

1 H.479

2 An act relating to housing

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

4 * * * Vermont Rental Housing Improvement Program * * *

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

6 § 699. VERMONT RENTAL HOUSING IMPROVEMENT PROGRAM

7 (a) Creation of Program.

8 * * *

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

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

18 * * *

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

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

1 (iii) composed of at least one individual with a disability who
2 receives or is eligible approved to receive Medicaid-funded ~~home and~~
3 ~~community-based~~ home- and community-based services or Social Security
4 Disability Insurance; or

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

8 * * *

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

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

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

18 (1) ~~A landlord shall coordinate with nonprofit housing partners and local~~
19 ~~coordinated entry organizations to identify potential tenants~~ The total cost of
20 rent for the unit, including utilities not covered by rent payments, shall not
21 exceed the applicable fair market rent established by the Department of

1 Housing and Urban Development, except that a landlord may accept a housing
2 voucher that exceeds fair market rent, if available.

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

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

8 ~~(ii) actively working with an immigrant or refugee resettlement~~
9 ~~program; or~~

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

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

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

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

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

1 ~~(B) If no housing voucher or federal or State subsidy is available, the~~
2 ~~cost of rent for the unit, including utilities not covered by rent payments, shall~~
3 ~~not exceed the applicable fair market rent established by the Department of~~
4 ~~Housing and Urban Development.~~

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

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

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

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

16 (A) the availability of housing vouchers;

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

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

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

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

1 for prospective homeowners, and incentivize park improvements for infill of
2 more homes.

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

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

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

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

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

- 1 (A) preliminary engineering and planning;
2 (B) engineering design and bid specifications;
3 (C) construction for municipal waste and wastewater systems;
4 (D) transportation investments, including those required by municipal
5 regulation, the municipality's official map, designation requirements, or other
6 planning or engineering identifying complete streets and transportation and
7 transit related improvements, including improvements to existing streets; and
8 (E) other eligible activities as determined by the guidelines produced
9 by the Vermont Bond Bank in consultation with the Department of Housing
10 and Community Development.

11 (e) Application requirements. Eligible project applications shall
12 demonstrate:

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

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

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

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

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

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

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

8 (4) the demonstration of financing for project completion or completion
9 of a project component.

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

13 (1) the maximum loan or bond amount;

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

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

16 (4) the maximum interest rate;

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

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

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

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

4 * * * Universal Design Study Committee * * *

5 Sec. 4. RESIDENTIAL UNIVERSAL DESIGN STANDARDS; STUDY
6 COMMITTEE; REPORT

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

10 (b) Membership. The Committee shall be composed of the following
11 members:

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

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

16 (3) one member, appointed by the Vermont Builders and Remodelers
17 Association;

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

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

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

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

2 (8) one member, appointed by the Vermont Housing and Conservation

3 Board;

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

5 Living;

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

7 Council;

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

9 Development or designee;

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

11 Towns;

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

13 Association;

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

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

16 Independent Living or designee; and

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

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

19 implementation of statewide universal design standards for residential

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

- 1 (1) existing federal and state laws regarding the Americans with
2 Disabilities Act, 42 U.S.C. §§ 12101–12213, standards and building codes;
- 3 (2) existing federal, state, and international best practices and standards
4 addressing accessibility and adaptability characteristics of single-family and
5 multiunit buildings;
- 6 (3) opportunities and challenges for supporting the residential building
7 industry in meeting universal design standards, including considerations of
8 workforce education and training;
- 9 (4) cost benefits and impacts of adopting a universal design standard for
10 residential buildings;
- 11 (5) opportunities and challenges with enforcement of identified
12 standards; and
- 13 (6) impacts to the valuation and financing of impacted buildings.
- 14 (d) Assistance. The Committee shall have the administrative, technical,
15 and legal assistance of the Department of Housing and Community
16 Development.
- 17 (e) Report. On or before November 1, 2025, the Committee shall submit a
18 written report to the House Committee on General and Housing and the Senate
19 Committee on Economic Development, Housing and General Affairs with its
20 findings and any recommendations for legislative action.

1 (f) Meetings.

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

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

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

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

8 (g)(1) Compensation and reimbursement. For attendance at meetings
9 during adjournment of the General Assembly, a legislative member of the
10 Committee serving in the member's capacity as a legislator shall be entitled to
11 per diem compensation and reimbursement of expenses pursuant to 2 V.S.A.
12 § 23 for not more than six meetings. These payments shall be made from
13 monies appropriated to the General Assembly.

14 (2) Members of the Committee who are not otherwise compensated for
15 their time shall be entitled to per diem compensation as permitted under
16 32 V.S.A. § 1010 for not more than six meetings. These payments shall be
17 made from monies appropriated to the Committee.

18 (h) Intent to appropriate. Notwithstanding subsection (g) of this section,
19 per diems for the cost of attending meetings shall only be available in the event
20 an appropriation is made in fiscal year 2026 from the General Fund to the
21 Department of Housing and Community Development for that purpose.

1 Sec. 6. [Deleted.]

2 * * * Land Bank Report * * *

3 Sec. 7. DHCD LAND BANK REPORT

4 (a) On or before November 1, 2025, the Department of Housing and
5 Community Development shall issue a report to the House Committee on
6 General and Housing and the Senate Committee on Economic Development,
7 Housing and General Affairs outlining a legal framework for implementation
8 of a State land bank. The report shall include proposed legislative language
9 specific to:

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

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

12 (3) the identification of funding proposals to support the sustainability
13 of each separate model.

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

17 * * * Housing Appeals * * *

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

19 § 8502. DEFINITIONS

20 As used in this chapter:

21 * * *

1 (h) De novo hearing. The Environmental Division, applying the
2 substantive standards that were applicable before the tribunal appealed from,
3 shall hold a de novo hearing on those issues that have been appealed, ~~except~~.
4 For a municipal land use permit application for a housing development, if the
5 appeal is of a denial, the Environmental Division shall determine if the
6 application is consistent with the municipal bylaw or land use regulation that
7 directly affects the property or if the appeal is of an approval, if the application
8 is inconsistent with the municipal bylaw or land use regulation that directly
9 affects the property. It shall not be de novo in the case of:

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

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

16 * * *

17 (k) Limitations on appeals. Notwithstanding any other provision of this
18 section:

19 (1) there shall be no appeal from a District Commission decision when
20 the Commission has issued a permit and no hearing was requested or held, or

1 no motion to alter was filed following the issuance of an administrative
2 amendment;

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

6 (3) if a District Commission issues a partial decision under subsection
7 6086(b) of this title, any appeal of that decision must be taken within 30 days
8 following the date of that decision; ~~and~~

9 (4) it shall be the goal of the Environmental Division to issue a decision
10 on a case regarding an appeal of an appropriate municipal panel decision under
11 24 V.S.A. chapter 117 within 90 days following the close of the hearing; and

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

16 * * *

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

18 § 4465. APPEALS OF DECISIONS OF THE ADMINISTRATIVE OFFICER

19 * * *

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

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

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

8 ~~(3) A person owning or occupying property in the immediate~~
9 ~~neighborhood of a property that is the subject of any decision or act taken~~
10 ~~under this chapter, who can demonstrate a physical or environmental impact on~~
11 ~~the person's interest under the criteria reviewed, and who alleges that the~~
12 ~~decision or act, if confirmed, will not be in accord with the policies, purposes,~~
13 ~~or terms of the plan or bylaw of that municipality.~~

14 ~~(4) Any 20 persons who may be any combination of voters, residents, or~~
15 ~~real property owners within a municipality listed in subdivision (2) of this~~
16 ~~subsection who, by signed petition to the appropriate municipal panel of a~~
17 ~~municipality, the plan or a bylaw of which is at issue in any appeal brought~~
18 ~~under this title, allege that any relief requested by a person under this title, if~~
19 ~~granted, will not be in accord with the policies, purposes, or terms of the plan~~
20 ~~or bylaw of that municipality. This petition to the appropriate municipal panel~~
21 ~~must designate one person to serve as the representative of the petitioners~~

1 ~~regarding all matters related to the appeal. For purposes of this subdivision, an~~
2 ~~appeal shall not include the character of the area affected if the project has a~~
3 ~~residential component that includes affordable housing.~~

4 (5) Any department and administrative subdivision of this State owning
5 property or any interest in property within a municipality listed in subdivision
6 (2) of this subsection, and the Agency of Commerce and Community
7 Development of this State.

8 * * *

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

10 § 4441. PREPARATION OF BYLAWS AND REGULATORY TOOLS;

11 AMENDMENT OR REPEAL

12 * * *

13 (i) Notwithstanding this section and any other law to the contrary, for
14 bylaw amendments that are required to comply with amendments to this
15 chapter, no hearings are required to be held on the bylaw amendments.

16 * * * LURB Study * * *

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

18 Sec. 11a. ACT 250 APPEALS STUDY

19 (a) On or before ~~January 15, 2026~~ November 15, 2025, the Land Use
20 Review Board shall issue a report evaluating whether to transfer appeals of
21 permit decisions and jurisdictional opinions issued pursuant to 10 V.S.A.

1 chapter 151 to the Land Use Review Board or whether they should remain at
2 the Environmental Division of the Superior Court. The Board shall convene a
3 stakeholder group that at a minimum shall be composed of a representative of
4 environmental interests, attorneys that practice environmental and
5 development law in Vermont, the Vermont League of Cities and Towns, the
6 Vermont Association of Planning and Development Agencies, the Vermont
7 Chamber of Commerce, the Land Access and Opportunity Board, the Office of
8 Racial Equity, the Vermont Association of Realtors, a representative of non-
9 profit housing development interests, a representative of for-profit housing
10 development interests, a representative of commercial development interests,
11 an engineer with experience in development, the Agency of Commerce and
12 Community Development, and the Agency of Natural Resources in preparing
13 the report. The Board shall provide notice of the stakeholder meetings on its
14 website and each meeting shall provide time for public comment.

15 (b) The report shall at minimum recommend:

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

1 monitoring a property in exchange for protection from certain liabilities under
2 section 6615 of this title. The Program shall be administered by the Secretary
3 who shall:

4 * * *

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

9 Sec. 14. BROWNFIELDS PROCESS IMPROVEMENT; REPORT

10 On or before November 1, 2025, the Secretary of Natural Resources shall
11 report to the House Committees on Environment and on General and Housing
12 and the Senate Committees on Economic Development, Housing and General
13 Affairs and on Natural Resources and Energy with proposals to make the
14 Program established pursuant to 10 V.S.A. chapter 159, subchapter 3
15 (brownfields reuse and liability limitation) substantially more efficient. At a
16 minimum, the report shall include both of the following:

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

1 Department of Housing and Community Development for a grant to the
2 Vermont Housing Finance Agency for the development and issuance of the
3 report required in that section.

4 * * * Effective Dates * * *

5 Sec. 20. EFFECTIVE DATES

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