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S.38

Introduced by Senators McCormack, Brock, Chittenden, Gulick, MacDonald,  
Vyhovsky, Weeks, White and Williams

Referred to Committee on

Date:

Subject: Conservation and development; land use; Act 250; designated  
downtowns; municipal planning grants

Statement of purpose of bill as introduced: This bill proposes to allow a  
municipality to apply for an Act 250 master plan permit for its designated  
downtown development districts and neighborhood development areas. It  
would allow municipalities to receive grants to assist them in applying for  
master plan permits.

An act relating to Act 250 downtown master plan permits

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 10 V.S.A. § 6086b is amended to read:

§ 6086b. DOWNTOWN DEVELOPMENT; FINDINGS; MASTER PLAN

PERMITS

(a) Findings and conclusions. Notwithstanding any provision of this  
chapter to the contrary, each of the following shall apply to a development or  
subdivision that is completely within a downtown development district

1 designated under 24 V.S.A. chapter 76A and for which a permit or permit  
2 amendment would otherwise be required under this chapter:

3 (1) In lieu of obtaining a permit or permit amendment, a person may  
4 request findings and conclusions from the District Commission, which shall  
5 approve the request if it finds that the development or subdivision will meet  
6 subdivisions 6086(a)(1) (air and water pollution), (2) (sufficient water  
7 available), (3) (burden on existing water supply), (4) (soil erosion), (5)  
8 (traffic), (8) (aesthetics, historic sites, rare and irreplaceable natural areas),  
9 (8)(A) (endangered species; necessary wildlife habitat), (9)(B) (primary  
10 agricultural soils), (9)(C) (productive forest soils), (9)(F) (energy  
11 conservation), and (9)(K) (public facilities, services, and lands) of this title.

12 \* \* \*

13 (b) Master plan permits.

14 (1) Any municipality within which a downtown development district or  
15 neighborhood development area has been formally designated pursuant to  
16 24 V.S.A. chapter 76A may apply to the District Commission for a master plan  
17 permit for that area or any portion of that area pursuant to the rules of the  
18 Board. Municipalities making an application under this subdivision are not  
19 required to exercise ownership of or control over the affected property.

1           (2) Subsequent development of an individual lot within the area of the  
2           master plan permit that requires a permit under this chapter shall take the form  
3           of a permit amendment.

4           (3) In neighborhood development areas, subsequent master plan permit  
5           amendments may only be issued for development that is housing.

6           (4) In approving a master plan permit and amendments, the District  
7           Commission may include specific conditions that an applicant for an individual  
8           project permit will be required to meet.

9           (5) For a master plan permit issued pursuant to this section, an  
10           application for an amendment may use the findings issued in the master plan  
11           permit as a rebuttable presumption to comply within any applicable criteria  
12           under subsection 6086(a) of this title.

13           Sec. 2. 24 V.S.A. § 4306 is amended to read:

14           § 4306. MUNICIPAL AND REGIONAL PLANNING FUND

15           (a)(1) The Municipal and Regional Planning Fund for the purpose of  
16           assisting municipal and regional planning commissions to carry out the intent  
17           of this chapter is hereby created in the State Treasury.

18           (2) The Fund shall be composed of 17 percent of the revenue from the  
19           property transfer tax under 32 V.S.A. chapter 231 and any monies from time to  
20           time appropriated to the Fund by the General Assembly or received from any  
21           other source, private or public. All balances at the end of any fiscal year shall

1 be carried forward and remain in the Fund. Interest earned by the Fund shall be  
2 deposited in the Fund.

3 (3) Of the revenues in the Fund, each year:

4 (A) 10 percent shall be disbursed to the Vermont Center for  
5 Geographic Information;

6 (B) 70 percent shall be disbursed to the Secretary of Commerce and  
7 Community Development for performance contracts with regional planning  
8 commissions to provide regional planning services pursuant to section 4341a  
9 of this title; and

10 (C) 20 percent shall be disbursed to municipalities.

11 (b)(1) Allocations for performance contract funding to regional planning  
12 commissions shall be determined according to a formula to be adopted by rule  
13 under 3 V.S.A. chapter 25 by the Department for the assistance of the regional  
14 planning commissions. Disbursement of funding to regional planning  
15 commissions shall be predicated upon meeting performance goals and targets  
16 pursuant to the terms of the performance contract.

17 (2) Disbursement to municipalities shall be awarded annually on or  
18 before December 31 through a competitive program administered by the  
19 Department providing the opportunity for any eligible municipality or  
20 municipalities to compete regardless of size, provided that to receive funds, a  
21 municipality:

1 (A) shall be confirmed under section 4350 of this title; or

2 (B)(i) shall use the funds for the purpose of developing a municipal  
3 plan to be submitted for approval by the regional planning commission, as  
4 required for municipal confirmation under section 4350 of this title; and

5 (ii) shall have voted at an annual or special meeting to provide  
6 local funds for municipal and regional planning purposes.

7 (3) [Repealed.]

8 (c) Funds allocated to municipalities shall be used for the purposes of:

9 (1) funding the regional planning commission in undertaking capacity  
10 studies;

11 (2) carrying out the provisions of subchapters 5 through 10 of this  
12 chapter;

13 (3) acquiring development rights, conservation easements, or title to  
14 those lands, areas, and strictures identified in either regional or municipal plans  
15 as requiring special consideration for provision of needed housing, aquifer  
16 protection, open space, farmland preservation, or other conservation purposes;  
17 ~~and~~

18 (4) reasonable and necessary costs of administering the Fund by the  
19 Department of Housing and Community Development, not to exceed six  
20 percent of the municipality allocation; and

21 (5) applying for a master plan permit pursuant to 10 V.S.A. § 6086b(b).

1 (d) New funds allocated to municipalities under this section may take the  
2 form of Municipal Bylaw Modernization Grants in accordance with section  
3 4307 of this title.

4 Sec. 3. APPROPRIATIONS

5 (a) The sum of \$300,000.00 is appropriated in fiscal year 2024 to the  
6 Municipal and Regional Planning Fund to be distributed to municipalities in  
7 order to assist them with applications for master plan permits pursuant to  
8 24 V.S.A. § 4306(c)(5).

9 (b) The sum of \$500,000.00 is appropriated to the Natural Resources Board  
10 to cover expenses associated with administering the new master plan permit for  
11 municipalities established under 10 V.S.A. § 6086b(b).

12 Sec. 4. EFFECTIVE DATE

13 This act shall take effect on July 1, 2023.