

## Better(not bigger)Vermont



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### **Better Solutions for the Housing Shortage**

This commentary by John Bossange, a Better(not bigger)Vermont Board member, suggests other approaches (rather than developing the bajesus out of Vermont) to increase the supply of housing for full-time Vermonters...

<https://vtdigger.org/2025/03/21/john-bossange-solutions-for-the-housing-shortage/>.

### **But What Do Regular Vermonters Think?**

In a letter-to-the-editor, Better(not bigger)Vermont's President, Wolfger Schneider, questions the seemingly top-down push for more growth in Vermont (see 6th letter down - <https://www.sevendaysvt.com/news/letters-to-the-editor-2-19-25-42910000>). Although the original title on his submission was much better - "The Growth Machine has Arrived in Vermont." Wolfger calls for a "citizens assembly" to determine what regular Vermonters think of unfettered growth.

## ***Pro-Growth Legislation in the Legislature***

### **H.479 (formerly DR 25-0838)**

- **Recommended by the House Committee on General & Housing. Now in the House Appropriations Committee.**
- <https://legislature.vermont.gov/Documents/2026/Docs/BILLS/H-0479/H-0479%20As%20Introduced.pdf>
- **Would create a state bank for infrastructure projects (e.g., public water & sewer).**
  - **See pp 10-12 in § 4686. VERMONT INFRASTRUCTURE SUSTAINABILITY FUND**
- **Would allow municipalities to assess a 1% property tax on short-term rentals.**
  - **No limitations on how the town/city would use this extra revenue.**
- **Would make it easier for developers to appeal an Act 250 ruling.**
- **Includes \$4M in new funding for the Rental Housing Improvement Program and \$2M for the Manufactured Home Repair program.**
- **[from Campaign for Vermont, Legislative Update, 3/15/2025]...**

**Overall the House General & Housing Committee is proposing \$73M in program spending, however they were informed that the Appropriations Committee is already facing nearly \$300M in requests**

beyond the Governor's budget. Any additions to the housing bill would likely require cuts elsewhere, they were cautioned.

- **S.127 is the companion bill to S.479 in the Senate (Economic Development, Housing & General Affairs).**

### **S.127 (formerly DR 25-0841)**

- **Recommended by the Senate Committee on Economic Development, Housing & General Affairs on 3/14 [4-1 vote]. Now in the Senate Committee on Finance.**
- <https://legislature.vermont.gov/Documents/2026/Docs/BILLS/S-0127/S-0127%20As%20Introduced.pdf>
- **Companion bill to H.479 in the House, but adds the contents of H.378 regarding project-specific TIFs (see below).**

This bill enables “project based” TIFs. Currently, TIFs are only permitted for a geographical area, termed a district, which usually encompasses multiple projects; and as a consequence, the accounting requirements are quite complex. Therefore, only large municipalities are able to take advantage of this financing mechanism. The project-based TIF would be more accessible to small municipalities, at least in theory.

### **H.412 and S.102 - An act relating to land use and housing development**

- **applies to municipalities of 10,000+**
- **no Committee action on either bill**

### **H.378 - Permits any municipality to create TIFs for development projects**

- **no Committee action (House Ways & Means)**

## ***Problems with Project-Based TIFs***

Project-based TIFs increase the tax burden on current residents. That's because a TIF-enabled housing development would increase the demand for K-12 education and other public services, but the bulk of the new tax revenues from the

**new residents must go to repaying the municipal bond(s) subsidizing the development.**

**Is it fair to force current residents to subsidize new residents?  
Is it fair that taxes paid by current residents will go up in order to subsidize developers?**

**Further, the legislation requires that TIF-enabled developers be bonded. Although this insulates taxpayers from non-performance by the developer, this will significantly increase the cost of the development, thereby lowering the chance that it will include much "affordable" housing. Will such bonds for new developments cover a situation where the housing market is down and the new homes won't sell? Are town governments savvy enough to craft a development agreement that protects taxpayers from this liability?**

**Politicians say they want to put a lid on high real estate taxes. So calls by legislators and the Governor for TIF legislation are beyond hypocritical.**

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**But we still have expenses such as our website and special projects that require special expertise we lack.**

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