

1 TO THE HONORABLE SENATE:

2 The Committee on Natural Resources and Energy to which was referred
3 Senate Bill No. 325 entitled “An act relating to studying the creation of model
4 bylaws” respectfully reports that it has considered the same and recommends
5 that the bill be amended by striking out all after the enacting clause and
6 inserting in lieu thereof the following:

7 Sec. 1. LEGISLATIVE INTENT

8 The General Assembly finds that 2024 Acts and Resolves No. 181
9 represented a substantial restructuring of Vermont’s land use review
10 framework. This act is intended to provide technical clarification, transitional
11 certainty, and implementation alignment, consistent with the intent of 2024
12 Acts and Resolves No. 181 and without altering its underlying policy goals.

13 Sec. 2. 10 V.S.A. § 6001(3) is amended to read:

14 (3)(A) “Development” means each of the following:

15 * * *

16 (xii) The construction of a road or roads and any associated
17 driveways to provide access to or within a tract of land owned or controlled by
18 a person. For the purposes of determining jurisdiction under this subdivision,
19 any new development or subdivision on a parcel of land that will be provided
20 access by the road and associated driveways is land involved in the
21 construction of the road.

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(III) For the purpose of determining the length of any road and associated driveways, the length of all other roads and driveways within the tract of land constructed after ~~July 1~~ **December 31**, ~~2026~~ 2027 shall be included.

* * *

(D) The word “development” does not include:

* * *

(viii)(I) The construction of a priority housing project in a municipality with a population of 10,000 or more.

* * *

(III) Notwithstanding any other provision of law to the contrary, until ~~January 1~~ **December 31**, 2027, the construction of a priority housing **project** located entirely within areas of a designated downtown development district, designated neighborhood development area, or a designated growth center **or** within one-half mile around such designated center with permanent zoning and subdivision bylaws served by public sewer or water services or soils that are adequate for wastewater disposal. For purposes of this subdivision (III), in order for a parcel to qualify for the exemption, at least 51 percent of the parcel shall be located within one-half mile of the designated center boundary. If the one-half mile around the

1 designated center extends into an adjacent municipality, the legislative body of
2 the adjacent ~~municipal~~ municipality may inform the Board that it does not
3 want the exemption to extend into that area. This exemption shall not apply to
4 areas within mapped river corridors and floodplains except those areas
5 containing preexisting development in areas suitable for infill development as
6 defined in 29-201 of the Vermont Flood Hazard Area and River Corridor Rule
7 in a municipality that has adopted flood hazard and river corridor bylaws,
8 applicable to the entire municipality, that are consistent with the standards
9 established pursuant to 10 V.S.A. 755b (flood hazard) and 10 V.S.A. 1428(b)
10 (river corridor).

11 Sec. 3. 10 V.S.A. § 6001(35) is amended to read:

12 (35) “Priority housing project” means a discrete project located on a
13 single tract or multiple contiguous tracts of land that consists exclusively of
14 mixed income housing or mixed use, or any combination thereof, and is
15 located entirely within a designated downtown development district,
16 designated new town center, designated growth center, or designated
17 neighborhood development area, or within an area mapped as a Downtown
18 Center, Village Center, Village Area, or Planned Growth Area under 24 V.S.A.
19 § 4348a and is not an approved Tier 1B area under section 6033 of this
20 chapter. The municipality must have a regionally approved plan and
21 permanent zoning and subdivision bylaws.

1 Sec. 4. 10 V.S.A. § 6081 is amended to read:

2 § 6081. PERMITS REQUIRED; EXEMPTIONS

3 * * *

4 (z)(1) Notwithstanding any other provision of this chapter to the contrary,
5 no permit or permit amendment is required for any subdivision, development,
6 or change to an existing project that is located entirely within a Tier 1A area
7 under section 6034 of this chapter.

8 * * *

9 (3) Upon receiving notice and a copy of the permit issued by an
10 appropriate municipal panel pursuant to 24 V.S.A. § 4460(g), a previously
11 issued permit for a development or subdivision located in a Tier 1A area shall
12 remain attached to the property. However, neither the Board nor the Agency
13 of Natural Resources shall enforce the permit or assert amendment jurisdiction
14 on the tract or tracts of land unless the designation is revoked or the
15 municipality has not taken any reasonable action to enforce the conditions of
16 the permit.

17 * * *

18 (bb) Until ~~July~~ January 1, 2028 2030, no permit or permit amendment is
19 required for the construction of improvements for one accessory dwelling unit
20 constructed within or appurtenant to a single-family dwelling. Units

1 constructed pursuant to this subsection shall not count towards the total units
2 constructed in other projects.

3 (cc) Until ~~July~~ January 1, 2028 **2030**, no permit **or permit** amendment is
4 required for the construction of improvements for converting a structure used
5 for a commercial purpose to 29 or fewer housing units.

6 (dd) Interim housing exemptions.

7 (1) Notwithstanding any other provision of law to the contrary, until
8 January 1, ~~2027~~ **2030**, no permit or permit amendment is required for the
9 subdivision for or the construction of housing projects such as cooperatives,
10 condominiums, dwellings, or mobile homes, **and mixed-use development**, with
11 75 units or fewer, constructed or maintained on a tract or tracts of land, located
12 entirely within the areas of a designated new town center, a designated growth
13 center, or a designated neighborhood development area served by public sewer
14 or water services or soils that are adequate for wastewater disposal. Housing
15 units constructed pursuant to this subdivision shall not count towards the total
16 units constructed in other areas. This exemption shall not apply to areas within
17 mapped river corridors and floodplains except those areas containing
18 preexisting development in areas suitable for infill development as defined in
19 29-201 of the Vermont Flood Hazard Area and River Corridor Rule.

20 (2)(A) Notwithstanding any other provision of law to the contrary, until
21 ~~July~~ January 1, 2027 **2030**, no permit or permit amendment is required for the

1 subdivision for or the construction of housing projects such as cooperatives,
2 condominiums, dwellings, or mobile homes, and mixed-use development, with
3 50 or fewer units, constructed or maintained on a tract or tracts of land of 10
4 acres or less, located entirely within:

5 (i) areas of a designated village center and within one-quarter mile
6 of its boundary with permanent zoning and subdivision bylaws and served by
7 public sewer or water services or soils that are adequate for wastewater
8 disposal; or

9 (ii) areas of a municipality that are within a census-designated
10 urbanized area with over 50,000 residents and within one-quarter mile of a
11 transit route.

12 * * *

13 (3) Notwithstanding any other provision of law to the contrary, until
14 January 1, 2027 2030, no permit or permit amendment is required for the
15 subdivision for or the construction of housing projects such as cooperatives,
16 condominiums, dwellings, or mobile homes, and mixed-use development,
17 constructed or maintained on a tract or tracts of land, located entirely within a
18 designated downtown development district with permanent zoning and
19 subdivision bylaws served by public sewer or water services or soils that are
20 adequate for wastewater disposal. Housing units constructed pursuant to this
21 subdivision shall not count towards the total units constructed in other areas.

1 This exemption shall not apply to areas within mapped river corridors and
2 floodplains except those areas containing preexisting development in areas
3 suitable for infill development as defined in 29-201 of the Vermont Flood
4 Hazard Area and River Corridor Rule.

5 Sec. 5. 2024 Acts and Resolves No. 181, Sec. 22 is amended to read:

6 Sec. 22. TIER 3 RULEMAKING

7 (a) The Land Use Review Board, in consultation with the Secretary of
8 Natural Resources, shall adopt rules to implement the requirements for the
9 administration of 10 V.S.A. § 6001(3)(A)(xiii) and 10 V.S.A. § 6001(46) and
10 (19). It is the intent of the General Assembly that these rules identify critical
11 natural resources for protection. The Board shall review the definition of Tier
12 3 area; determine the critical natural resources that shall be included in Tier 3,
13 giving due consideration to river corridors, headwater streams, habitat
14 connectors of statewide significance, riparian areas, class A waters, and natural
15 communities; any additional critical natural resources that should be added to
16 the definition; measures to ensure that no municipality or region is
17 disproportionately impacted by Tier 3 designation that would limit reasonable
18 opportunities for Tier 1 or Tier 2 designations; **whether to allow for review**
19 **under fewer than all the criteria under 10 V.S.A. § 6086(a)(1)-(10);** and how to
20 define the boundaries. Rules adopted by the Board shall include:

21 * * *

1 (A) the construction phase of the project that has already been
2 constructed;

3 (B) compliance with another State permit that has independent
4 jurisdiction;

5 (C) federal or State law that is no longer in effect or applicable;

6 (D) an issue that is addressed by municipal regulation and the project
7 will meet the municipal standards; or

8 (E) a physical or use condition that is no longer in effect or
9 applicable or that will no longer be in effect or applicable once the new project
10 is approved.

11 (3) After issuing or amending a permit containing conditions pursuant to
12 this subsection, the appropriate municipal panel shall provide notice and a
13 copy of the permit to the Land Use Review Board.

14 (4) The appropriate municipal panel shall comply with the notice and
15 hearing requirements provided in subdivision 4464(a)(1) of this title. In
16 addition, notice shall be provided to those persons requiring notice under
17 10 V.S.A. § 6084(b) and shall explicitly reference the existing Act 250 permit.

18 (5) The appropriate municipal panel’s decision shall be issued in
19 accordance with subsection 4464(b) of this title and shall include specific
20 findings with respect to its determinations pursuant to subdivision (2) of this
21 subsection.

1 On or before January 15, 2027, the Land Use Review Board, after
2 consultation with the Vermont Association of Planning and Development
3 Agencies, the Vermont Leagues of Cities and Towns, the Vermont Natural
4 Resources Council, and the Vermont Planners Association, shall report to the
5 General Assembly on recommendations for how to limit the number of appeals
6 of municipal zoning permits that can be brought against housing projects
7 located within Tier 1B areas. The Board shall identify mechanisms for
8 limiting appeals that allow municipalities to address legitimate concerns with
9 projects. The report shall also identify the most commonly raised issues on
10 appeal; evaluate statutory or procedural tools to limit duplicative or non-
11 material appeals; and recommend legislative action needed, if any. The report
12 shall be submitted to the House Committee on Environment and the Senate
13 Committee on Natural Resources and Energy.

14 Sec. 11. EFFECTIVE DATE

15 This act shall take effect on passage.
16 and that after passage the title of the bill be amended to read: “An act relating
17 to Act 250 Tier jurisdiction”

18 (Committee vote: _____)

19 _____

20 Senator _____

21 FOR THE COMMITTEE