affordable mixed-income rental housing and
3 homeownership units, including improvements to manufactured homes and
4 communities, permanent homes and emergency shelter for those experiencing
5 homelessness, recovery residences, and housing available to farm workers,
6 refugees, and individuals who are eligible to receive Medicaid-funded home-
7 and community-based services; and

8 (B) \$2,000,000.00 to implement the Resident Services Program
9 established in Sec. 88 of 2024 Acts and Resolves No. 181.

10 (2) The sum of \$41,735,000.00 to the Department of Housing and
11 Community Development for the following purposes:

12 (A) \$20,000,000.00 granted to the Vermont Housing Finance Agency
13 to continue implementation of the Middle-Income Homeownership
14 Development Program and the Rental Housing Revolving Loan Fund;

15 (B) \$15,000,000.00 granted to the Vermont Bond Bank to implement
16 the Vermont Infrastructure Sustainability Fund;

17 (C) \$4,000,000.00 for the rehabilitation of eligible rental housing
18 units under the Rental Housing Improvement Program established in 10 V.S.A.
19 § 699;

1 (D) \$2,000,000.00 to improve mobile home park infrastructure under
2 the Manufactured Home Improvement and Repair Program established in 10
3 V.S.A. § 700;

4 (E) \$500,000.00 granted to the five NeighborWorks America
5 affiliated HomeOwnership Centers for the purpose of providing homebuyer
6 education, financial literacy counseling, and foreclosure prevention programs;
7 and

8 (F) \$235,000.00 granted to HomeShare Vermont for the purpose of
9 funding case management positions and an intake coordinator.

10 (3) The sum of \$400,000.00 to the Agency of Human Services to grant
11 to Cathedral Square to continue the Support and Services at Home (SASH) for
12 All pilot program.

13 (4) The sum of \$373,000.00 to the Vermont State Colleges System for
14 the purpose of supporting the creation of new apprenticeships, curriculum
15 development, employer partnerships, and faculty training in the field of
16 heating, ventilation, and air conditioning. The Vermont State Colleges System
17 shall, on or before January 31, 2027, issue a report to the House Committee on
18 General and Housing and the Senate Committee on Economic Development,
19 Housing and General Affairs describing how the funds appropriated pursuant
20 to this section have been spent, how any remaining funds appropriated

1 pursuant to this section will be spent, and how the creation of these new
2 programs have improved workforce development issues in the State.

3 (5) The sum of \$448,500.00 to the Department of Labor to provide a
4 three-year grant to the Associated General Contractors of Vermont for the
5 purpose of promoting and expanding their training and certification programs
6 specific to construction and the building trades. The Associated General
7 Contractors of Vermont shall, on or before January 31, 2027, issue a report to
8 the House Committee on General and Housing and the Senate Committee on
9 Economic Development, Housing and General Affairs describing how the
10 funds appropriated pursuant to this section have been spent, how any
11 remaining funds appropriated pursuant to this section will be spent, and how
12 the expansion of their programs have improved workforce development issues
13 in the State.

14 (6) The sum of \$625,000.00 to the Department of Health for the
15 following purposes:

16 (A) \$300,000.00 for funding of at least three new recovery residences
17 certified by the Vermont Alliance for Recovery Residences; and

18 (B) \$325,000.00 to cover first month fees for individuals entering a
19 certified recovery residence in Vermont.

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4
5

* * * Effective Dates * * *

Sec. 22. EFFECTIVE DATES

This act shall take effect on July 1, 2025, except that Secs. 4 (Universal Design Study Committee) and 17 (repeal; Act 181 prospective landlord certificate changes) and this section shall take effect on passage.