NORWICH PLANNING COMMISSION
AFFORDABLE HOUSING SUBCOMMITTEE

Agenda

Monday, Nov. 16, 2026, 6:00 pm

Meeting: Via Zoom only
Topic: Affordable Housing Subcommittee
Join Zoom Meeting
https://us02web.zoom.us/j/88678370808?pwd=2u6325bp3xAwXIyGeLzwx5UfEsbIhR.1&jst=2

1. Approve meeting agenda
2. Public comment
3. Approve October meeting minutes
4. AHSC Interface with Village Master Plan Project
5. Developing fact sheets and other collateral material about Norwich housing needs
6. Potential Model for next Norwich Town Plan: Montpelier, VT City Plan:
    a. Best viewed online. This is a link to the housing chapter: https://storymaps.arcgis.com/stories/03b97a6e2ac847a4b231db3ba9b3965a

Attachments

10/19/2026 Meeting Minutes
Housing Chapter, 2020 Norwich Town Plan
Housing Storybook, 2025 Montpelier Town Plan
Housing Implementation Strategy: 2025 Montpelier Town Plan

AFFORDABLE HOUSING SUBCOMMITTEE
Meeting Minutes

Monday, October 19, 2026
Hybrid Meeting: In-Person at Tracy Hall and via Zoom
Members Present: Jeff Lubell, Jeff Goodrich, Brian Loeb, Peter DeShazo, Gregory Hynes, Aviva Tevah, Lindsay McClure Miller
Members Absent: None
Staff: Steven True
Members of the Public Present: None

1. **Meeting opened and quorum determined** – Approximately 6:00 p.m.

2. **Approve meeting agenda** – Motion to approve the agenda, seconded. Passed 7-0.

3. **Public comment** – None.

4. **Approve September 14, 2026, meeting minutes** – Jeff Goodrich moved to approve the minutes; Peter DeShazo seconded. Passed 6-0-1, with Jeff Goodrich abstaining.

5. **Village Master Plan** – Steven True reported that consultants had conducted a site visit focused on pedestrian and transit safety, connectivity, local businesses, and village revitalization. The first public charrette is scheduled for December 3, with a second planned for the new year. Members discussed ensuring that affordable housing, including missing-middle housing, is addressed in the public engagement process and expressed interest in contributing to a housing-focused presentation or session. Members also discussed questions about the effects of additional housing on traffic, schools, services, and the tax base, and the value of preparing talking points and supporting information. Jeff Lubell requested advance notice when the Planning Commission considers Subcommittee materials; Steven True agreed to place the Subcommittee's missing-middle housing memo on a future Planning Commission agenda.

6. **Housing infrastructure and financing** – Jeff Lubell shared an analysis relating regional employment, commuting distances, housing demand, and public water and wastewater infrastructure, and agreed to share the analysis with Steven True and the Village Master Plan consultants. Members discussed transfer of development rights as a possible way to direct development toward growth areas, without reaching a conclusion about its suitability for Norwich. The Subcommittee also discussed state legislation allowing water and wastewater infrastructure to be financed through special assessment districts. Steven True expressed interest in including infrastructure financing options in the Village Master Plan process. Members briefly discussed changes to Act 181 and the value of an annual

legislative update; Steven True agreed to look into the timing of the Vermont League of Cities and Towns' legislative summary.

7. **Potential sites for affordable housing** – Members discussed a possible feasibility study of the northern portion of the town-owned property containing the transfer station and town garage on New Boston Road. Homes for Norwich is exploring private donations or grant funding for the study, and any request for Subcommittee action would be brought back to the group. Members reviewed preliminary site considerations, including topography, access, drainage, and restrictions associated with the communications tower. Members also discussed a potential area of approximately six to seven acres on Fire District land near Beaver Meadow Road. Steven True agreed to provide location information for that area. Further exploration would require coordination with Fire District leadership; members also discussed a possible site visit and Habitat for Humanity as a potential partner. No site selection or formal action was taken.

8. **Next steps and adjournment** – The remaining agenda items were postponed until the next meeting. Members discussed preparing talking points and updating housing-related facts and figures for the Village Master Plan public engagement process.
   The meeting adjourned at approximately 7:13 p.m.

Next meeting: November 16, 2026, at 6:00 p.m.

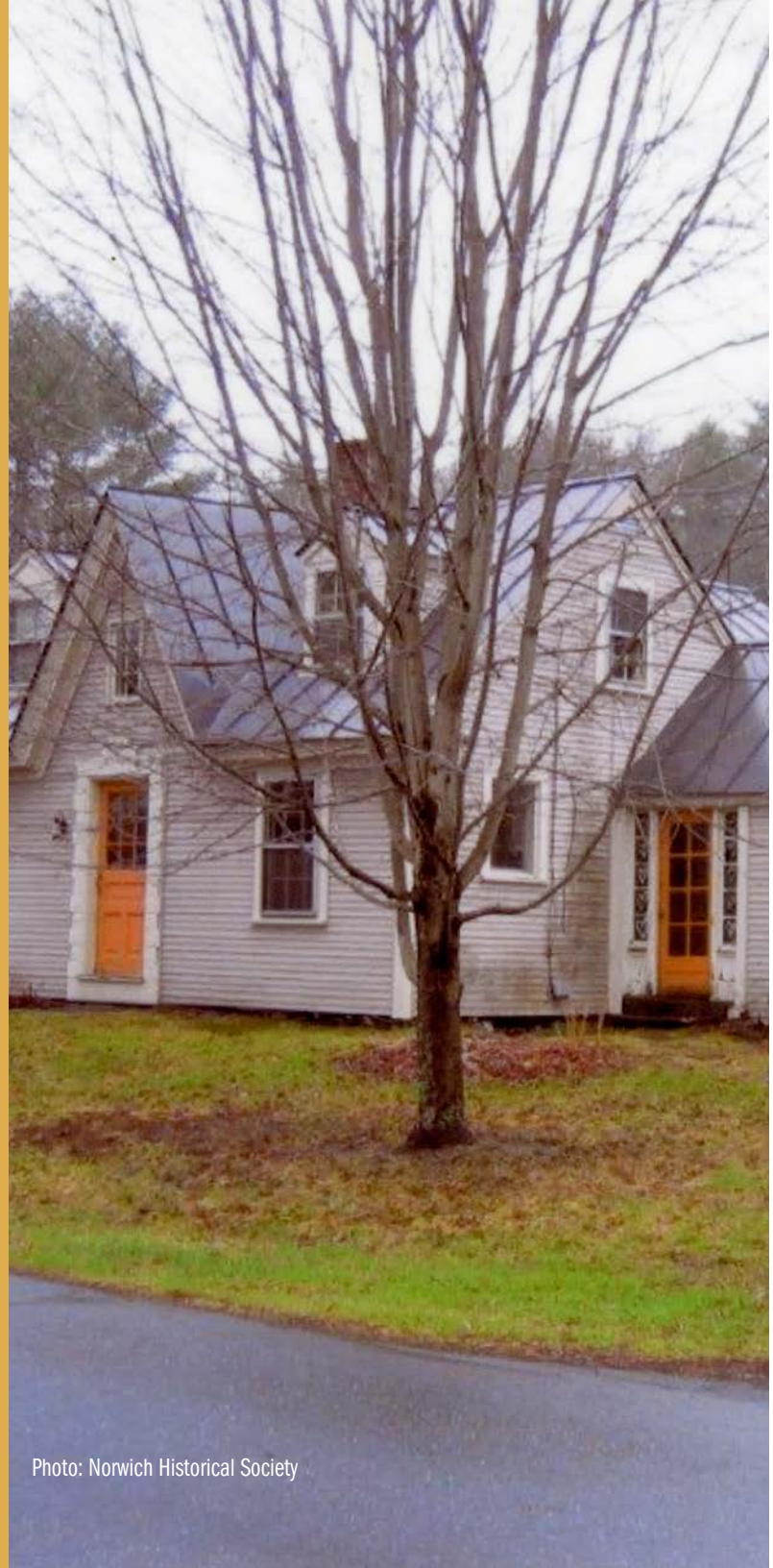


Photo: Norwich Historical Society

4 | HOUSING

4.1 Objectives

4-1.a Ensure the availability of safe and affordable housing in Norwich which will meet the needs of diverse social and income groups, particularly for low and moderate income households (24 VSA §4302 (c) (11) (A)).

4-1.b Encourage new and rehabilitated housing conveniently located to employment and commercial centers, and coordinated with the provision of public facilities and utilities (24 VSA §4302 (c) (11) (B)).

4-1.c Encourage more intensive residential development primarily in the village and suitable adjacent areas and discourage strip development along highways, (24 VSA §4302 (c) (1) (A)).

4-1.d Allow for multi-family and manufactured housing in locations similar to those generally used for single-family conventional dwellings (24 VSA §4302 (c) (11) (C)).

4-1.e Increase the diversity of the housing stock in Norwich so that it includes a range of housing types suitable for people of different incomes and backgrounds and at different stages of their life. Increase the number of both homes for rent and sale.

4-1.f Reduce energy use and greenhouse gas emissions by increasing housing in areas served by public transit and with easy access to employment and retail centers, as well as through the use of green building materials and practices.

4-1.g Implement the Norwich Housing Strategy (see Appendix A) to increase Norwich's housing stock within the first five years of the plan by 10 accessory dwelling units (ADUs), ten units of "missing middle" housing (duplexes, triplexes, etc.), and at least 25 units of dedicated affordable housing.

4.2 Policies

4-2.a Advance the following four key strategies included in the town's Housing Strategy:

i. Encourage the development of dedicated affordable housing.

ii. Facilitate the development of lower-cost housing types.

iii. Reduce barriers to the development of new housing.

iv. Expand public understanding of housing issues.

4.3 Actions

4-3.a Encourage the development of dedicated affordable housing by formalizing and growing the affordable housing revolving fund (currently $45,000).

4-3.b Encourage landowners to donate land for dedicated affordable housing.

4-3.c Investigate the use of land owned or controlled by the Town of Norwich for dedicated affordable housing.

4-3.d Conduct outreach to encourage developers of affordable homes to focus on Norwich.

4-3.e Implement the recommendations made in this chapter when revising the Norwich Zoning and Subdivision Regulations to:

i. Ensure the continued right to construct multi-family and manufactured homes in any district where housing is a permitted use.

ii. Promote the construction of affordable housing through regulatory mechanisms such as:

- Offering substantial density bonuses,
- Using alternative density measurements to encourage smaller unit sizes,
- Considering whether to require large projects to include affordable units,
- Allowing for combined commercial and residential uses in a single structure as a permitted use in the proposed mixed use district.

iii. Facilitate the creation of duplexes, triplexes and other "missing middle housing".

iv. Require Certificate of Compliance inspections on all new dwelling units and major residential rehabilitations to ensure that the Vermont Residential Building Standards (VT-RBES) are met.

4-3.f Ensure that the new Norwich Zoning and Subdivision Regulations are clear, accessible and avoid any unnecessary barriers to developing housing.

4-3.g Continue to encourage accessory dwelling units (ADUs) to increase Norwich's stock of rental housing.

4-3.h Consider how to address barriers to development related to limitations on septic capacity, including a review of the findings of the 2005 study conducted by the Norwich Sewer Committee in light of current challenges and changes in wastewater management.

4-3.i Make it easier for developers and the public to understand Norwich's affordable housing policies by developing educational materials and conducting outreach.

4-3.j Develop educational materials that address frequently asked questions about affordable housing in Norwich and increase public understanding of how new development will affect town and school property taxes.

4-3.k Monitor the effect of short-term rentals (e.g. Airbnb).

4-3.l Encourage broad-based participation in community conversations around housing, including low and moderate income households, seniors, younger residents and renters.

4-3.m Norwich will contribute to regional discussions of housing issues and work collaboratively with other municipalities to explore creative solutions.

4.4 Regional Market

The major land use in Norwich is residential (see Figure 2). Situated just west of Hanover and Lebanon, New Hampshire, and north of Hartford, Vermont, Norwich is a predominantly rural residential bedroom community (with a vibrant village) for these employment and

commercial centers. The housing situation in Norwich is best understood within the context of the Upper Valley residential real estate market. This chapter is based on outreach conducted over a period of 18 months with Norwich residents and professionals in the Upper Valley residential real estate market.

To meet the objectives and policies of this plan, consistent with state and regional policies, significant efforts will be needed, as outlined in Norwich's housing strategy. In addition to local efforts in Norwich, it is important for towns in the region to coordinate their efforts in order to meet the 5,000 to 6,000 regional housing unit shortfall as identified by the market analysis commissioned by Vital Communities. This shortfall is a major cause for concern for employers in the area who struggle to attract and retain workers due to high housing costs. Norwich, through its membership in the Two Rivers Ottauquechee Regional Planning Commission (TRORC) is participating in Keys to the Valley — an initiative of three regional planning commissions (TRORC, Upper Valley Lake Sunapee and Southern Windsor Regional Planning Commissions), covering 67 communities centered on the Upper Valley. This work follows a 2012 Housing Needs Assessment, which called for additional housing in the region based on population growth and employment trends in the preceding decade and a 2015 study; *East Central Vermont: What We Want*, a holistic report integrating key findings on housing, land use, economic and workforce development, transportation and infrastructure.

4.5 Local Housing Stock Characteristics

According to the Norwich Grand List, at the end of 2018 there were 1,325 residential properties in Norwich, including single-family homes (98 percent), mobile homes (1 percent), and commercial apartments (0.5 percent). The total stock of single-family homes in Norwich has changed little in recent years (see Housing Location Map, Figure 13). From 2010 to 2018, just 29 housing units were built. Most of these homes were located a considerable distance from the village and on larger, (more expensive), parcels. Not only has there been little new construction, the rate of property sales is also low, suggesting that entry into the Norwich housing market is challenging. Real estate property transfer tax data collected by Vermont Department of Taxes shows that from 2014 to 2018, 165 single-family homes sold as either a primary or secondary residence. This represents an annual average of approximately 2.6 percent of all homes changing hands.

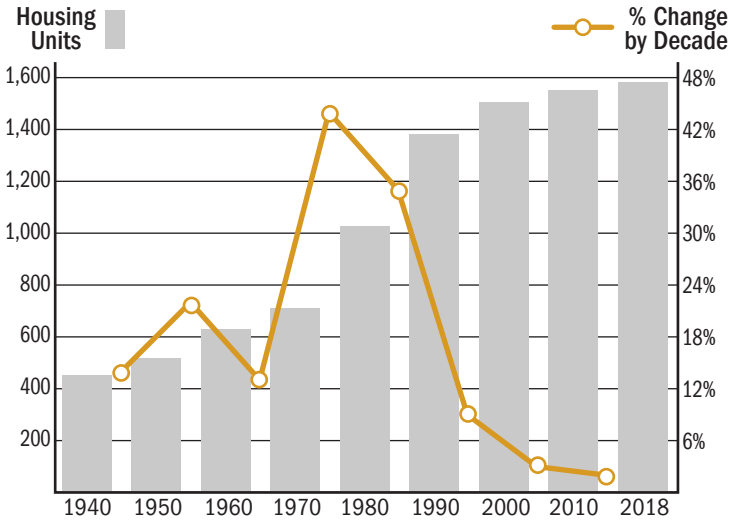
Figure 13. **Year Housing Unit Built**

Construction Year	Norwich %	Windsor Cty %
2000 – 13	9	12
1980 – 99	36	27
1960 – 79	24	23
1940 – 59	12	10
1939 or earlier	19	28

Source: US Census Bureau

Figure 14 below takes the total units counted at each US decennial census (gray bars), as well as the percentage growth during that decade (orange line). Norwich

experienced substantial growth in housing units during the 1970s and 1980s, but much slower growth in the 2000s and 2010s. Growth in the decade following 2010 is estimated using the number of new E911 residential addresses.



Source: US Decennial Census. 2018 estimated based on town E911 data.

Figure 14. **Change in Housing Units 1940 – 2018**

Regional real estate development professionals cite five reasons to explain the low level of housing development in Norwich.

- New Hampshire is perceived to have less stringent environmental and development review for projects of ten units or more (the threshold for the Vermont Act 250 review process)
- High construction costs due to high materials and labor prices (skilled labor is in short supply)
- The high cost of providing wastewater systems for each development because there is no access to municipal wastewater
- The perception that Norwich residents will oppose development, making the development review and permitting process longer and more expensive
- There are relatively few parcels for sale in Norwich. Local developers have evaluated those well-located with regard to public transit, employment and commercial centers, and found them not economically feasible to develop.

Most of the existing stock of housing in Norwich is used as the primary residence of the homeowner. According to estimates by the Census Bureau, in 2017 about 21 percent of occupied housing units in Norwich were rented. These units are, according to industry experts, largely in single-family homes, either in a primary residence or a secondary unit on the same property — an accessory dwelling unit (ADU). The proportion of rental units is lower than Hartford (34 percent) and the remainder of Windsor County (26 percent).

4.6 Affordability

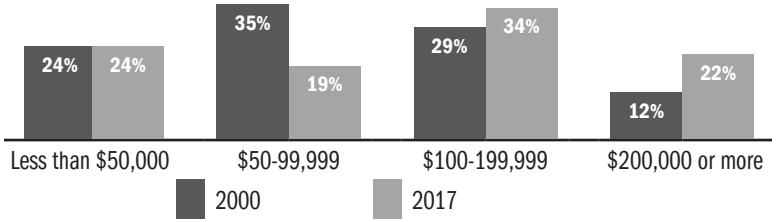
Housing affordability has been a prominent concern in Norwich since at least 2002, when the Planning Commission created an Affordable Housing Subcommittee. In 2019, the Affordable Housing Subcommittee, based on input provided during multiple listening sessions, prepared a draft of the town's housing strategy. After subsequent revisions to address further public input, the strategy was adopted by the Planning Commission in December 2019 (see Appendix A). The issues and proposals in the strategy

echo the work of the preceding decades, demonstrating the persistence of housing challenges in Norwich. In November 2018, Norwich voters overwhelmingly approved the re-instatement of a $45,000 revolving fund for affordable housing.

Household Income

In the last two decades, the average income of Norwich households has increased. Moreover, there has been a marked increase in the share of Norwich households that have very high incomes, as documented by Census Bureau data summarized in Figure 15. This figure shows the percentage of Norwich families in various income brackets using the 2000 census and then the 2017 American Community Survey (ACS). The share of the Norwich population with annual income below $100,000 has dropped substantially since 2000, and the share of the population with annual income above $200,000 has increased.

Figure 15. **Change in Household Income 2000-2017**

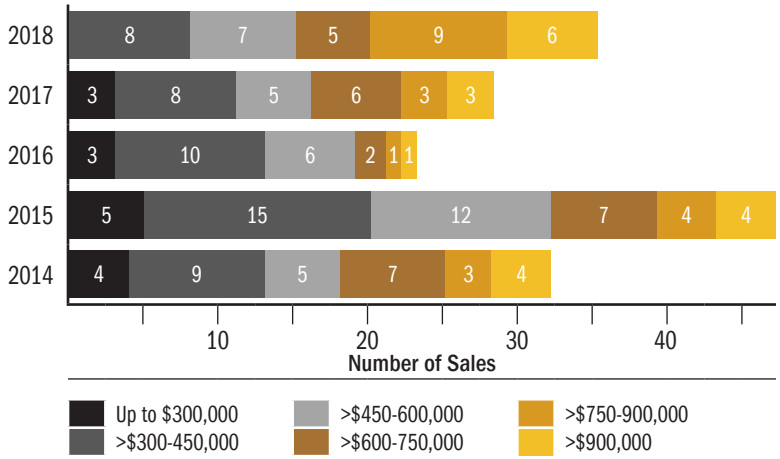


Source: Based on US Census Bureau data. Income figures adjusted to $2017.

Home Prices

In 2018, the median sales price of a single-family home in Norwich was $649,000, a jump from $564,500 in 2014, $480,000 in 2015, $431,000 in 2016, and $500,000 in 2017. As Figure 16 shows, in four out of the five most recent years, more than half of sales each year have been for $450,000 or more.

Figure 16. **Single-Family Home Sales in Norwich by Price**



Source: VT Department of Taxes, Property Transfer Tax Records.

During 2014-2018, the average annual median sales price of single-family homes in Norwich was the highest of any town in Windsor County. The Norwich median sales price between 2014 and 2018 was $500,000 and significantly more than any other town in the county. The next highest was Woodstock, where over the five-year period the average was $397,000. In Hartford, the five-year average was $240,000. These high sales prices mean that few low-, moderate-, or even middle-income households can afford to purchase a home in Norwich. In addition to Norwich,

several other towns in the Dresden School District and with proximity to job centers in Hanover and Lebanon, NH and White River Junction, VT, have housing sales prices that are high relative to the regional average. For example, the median purchase price of a single-family home in Hanover was $620,000 in 2018.

As documented in the Norwich housing strategy, only a small share of Norwich home sales are affordable to families at the median income for the county. For example, of the 35 single-family homes sold in 2018, just 5 were sold at a price that would be affordable for a family earning $76,454.

Rental Market

Current rents are also high in Norwich, as high or higher than the county-wide estimates produced in *Out of Reach*, a report by the National Low Income Housing Coalition. There is no centralized listing of rental properties in Norwich, so various websites from the college and the town listserv were reviewed.

On a day in June 2019, typically a period of high volume in the area rental market, seven single-family homes were listed for rent in Norwich, as well as six apartments on the property of a single-family home. The median asking rent for the houses was $2,250 per month, and for the apartments, $1,075. Again, this may miss some of the available inventory. But it suggests that house rentals are currently oriented more toward groups of graduate students or young professionals, and that many households likely struggle to find enough space that they can afford. Those that are able to stretch their budgets to afford renting in Norwich may be extremely vulnerable to changes in employment or unexpected financial needs.

Despite rents that are out of reach for many potential renters, local experts suggest that renting out a single-family home in Norwich is rarely profitable. Instead, many homeowners are motivated to rent their property as a way of retaining ownership and offsetting holding costs, so they can move back into the home in the future, or pass the property down to their family. This helps explain why few rental properties in Norwich are professionally managed (there is not sufficient revenue to pay a management firm), and why there is no evidence for widespread purchase-and-rent activity in the town.

Affordable Housing Need and Supply

In addition to the limited supply of affordable housing in Norwich, many existing residents struggle to afford their ongoing housing costs, including local property taxes. Census Bureau ACS data reveal that among homeowners with a mortgage in Norwich in 2017, 31 percent paid 30 percent or more of their household income for housing; 38 percent of renters paid 30 percent or more of their household income in gross rent.

The staff and school board for the Marion Cross School report that, each year, families that rent in Norwich must leave the school, and likely the wider Dresden School District, as well, because their rent rises beyond what they can afford. Some residents even struggle to afford the costs of food. The Upper Valley Haven, the area's principal

service provider for individuals and families who are homeless or are at risk of homelessness, serves Norwich residents. In 2018, the Haven's food shelf, which provides free healthy food options, served 32 Norwich households (approximately 80 residents). Households can only visit the food shelf once a month, and on average they come four times per year. In the same year, eight Norwich households received case management services from the Haven. In recent years, the Haven shelters for homeless individuals, families, and those with seasonal (i.e. winter) needs have housed between one and three households that had lived most recently in Norwich.

Two developments in Norwich meet the definition of "dedicated affordable housing", with long-term, binding instruments to ensure the units remain affordable. Starlake Lane (built in 1992) is a neighborhood of 14 owner-occupied homes kept affordable through a shared equity model that strives to balance the community's interest in long-term affordability with individual asset building. The land is owned by the development's steward, Twin Pines Housing Trust, which leases individual parcels to the household purchasing the home. Twin Pines also makes grants to income-qualified homebuyers to assist with their initial purchase. Norwich Senior Housing (built in 1981) consists of 24 one-bedroom units of dedicated affordable housing in the village area in which tenants pay 30 percent of their adjusted gross income in rent. The demand for affordable senior housing in the area is such that there is an eight- or nine-year waiting list. The board of directors that oversees Norwich Senior Housing has in the past explored options for expansion on site but found that the infrastructure needs would make that infeasible.

Additional affordable housing units would be useful to meet the demand for affordable housing in Norwich from seniors, families with children, low-wage workers and others. A range of housing options is also needed to help current Norwich residents, especially seniors, remain in the community.

City of Montpelier
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City Plan 2025

Housing
Implementation Plan

Aspirations

A) Montpelier will have an adequate supply of safe, resilient, and affordable housing that meets the needs of all current and future residents.

B) Montpelier will affirmatively further fair housing in order to protect all people from discrimination, promote economic opportunities, and create a more diverse, inclusive community.

Goals

1. *Increase the number of homes in Montpelier by a minimum of 75 units per year.*
2. *Maintain a mix of housing types, sizes, occupancies, and costs.*
3. *Improve the safety, health, and climate resiliency of our homes.*
4. *Increase the number of homes that are universally accessible on the first floor.*
5. *Maintain the city's commitment to affirmatively furthering fair and accessible housing by focusing on the areas where needs are not currently met.*
6. *Increase support for homeowners, developers, and non-profit partners in the creation of the housing that would not otherwise be provided by the private market.*

Strategies

HO.1: Continue to Implement the Country Club Road Actionable Plan

In 2022 the City purchased the 138 acre former Elks Club Golf Course for purposes of promoting housing development and to build a new recreation and community center. The City has developed an actionable plan for the Country Club Road (CCR) property where new housing may be built to meet the high demand that exists today. The entire plan can be downloaded and viewed here: https://www.montpelier-vt.org/1296/Country-Club-Road-Site-Property-Developm

This site could accommodate at least 300 units of housing although the exact number will be determined by the development process. For perspective, the city only added 143 housing units in the ten years between the 2010 and 2020 Censuses. This housing will likely be built by for-profit and non-profit entities over the coming years but it will require the city to extend the utilities, such as sewer and water, and to build out the road system.

Priority : High	**Implements Goals #1, #2, #4, #5, #6** ★★★★★	**Project**
Cost : High	**Responsible Party :** Planning Dept.	

HO.2: Amend the Overnight-Overflow Shelter Plan and Program

For a number of years the City has supported Good Samaritan Haven in its operation of an overflow shelter in Montpelier. Most recently this was housed at the Country Club Road Site as a long-term temporary location. The City would now like to find a more permanent location which meets all health and safety requirements so a planning effort is underway to identify a place to house it. Once found, the city intends to continue to support Good Samaritan's operation of the facility.

Priority : High	**Implements Goal #5, #6** ★★	**Program**
Cost : High	**Responsible Party :** City Manager	

HO.3: Amend and Continue to Administer the Unified Development Regulations (Zoning Bylaws)

The zoning bylaws regulate how land and buildings can be used and altered. Broadly, they help communities protect the environment and limit impacts on neighborhood, public services, and infrastructure. Zoning regulations can have a profound impact on the ability to develop housing therefore it is critical that the rules are properly balanced to allow new housing while protecting against any negative impacts of that growth.

Montpelier's Unified Development Regulations were significantly changed in 2018 and has since had a number of minor amendments to address issues and promote housing. Some of these changes include making housing projects permitted (i.e. administrative rather than needing a hearing) and adjusting dimensional standards so that most buildings, parcels, and uses are now conforming (i.e. the rules match what you see on the ground) which allows projects to be approved more efficiently. Densities have been increased to allow infill including a rule allowing six units on any parcel with access to sewer and water utilities. Parking requirements have been reduced and, in some places, eliminated. Finally, changes were made to treat congregate housing in a similar manner to dwelling units to allow for a broader variety of housing options.

Dramatic changes should be made to the zoning to facilitate housing development. Topics for consideration should include shortening the subdivision process, eliminating smaller projects from major site plan, increasing height requirements, removing some application standards, and eliminating the shading requirements among others.

The city should continue to monitor the rules to look for barriers to housing. One area where changes are needed is to the subdivision regulations where the city needs clearer rules on when sidewalks are required by the developer on their project as well as whether the developer should be responsible for extending sidewalks to their project, where warranted. The lack of clear rules has prevented more neighborhoods from being added to the growth center and therefore benefit from Act 250 exemptions which the program provides.

Priority : High	**Implements Goals: #1, #2, #3, #5, #6** ★★★★★	**Permit**
Cost : Medium	**Responsible Party :** Planning Dept.	

HO.4: Continue the Montpelier Accessory Dwelling Unit Program (MAD UP)

A pilot program with VSHA was started in 2019 to provide assistance to property owners to add accessory apartments to single family dwellings. That pilot was very informative and showed a great deal of interest in adding ADUs in Montpelier. When the program ended, the housing committee decided to continue the program working with Downstreet Housing and Community Development using housing trust fund money and the Vermont Housing Improvement Program (VHIP).

Priority : High	**Implements Goals #1, #2** ★★	**Program**
Cost : Medium	**Responsible Party :** Planning Dept	

HO.5: Renew Tax Increment Finance Program (TIF)

Tax Increment Finance (TIF) is a program of the state that allows the new tax revenue generated by a project to be used to pay for public improvements that are needed for the project. The City received TIF approval in 2018 to fund housing projects that may need utilities (sewer and water) or new public streets within the TIF District. The City withdrew from the program in 2022 for a number of reasons including the impacts of the Citywide reappraisal. The City should consider reapplying to use the program to support potential housing projects if a new district is appropriate or if the state begins to allow project-based TIFs.

Priority : High	**Implements Goals: #1, #6** ★★	**Program**
Cost : High	**Responsible Party :** City Manager's Office	

HO.6: Create a New Affordable Housing Project

For many years the City has worked with its housing partners to develop affordable housing projects including Pioneer Street Apartments, River Station, Frenchs Block, and most recently at the Montpelier Transit Center. Through the Housing Trust Fund, the City sets aside money to support new affordable housing projects. The City should sponsor at least one new housing project during the lifetime of this plan. In particular the City would like to identify a project that would help disadvantaged groups such as refugees, asylum seekers, group homes, Single Room Occupancies (SRO)s, persons reintegrating from incarceration, and the homeless.

Priority : High	**Implements Goal: #5, #6** ★★	**Project**
Cost : High	**Responsible Party :** Planning Dept.	

HO.7: Continue to Participate in the Growth Center Program and Expand the District as Appropriate

The Growth Center Program is a program of the Vermont Agency of Commerce and Community Development which provides benefits to the municipality as well as private developers in order to target 50% of all development over a twenty year period within the Growth Center District. Montpelier has participated in this program since 2009 and has adopted a Growth Center District that covers most of the highest density zoning districts in the downtown area. The district will need to be expanded to include the Country Club Road site and remainder of Residential 9000 District.

Priority : High	**Implements Goal: #1, #6** ★★	**Program**
Cost : Low	**Responsible Party :** Planning Dept.	

HO.8: Continue to Administer and Enforce Building, Fire, and Other Health and Safety Codes

Montpelier enforces a number of codes to ensure projects are constructed and operated safely. The City has an agreement with the state Division of Fire Safety to enforce the state building code and fire and life safety code on all public buildings and has expanded that permitting program to single family homes as well. The City also enforces the state health code and other smaller ordinances including a public nuisance building.

Priority : High	**Implements Goal #3** ★	**Permit**
Cost : Medium	**Responsible Party :** Building Inspector	

HO.9: Continue Automatic Sprinkler Requirements in Building Codes

The City of Montpelier added a sprinkler requirement to the building codes in 2007 that required automatic sprinklers to most new and substantially improved public buildings in the City. This did not include owner occupied dwellings but did include most other residential housing. This was done to reduce risks to life and property in the event of a fire. The ordinance was revised in 2018 to exempt two family structures as the cost of a sprinkler was identified as a barrier to small infill projects.

Priority : High	**Implements Goals #3** ★	**Permit**
Cost : Low	**Responsible Party :** Building Inspector	

HO.10: Adopt a Fair Housing Policy

The Housing Task Force would like to formally adopt a policy that the City is committed to affirmatively furthering fair housing in the implementation of all its planning, permitting, programs, projects, and policies.

Priority : High	**Implements Goals #5** ★	**Policy**
Cost : Low	**Responsible Party :** Housing Committee	



City of Montpelier vermont

City Plan 2025

Housing Implementation Plan

Strategies

HO.11: Continue Participating in the Designated Downtown Program

The Designated Downtown Program is a program of the Vermont Agency of Commerce and Community Development which, among other benefits, provides developers with tax credits for certain projects and special considerations in state permitting including less state jurisdiction, reduced fees, and presumed compliance with certain criteria in Act 250.

The City has participated since 1999, and to qualify for the program the City has a Designated Downtown District and a local downtown non-profit organization (Montpelier Alive). Regarding housing, there are Act 250 project exemptions and tax credits for renovating historic apartments and others. The City and Montpelier Alive will partner to continue to participate in this project.

Priority : High	**Implements Goals #1, #6**	Program
Cost : Low	**Responsible Party :** Montpelier Alive & Planning Dept.	

HO.12: Conduct a New Fair Housing Assessment

The City should conduct a fair housing assesment, or provide resources to a partner who is conducting a regional fair housing assessment, to identify impediments to fair housing in Montpelier. This has typically been done by Downstreet, with the City contributing money to pay for city-level information for Montpelier.

Priority : Medium	**Implements Goal #5**	Plan
Cost : Medium	**Responsible Party :** Housing Committee	

HO.13: Continue to Use the Development Agreement Program to Incentivize Housing

For many years the City Managers office and Planning Department have worked with housing developers to identify barriers to their projects and find solutions wherever possible. In some cases these resulted in formal Public-Private Partnerships to facilitate that development. In 2024 the city formalized these types of development agreements by adopting a set of policies and a program to hopefully allow more of these to happen in the future.

In most cases these agreements involve improvement and extensions of water, sewer, and other public infrastructure. Montpelier has a number of neighborhoods where infrastructure is old and will not support additional use. The new Development Agreement Policy has specific provisions that allow the city to pay for these improvements using future revenues (from taxes and utilities). This is very similar to a Tax Increment Finance (TIF) system but gives the city flexibility to look at other issues and needs as well. There is also a goal to develop a revolving loan fund to help cover the cost of smaller improvements which would help make these agreements get approved faster in some instances.

Priority : Medium	**Implements Goals #1, #6**	Program
Cost : Medium	**Responsible Party :** Planning Department	

HO.14: Develop a New Housing Marketing and Outreach Program

This City recognizes that it has a shortage of both small scale and large-scale housing developers. Once the City has completed setting up various programs it will be important to market these to local and regional builders, developers, and potential homebuyers to hopefully shift some new housing to Montpelier. This should include working with owners of vacant office space to remove barriers to conversion to housing.

Priority : Medium	**Implements Goals #3, #5**	Program
Cost : Medium	**Responsible Party :** Planning Department	

HO.15: Amend and Continue the Sprinkler Incentives Program

When the Automatic Sprinkler requirement was added to the building codes in 2007, a program was also adopted to help provide a financial incentive to pay for the sprinklers. The sprinkler incentive program provides a 10% discount on the municipal portion of the property taxes for buildings with installed and operating sprinklers.

In general only buildings that are already required to be sprinklered by the State have taken advantage of the program so there is an interest in a study to review the sprinkler incentives program and recommend changes that would proliferate the presence of sprinklers without decreasing the affordability of rentals and home ownership.

Priority : Low	**Implements Goal #3**	Program
Cost : High	**Responsible Party :** City Manager	

H.16: Study Opportunities for Public Investment in Housing Development

Housing development is very expensive due to labor and material costs. This has resulted in costs of around $450k per unit to develop housing making it unaffordable to the average resident. Ideas have been suggested to decrease some costs like buying down interest rates of loans, 0% loans for certain smaller projects, or bonding for funds to create a large revolving loan fund. These various options should be studied and considered by Council.

Priority : Low	**Implements Goal #1**	Plan
Cost : Medium	**Responsible Party :** Planning Dept.	

HO.17: Continue the Tax Stabilization Program

The Tax Stabilization Program is an economic development program where the City enters into agreements with industrial, commercial or commercial residential project to provide some property tax relief for developers who propose projects that acheive specific goals. The City should continue to provide these incentives and should also review, and if appropriate, provide recommendations to increase incentives to develop commercial residential housing units.

Priority : Medium	**Implements Goals #1, #6**	Program
Cost : Medium	**Responsible Party :** Planning Department	

HO.18: Amend and Grow the Housing Trust Fund

The Montpelier Housing Trust Fund was established in 2005 after being approved by Montpelier voters. The purpose of the Fund is to preserve, construct and/or rehabilitate affordable housing units in Montpelier for ownership or rental, and occupancy by eligible households. Policies for the use of the funds are developed by the Housing Committee.

The amount of annual funding has fluctuated over the years from as low as $0 to as high as $140,000. The Housing Task Force would like to increase annual funding such that it has enough money to fund its various programs as well as holding $200k in reserve to support any major affordable housing projects that may arise. The HTF would also like to identify alternative funding options to ensure the Trust Fund has a reliable funding stream into the future.

Priority : High	**Implements Goals #6**	Program
Cost : Medium	**Responsible Party :** Planning Department, Housing Committee	

HO.19: Review and Amend Development Fees

Depending on the scope of a project, a number of fees can come to into play that will increase the final project cost. This could include zoning, river hazard area, building fees, new water and sewer connection charges, water and sewer allocation fees, recording fees, and others. The city should review all of these fees to identify ways to cap, eliminate, or reduce them to facilitate housing development projects.

Priority : Medium	**Implements Goal #1**	Permit
Cost : Low	**Responsible Party :** Planning Dept.	

HO.20: Continue to Administer the River Hazard Area Regulations

Flooding is the most common natural hazard in the City and the River Hazard Area Regulations exist to minimize risks to life and property due to these types of events. The regulations are also a requirement for participation in FEMAs National Flood Insurance Program which allows residents to purchase flood insurance required for most mortgages. These regulations prohibit development in the most hazardous areas and require developers to elevate buildings and add other design features to build safely in the flood hazard area. Montpelier's rules were expanded in 2018 to include fluvial erosion hazard rules on the North Branch to protect the river corridor where they tend to move over time.

Priority : Medium	**Implements Goal: #3**	Permit
Cost : Low	**Responsible Party :** Planning Department	

HO.21: Amend and Renew the ADA Accessibility Program

For many years the City had an ADA revolving loan fund for accessibility projects. It was administratively difficult, rarely used, and now lacks funding. The Planning Department recommends renewing the program and should match existing programs already provided by an organization such as the Vermont Center for Independent Living.

Priority : Low	**Implements Goal #4**	Program
Cost : Medium	**Responsible Party :** Planning Department	

HO.22: Conduct a Rental Housing Survey

There have been debates for a number of years as to whether the rental housing in Montpelier generally meet minimum housing standards. Its been suggested that a survey be conducted to give some answers to this question.

Priority : Medium	**Implements Goals #3, #5**	Plan
Cost : Medium	**Responsible Party :** Housing Committee	

HO.23: Conduct a Study to Determine the Value and Impacts of Adopting a Housing First Policy

The Planning Commission received a suggestion in the adoption of the City Plan to adopt a policy of housing first for people experiencing homelessness. While it sounded like it was a policy that had been adopted and used in other parts of the country, they were not informed enough to know if it should be recommended at this time. In its place they suggest the Homelessness Task Force and Planning Commission should study the concept to isolate the value and impacts of such a policy in order to make an informed recommendation to the Council in the future.

Priority : Low	**Implements Goals #5, #6**	Program
Cost : Medium	**Responsible Party :** Homelessness Task Force	

HO.24: Adopt a Policy Requiring a Report on the Impact from Any City Decision on the Availability and Affordability of Housing

Many actions taken by City Council can have unforeseen impacts on the availability and affordability of housing in Montpelier. One suggestion to tackle this is to require an impact assessment on all new programs, projects, or regulations to identify those potential impacts. These could be as simple as requiring new statements on the Council Agenda Cover Sheets to more formal assessments.

Priority : Low	**Implements Goals #2, #5, #6**	Policy
Cost : Low	**Responsible Party :** Housing Committee	

HO.25: Use a Lobbyist to Support Changes to State Law

There are several opportunities in Montpelier for new housing that involve state land and buildings as well as some barriers that require changes to state law. These types of issues require the city to work directly with the Legislature to realize change. Whether through our own lobbyist or through VLCT, the city should pursue the following issues: 1) Work with the state to sell under-utilized state buildings and parking lots to enable housing development; 2) Change state law on appeals to eliminate the "any 20 persons provision" and to limit appeal rights to stop frivolous appeals; 3) Ask the state to institute a statewide vacancy tax; 4) Request a charter change to allow the city to institute a vacancy tax; 5) Increase funding to the State Sprinkler Fund; and 6) Create a revolving loan fund for low or no-interest loans for new housing projects, infill housing, infrastructure, and sprinkler costs.

Priority : High	**Implements Goal #1, #6**	Program
Cost : Medium	**Responsible Party :** City Manager	

2. Housing

Our plan to achieve housing for all

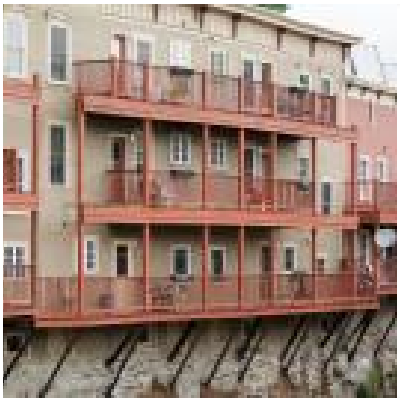
Introduction

The location and quality of a person's home directly impacts access to quality education, healthcare, employment, recreation, transportation, food, and opportunity. Housing stability is therefore an essential part of maintaining a high quality of life for the Montpelier community.

Montpelier has faced a housing shortage for many years that has recently worsened. It will only be overcome through generous investment of city resources and a true commitment to solving the problem. The City's plan for housing centers on the following goals:

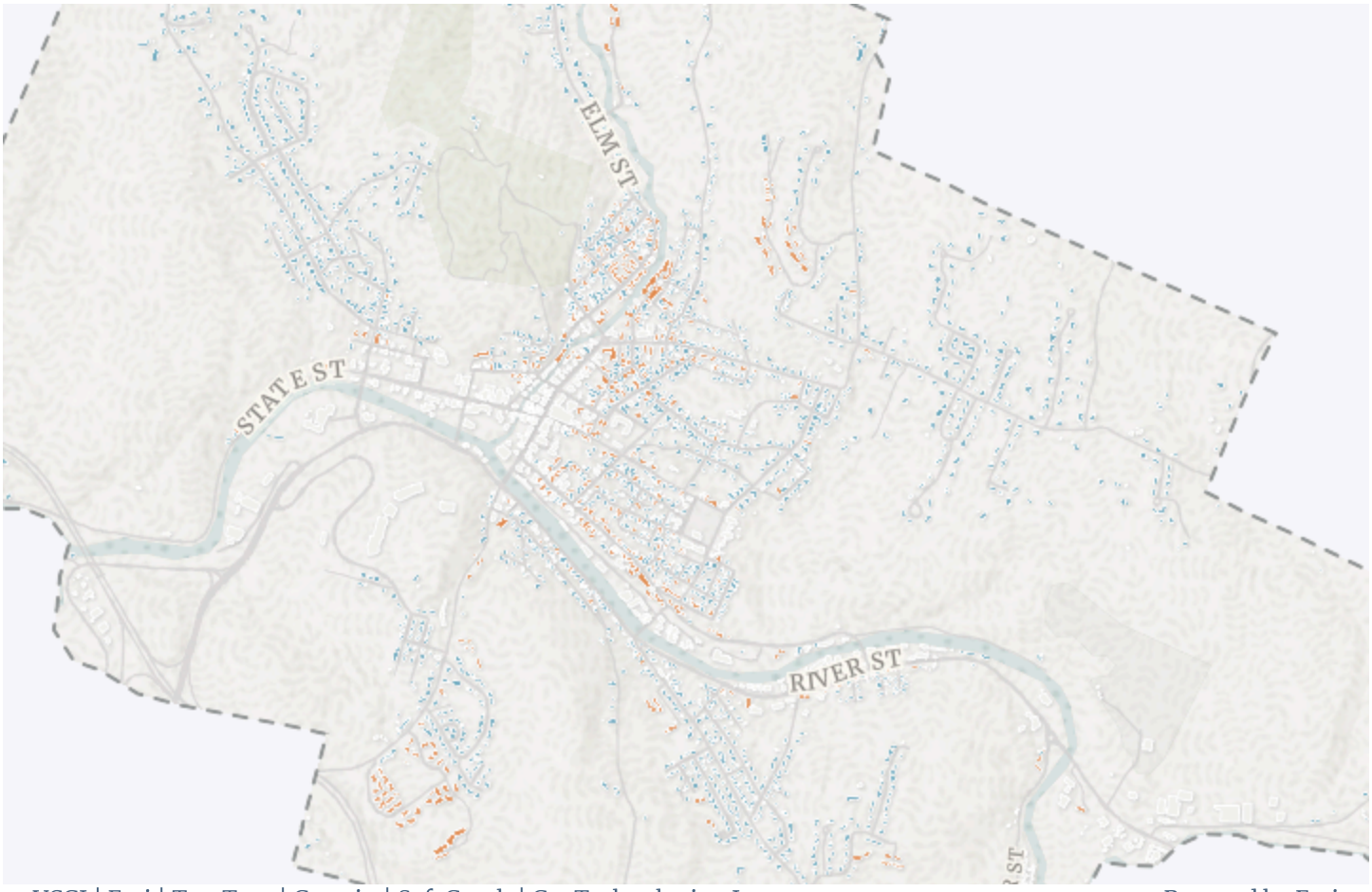
- **To ensure availability of a variety of housing types and options to truly address the housing shortage.** People go through many transitions in their lives, and their housing needs change with those times. No matter where a resident is in life, finding a place to live in the community to call home should be achievable. In a lifetime, people may share space with a roommate, live in a dormitory or apartment, own a condominium or a home, and later live in senior housing or a care facility. This is why a community needs to have a variety of housing.
- **To take a housing-for-all approach that extends to persons living in vulnerable circumstances and accommodates different life stages.** Housing for everyone means housing is available and affordable to anyone seeking it. Finding a place to call home can be most challenging for people with mental health and substance abuse disorders as well as individuals with a history of incarceration or homelessness. Montpelier, therefore, supports development of housing that provides for these groups including congregate housing, single room occupancies (SROs), and development of emergency shelters.

This city plan values both rental and owner-occupied housing equally. What is of primary concern for each occupancy type is affordability. Creating housing at a variety of price points, both rental and for-sale, is the primary objective of this plan.





Planning Context



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According to the 2020 U.S. Census:

- There are **4,177** homes in Montpelier
- Montpelier is made up of 55.8% homeowners and 44.2% renters.
- Median gross rent in Montpelier is **$1,155**, compared to **$1,141** in Vermont
- Median home value in Montpelier is **$326,800**
- Median household income is **$76,143**

Montpelier has a goal of creating 600 housing units over the next eight years.

The city currently has a 0% vacancy rate and limited supply of for sale units, reflecting a significant lack of housing. The Vermont Housing Needs Assessment identifies a county need

of 2,540-3,864 new units by 2030. Places with services, like Montpelier, will be expected to carry a majority of that new growth.

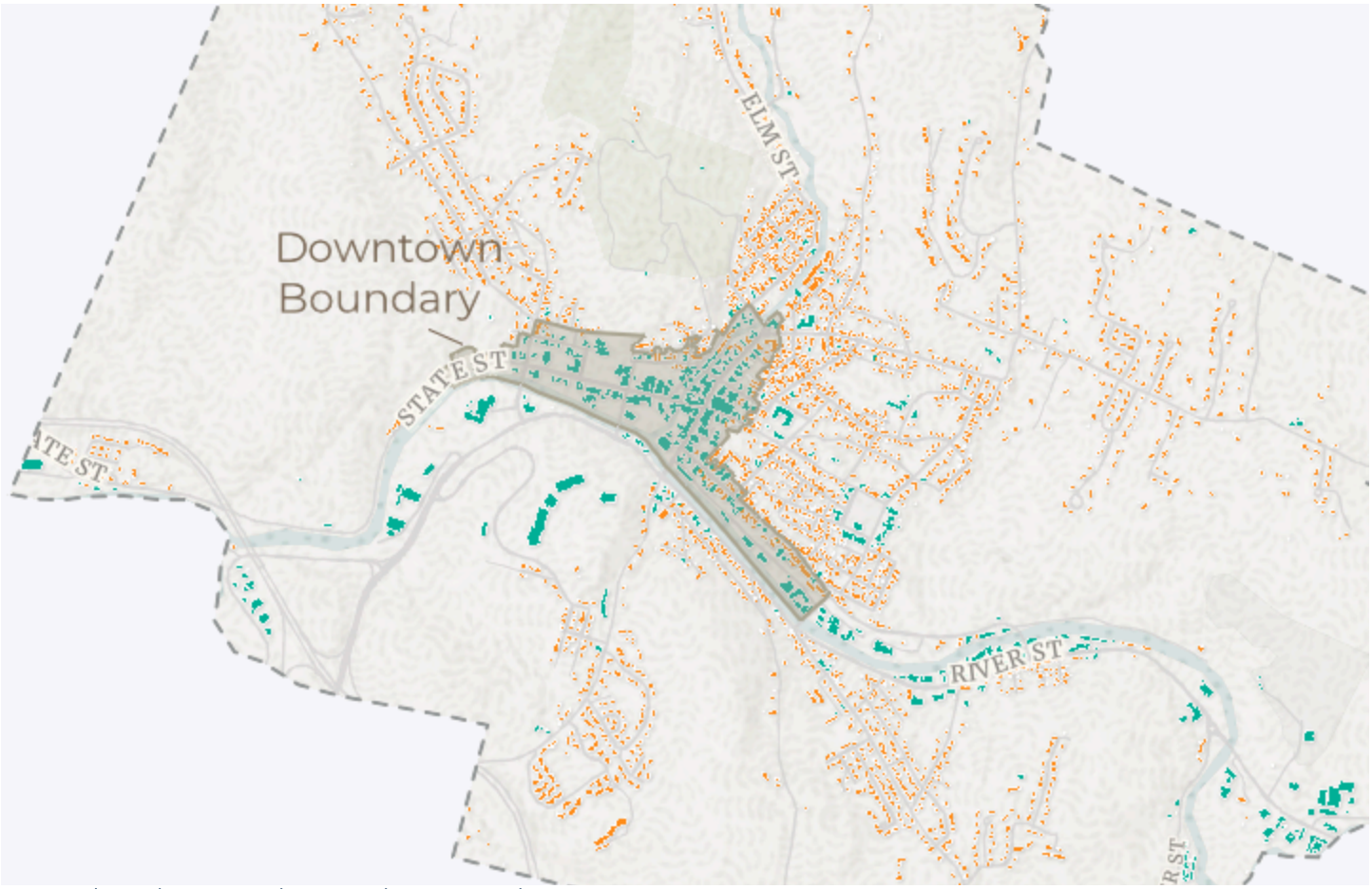
Over the next 20 years, this plan targets an increase of 1,500 new units. New development in Country Club Road (300-500 units) and Sabin's Pasture (300-450 units) will provide a foundation to build from to achieve this target.

Additional information on housing and affordability can be found at HousingData.org.

Montpelier has a good variety of unit types. Use the buttons below to explore the map of Montpelier's housing.

Single Family Dwelling

Multi-Family Dwelling



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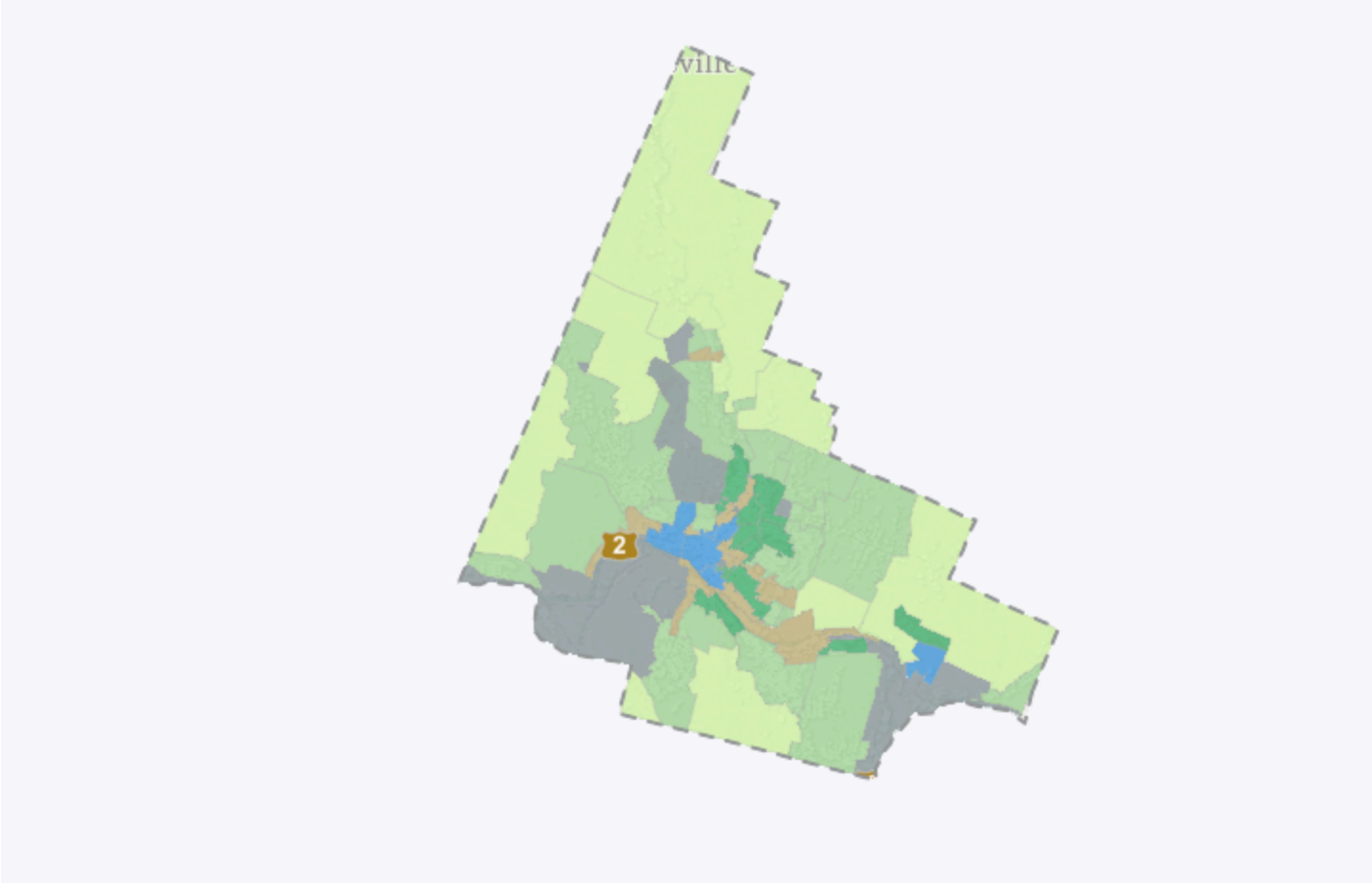
Montpelier consists of a vibrant downtown core, which includes the Vermont State House, surrounded by several distinct and historic neighborhoods. The accompanying map shows the **current distribution of residential units** in Montpelier. **Residential-only buildings** are shown in orange, and **mixed-use and/or commercial buildings** are shown in teal.



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In order to achieve the goals of this housing plan, the city will administer and enforce zoning to allow residential densities highest in our urban centers and lower as we move away from those cores.

This map shows different levels of residential densities in the City of Montpelier.



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The city will continue to participate in various state programs to facilitate future housing development. These programs will be changing in the next few years, but the City Plan encourages infill neighborhood developments with complete streets and municipal utilities within the identified areas.

Synergies with Other Plan Chapters

How does housing relate to other goals of the Montpelier City Plan?

Housing is an issue that is omnipresent throughout this plan, greatly affecting every other chapter. It touches everything and its impact on our lives cannot be easily overstated. Accordingly, it is an area that this City Plans strives to make a top priority. The issues and opportunities for housing are related to the other topics of this plan, including energy,

transportation, natural resources, community services, and economic development.



In the City's Economic Development Strategic Plan and Economic Development Chapter, a lack of housing in all income brackets was identified as a barrier to additional growth. City businesses have a hard time recruiting top talent due to a lack of executive housing as well as affordable housing. Many others need to travel into the City to fill various needed positions because they lack affordable local options. The economic development plan also identifies a need to develop a housing marketing and outreach program to encourage housing developers to grow their businesses in Montpelier as a part of our overall economic development profile.

Another connection is between housing and historic resources. Two thirds of all dwelling units are in historic buildings and many times these can be the most challenging because they are more likely to have embedded hazards, like lead paint, and were built prior to building codes and other regulations, like river hazard regulations. This means existing housing may not be as resilient in the face of natural disasters. Lastly, these historic homes were not built with modern energy efficient materials so residents may face additional costs to make these improvements. The City's Historic Resources Plan also calls for the protection of these resources but few programs exist to help homeowners pay for the additional costs of compliance, which is another challenge the City is looking to address.

Housing can have an impact on schools and infrastructure, although this is not considered a problem for any of

Montpelier's services at this time. Montpelier currently has the capacity to increase our population through added housing without creating the problem of insufficient services.

Areas, such as transportation, will need to be monitored over time. Additional housing can increase use of all modes of transportation including walking, biking, and driving and cause conflicts where complete street upgrades have not been implemented. New housing developments, such as Country Club Road and Sabin's Pasture, can also drive demand for new public transit routes which will need to be accounted for in the Transportation Plan.

An important connection between housing and community services involves the issue of homelessness. Constructing emergency shelters and building more housing are both topics discussed in this housing element. Providing services for those experiencing homelessness including operating emergency shelters and helping individuals with day-to-day needs are all part of the community services chapter. Both elements are needed to achieve our goals of providing essential services while we strive to eliminate homelessness.



Implementation Summary

Aspiration: Montpelier will have an adequate supply of safe, resilient, and affordable housing that meets the needs of all current and future residents.

Goal: Increase the number of homes in Montpelier by a minimum of seventy-five units per year.

Goal: Maintain a mix of housing types, sizes, occupancies, and costs.

Goal: Improve the safety, health, and climate resiliency of our homes.

Goal: Increase the number of homes that are universally accessible on the first floor.



Aspiration: Montpelier will affirmatively further fair housing in order to protect all people from discrimination, promote economic opportunities, and create a more diverse, inclusive community.

Goal: Maintain the city's commitment to affirmatively furthering fair and accessible housing by focusing on the areas where needs are not currently met.

Goal: Increase support for homeowners, developers, and non-profit partners in the creation

of housing that would not otherwise be provided by the private market.

Implementation Summary, continued

Implementing our housing goals will include a few new studies, making some amendments to our regulations, and most importantly continuing or amending existing programs. These initiatives include:

- Continue efforts to amend zoning, river hazard area regulations, building codes, and fire and life safety codes that ensure safe construction of our buildings to promote safe and affordable housing in Montpelier
- Participation in statewide programs like the Designated Downtown, Growth Center, and Neighborhood Development Areas which provide access to state grants and loans and also provide state-permit exemptions for certain projects.
- Continue new housing programs proposed by the housing committee including the Montpelier Accessory Dwelling Unit Program.
- Increasing funding to the Housing Trust Fund.
- Advancing the Country Club Road site project to develop hundreds of new housing units.
- Provide financial assistance to private housing projects through Tax Increment Financing (TIF), tax stabilization, and development agreements

View the full Implementation Strategy here

Who's Involved?

Who is responsible for managing housing in the City of Montpelier?

Most of the work surrounding housing comes from Montpelier's Housing Committee (formerly the Housing Task Force). This group was formed in 1999 and has spearheaded a number of projects and award-winning programs, including the creation of a Housing Trust Fund, a first-time home buyer program, a homeshare program, and a program to help create accessory apartments.

The Housing Committee also works with the Planning Commission to revise the zoning bylaws to remove barriers to housing development and to support affordable housing development with funds from the Housing Trust Fund. These subsidized housing units contribute back through municipal property taxes.

Did You Know?



The Housing Committee has been a part of developing **124** subsidized housing units, bringing the City's total number of subsidized units to **382**—approximately 9% of the residential units in Montpelier.

The Planning Department plays a direct role with several for-profit and non-profit housing partners to develop projects within the City. Some of our non-profit partners include Downstreet Housing & Community Development, Montpelier Housing Authority, Evernorth (formerly Housing Vermont), and Good Samaritan Haven.

The community also has a Housing Trust Fund that is used to support a variety of housing programs and to support projects by our housing partners . The three most recent projects include the renovation of the French Block on Main Street (18 units opened in 2019), 30 new housing units over the Montpelier Transit Center (2019), and the new homeless transitional housing project in the Town of Berlin (2022).