

Amid the hundreds of millions of dollars Vermont is investing to address the state's housing crisis, a tiny sliver — half a million — will fund zoning bylaw modernization.

Although planning experts say zoning updates are no silver bullet, changing a few paragraphs of local bylaws can help streamline desirable development. And as towns simplify their regulations around construction, builders — wary of drawn-out appeals processes — might gain confidence that projects can stay on schedule, and on budget.

According to Chris Cochran, director of community planning and revitalization at the Department of Housing and Community Development, zoning in many communities has remained the same since towns adopted boilerplate language in the 1960s and 1970s.

“It came to our attention when (trying to do) the kind of stuff we want to do to support our downtowns and villages,” he said. “Say a historic building burns down. In many instances, it can be illegal to put it back, because it doesn't meet the setback requirements. And it just doesn't seem to make any sense.”

Vermont's bylaw modernization grant program is part of an ongoing effort to use zoning as a tool to create more homes. In 2019, [the state launched its Zoning for Great Neighborhoods](#) project. The initiative created a guide with simple suggestions to amend zoning requirements in ways that promote housing development while maintaining historic patterns of settlement.

Yet in Vermont's volunteer-run town governments, working through the weeds of zoning bylaws can prove a challenge. The modernization grants will help fund the implementation of new zoning recommendations, in many instances paying professional planners to assist local officials through the process.

“These zoning laws are important, but they're very difficult to understand,” Cochran said. “There's a lot of vested stakeholders, property owners who are happy with the way things are. Our homes are very valuable to us, and change can add value, or change can harm the value of your property.”

Parking

Parking requirements, such as two off-street spaces per dwelling, can force developers to use more land for parking, and less land for housing.

Kevin Geiger, director of planning at Two Rivers-Ottawaquechee Regional Commission, said parking can be one of the more straightforward zoning changes.

“We don't need to be too creative about parking provisions,” he said.

In a downtown area, where a day-use parking lot might abut housing — which typically requires night parking — towns can loosen parking requirements to take advantage of existing spaces, Geiger explained.

Having received over \$60,000 from the bylaw modernization program, Two-Rivers — led by Geiger — is proposing zoning updates for seven area towns. He’s begun developing zoning language that can apply to any town — “Lego blocks,” he calls them — that municipalities can insert into their bylaws.

“It's not in any way glamorous. Nobody thinks the words zoning and glamor go together,” he said.

In the southwestern corner of the state, Cat Bryars, director of planning at the Bennington County Regional Commission, has undertaken a project much like Geiger’s. While two off-street parking spaces might make sense in a rural area, it’s often more than what’s needed downtown, she said. But while Bryars and other planners can make recommendations to towns, they can’t force them to adopt new bylaws.

“We work for the towns,” Bryars said of regional planning commissions. “We don't tell our towns what to do. We say, ‘This is what you guys say that you want to do. Here's some ideas about how to achieve that through your development regulations.’”

Earlier this month, Bryars met with the town of Rupert’s Planning Commission to propose reducing the town’s two-spot requirement in its village center. Ultimately, the commission decided not to pursue the change.

“If Rupert in a few years decides that they have enough development pressure that they want to lower that parking requirement, we're still going to be here. And we're still happy to support them in pursuing it at that time,” Bryars said.

Lot size

“New England has the least developable land in the country,” said Mia Watson, research and communications coordinator at the Vermont Housing Finance Association, yet “we have the largest lot size requirements.”

In essence, large lot sizes mean less housing square footage per property. That ratio can drive up housing costs, forcing would-be buyers to buy more land — an expensive commodity — when buying a smaller home.

Watson has [studied New England’s unique lot-size requirements](#), and the detrimental effect they have on prices and development. Using census data, she wrote that the size of an average New England lot is more than twice the national average. As a result, land costs account for a larger portion of home prices — 26% in New England, compared to 17% in the U.S. as a whole.

Reducing minimum lot sizes is one simple and effective way to reduce the cost of a house. Another is to view the problem as one of density rather than lot size.

In rural areas, many towns want to minimize single-family homes by creating 5- or 10-acre lot requirements, said Geiger, the Two-Rivers planner. “They're trying to spread the houses out. And you go, ‘Oh, yeah, let's do that thing. But let's not make people buy 10 acres; let's enable them to buy 1 acre.’”

By focusing on density, a farmer looking to downsize could sell one of 10 acres to a prospective homebuyer, and a town's zoning rules could require only one house per 10 acres of land. A 1-acre plot is far more affordable, and the farmer gets to keep most of her or his land.

"You end up with the same amount of houses out there for the same amount of land. You just don't make people buy big lots," Geiger said.

Appeals

"Both the local and state review processes can add significant time. And in construction, time is money," said Watson, the Vermont Housing Finance Agency researcher.

Act 250 is Vermont's most well-known development review process. The sweeping land-use law requires people who are building commercial and industrial projects in certain areas to obtain permits certifying that they've considered and mitigated the impacts of their work. That can lead to a lengthy judicial process, adding unexpected time — and costs — to construction.

But Act 250 is far from the only review process that can block or delay the creation of housing. At the municipal level, permits lead to appeals, and zoning language creating "conditional uses" can open up a project to arduous review.

According to Bryars, the Bennington County planner, if a use — say, apartment buildings — is permitted conditionally, it means a town wants to assess the use on a project-by-project basis.

"Best planning practice is to limit discretionary review to provide clarity for developers, as well as the community, about what development they can reasonably expect to happen in a given area," she said.

Even changing the minimum units triggering conditional-use review from three to five can streamline development, removing an unknown from the construction process.

Accessory units

Accessory dwelling units are an oft-mentioned means of assuaging Vermont's housing crunch. They are a second dwelling unit on a house lot, such as an in-law apartment or a converted garage.

State law requires towns to allow one accessory dwelling per home, so long as it conforms to certain requirements. Yet as a permitted process, accessory units face public scrutiny and the potential for appeal.

"To me, the easiest way to avoid that is to not have a permit, because then you don't have an appeal," said Geiger, the Two-Rivers planning director.

Geiger has suggested that accessory dwelling units inside existing structures could be excluded from a permitting process. If those accessory units don't create a new bedroom, they have no new burden on the sewer and water systems. Sometimes, creating an accessory unit is as simple as installing a new door, Geiger said.

“For many reasons, why do we want to run this through a permit process? Just, ‘you're exempt from our zoning. Off you go. Have a nice one,’” he said.