Planning & Zoning for Housing Affordability

Inspiration, Exploration, Connection to Meet the Crisis

Jacob Hemmerick, AICP
Vermont Department of Housing and Community Development

2022 Vermont Statewide Housing Conference | Burlington
November 16, 2022 | 1:5 PM
Agency of Commerce & Community Development

Department of Housing & Community Development

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Community Planning + Revitalization Division Team

We provide tools, training, grants, and incentives for local leaders to plan and implement projects that support thriving, walkable communities.
“To plan development so as to maintain the historic settlement pattern of compact village and urban centers separated by rural countryside.”

24 V.S.A. Chapter 117 § 4302. Purpose; goals
### Median Household Annual Vehicle Miles Traveled by Area

<table>
<thead>
<tr>
<th>Area</th>
<th>Miles Traveled</th>
</tr>
</thead>
<tbody>
<tr>
<td>Designated Neighborhoods</td>
<td>8078</td>
</tr>
<tr>
<td>Downtowns</td>
<td>10195</td>
</tr>
<tr>
<td>1/2 mile from Downtowns</td>
<td>14934</td>
</tr>
<tr>
<td>Village Centers</td>
<td>19262</td>
</tr>
<tr>
<td>State Median</td>
<td>20980</td>
</tr>
<tr>
<td>Outside of Centers</td>
<td>21495</td>
</tr>
<tr>
<td>Exurbs in Chittenden County</td>
<td>24236</td>
</tr>
</tbody>
</table>

Source: AHTS 2009

housingdata.org
Sustainable Prosperity 2015

**For Public Infrastructure & Service Affordability**

### Rural/Suburban
**Town Annual Cost, per Household**

- Parks & Recreation: $29
- Fire Department: $406
- Governance: $297
- Police: $260
- Transportation: $171
- Libraries: $72
- School Bussing: $57
- Culture / Economy: $36
- Sidewalks & Curbs: $194
- Storm & Waste Water: $613
- Water: $197

**Total**: $3462

### Walkable Centers
**Town Annual Cost, per Household**

- Parks & Recreation: $69
- Fire Department: $177
- Governance: $158
- Police: $192
- Transportation: $91
- Libraries: $38
- School Bussing: $13
- Culture / Economy: $19
- Roads: $36
- Schools: $232
- Sidewalks & Curbs: $27
- Storm & Waste Water: $147
- Water: $42

**Total**: $1416
But Walkable Infill Isn’t Always Allowed

Credit: South Bend Indiana Neighborhood Infill Guide 2022
From Coast to Coast: We Get What We Allow

The San Jose school district has proposed building teacher housing on school land here and elsewhere because of the city's affordable housing shortage.

Note: Area calculations do not include roads, sidewalks or railways.
In March 1927, a preliminary edition of the second model, A Standard City Planning Enabling Act (SCPEA), was released, and a final version was published in 1928.
Vermonters Need Greater Choice & Opportunity

Nowhere to Go: Vermont’s Exploding Housing Crisis Hits Moderate Wage Earners

By ANNE WALLACE ALLER

Published August 4, 2021 at 12:00 a.m. | Updated November 2, 2021 at 4:25 a.m.

‘It’s never ending’: After eviction, St. Albans man struggles to get back on his feet.
We Face A Housing Crisis

34% of all households are cost-burdened

51% of renters

27% of owners

15% spend HALF of income on housing

Source:
U.S. Census Bureau: American Community Survey 5-year estimates (Table B25070, B25091)

www.housingdata.org
Increased Primary Home Sale Prices

Sales Price of Primary Residences in Vermont

Data includes all sales over $20,000 where buyer indicated use as ‘primary residences’. Updated weekly. Data for most recent months include all reported transactions by closing date, however will vary over time due to lag in property transfer reporting.

Chart: VCGI • Source: Property Transfer Tax Data • Get the data • Created with Datewriter
Vacancy Rates Historically Low

(4-8% is considered healthy)
Homes Selling Faster

Months of supply of homes for sale

www.housingdata.org
Households Growing

Household growth, 2010-2020

Source: US Decennial Census, 2010-2020

6% Statewide
Housing Production Historically Low

Rate of change in housing supply

Estimated rate of change in occupied housing supply

Vermont

Average annual increase

- 0.20%
- 1.81%

<table>
<thead>
<tr>
<th>Period</th>
<th>Average Annual Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980-1990</td>
<td>1.81%</td>
</tr>
<tr>
<td>1990-2000</td>
<td>1.42%</td>
</tr>
<tr>
<td>2000-2010</td>
<td>0.66%</td>
</tr>
<tr>
<td>2010-2019</td>
<td>0.20%</td>
</tr>
</tbody>
</table>

www.housingdata.org
A Time of Great Change, Again

We’re in a period of great change ... again ... with a focus on where & how to grow

Mid-Century Campaign Ad
How, and How Fast We Adapt, Matters
Vermont Households Are Changing
69% of Households Are 1 & 2 Person Households

Estimated households by number of people

<table>
<thead>
<tr>
<th>Number of People</th>
<th>Vermont</th>
<th>All 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>77,381</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>101,082</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>36,649</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>29,075</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>9,808</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>3,111</td>
<td></td>
</tr>
<tr>
<td>7+</td>
<td>1,883</td>
<td></td>
</tr>
</tbody>
</table>

Source:
U.S. Census Bureau: American Community Survey 5-year estimates (Table B25009)

www.housingdata.org
Seniors aged 65-74 will be fastest growing demographic group statewide

Source: Claritas

Vermont Housing Needs Assessment of 2020
## Limited Choice

### Residential building type estimates

<table>
<thead>
<tr>
<th>Location</th>
<th>Year</th>
<th>Building type</th>
<th># of housing units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vermont</td>
<td>2019</td>
<td>Single-family, detached</td>
<td>222,797</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Single-family, attached (e.g. townhouse, row house)</td>
<td>13,574</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Multifamily building (2-units)</td>
<td>18,745</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Multifamily building (3-4 units)</td>
<td>21,045</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Multifamily building (5-9 units)</td>
<td>16,134</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Multifamily building (10-19 units)</td>
<td>6,387</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Multifamily building (20-49 units)</td>
<td>8,348</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Multifamily building (50+ units)</td>
<td>5,721</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Mobile home</td>
<td>22,167</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Boat, RV, van, etc.</td>
<td>81</td>
</tr>
</tbody>
</table>
More than a quarter of homes were built before 1940

- 25.6% in 1939 or earlier
- 3.3% in 1940 to 1949
- 6.2% in 1950 to 1959
- 8.7% in 1960 to 1969
- 15.5% in 1970 to 1979
- 15.7% in 1980 to 1989
- 11.0% in 1990 to 1999
- 11.2% in 2000 to 2009
- 1.9% in 2010 to 2013
- 1.0% in 2014 or later
That Take A Lot to Keep Up

A large, older home with a carriage barn in Barre City Vermont-- Credit: Google Maps
Many Are Locked Out from Downsizing, Buying Moving, Renting ....

Aging Vermonters Who Can’t Find New Housing Are Part of the State’s Real Estate ‘Gridlock’

Locked Out Series, Part 9

By RACHEL HELLMAN
The Things You Can & Cannot Change

HIGH DEMAND
- Demographics
- Jobs
- Remote Jobs
- Wages
- Savings
- Preferences
- Buyer Financing

LOW SUPPLY
- Zoning Bylaws
- Infrastructure
- Labor/Workforce
- Material
- Builder Financing
- Savings
Like farming, neighborhood homes take planning, care & cultivation.
The Planning Act enables local planning & regulations.

Most cities and towns plan.

Municipalities with plans, may regulate land use.

Most towns, villages and cities have regulations governing land use.
Municipalities write regulations within the statutory boundaries.

Define districts.

Make rules that support orderly development within those districts.

Connect these plans to capital investments.

The Planning Commission and Selectboard/Council steward these.
Single-household dwelling on a 5-acre lot

Total Acres: 5.09
Listed Real Value (Full): 276,140
Listed Value of Land: 68,420
Listed Value of Improvements: 207,720

Frontage: 594’
Value per acre: $54,251
Value per ft. of frontage: $464
Dwelling Units per Acre: 0.2
Triplex on a quarter-acre lot

Frontage: 78’
Value per acre: $543,862
Value per ft. of frontage: $2,022
Dwelling units per acre: 10.3

10X More Productive than SFDU
Multi-Family

Multi-Unit Dwelling

- .77 acres
- 56 units
- $6,235,800
- Tax Value
- $8,098,441
- Value/acre

Mixed Use

- .45 acres
- 22 units
- $1,321,200
- Tax Value
- $2,9936,000
- Value/acre

My House

- .14 acres
- 1 unit
- $157,990
- Tax Value
- $1,128,500
- Value/acre

Box Stores

- 25 acres
- $4,713,300
- Tax Value
- $188,532
- Value/acre
Make the Most of Infrastructure
Applying An Equity Lens

- Fiscal Impact
- Equity Impact
- Operational Impact
Housing Types

**Triplex**

Newly-constructed structures that are more grand in scale, or converted existing larger residences, may easily accommodate three households within a single building. Vermont has a rich collection of historic mansions that have been subdivided to provide multiple homes while maintaining the historic character of the neighborhood, and the type can add much needed additional housing to a community with an abundance of homes larger than what the market is demanding.

**Four-plex**

Buildings on the scale of larger residences may even be able to accommodate up to four individual households. Keeping the building height and massing consistent with the historic mansions common in Vermont maintains a character appropriate to the surrounding neighborhood while providing multiple smaller individual units.

**Townhouse**

Small to medium-sized dwellings, townhouses typically consist of two to eight (usually) attached single-family homes placed side by side. While not a common form in Vermont, the popularity of townhouses in new development underscores a market demand for this type of attached housing. With appropriate detailing in character with the materials of homes in surrounding neighborhoods, the type can provide multiple smaller units on smaller parcels of land.

**Cottage Court**

A series of small, detached structures, cottage courts, provide multiple units arranged to define a shared court that is typically perpendicular to the street. Vermont towns often include small historic cottages scattered across neighborhoods, and introduction of this type would reflect the scale of these dwellings in a compact and concentrated way.

What is the “biggest little change” you can make to improve housing access and affordability in your community?
Reform Basics

1. Understand Your Needs

Consider the housing-market dynamics of your community. Examine whether your town plan recognizes the need to reform bylaws. An updated Municipal Plan and/or Housing Needs Assessment may be necessary.

2. Determine the Place Type

Determine the Place Type where changes should be targeted. See “Place Types” on page 14 for explanation. This Guide provides tools for downtowns, village centers, and neighborhoods.
Topics of Reform

**Dimensional Requirements**
Building heights, setbacks, and lot coverage regulations are often similar between towns, in spite of differences in character. These dimensional requirements should be carefully crafted to reflect the existing built patterns and local goals, and should avoid needlessly restricting desirable housing options.

**Parking Standards**
The effects of excessive parking requirements on housing availability are often underestimated. Especially in areas that have transit and are walkable to school, jobs, and other daily needs, the cost of each unneeded parking space inflates the cost of housing. (The average cost of a parking space is estimated at about $4,000.) High parking requirements can block new housing options that fit seamlessly into existing neighborhoods, such as ADUs, small infill buildings, and conversions of large houses into more than one residence.

**Allowable Uses**
Restrictions on the use of property is a central purpose of zoning, but many Vermont towns and villages severely restrict housing other than a single-family home by requiring complex review processes and/or applying onerous restrictions. Small buildings containing two, three, or four dwellings have historically provided housing variety with minimal neighborhood impacts. These buildings can be enabled again through minor changes to local regulations.

**Street Standards**
Streets should be designed according to the intensity of activity through which the street passes. The capital and maintenance costs of overly wide streets can increase the cost of delivering housing as well creating a long-term drain on municipal budgets. Disconnected street networks hinder walking, biking, and transit, increasing individual household transportation costs.

**Accessory Dwelling Unit (ADU)**
Vermont has progressive ADU provisions that are applied through regulations of individual towns. Local regulations could be improved to encourage creation of more ADUs through minor changes to parking standards and to size and ownership restrictions.

**Development Review Process**
Layers of regulatory review can aid environmental stewardship and protect local character, but they also add time and cost to the production of housing. Strategic streamlining can retain the important functions of the development review process while eliminating unnecessary barriers to locally desired housing.
Small Changes Can Lead to Incremental Change
Allow What You Have: Grow Conformity

**TABLE 3 - DIMENSIONAL STANDARDS FOR STRUCTURES AND LOTS**

<table>
<thead>
<tr>
<th>Category</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lot Widths</td>
<td>50’ min.</td>
<td>100’ max.</td>
</tr>
<tr>
<td>Setbacks</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Front</td>
<td>8’ min.</td>
<td>12’ max.</td>
</tr>
<tr>
<td>Side</td>
<td>5’ min.</td>
<td></td>
</tr>
<tr>
<td>Rear</td>
<td>3’ min.</td>
<td>12’ min.</td>
</tr>
<tr>
<td>Parking setback from building front</td>
<td>20’ min</td>
<td></td>
</tr>
<tr>
<td>Maximum building height</td>
<td></td>
<td>2.5 stories</td>
</tr>
<tr>
<td>Maximum building width</td>
<td>40’ per building</td>
<td></td>
</tr>
<tr>
<td>Maximum building coverage</td>
<td>____% per site</td>
<td></td>
</tr>
</tbody>
</table>

*Numbers in green must reflect the character of the local context. Use the Character Survey below to determine the appropriate dimensions.*

If you don’t measure it, you can’t manage it.
Small Lots

- Rear Easement Lots
- Small Lots (this is 1/8 acre)
- Panhandle/Flag/Corridor Lots

[Map showing the locations of Rear Easement Lots, Small Lots, and Panhandle/Flag/Corridor Lots]
Duplexes
Administrative Review for Small Multi-Family

- Rear Easement Lots
- Panhandle/Flag/Corridor Lots
- Small Lot Duplex
- Small Lot Fourplex w/ Admin. Review
Accessory Dwelling Unit Flexibility
Reduced Setbacks

- Rear Easement Lots
- Panhandle/Flag/Corridor Lots
- Small Lot Duplex
- Small ADU
- Large ADU
- Small Lot Fourplex w/ Admin. Review
- Attached ADU
- Reduced Frontages
- Reduced Setbacks
- Small Lots (this is 1/8 acre)
- Panhandle/Flag/Corridor Lots
- Detached ADU
Reduced Parking

- Rear Easement Lots
- Panhandle/Flag/Corridor Lots
- Small Lot
- Duplex
- Small Lots (this is 1/8 acre)
- Detached ADU
- Large ADU
- Attached ADU
- Reduced Frontages
- Reduced Setbacks
- Reduced Parking
- Small Lot Fourplex w/ Admin. Review
- Small Lots (this is 1/8 acre)
- Panhandle/Flag/Corridor Lots
- Reduced Parking

Reduced Parking
Cottage Cluster Developments

- Rear Easement Lots
- Panhandle/Flag/Corridor Lots
- Small Lot
- Duplex
- Small Lots (this is 1/8 acre)
- Detached ADU
- Large ADU
- Small ADU
- Attached ADU
- Reduced Frontages
- Reduced Setbacks
- Reduced Parking
- Supportive Housing
- Small Lot Adaptive Re-Use
- Condos
- Cottage Cluster Developments
- Increased Density
- Small Lot Fourplex w/ Admin. Review
- Small Lots (this is 1/8 acre)
- Panhandle/Flag/Corridor Lots
Neighborhood-Scale Mixed Use

- Rear Easement Lots
- Panhandle/Flag/Corridor Lots
- Small Lot
- Duplex
- Small Lots (this is 1/8 acre)
- Detached ADU
- Large ADU
- Small ADU
- Attached ADU
- Reduced Frontages
- Reduced Setbacks
- Reduced Parking
- Supportive Housing
- Small Lot Adaptive Re-Use Condos
- Cottage Cluster Increased Density
- Small Lot Fourplex w/ Admin. Review
- Mixed-Use, Multi-Unit Buildings w/o PUD
- Small Lots (this is 1/8 acre)
- Panhandle/Flag/Corridor Lots
- Neighborhood-Scale Mixed Use
- Mixed-Use, Multi-Unit
7 NEW LOTS + 24 NEW UNITS + 1 NEW BUSINESS
Figure 37: Salisbury Village, hypothetical gentle infill diagram
Increasing the Speed Limit on Housing*

- Duplexes
- Triplexes
- Fourplexes
- Town Houses
- Mixed-Use Sites
- Senior Housing
- Cottage Cluster Subdivision
- Major Subdivisions & New Streets
- Planned Unit Developments
- Accessory Dwelling Units
- Small Lot Single-Family (infill on infrastructure)

*In Wise Locations
Bylaw Modernization Grants

• Special funding for bylaw updates to expand opportunity & choice of homes available in and around Vermont’s centers.
Neighborhood Development Area Designation

- Granted by the Vermont Downtown Board
- Act 250 recognition
- Priority Housing Project exemption
- State permit fee reductions
- Land gains tax exemptions
- Reduced risk of NIMBY appeals
- Granting priority
- Tax credits (new in FY2023)
The Moment

• Big economic changes
• Big demographic changes
• Where we build matters, especially infrastructure + homes
• What we build matters, especially for older Vermonters
• If you can’t get the permit, you can’t build the home
• Expanding housing choice & opportunity is good, for everyone; it’s time to increase the speed limit on housing
• It takes people like you!
THANK YOU

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