

**CITY OF ESSEX JUNCTION
PLANNING COMMISSION
REGULAR MEETING AGENDA**

Online & 2 Lincoln St.
Essex Junction, VT 05452
Thursday, January 5, 2023
6:30 PM

E-mail: rmahony@essexjunction.org

www.essexjunction.org

Phone: (802) 878-6944

This meeting will be held in-person at 2 Lincoln Street and available remotely. Options to join the meeting remotely:

- **JOIN ONLINE:** [Join Zoom Meeting](#)
- **JOIN CALLING:** (toll free audio only): (888) 788-0099 | Meeting ID: 953 1240 7791; Passcode: 040339

1. **CALL TO ORDER** [6:30 PM]
2. **AGENDA ADDITIONS/CHANGES**
3. **PUBLIC TO BE HEARD**
 - a. Comments from Public on Items Not on Agenda
4. **MINUTES**
 - a. December 1, 2022*
5. **BUSINESS ITEMS**
 - a. Housing – Conversation with Katie Ballard & Ned Daly from the Housing Commission:
 - i. Inclusionary Zoning*
 - ii. Housing Trust Fund
 - iii. Duplex and triplexes in the R1 and R2 zoning districts
 - iv. Rental Registry & Inspection Program*
 - b. Housing Next Steps:
 - i. Discuss option of roundtable with profit and non-profit developers
 - ii. Talk with municipalities that have rental housing codes and inspections
 - c. Consideration of Downtown Transportation Fund grant application for 1 Main Street Park*
6. **READING FILE**
 - a. [SevenDays Locked Out Series](#)
 - b. [SevenDays Co-op Article](#)
7. **MEMBERS UPDATES**
8. **STAFF UPDATES**
 - a. Save the date for the CCRPC Regional Housing Convening, scheduled for **January 30, 2023 from 6:00 PM – 8:00 PM**
9. **ADJOURN**

*attachments included in the packet

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**VILLAGE OF ESSEX JUNCTION
PLANNING COMMISSION
PUBLIC HEARING
MINUTES OF MEETING
DECEMBER 1, 2022
DRAFT**

MEMBERS PRESENT: Phil Batalion, Chair (via Zoom); Patrick Scheld, Vice Chair; Diane Clemens; Scott McCormick; Elijah Massey (via Zoom).

ADMINISTRATION: Regina Mahony, City Manager.

OTHERS PRESENT: Nick Myer.

1. CALL TO ORDER

Phil Batalion called the meeting to order at 6:31 PM.

2. AGENDA ADDITIONS/CHANGES

None.

3. PUBLIC TO BE HEARD

a. Comments from Public on Items Not on Agenda

Nick Myer, Chair of the Essex Junction Tree Advisory Committee, expressed support for the new configuration of the City's Planning Commission and Development Review Board, and emphasized the importance of collaboration and communication with other committees, commissions, and City departments. He noted an outstanding question from a previous meeting about whether the City has a Tree Management Plan, and explained where the Plan can be found on the City's website. He also noted prior conversation about Stevens Park and said that he agrees that park improvements should be made to it. Planning Commission members reiterated that they did not intend for Stevens Park to be "developed" in the traditional sense. He spoke about future development and noted a requirement of the City that 2% of any new project's budget must be devoted to landscaping.

4. MINUTES

a. November 10, 2022

MOTION by PATRICK SCHELD, SECOND by SCOTT McCORMICK, to approve the minutes of November 10, 2022 as presented. VOTING: unanimous (5-0); motion carries.

5. BUSINESS ITEMS

a. Housing – Review and Discussion of the following:

- **Housing Needs Assessment:**

<https://www.essexvt.org/DocumentCenter/View/3588/Essex-Housing-Needs-Assessment-and-Action-Plan-PDF--2019>

- **Housing Data Profile:** <https://www.housingdata.org/profile/>

- **CCRPC Housing Dashboard:**

<https://ccrpc.maps.arcgis.com/apps/dashboards/0673704bdd9c4367b746effb6aea8e2>

Planning Commissioners shared their observations and thoughts around each of the above resources pertaining to housing in Essex Junction and the Chittenden County region.

Commissioner McCormick said he found it interesting that the housing needs assessment and housing data profile are compiled from census data rather than survey data. He also expressed concern about the rental situation in the Junction, in terms of scarcity, lack of affordability, and the paucity of resources in terms of rental support. He asked about whether the Planning Commission should pursue a rental ordinance and a rental registry. He also asked about assistance from volunteers in a “boots on the ground” fashion, suggesting that this could be a good fit for AmeriCorps volunteers.

Commissioner Batalion noted a statistic from one of the websites pertaining to the Vermont Housing Finance Agency (VHFA), and that 75% of all households that qualify for this assistance don't get any assistance. He asked whether VHFA and other resources need to be better communicated to the community, possibly through measures such as requiring property owners post information about VHFA in public areas of buildings. He also noted that COVID has affected the housing situation in Vermont, particularly in exacerbating the housing shortage. Commissioner Scheld said that in terms of outreach and communication about VHFA, COVID actually helped raise awareness of such resources. He noted that VHFA implemented the State's mortgage assistance and rental assistance programs and that additional assistance programs were stood up through federal American Rescue Plan Act (ARPA) funds.

Commissioner Clemens said that she isn't surprised that the rental market and supply are so tight and expressed concern about how expensive housing is. She asked how the housing databases are counting the number of residences and wondered whether some may be being double-counted. She said that in terms of the effects of COVID, more people are working from home or remotely rather than commuting. She said it would be interesting to know how many more residents are now working remotely than had worked remotely prior to the pandemic. She said that if there are more people at home during the day, the Planning Commission and City should think about ways to make neighborhoods more walkable and connected to the downtown center.

Commissioner Massey said that one key takeaway from the review of information on the current housing environment is that there is significant need both in terms of rentals and homes for purchase. He said he found the demographics in the Housing Needs Assessment interesting, in that trends are indicating that households are getting smaller and that the populations of 25-35-year-olds and the population of people aged 65-and-up are both increasing. He asked whether there are opportunities in terms of types of development that are attractive both to young people and older people who are looking to downsize. He said he is interested in further exploring demographic trends and their impact on housing needs, and would like to think about how the City can create spaces that are comfortable in multi-modal, non-car-centric ways. Commissioner Clemens noted that there has been much more senior housing approved in the Town of Essex than in the Junction. Nick Myer said that the housing crunch is desperate for some seniors, since they cannot find a facility that has availability and/or is affordable. Commissioner Scheld said that the difference in numbers between the Town and City in terms of available senior housing, rentals, and houses could be due to the Town having more available land for development. He asked how the City can encourage more senior housing. Commissioner Clemens noted that starter homes are also oftentimes good retirement homes, since they tend to be smaller and have fewer levels.

Commissioner Batalion said that one focus for him while reviewing information was how the Planning Commission could influence some of the key areas of need. He noted that the Housing Needs Assessment's action plan contained a number of items that the City has already worked on, including updating land use regulations, establishing a housing commission, establishing a housing trust fund, and reducing development fees (though he noted that the City increased theirs, because they were already the lowest in the region). He noted an action item around partnering with developers and non-profits, and asked who is currently facilitating that communication for the City in the absence of a community development director. He also noted that the land use regulation housing audit had number of recommendations that the City has addressed through updating its Land Development Code (LDC), such as streamlining the application approval process for developers, simplifying the Planned Use Development (PUD) process, reducing parking requirements, and addressing Accessory Dwelling Unit (ADU) regulations.

Commissioner McCormick noted a number of recommendations that connect with other topical areas the Planning Commission has identified as priorities, including increasing walkability, increasing business development, better communication between commissions/committees, public departments, and residents, and strategies around each of these. He also noted that one recommendation was to increase the number of housing units in the City by 800 by 2030. Commissioner Batalion said that the City is on a good track with some of these (particularly increasing the number of units and encouraging more business downtown), through the implementation of Design Five Corners and the Crescent Connector, as well as allowing duplexes and triplexes in more residential zoning districts.

City Manager Mahony said that an important component of much of this work is fostering a relationship and partnership between the developers in the community and other non-profit organizations, which haven't been as active in the community to date. She said that the City doesn't own much developable land and that they need to focus more on matching the developers in the community with the non-profit housing groups, in order to create economically-integrated, inclusionary developments. She said that the Planning Commission could think about what good first steps or proactive strategies could be around this. She also added that the City could try to access community development grants. Commissioner Scheld said that he would reach out to some contacts to begin a conversation between non-profit housing organizations and developers.

City Manager Mahony also noted briefly that Katie and Ned from the Housing Commission will come to the Planning Commission's January meeting to present on inclusionary zoning. She further noted that Katie will present on the Housing Trust Fund at the City Council's December 14 meeting.

The Planning Commission discussed the potential for implementing a rental registry in Essex Junction. Commissioner Scheld said that it might be prudent to work on that jointly with the Housing Commission. City Manager Mahony said that the City Council is definitely interested in the concept of a rental registry, as it relates to a broader conversation about code enforcement for the City. She noted that Burlington and Winooski have had registries for some time, and that in Winooski, she believes, annual renewals are required and inspections are conducted every three years. Nick Myer noted that the State has been contemplating creating a statewide rental registry. Commissioner Batalion asked if the rental registry would be codified in the LDC or if it would be in an ordinance. City Manager Mahony replied that it would be an ordinance, not in the zoning regulations. She said that the Planning Commission

could work on it and present it to the City Council, but that the Planning Commission wouldn't have the same ownership as they do with the LDC, for example.

City Manager Mahony walked through the Chittenden County Housing Dashboard, which is a database of all of the housing units in Chittenden County. Commissioner Scheld noted that Vermont has the second-oldest housing stock in the country, and said that some think that Act 250 has hindered more construction in the State. Commissioner Clemens added that municipal zoning was established around the same time and has also had an impact.

Commissioner Massey noted that a large proportion of the older population is choosing to age in place. He asked about any statewide programs to help with that. Commissioner Scheld noted that several counties or municipalities have initiatives (like HomeShare Vermont) that match individuals in need of housing with residents who are willing to open up their homes. He said he would be interested in developing materials pertaining to housing access resources (that include programs like HomeShare Vermont) for distribution around the community and on social media.

Commissioner Batalion noted several takeaways from this discussion, including engaging developers and non-profit housing organizations, working on community engagement around assistance, and looking into the rental registry regulations in Burlington and Winooski.

6. MEMBER UPDATES

None.

7. STAFF UPDATES

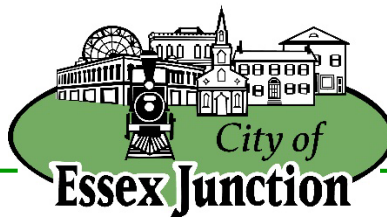
City Manager Mahony noted that the City is conducting second interviews with two candidates for the Community Development Director position, which will occur the week of December 12th. She also provided an update on the Railroad and Main building, noting that the business itself moved to Williston but that there has not yet been a property transfer nor has the property come into compliance with the conditions of the original approval.

8. ADJOURNMENT

**MOTION by DIANE CLEMENS, SECOND by PATRICK SCHELD, to adjourn the meeting.
VOTING: unanimous (5-0); motion carries.**

The meeting was adjourned at 8:14 P.M.

RScty: AACoonradt



MEMORANDUM

To: Planning Commission
From: Regina Mahony, City Manager
Date: 12/29/2022
Subject: Inclusionary Zoning

The following information is a synopsis from emails from Darren Schibler and Mia Watson:

The Housing Commission (HC) initially presented on Inclusionary Zoning to the City Council and Selectboard at their joint meeting on 10/21/2021. Since then, the HC had been working on formulating a specific IZ policy (with consultation to both Town PC on 12/9/2021 and Village PC on 12/16/2021), including holding a developer forum on 3/9/2022. At its 9/7/2022, 9/21/2022, and 10/5/2022 meetings, the HC discussed and voted to approve the following policy points for IZ:

- Mandatory throughout the City and in areas of the Town with sewer service
- Applies to projects with 10+ units
- Applies to both homeownership and rental projects
- Inclusive units must be perpetually affordable
- 10% of the units of a new project must be inclusive (affordable)
- Affordability is targeted at 80% of area median income (AMI) for rental and 120% of AMI for homeownership. [Here is a link to a table](#) that has HUD-defined income limits at those percentages of AMI by number of household members, and the maximum rent affordable at those income levels.

At this point the Housing Commission is ready to hand this work off to the Planning Commissions for consideration. If the Planning Commission decides to move forward with this work the code would need to be drafted. This work will include determining what financially-meaningful incentives / concessions the municipalities can offer and how those are structured.

Attachments:

Inclusionary Zoning in Essex Presentation prepared by the Housing Commission

Inclusionary Zoning examples from other Municipalities prepared by the Housing Commission

Inclusionary Zoning in Essex



What is inclusionary zoning?

- Inclusionary zoning (IZ) incentivizes or requires private developers to sell or rent a certain percentage of the units in a new housing project below market rate.
- Demonstrated to be one of the most effective local policies to develop more affordable housing.
- IZ can be voluntary, but 80% of programs nationwide are mandatory for all projects above a certain threshold (often 10+ new homes).
- Burlington, South Burlington, and Hinesburg all have IZ mandatory in at least some part of the city/town. Winooski has considered IZ as well.
- Recommended in recent Essex Housing Needs Assessment and Town Plan.



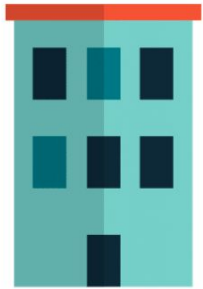
IZ in Essex



- Mandatory for all new housing development projects above 10+ units
- Applies to both new rental and new homes for sale.
- Inclusionary units must be perpetually affordable.
- Compliance will be managed through the town/city
- **Policy for the City:** Ordinance applies to all areas
- **Policy for the Town:** Ordinance applies to all areas covered by sewers system.

Anticipated income targeting

Rental units: 80% AMI



Example at 80% AMI:

- ❑ \$1,609 maximum rent for 1-bedroom unit
- ❑ \$68,650 income limit for household of 2

Units for sale: 120% AMI



Example at 120% AMI:

- ❑ \$400,500 maximum sale price for 2-bedroom house
- ❑ \$128,800 income limit for household of 4

How we decided on income targeting at 120% AMI for owner and 80% for rental

- This target is common in other housing policies:
 - Essex's existing PUD/density bonus requirements
 - Vermont's definition of a priority housing development project under Act 250
 - VHFA's new Missing Middle program subsidizes for-sale development at 120% AMI
 - South Burlington's inclusionary zoning policy is similar (15% of units at 80% AMI for rent, 10% of units at 80% AMI for homeownership)

Why we should be cautious

- The current cost environment is *extremely challenging*. Using the higher end of possible ranges minimizing risk of discouraging development.
- In the last 3 years, costs have gone up as much as last 15 years
- Construction costs are at \$250/sq foot at a minimum. Subsidized developments are seeing \$300,000 *per unit*.
- If we put too many restrictions on development, we risk developers choosing not to build in Essex at all.
- This will further exacerbate a tight market, putting pressure on prices.

Comparative properties



The Commons (Countryside)
2 bed, 3 bathroom
Built 2000
Sale price: \$470,000



Kettlepot Lane (Williston)
2 bed, 3 bathroom
Built 2016
Sale price: \$425,000



Streamside Village (off
Upper Main Street)
3 bed, 3 bathroom
In Construction
List price: \$670,900

Comparative properties



Park Street Apartments

Studio

Monthly rent: \$1,200-1,450, heat and A/C included

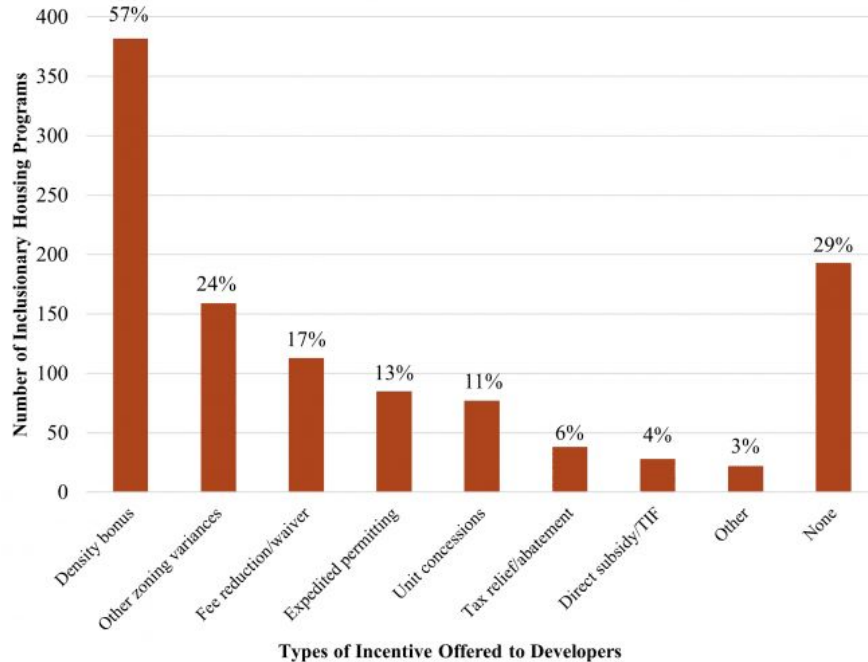


Riverside in the Village

1 bed, 1 bathroom

Monthly rent: \$1,550, heat included

Developer incentives to offset costs - ask Planning Commissions



- 25% density bonus currently offered to affordable PUD projects - increase?
- Parking exceptions
- Fee reductions
- Expediting the permitting process
- Expanding by-right development?
- Tax abatement?

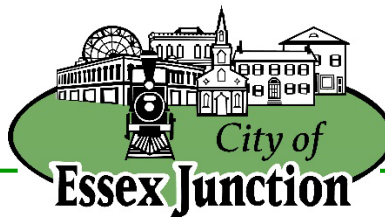
Source: Grounded Solutions Network national study of inclusionary zoning programs, 2018-2019

Inclusionary zoning implementation process



Inclusionary Zoning examples

Town	Mandatory	Requirements	Income eligibility	Incentives	Payment in lieu?	Affordability length?	Other
Burlington	Yes. Applies to market-rate developments of 5+ new homes (not replacement) and to converted non-residential structures that result in 10+ homes.	15% of units have to be targeted affordable (25% in Waterfront district). Exception: if units are very expensive (affordable to 140% AMI+) then 20% must be affordable. Bedroom mix needs to be the same ratio as non-inclusionary units.	65% AMI for rental, 70% AMI for sale.	Increase in the maximum lot coverage density/intensity. Fee waivers.	Allows developers to provide affordable housing off-site in designated areas at 125% of on-site obligation. PIL ranging from \$35,000-\$85,000/unit depending on size of project.	99 years.	Density bonus can be used for commercial purposes in mixed income developments.
Hinesburg	Yes. Applies to projects with 10+ new dwelling units in the village growth area	10% of homes targeted affordable. Bedroom mix of for-sale units needs to be same ratio as non-inclusionary units unless Champlain Housing Trust & DRB waive.	80% of AMI for rent and for sale.	Density bonus, which increases as % of inclusionary units increase (up to 120%). Expedited review. Waiver of DRB application and building permit fee.	Can build off-site housing - Inclusionary units at 1.5 times the on-site rate, with no density bonus, at discretion of DRB.	Perpetual, or for as long a period as is allowed by law.	Smaller projects that do not trigger IZ can use IZ incentives if it provides at least 1 affordable unit. CHT is closely involved with review.
South Burlington	Yes. Applies to projects with 12+ new units. Citywide	For covered development, at least fifteen percent (15%) of the total dwelling units offered for rent. Inclusionary Rental Units and at least ten percent (10%) of the total dwelling units offered for sale,	80% of AMI for rent. 80% AMI for sale price, but open to up household incomes up to 100% AMI.	Density bonus that varies depending on the number of inclusionary units. Up to 50% in allowed units if the building is at least 50% affordable, or up to 25% for mixed income.	Dedication, including a land donation, that is considered to be of equal or greater value; Can build equal number of units off-site within City Center, including by contracting with another entity to build them; Developers can also build a smaller number of 3 and 4 bedroom units to comply.	Perpetual.	Inclusionary units for sale can be duplexes or multi-family dwellings that resemble market rate single-family dwellings. SB also has housing replacement mandate.
Cambridge, MA	Yes. Applies to developments with 10+ units or 10,000 sq ft.	20% of project dwelling unit square footage.	Between 50 and 80% AMI for renters (can be less income if they have rental subsidy). 90%-100% AMI for homebuyers. Gross rent/mortgage must be 30% of actual income.	Density bonus - 30% increase in floor area, 30% increase in number of units per minimum lot area	Developers can make a contribution to the Housing Trust Fund at \$20.10/sq ft of the project (increased annually).	Perpetual.	



MEMORANDUM

To: Planning Commission
From: Regina Mahony, City Manager
Date: 12/29/2022
Subject: Rental Housing Code, Registry & Inspection Program

To help prepare you for your discussion on a rental registry program, here is some information:

1. The Housing Regulations document from the Implementation Manual from the VT Land Use Education & Training Collaborative is attached. These documents are out of date, but still the best resource for an overview of the tools available in VT. **The Housing Codes section starts on pg. 14-5.**
2. Here is information from [VHFA's Housing Toolbox](#) which includes which VT municipalities have a housing code program in place:

Rental housing codes	Promote and enforce safe and healthy living conditions for rental properties. Vermont has some rental housing laws, but municipalities may supplement those laws with municipal rental housing codes.	Barre, Bennington, Brandon, Brattleboro, Burlington, Lyndon, Montpelier, New Haven, Richford, Rutland City, St. Johnsbury, Winooski	New York City; Sacramento, California; Seattle, Washington; Washington DC
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3. Act 181 from the 2022 Legislative session - An act relating to rental housing health and safety and affordable housing. This Act does not include a rental registry (this was removed), but it does include the Department of Public Safety taking over rental inspections. The inspection program has only been funded with one time ARPA funding at \$400,000. Here is the Act: <https://legislature.vermont.gov/Documents/2022/Docs/ACTS/ACT181/ACT181%20As%20Enacted.pdf>. And here is a VT Digger article for more information: <https://vtdigger.org/2022/05/11/lawmakers-advance-deal-on-rental-housing-omitting-registry-opposed-by-gov-phil-scott/>.

Next steps: would be helpful to talk with municipalities that have a rental housing code.



Statutory Authorization: 24 V.S.A. §§4401, 4402, 4410, 4412(1), 4414(7), 4460-4464

Type: REGULATORY

Related Topic Areas: Facilities Management; Housing Programs; Land Use & Development Regulations; Planned Unit Development; Subdivision Regulations; Zoning Regulations

Housing Regulations

14

Overview

Housing is the most common form of development in Vermont, yet housing shortages persist in many areas of the state. Supply is not keeping up with demand, especially for affordable units. Land, labor, and construction costs—determined largely by market forces—contribute significantly to rising housing costs. Regulations, however, can also present very real barriers to affordable housing development. Local bylaws and ordinances—to the extent that they regulate the type, location, density, and construction of housing—can be used to exclude, encourage, or require affordable housing development in a community. Municipalities that regulate residential development face the very real challenge of accommodating a variety of housing to meet local needs, while also protecting the community from the impacts of excessive or poorly designed development.

Equal Treatment of Housing.

Amendments to the Vermont Planning and Development Act (24 V.S.A. Chapter 117), enacted in 2004, expanded upon longstanding statutory protections for affordable housing under local regulations. Under the act’s “equal treatment of housing” provisions (§4412[1]), zoning regulations cannot exclude, or in their application have the effect of excluding:

- housing to meet the needs of the community, as determined from the housing section of the municipal plan
- mobile homes and other forms of manufactured housing, which must be regulated in the same manner as conventional single-family dwellings
- mobile home parks
- multiunit or multifamily dwellings



In areas with high property values, housing regulations can ensure that affordable housing is included and can offer density bonuses and other incentives in return for rent/price limits. Even a modest number of accessory units makes it possible for younger and older residents to remain in a neighborhood they might otherwise have to leave when they don’t need a large house.

- (which are typically defined as three or more units per structure)
- dwellings such as granny flats or garage apartments that are accessory to owner-occupied single-family dwellings and meet related statutory definitions and requirements
- residential care or group homes, operated under state license or registration, which serve up to eight handicapped or disabled residents. Group homes must be regulated in the same manner as single-family dwellings, unless located within 1,000 feet of another group home

Bylaws that are challenged as exclusionary are subject to review by the state attorney general and a possible court action, which may overturn local regulations or decisions (§4453).

Planning commissions are also required to review all proposed bylaws and amendments to determine whether they conform to the municipal plan and to evaluate “the effect of the proposal on the availability of safe and affordable housing” (§4441). The housing section of the municipal plan should provide at least some information and guidance regarding:

- how much housing is needed in the community, including affordable housing;
- where new housing should be located, including higher-density multifamily units and mobile home parks;
- the types of regulations proposed to encourage or limit housing development, including regulatory incentives or mandates to promote or require affordable housing development; and
- related recommendations for financing and scheduling supporting infrastructure, facilities, and services (for example, to be included in a locally adopted capital budget and program).

Advisory Housing Commissions

A local housing commission, established by the municipality by vote or through its land use regulations, can help the planning commission identify local housing needs and also review existing and proposed regulations that may affect housing development in the community. The commission is also authorized to serve in an advisory capacity to local development review panels, and the state in the review of proposed housing projects. (For more information on housing commissions, see the related topic paper, *Housing Programs*.)

If the plan does not address these areas in sufficient detail to support new or amended regulations, a more detailed assessment of housing needs and development options may be needed. Housing study recommendations should be incorporated in or appended to the plan, as amended, to support their use in drafting associated regulations.

Statutory Considerations

At minimum, local regulations must allow for the types of housing identified under Chapter 117, as noted above. How housing is addressed and regulated will vary by municipality based on local conditions, priorities, and objectives, but again, no regulation may exclude, or have the effect of excluding, these types of housing. Municipal regulations are also subject to state and federal fair-housing standards, which are outlined in the accompanying topic paper, *Housing Programs*.

Reasonable regulations that protect the interests and safety of both occupants and the community are justified. The question is whether local regulations are reasonable: Do they represent the minimum necessary to ensure public health, safety, and welfare and meet adopted community objectives,

or are they so restrictive that they unnecessarily limit or add to the cost of housing or have the effect of excluding certain types of housing from the community?

Basic regulatory strategies for meeting local housing needs and avoiding exclusionary practices include the following options:

- 1. Reducing minimum (or maximum) lot size and frontage requirements** in districts intended for higher densities of development (for example, in residential neighborhoods adjacent to downtowns, or within growth center, village, or hamlet districts) especially where supported by centralized or shared (clustered) water or wastewater infrastructure. This could include eliminating merger requirements for preexisting small lots in these districts if they meet statutory thresholds for development (one-eighth acre, forty-foot width and depth). Lot size and frontage requirements should, at minimum, conform to traditional patterns of development to allow for compatible infill and redevelopment. Regulations also typically require excessively large lot sizes in rural areas to accommodate on-site water and septic systems, yet new state rules and evolving technologies for shared treatment systems may allow for smaller building lots that also preserve open space.
- 2. Providing for moderate to high densities of development** (such as three or more units per acre) in appropriate locations, including zoning districts targeted for higher-density residential and mixed-use development. In addition to districts noted above, these may extend to other residential districts supported by infrastructure, and older commercial and industrial areas scheduled for redevelopment, including brownfield sites. Allowed densities should be markedly higher (such as eight or more units per acre) in areas served by central water and wastewater

systems. In addition to lot sizes noted above, other density controls (for example, lot coverage, building heights, and floor area ratios, such as limits on total floor area per lot area) should be reevaluated as needed to allow for higher densities of residential development where called for in the municipal plan.

- 3. Allowing two-family dwellings (duplexes) in districts where single-family dwellings are allowed**, including rural residential and resource protection districts. This is a simple way to double the allowed density of residential development—with few additional impacts—in most districts.
- 4. Allowing for conversions, multi-family, and mixed-used development** (for example, apartments above storefronts) in appropriate locations, including districts designated for moderate to high densities of development. Smaller multifamily

Common Regulatory Barriers to Affordable Housing Development

- Large minimum lot sizes (for example, less than 1 acre) and low densities of residential development (for example, 1 to 5 acres per unit) are required over a very large area of a community.
- Excessive restrictions on the location and allowed density of multifamily housing, including both new housing and conversions of existing single-family to multifamily units.
- Unreasonable or costly requirements for the siting, layout, and design of new or expanded mobile home parks.
- No provisions for mixed-use developments that include residential uses.
- Excessive public works standards, including design and construction standards for roads, sidewalks, recreation areas, and other required facilities.
- Complicated permitting requirements, extended hearing processes, and frivolous appeals.

Density and Design

Higher densities of development are often needed to spread land, infrastructure, and construction costs over more units and thereby reduce development costs per unit to achieve desired levels of affordability.

However, density—the dreaded d-word—is often highly controversial and can result in considerable neighborhood opposition to a proposed housing project. Community outreach and project designs that reduce the visual and functional impacts of higher-density development are critical to allay common fears and to address valid concerns. For example, in villages and more rural residential areas, multi-family units can be designed to resemble larger single-family homes and outbuildings.

The U.S. Department of Housing and Urban Development website, “The Design Advisor,” includes case studies of well-designed affordable housing at a variety of densities of development (www.designadvisor.org).

The Vermont Forum on Sprawl has also sponsored projects in several communities that address housing density and design (www.vt.sprawl.org).

or mixed-use developments could also be allowed as permitted rather than conditional uses in these districts—possibly subject to site plan review as needed to address site layout, circulation, parking, and landscaping.

5. Providing for new and expanded mobile home parks at densities that allow for their development. Mobile home parks, because of the costs of land and supporting infrastructure, traditionally have been built at higher densities (up to eight units per acre). Municipalities can regulate the density and design of mobile home parks through zoning and subdivision regulations or under separately adopted park ordinances (24 V.S.A. Chapter 61), although the ordinance statute is outdated and

not recommended for review of new mobile home parks. Park design standards, including land area, parking, infrastructure, buffering, and open space requirements, should be adequate to serve the needs of the residents without unnecessarily adding to the cost of park development and maintenance and should be no more restrictive than regulations for any other type of housing.

6. Accommodating replacement mobile homes on existing park sites. Under Chapter 117, local regulations cannot treat mobile homes or mobile home sites within existing parks as nonconformities. The regulations can include reasonable setback or separation distances between homes, but these cannot have the effect of prohibiting replacement homes on existing mobile home sites.

7. Allowing for accessory dwellings, as permitted or conditional uses in all districts in which single-family homes are allowed, as required under Chapter 117 (see side bar) and also allowing for other, less-restricted types of accessory dwellings where appropriate (for example, in more rural residential areas). Local regulations may be less, but not more, restrictive than Chapter 117 accessory dwelling standards.

8. Allowing for group homes, residential care facilities, and other types of congregate care, rooming, or boarding homes. As noted earlier, local regulations must treat small group homes in most cases as single-family dwellings. Many regulations also allow for other types of group or congregate housing in specified zoning districts, subject to site plan or conditional use review.

9. Allowing for the “adaptive reuse” of historic structures (such as schools, factories, and barns) for multifamily or mixed-use development, regardless of the districts in

which they are located, or at higher densities than would normally be allowed. Conversions must retain the historical character of the structure.

10. Allowing, or requiring, the clustering of development under planned unit or planned residential development provisions. Clustering can be used, especially in rural residential or resource protection districts, to concentrate development on smaller lots and thereby reduce infrastructure and energy costs and protect open space. Clustering, however, does not necessarily allow

Accessory Dwelling Units

24 V.S.A. §4412

Accessory dwellings offer a means of providing affordable housing that preserves community character by more efficiently using the existing housing stock, and by not requiring farm- or forestland conversion, or creating large, out-of-place housing complexes. They also add to the variety of housing available, including independent living options for family members, and can help homeowners meet rising housing costs.

At minimum local regulations must allow—as a permitted use—an accessory dwelling (efficiency or one-bedroom apartment) that is located within or appurtenant to an owner-occupied single-family dwelling, if the following requirements are met:

- The property has sufficient wastewater capacity.
- The unit does not exceed 30 percent of the total habitable floor area of the single family dwelling.
- Applicable setback, coverage, and parking requirements as specified in the bylaws can be met.

Conditional use review may be required if one or more of the following are involved in the creation of an accessory unit:

- A new accessory structure
- An increase in the height or floor area of the existing single family dwelling
- An increase in the dimensions of the parking area

for higher overall densities of development that reduce land and construction costs per unit.

Incentive-Based Zoning

For communities that want to actively promote the development of affordable housing, there are a number of regulatory incentives that can be offered to help reduce development and housing costs. These include, but may not be limited to, the following incentives.

- 1. Defining “affordable housing” as a separate type of residential development,** to be accompanied by specific use standards that reduce lot size and setback requirements and allow for higher densities of development, if the criteria for affordability established in the regulations are met. These standards can then be applied to any type of residential development that meets the definition of affordability, including individual house lots, single-family homes, multifamily units, and larger residential subdivisions—as allowed within a particular zoning district. The town of Charlotte is trying this approach to promote more affordable housing development at different densities throughout the community.
- 2. Density bonuses.** Many communities allow for higher densities of development, in the form of density bonuses, to promote affordable housing under the planned unit or planned residential development provisions of their regulations. Chapter 117 once restricted such bonuses to a 50 percent increase in the total density or number of units allowed for such projects, but this is no longer the case. Density bonuses can be used to promote both affordable and mixed-income housing projects that offer low- to moderate-income and market-rate units. Bonuses can also be used in association with the transfer of development rights, if specified in the

Applying Affordable Housing Definitions

Incentive-based regulations must reference “affordable housing” and “affordable housing development” as defined in Chapter 117 (§4303), but may also provide incentives for other income categories. To qualify as an affordable housing development, at least 20 percent of units or five units, whichever is greater, must be affordable for a minimum period of fifteen years or longer, as provided in the regulations.

regulations. It’s important, however, to consider the net effect of bonuses in relation to other density and open space requirements; if other restrictions significantly reduce the overall density of development that’s allowed, a density bonus may be of little value or use to the developer.

- 3. Allocation priorities.** In municipalities that require phased development—for example, through the allocation of permits or wastewater reserve capacity—affordable housing is often given a separate capacity allocation or a waiver from phasing requirements.
- 4. Waivers.** Local officials can also waive or modify application, connection, and impact fees; public works standards; and other site or design standards to help reduce the overall costs of development. Waivers are authorized under Chapter 117 for both zoning and subdivision standards and can be incorporated by the legislative body in associated ordinances and fee schedules. Allowed waivers or design modifications should not compromise public health or safety or forego basic amenities that are generally available to all residents of the community.
Incentives are voluntary and as such need to reduce development costs enough to encourage affordable housing construction. Incentive-based regulations are common in Vermont but have not been widely applied.

This may be due to more onerous application and review requirements for higher-density development, the inability to achieve needed densities under other provisions of the regulations (or as an outcome of public opposition), or that the benefits are not sufficient to justify their use when significantly more money can be made from standard, market-rate development.

Inclusionary Zoning

Unlike incentive-based zoning, inclusionary zoning is mandatory: developers are required to build a minimum percentage of affordable units, generally for housing projects over a certain size. As a type of regulatory mandate, inclusionary zoning has generated both controversy and legal challenges elsewhere in the country. It has also, however, been used to great effect in wealthier and rapidly growing communities that are struggling to develop and maintain affordable housing stock. Burlington is the only Vermont municipality to date that has adopted formal inclusionary housing provisions under its zoning regulations.

Inclusionary zoning, like impact fees, requires developers to assume some of the costs of development to the community. In a few legal cases from other states, the loss of profits mandated by the inclusion of below-market-rate housing has been ruled to constitute a taking of property. Key lessons from past legal challenges suggest that, for the adoption of inclusionary zoning:

- a state-enabling authority should exist;
- the regulations must be supported by clearly adopted public policies and be based on housing market studies that demonstrate the rationale for associated regulatory requirements;
- the regulations must include incentives or “cost offsets” to the developer; and
- the review process must be equitable.

The 2004 amendments to Chapter 117 specifically enable Vermont municipalities to adopt inclusionary zoning, in accordance with statutory provisions that address related legal concerns (§4414[7]). Inclusionary zoning must:

- conform with specific policies of the housing element of the municipal plan;
- be based on an analysis of the need for affordable rental and sale housing units in the community;
- include development incentives that contribute to the economic feasibility of providing affordable units (for example, density bonuses and reductions or waivers of minimum lot, dimensional, or parking requirements, applicable fees, or required public improvements); and
- require that affordable housing units, once built, be managed and maintained as affordable housing for the period of time specified in the regulations.

For inclusionary zoning only, municipalities may adopt definitions of *affordable housing* and *affordable housing development* that differ from the statutory (Chapter 117) definitions of these terms.

There are several related considerations in developing inclusionary zoning, as outlined below. The munic-

ipal plan should provide general guidance and recommendations, but a detailed housing assessment and market study will likely be needed to more specifically identify the types, numbers, and relative affordability of housing units to be required. This information can then be used to set development, income, and affordability thresholds, as applied under the regulations. (See section on Housing Needs Assessments in topic paper, Housing Programs.)

The types of incentives offered to developers should also be specified in the regulations. These may include standard incentives that allow for higher densities of development or help reduce costs. They may also include provisions that allow some flexibility in meeting affordability requirements (for example, to include the donation of land, the construction of affordable units elsewhere in the community, or the payment of a fee in lieu of construction to be used for housing development). The incentives agreed to by the developer for a particular project should be identified in the conditions of project approval and in associated development agreements with the municipality.

Long-term management of affordable units—to ensure that they remain affordable for the period specified in

the regulations—is also a very real consideration. Requiring that units remain affordable in perpetuity protects their long-term standing (and may be required for state funding assistance), but it may also discourage private development of affordable housing. Also, private developers who construct affordable units may not have the ability or expertise to manage them; often this becomes the community’s responsibility under the regulations. Management includes screening potential tenants and buyers to ensure that income requirements are met and making sure rents and resale prices remain affordable. Only a few communities have the staff and resources, such as a local housing authority, to manage affordable housing programs on their own. Most communities instead rely on one or more nonprofit housing organizations to manage affordable units on their behalf.

Housing Codes

The planning commission—in addition to preparing the housing element of the municipal plan and associated land use regulations—is also authorized under Chapter 117 “to prepare and present to the legislative body recommended building, plumbing, fire, electrical, housing, and

Key Questions for Inclusionary Zoning Provisions

What’s covered? Type of project (new construction, rehab, conversions) and minimum size of project (total number of units that triggers inclusion of affordable units), as determined from needs assessments and local development patterns.

How much affordable housing? The percentage of units within a development that must be affordable (for example, may range from 10 percent to 35 percent and vary by the type of unit), based on needs assessments and market analyses.

Types of incentives/cost offsets? May include density bonuses,

wavers (fees, lot size, setback, density, building height requirements), increases in lot coverage, floor area ratios, reduced parking requirements, land/cash donations or subsidies (such as from a housing trust fund), expedited permitting process, and so on.

Flexibility? For example, provisions that allow for donations of land, the off-site development of affordable units, or fees in lieu of affordable units.

Management requirements? To include the length of time units must be maintained as affordable units (for example, fifteen years to in perpetuity, which may vary based on the type

of unit), property management (including screening applicants under income limits), measures to maintain price controls (for rentals and for resale), monitoring responsibilities, taxing policies, and so on.

Housing provider? For example, a provision that designates a local nonprofit housing organization to purchase and/or manage affordable housing units on behalf of the community or developer

Sources: Adapted from Nicolas Brunick, *Zoning Practice: Inclusionary Housing Part Two*, American Planning Association (Issue 10, October 2004); and Edith M. Fetter, Esq. *Inclusionary Zoning: Guidelines for Cities and Towns*, Massachusetts Housing Partnership Fund (September 2004).

related codes and enforcement procedures, and construction specifications for streets and related public improvements” (§4325). Codes that regulate the design and construction of housing and related public works may also affect housing costs and should be reviewed for conformance with the municipal plan’s affordable housing recommendations prior to adoption.

State Codes. Two types of codes enacted by the state directly affect housing construction, alterations, and occupancy:

- *Fire and building safety codes*, administered by the Vermont Department of Public Safety (formerly Labor and Industry) or by municipalities authorized to administer codes on behalf of the state
- *Rental housing health codes*, adopted by the Vermont Department of Health, which are enforced mainly through local health officers

Public fire and safety code standards apply to all public buildings, including cooperatives, condominiums, and other buildings or portions of buildings in which people rent accommodations, including rented single-family dwellings. Owner-occupied single-family dwellings are excluded. Property owners are required to get construction permits for new construction and alterations and occupancy permits prior to occupancy or use of a building. The codes include life safety, electrical, plumbing, and boiler codes. There are also special provisions and guidance for meeting code requirements in historic buildings.

Given available staff and resources, state code inspections are infrequent and generally complaint-driven. A few communities—to date Barre City, Bellows Falls, Bennington, Brattleboro, Burlington, Hartford, and Winooski—have entered into cooperative agreements with the state to locally enforce state codes.

New buildings and alterations must also meet accessibility standards adopted by the State Access Board and state energy standards for resi-

Code Assistance for Designated Downtowns

Special assistance and incentives for meeting state code requirements are available for property owners within downtowns designated under the Vermont Downtown Program. The Public Safety Department provides technical assistance for rehabilitation projects. Fire system rebates, tax credits, and priority funding under other state programs are also available for qualified code improvement projects.

dential construction. Energy standards, unlike other state codes, also apply to new and enlarged single-family dwellings.

Vermont’s Housing Rental Code applies to all rented dwellings, including dwelling units, rooming houses, rooming units, mobile homes that are used as a regular residence, and rented mobile home lots outside mobile home parks. The rental code generally covers sanitation facilities (kitchen, bathroom, water supply, and wastewater disposal facilities); insect and rodent prevention; heating, ventilation, lighting and electrical systems, and structural maintenance. Currently, the state code is enforced through local health officers, though there has been some discussion about transferring these responsibilities to the Department of Public Safety. The Vermont Department of Health also administers the state’s lead paint and asbestos programs and coordinates with the Department of Public Safety on projects within designated downtowns.

Municipal Housing Codes. Most communities rely on state codes to regulate housing construction and maintenance, but many of Vermont’s larger urban areas and a few smaller communities have adopted municipal housing ordinances that are more extensive than the state’s. Municipalities are authorized (under 24 V.S.A Chapter 123) to adopt local housing codes that reference national codes or include local minimum standards

with respect to:

- space (floor space per occupant, size of rooms, ceiling height, cellar or basement occupancy, egress)
- lighting, ventilation, heating and refrigeration (outlets, window areas, lighting, ventilation and heating systems)
- facilities and equipment (sinks, toilets, bathtubs, showers, cooking, garbage disposal facilities)
- structural maintenance and repair (weatherproofing, rodent proofing, flooring, walls, ceilings, foundations, chimneys and flues, stairs, porches)
- safety features (fire proofing, smoke detectors, fire suppression equipment)

The regulations may also assign rights and responsibilities to owners, lessees, mortgagees, operators, and occupants regarding the maintenance and use of dwellings and allow for inspections, notices of violation, declarations that dwellings are unfit for human habitation, and, in dire cases, structural demolition.

Local housing codes are administered by an enforcing officer and housing board of review appointed by the legislative body. The housing code must provide that:

- All orders issued under the regulations are recorded in the land records and are effective against any subsequent purchaser, mortgagee, creditor, lien holder, or other persons who claim interest in the property.
- A relocation program exists for persons displaced by any action taken under the regulations.
- Orders, once complied with, are cancelled by the enforcing officer.

Local housing and public safety codes help protect the quality of the housing stock and the health and safety of residents, but they also require qualified staff with the expertise to administer and enforce technical standards.

Housing codes that include excessive space or construction standards have been used to exclude or discriminate against certain income or

population groups and are therefore subject to federal and state fair-housing requirements. Local housing codes should also be made “rehab friendly” to promote, rather than hinder, the rehabilitation of historical structures for residential use.

Expediting the Permit Process

Even more than regulatory standards, protracted and unpredictable permitting processes are often cited as major impediments to affordable housing development. Many larger housing projects require several types of local review (subdivision, planned residential development, site plan, or conditional use review) as well as Act 250 and other state agency approvals.

Each of these review processes may involve different review panels, sometimes contentious public hearings, and the issuance of potentially conflicting decisions that can be separately appealed to court. Time is money: multiple and extended hearings, court appeals, and other delays can drive up costs and make building affordable housing difficult. Changes to Chapter 117 enacted in 2004 were intended to expedite the local development review process, particularly for affordable housing projects. Developers, however, contend that local permitting remains unpredictable and is often difficult and costly to navigate, especially if there’s vocal opposition to a project. Common complaints include:

- vague regulatory standards that are open to a variety of interpretations by applicants, review boards, and other interested parties. Unclear standards can result in unjustified denials, costly conditions, and frivolous appeals;
- lack of coordination when more than one review process or review panel is involved;
- extended public hearings that may last for months or even years; and
- volunteer boards that lack the training needed to run effective and

impartial hearings and to fairly administer regulations under adopted standards. This is especially true in smaller communities without staff.

The following are now required under the Vermont Planning and Development Act, in large part to help clarify and streamline the local permitting process:

- The timing and sequence of development review processes must be specified in the regulations, and whenever feasible, reviews must be conducted concurrently. Joint hearings are authorized if review by more than one board is required.
- Proper notice must be given for all public hearings, including publication in a paper of general circulation, postings, and individual notices to abutters, without regard to public right-of-way.
- All decisions must be issued in writing within forty-five days of the date of hearing adjournment and include findings of fact under applicable review standards.
- Interested parties must participate in the local hearing process in order to have standing to appeal a decision to the Environmental Court.

Appeals to the Environmental Court must be filed within thirty days of the date a decision is issued, and the court may consolidate or coordi-

“Ask a Vermont developer why we can’t get more affordable housing built, and the chances are very good that the answer will begin with a lament—or perhaps a rant—about the permitting process.”

Source: John Fairbanks, *Vermont Housing Finance Agency Newsletter* (May 2006).

nate individual appeals, including Act 250 appeals, that pertain to the same project.

Communities also have several other options under Chapter 117 to help expedite the local review process without sacrificing local standards:

- 1. Establish a development review board.** A development review board assumes all development review responsibilities under local land use regulations, including those traditionally assigned to the planning commission and zoning board of adjustment. This in effect provides a “one-stop shop” for local approvals, makes it easier to conduct concurrent reviews, and helps eliminate potentially conflicting decisions or conditions of approval.
- 2. Adopt integrated, unified land use regulations.** Unified regulations, as authorized under Chapter 117, must at minimum incorporate zoning and subdivision regulations. Integrated regulations can help

Rules of Conduct for Fair Hearings

Many hearing requirements are set forth in statute, but the following suggested “rules of conduct” also can help ensure that the local review process is fair to everyone involved:

- Be prepared and do your homework; review regulations and application materials prior to the hearing.
- Make sure that all participants in the hearing process are aware of the procedures and standards used to evaluate projects; it’s important that concerned neighbors understand when, and to what extent, their concerns can or cannot be addressed under local regulations.

- Conduct public hearings as efficiently as possible; unnecessary delays in reaching decisions are not a legitimate or effective way to manage growth.
- Limit information requests, the scope of review, findings and conditions to relevant standards under the regulations.
- Understand the bigger picture. Local regulations implement the municipal plan, including the plan’s affordable housing provisions. Refer to the plan as needed to help interpret and apply the regulations.

Source: Adapted from “Rules of Conduct for a Better Process” in *Growing Smarter: Making Smart Growth Work*, Vermont Forum on Sprawl (April 2001). This also includes rules for applicants and participants.

clarify the scope and relationship of each development review process, eliminate redundant processes and criteria, and ensure that standards and definitions are consistently applied.

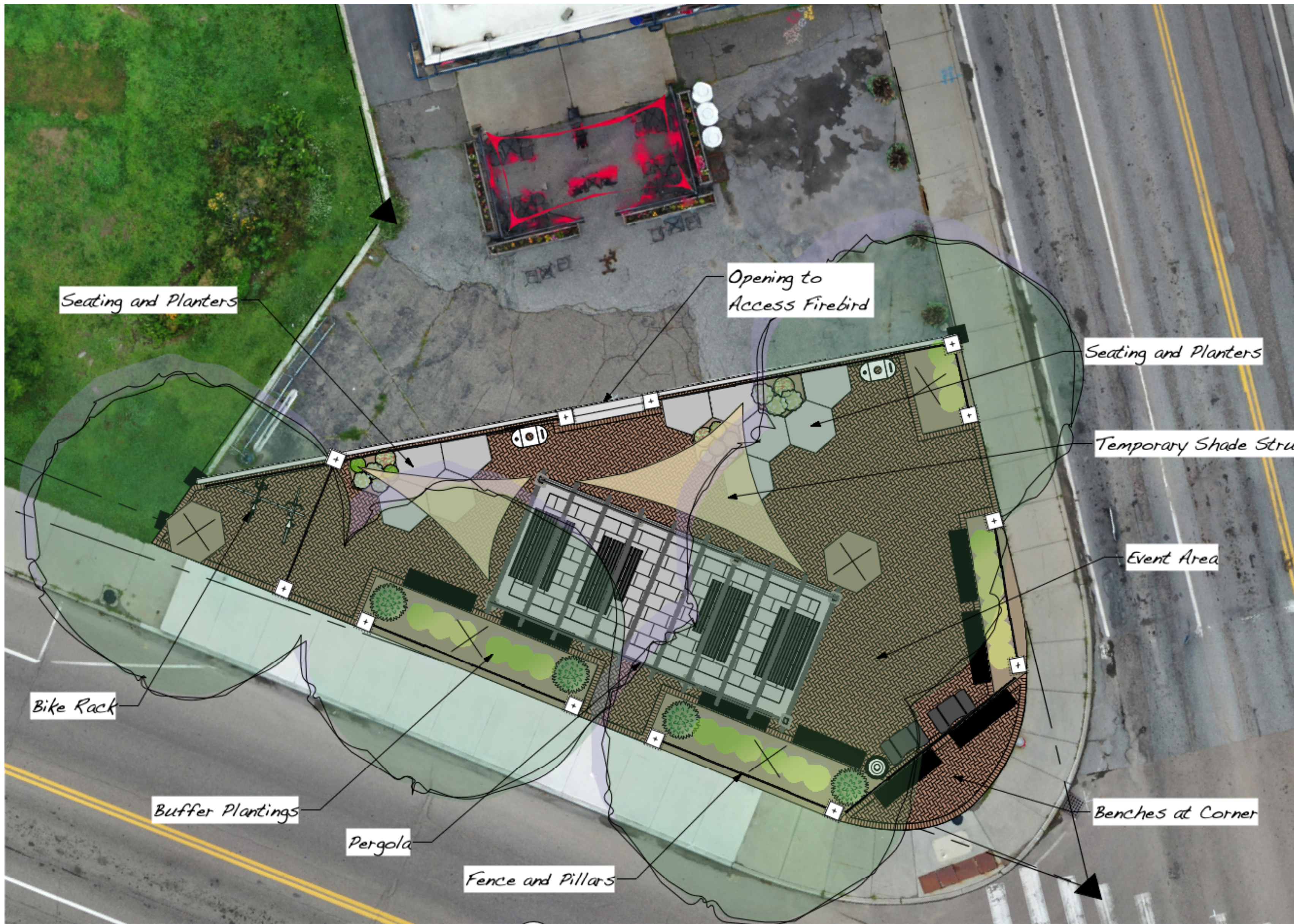
3. Consolidate review processes.

For example, site plan review criteria can be included by reference under conditional use review to eliminate the need for a separate site plan review, or a site plan or conditional use review can be considered in association with final subdivision approval.

4. Expand administrative review.

Planning and zoning staff can be empowered under local regulations

to serve as the preliminary—or in specified cases, the only—review body. The administrative officer (zoning administrator) is generally responsible for coordinating the local permitting process. Staff may also perform initial reviews of project applications for board consideration. Boards without staff can use standard checklists to make sure applications are complete and that all applicable review criteria are addressed. Staff can also be authorized under local regulations to grant site plan approvals and permit amendments or other approvals for projects that clearly meet standards specified in the regulations.



1 Pocket Park Plan View
Scale: 1/8" = 1'-0"



2 Main St. Perspective
Scale: 1" = 20'-0"



3 Main St. Perspective - Mature Trees
Scale: 1" = 20'-0"



4 Main St. Perspective View
Scale: 1" = 10'-0"



5 Maple St. Perspective View
Scale: 1" = 10'-0"



6 Firebird Cafe Perspective view
Scale: 1" = 20'-0"

Designed By	David Burton
Drawn By	David
Checked By	David
Date	10/19/22
Revision	

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GINKGO DESIGN
Smart Landscape Solutions



Project Title
One Main - City Park
1 Main St.
Essex Jct, VT 05452

Sheet Title
Conceptual Design

Scale

Sheet Scale

L-01

1

North Arrow



Downtown Transportation Fund

2023 Program Description



VT Department of Housing and Community Development
Community Planning + Revitalization



AGENCY OF COMMERCE & COMMUNITY DEVELOPMENT
DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT

2023 Downtown Transportation Fund Grant Program Guidance

Program Overview

The Downtown Transportation Fund (DTF) has up to \$3,600,000 available to help municipalities make a variety of transportation-related capital improvements (within or serving eligible designated downtown or village center districts and supporting economic development, as allowed by [24 V.S.A. §2796 \(c\)](#) pursuant to [§B.1103\(a\)\(1\) & §G300\(b\)\(8\)](#). The DTF is intended to support safe, multi-modal, and resilient transportation systems that supports the downtown and village center economic development and revitalization efforts.

Eligibility for Designated Village Centers

Designated Village Centers that have participated in the [Better Connections Program](#) administered by the Vermont Agency of Transportation and the Department of Housing and Community Development and Designated Village Centers within Chittenden County that have completed a comprehensive downtown/village center/community area planning process with public input, comparable to the Better Connections Program, are eligible to apply. Applicants must demonstrate that proposed projects are the result of such planning processes and provide excerpts from final planning documents. If you believe your municipality does qualify but is not listed as eligible, please contact Gary Holloway, Downtown Program Manager at gary.holloway@vermont.gov or 802-522-2444.

Eligible Designated Village Centers

- Bethel, Brighton, Chester, Danville, Enosburgh, Essex Junction, Fairlee, Hinesburg, Hyde Park, Jericho Riverside, Lyndon, Moretown, Northfield, Poultney, St Albans Town, Underhill Flats, Waitsfield, Warren, Westford, West Rutland

Timeline

- Grant Announcement: November 3, 2022
- State Historic Preservation Review completed prior to application deadline (allow 30 days)
- Application Deadline: January 31, 2023 @ 5:00 p.m.
- Award Decisions: April 2023

Eligibility and Standard Provisions

- Eligible municipalities include:
 - Municipalities with a [State Designated Downtown District](#)
 - Municipalities with a [State Designated Village Center that have participated in the Better Connections Program](#)
 - Municipalities with a Designated Village Center in Chittenden County that have completed a comprehensive downtown/village center/community area planning process with public input, comparable to the Better Connections Program.
- Proposed projects must be on municipally owned land.

- Projects must be within or serving an eligible State Designated Downtown District or a qualified Village Center.
- The maximum grant award for a municipality is \$200,000.
- Eligible costs may include acquisition, demolition, design and engineering, project management, permitting, and environmental remediation when an essential element of an eligible project and cost is incurred after grant agreement is in place. Historic preservation review (building project assessments and archaeological investigations) costs are also eligible.
- Grant funds may **not** exceed 80% of the overall project cost and a 20% cash match is required.
- In-kind costs are an eligible source of matching funds.
- Grant funds may **not** be used to pay for costs incurred prior to the grant award.
- Grants funds may **not** be used for general operating and maintenance costs such as repaving or administrative costs.
- Municipalities are ineligible to receive funding if they have two or more active Downtown Transportation Fund grants.
- Grantees are ineligible to receive funding if they are (a) suspended or debarred by the State or Federal Government; (b) delinquent in submitting their sub-recipient annual reports; or (c) delinquent in submitting their Single Audit Reports (if required).

Funding Alternatives

Additional project funding may be available through the [Vermont State Infrastructure Bank](#) that provides below market rates, currently 1%, to municipalities for qualified transportation related improvements. For additional information please contact the Vermont Economic Development Authority at info@veda.org or 802-828-5627.

The [Designated Downtown and Village Center Funding Directory](#) provides a list of other grant programs and funding sources that can support your community and project. You can also keep up to date on new grant opportunities and initiatives by subscribing to our newsletter [here](#).

Project Readiness

Projects must be under construction within 24 months and completed within 36 months of the date of award. Projects involving Right of Way (ROW) acquisitions or railroad crossings, must provide evidence that necessary permits and property agreements are in place. A list of other required permits necessary for the project and the status of the permits is a component of the application. Applications without clear evidence to prove project readiness will be invited to re-apply at a subsequent application round.

Phased Projects

Phased projects are allowed, provided that each phase of the project is self-contained and does not require completion of another phase to serve the project's intended function. Applications for subsequent phases compete with other applications on an equal basis. When planning a phased project, keep in mind that municipalities are ineligible to receive funding if they have two or more active Downtown Transportation Fund grants.

Historic Preservation Review

The Vermont Historic Preservation Act (22 V.S.A. Chapter 14) requires consultation for projects with state funding, licenses, or permits with the Vermont Division for Historic Preservation (VDHP). The project review consists of evaluating the project's potential impacts to historic buildings and structures, districts, landscapes and settings, and known

or potential archaeological resources. **To aid in this review, a DTF Historic Preservation Project Review form is a component of the application. The review form, project plans and maps, and site photographs should be submitted to VDHP a minimum of 30 days prior to the DTF application deadline to allow for sufficient review time to identify if an architectural historian or archaeological consultant (qualified preservation consultant) will be required.** Any associated costs should be included in the application project budget. If awarded a grant, final plan review by VDHP or other conditions may be included in your grant agreement if it has been determined that the project has the potential to impact historic resources.

Please note if the project involves federal or other state funding or permitting (therefore subject to Section 106 or Act 250), the historic preservation review by VDHP will need to be coordinated with the appropriate agencies.

Please contact VDHP for consultation and review of your Historic Preservation Project Review Form and include the form (Appendix G) in your application. Please contact VDHP at accd.projectreview@vermont.gov.

Vermont Agency of Transportation (VTrans) Review

Staff from the Vermont Agency of Transportation will review applications after submittal to access project schedule and readiness, budget, and other technical aspects of the project.

Amendment Policy

Minor alterations to the work plan, approved budget, or schedule may be allowed but only upon written request and approval. Substantial alterations are not allowed, and the end product must remain the same. Projects that cannot be completed within the grant period under the terms of the grant agreement will be rescinded. The grant will cover eligible work completed and documented costs, however, ineligible or undocumented costs will not be funded, and associated funds must be returned.

Applicants are encouraged to set up a pre-application meeting to discuss project ideas and eligibility with Gary Holloway, Downtown Program Manager at gary.holloway@vermont.gov or 802-522-2444.

Competitive Scoring Criteria

All applications are scored based on the following scoring criteria that correspond to sections of the program application. Scores for each of the criteria may land anywhere within the range of points (i.e. a max score of 15 for one of the criteria may score anywhere between 1-15 points).

(Max 75 points)

Project Scope (15 points)

The application clearly explains the project scope, how the project will be implemented, and identifies what changes or improvements will be made that benefit the downtown district. The application describes the existing conditions and how the project intends to improve these conditions such as safety enhancements, improved access for pedestrians and bicyclists, fill missing links in transportation networks, expand or improve multi-modal infrastructure, create new streetscape amenities, etc.

0 - Project scope not included in application or unrealistic scope lacking detail on what changes or improvements will be made and how it will benefit the downtown district.

8 - Less-informative project scope, but with some details that explains what changes or improvements will be made and explains how it will benefit the downtown.

15 - Well developed, clear and focused, well-documented project scope with strong description of what changes or improvements will be made and clearly explains how the project will benefit the downtown.

Budget (5 points)

The application provides a detailed budget narrative and work sheet that includes all funding sources and expected expenses including labor, material, contingencies, and other eligible project expenses. The proposed budget matches the scope of the project and budget estimates are based on credible construction costs.

0 - Uninformative and/or unrealistic budget that lacks details on project expenses.

3 - Complete budget outlining expenditures but shows discrepancies and/or project expenses are unrealistic or not clearly documented or explained.

5 - Well developed, well-documented budget that clearly explains all funding sources, project expenses are logical and matches the scope of the project.

Project Readiness (5 points)

The application provides a detailed schedule that includes a list of tasks with dates for key project activities like securing funding, municipal authorization, permitting, design, construction, and other project details. The application provides a feasible and realistic project timeline demonstrating the project can be completed within the required time frame. If the project is phased, the phases are self-contained, are logical and well-defined.

0 - Uninformative and/or unrealistic schedule, incomplete items and lacks details.

3 – Fairly well developed and documented with list of scheduled tasks but lacks detail demonstrating project readiness and/or phases are not self-contained.

5 - Well developed, well-documented schedule with a detailed list of tasks with dates identified for key project activities. Demonstrates project readiness and ability to complete the project within grant terms.

Public Benefit (25 points)

The application identifies a clear need in the downtown that will have a long-term positive impact on community revitalization and development efforts beyond a singular transportation investment. The project clearly describes the intended transportation related benefits to economic, social, and community impacts.

0 - Poorly developed and does not describe the intended economic, social, or community impact nor its impact on community revitalization and development efforts.

10 - Describes the intended economic, social, and community impact but responses are not well developed or connected to local community revitalization or community development efforts.

18 - Clearly explains the intended economic, social, and community impact and explains the overall impact on local community revitalization and development efforts.

25 - Excellent connection to public benefit that identifies how project will address multiple needs and have multiple impacts and includes data/facts to back up any needs met, or impacts made by the project.

Prior Planning (15 points)

The application clearly describes how this project will implement the ideas and actions identified in other planning efforts or how it will build on previous planning efforts and/or complimentary efforts of activities. Excerpts are provided from prior community planning processes and documents identifying the project as a clear community priority.

0 - Application does not clearly describe how this project implements ideas and actions identified in other community efforts or activities.

8 - Application mentions previous planning and project efforts but relevancy to proposed project is weak and/or previous efforts are over 10 years old.

15 - Application clearly builds off ongoing community efforts and relevant planning efforts. Previous planning document/report excerpts are provided that identifies project as a major priority. There is momentum, a clear sense of direction, and success in past efforts.

Public Outreach (5 points)

The application identifies how the project has and will engage with and serve community members in an equitable and inclusive process that connects with diverse socioeconomic groups, under-served, and under-represented populations in the community. Competitive applications will demonstrate how public outreach demonstrated direct support of the project.

0 - No community engagement or public outreach; or only required public hearings or routine meetings. No mention of equity and/or inclusiveness.

3 - Some community engagement or public outreach; documentation is fair but not convincing demonstrating community support of the project

5 - Active outreach with the community throughout the project lifecycle demonstrating strong support of the project. A clear description of how the project engaged with the community, including under-represented community members is identified.

Project Partnerships (5 points)

The application identifies the project team, the community partnerships, and supporting organizations working together to advance the project.

0 - Key partnerships are not outlined. Coordination with local stakeholders or partner organizations not mentioned or explained. Local support is weak or not clearly documented.

3 - Partnerships are identified but support or coordination is not clearly defined or convincing.

5 - Partnerships with key stakeholder groups are described and integrated into the project. Coordination efforts with local stakeholders and partner organizations are detailed. Local project support is clearly identified and documented.

Appendix F

Municipal Resolution for Downtown Transportation Fund

WHEREAS, the Municipality of _____ is applying for funding as provided for in the State of Vermont FY 2023 Budget Act and may receive an award of funds under said provisions; and

WHEREAS, the Department of Housing and Community Development may offer a Grant Agreement to this Municipality for said funding; and

WHEREAS, the municipality has agreed to provide local funds for a downtown transportation grant.

Now, THEREFORE, BE IT RESOLVED

1. That the Legislative Body of this Municipality enters into and agrees to the requirements and obligations of this grant program including a commitment to match funds of 20% of total project cost;
2. That the Municipal Planning Commission recommends applying for said Grant;

(Name of Planning Commission Chair)

(Signature)

Passed this _____ day of _____, _____.

LEGISLATIVE BODY*

<i>(name)</i>		<i>(signature)</i>