Legislative Session Outlook

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What Happened?

Act 47 (HOME Act), June 2023

Mandated local zoning changes without commensurate changes to Act 250 or other state permitting processes. Removed some impediments to housing construction and renovation, and dedicated \$200M in the FY24 budget to housing construction, renovation, and assistance.

Act 181, June 2024

Gives many commercial centers a path to Act 250 exemption (a top priority in <u>VLCT's</u> <u>Municipal Policy</u>), creates an Act 250 exemption for housing in smaller but densely settled areas, and sets a rulemaking process in place to map and protect environmentally sensitive areas.

What's Happening Now? Timeline for Act 47 & Act 181 Implementation

	2024	2025	2026	2027
Municipality	 Adopt Act 47 preemptions in zoning & bylaw Temp. Act 250 exemptions apply now thru 2026 	 Apply for new designations and boundary changes by October 	 Apply to LURB for Tier 1 exemptions Engage LURB mapping 	 Temp. exemptionsexpire Jan 1 Exemption applicationsdue Dec. 31
Regional Planning Commission	 Begin Designation 2050 (Centers & Neighborhoods) 	 Adopt Regional Plans by Dec 31 	RPC study	
Land Use Review Board	• Hiring	Seated Jan 1Rule makingTier 2 mapping	Tier 3 mappingAdopt rules	 Approving exemptions
State of Vermont	 Study: Land Banks, RPCs, Act 250 Appeals, more 	Muni. Planning grants available	Legislate Act 250 appeals reform??	 Spending reports

Act 181 Municipal Pre-emptions

Amended Statute	On Farm Businesses 24 V.S.A.	Planning 24 V.S.A. § 4348	Multi-Family Units 24 V.S.A. § 4412	Hotel Conversion 24 V.S.A. § 4413	Parking 24 V.S.A. § 4428	More Parking 24 V.S.A. § 4414	AMP Timeline 24 V.S.A. § 4464	Appeals 24 V.S.A. § 4465
What does it do?	Expands the definition of accessory onfarm businesses removing the requirement that 50 percent of the annual sales are produced on the specific farm.	Removes municipalities' ability to veto a regional plan.	Municipalities may not require more land for duplexes Quadplexes allowed on the same size lot as single-unit dwellings Prohibits density and minimum lot size restrictions for multiunit dwellings Density bonuses rounded up Prohibits restrictions on unrelated occupants in the same unit	Adds "hotels and motels converted to permanently affordable housing developments" to list of uses with restricted municipal zoning authority.	Sets maximum parking spot size limit to 9 feet by 18 feet, with exceptions Requires nonconforming parking spaces to count towards requirements when new residential units are being added to an existing unit Allows municipalities to count adjacent parking for residential parking requirements	Parking minimums shall be rounded up when calculating minimum spaces in areas served by water and sewer.	Sets a new 120-day requirement for an appropriate municipal panel's hearing to be warned and noticed after receiving a complete application.	Raise the threshold of appeal from any 10 people to any 20 people.

Act 181 Legislative Reports & Working Groups

Land Bank Report: VLCT is directed to "analyze the feasibility of a land bank program" with DHCD and submit a report. Due December 15, 2024.

Tier 3 Rulemaking: The LURB & DNR to convene a working group before January 1, 2025, to provide input on the required rule establishing Tier 3.

Transportation Support Study: VTRANS to consult VLCT and report what revenue the state receives through Act 250 for transit support. *Due December 15, 2025.* **Regional Planning Commission Study:** VAPDA to convene a stakeholder group, including VLCT, to study "strategic opportunities for regional planning commissions to

better serve municipalities and the State."

Act 250 Appeals Study: The Land Use. Review Board must convene a stakeholder group, including VLCT, to report on whether to transfer Act 250 appeals of permit decisions and jurisdiction opinions to the LURB from the Environmental Division of the Superior Court. *Due January 15, 2026*.

VLCT 2025-26 Legislative Priorities: Housing

- **Investment**: Establish funding and incentives that support the variety of housing encouraged by recent housing legislation.
- Local Control: Encourage, but do not mandate, models of high-density, multi-unit housing. Solutions to the housing crisis must be appropriate to each municipality.
- Smart Growth: Direct housing incentives and programs to areas designated in municipal plans and provide for water and sewer capacity in those places; Ensure new density requirements don't contribute to the proliferation of short-term rentals.
- New Home Construction: Prioritize funding and regulatory reform to facilitate design, construction, and maintenance of infrastructure to support development and redevelopment a wide variety of housing.
- Transitional & Supportive Housing: The state must lead homelessness prevention and response efforts including establishing and following a plan to address unit production, mental health service delivery and homeless shelter creation.
- **Emergency Shelter**: Reform the GA Hotel/Motel Program to ensure equitable and proportionate impact on municipalities.

VLCT 2025-26 Legislative Priorities: Act 250 Reform and Local Land Use

- Local Action: Authorize local governments to establish targeted, performance-based contracts to support the infrastructure needed to realize Act 250 reforms and housing development enabled in Act 181.
- Local Control: Provide adequate funding and support, and ensure municipal input when implementing new land-use mapping and Act 250 location-based jurisdiction; Ensure the Community Investment Program (replaces Downtown Designation Program) defers to municipal plans and authority when transitioning existing designated areas, granting new areas, and offering benefits; Base development decisions upon adopted municipal plans and use adopted regional plans as guidance documents.
- Reform: Increase the threshold for appeals of projects located in approved designated areas.

Other VLCT Priorities:

- Tax structure overhaul
- K-12 Education
- Open meeting, public records, and election laws
- Healthcare, mental health and substance use disorder
- Transportation funding
- Municipal impacts from commercial vehicles and rail
- Public safety; Emergency response, Judiciary, and Corrections
- Opioid crisis
- Intergovernmental and regional cooperation
- Climate action
- Flood response and resiliency
- ANR systems improvement
- Clean Water Act funding and improvement
- Water, wastewater, stormwater, and total maximum daily loads

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Questions and Feedback

- Are you adopting HOME Act zoning & bylaw changes? How's it going?
- Do you have a plan to pursue Tier 1a or 1b exemption?
- What barriers do you see to realizing new home construction in your community after Act 47 & Act 181 implementation?



Thank you!

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