



To: Senate Natural Resources Committee
From: Miro Weinberger, Executive Chair, Let's Build Homes
Date: March 12, 2026
Re: S.325 Report

Let's Build Homes supports an S.325 that acts now to address known Act 181 implementation issues that will negatively impact Vermont home production, and urges the committee to request a report on options to address the known, well-established negative impacts of discretionary review in local zoning actions.. Our specific recommendations regarding the report are included at the end of this memo.

The Vermont Legislature has made real progress on housing in recent years. The HOME Act took important steps to reduce barriers to housing production by requiring municipalities to allow duplexes by right in any area zoned for single-family residential use and mandating that areas near downtowns and village centers allow higher-density housing.

However, municipalities still have their own local zoning regulations that layer additional requirements and discretionary review processes on top of what the HOME Act requires. A town may technically allow a duplex or small apartment building but still subject every application to an open-ended board review where approval turns not on whether the project meets the code, but on whether it can survive a public hearing.

Those local processes continue to function as a hidden veto on housing production, slowing projects, raising costs, and pushing developers to scale back or walk away before they ever break ground.

Discretionary Review in Practice

The costs of Vermont's discretionary review system are not abstract. They show up in projects that never get built, in homes that take years longer than necessary to approve, and in families who can't find a place to live.

- **Woodstock:** Safford Commons took eight years to navigate the review system, adding an estimated \$1.5 million in costs to a project designed to serve working Vermonters.
- **Montpelier:** Four housing projects were permitted in Montpelier in 2025, three of those are still under appeal.
- **Burlington:** Projects of 50 or more units trigger an additional layer of discretionary review, causing developers to consider capping projects below that threshold. As a result, when the Nest opened in 2021 was designed for 49 units even though the site could have supported approximately 70.

Increased National Attention On Problem of Discretionary Review

Vermont's experience is consistent with a growing body of research that finds that jurisdictions that rely on discretionary review consistently produce less housing at higher costs than those that use clear and objective standards. The findings of these studies include:

- By-right approvals are granted 28% faster than discretionary reviews¹
- Among large multifamily projects subject to discretionary permitting, median time in the permitting process ranged from 7.5 months in Boston to 33 months in San Francisco – delays that translate directly into higher costs and fewer homes built.²
- The Biden-Harris Administration's PRO Housing program explicitly identified reforming discretionary design review and increasing by-right permitting as a core national housing strategy, awarding \$85 million in grants to 21 communities willing to make that change.³

Let's Build Homes is currently collaborating with the Economic Innovation Group, who recently published a [concept paper](#) on "Right to Build Zones" that would pair by-right, code-based approvals with a "New Home Dividend" of \$10,000 per permitted unit paid directly to participating municipalities. A Vermont town that permitted 100 homes under a qualifying code could receive \$1 million in unrestricted federal funds. Vermont towns that move early through the S.325 process could be well-positioned to benefit as this legislation advances in a bipartisan Congress.

Vermonters Are Ready for Action

A Hart Research poll conducted for Let's Build Homes in February surveyed 404 registered voters statewide and found that housing has become the defining issue of this moment. Nearly half of Vermont voters (49 percent) named the cost and availability of housing as a top concern when asked, ahead of taxes, healthcare costs, and every other issue on the list. Ninety-three percent said the cost of renting or buying a home in Vermont is a major or somewhat of a problem, with 68 percent calling it a major problem. Eighty-nine percent said there is simply not enough housing that is affordable for average people, and that consensus holds across every demographic, geographic, and political group surveyed.

¹ <https://doi.org/10.1080/01944363.2022.2106291>

²

<https://bidenwhitehouse.archives.gov/cea/written-materials/2024/08/13/reforming-permitting-requirements-to-lower-the-cost-of-building-new-housing-and-increase-housing-affordability/>

³

<https://bidenwhitehouse.archives.gov/briefing-room/statements-releases/2024/06/26/fact-sheet-vice-president-harris-announces-first-of-its-kind-funding-to-lower-housing-costs-by-reducing-barriers-to-building-more-homes/>

Recommendations for the S.325 Task Force Report

Let's Build Homes supports the Department of Housing and Community Development's recommended language for the bill:

On or before January 15, 2027, the Department of Housing and Community Development, after consultation with the Vermont Leagues of Cities and Towns, Let's Build Homes, the Vermont Natural Resources Council, and the Vermont Planners Association, shall report to the General Assembly on recommendations for how to reduce the negative impacts of discretionary review of residential development. The Department shall consider the following: whether the state should establish a Vermont Model Code to assist municipalities seeking to replace discretionary review with clear and objective standards; the potential value of the federal Right to Build Zone legislation and steps the state can take to maximize that value; incentives and planning assistance the state can offer municipalities seeking to limit discretionary review. The report shall be submitted to the House Committee on Environment and the Senate Committee on Natural Resources and Energy.