

The following chapters are the synthesis of public forum notes and interviews, statistical polling, written comments, trend line research, and the many other contributions from Vermonters described in the Introduction in Part One of *Imagining Vermont*. They reflect, to the best of the Council's ability, the essence of what Vermonters shared. The Council's purpose in these chapters is to reflect what we have gathered about important subjects, whether they are emotional, divisive or matter-of-fact. All of the information was organized into ten key issues areas: *Vermont Culture; Population; Natural Environment; Working Landscape: Agriculture and Forestry; Built Environment: Development and Land Use; Economy; Education; Human Services, Health, and Safety; Infrastructure; and Energy*.

While each chapter encompasses a wide range of research and discussion, a common framework is used. Quotes from Vermonters illustrate specific points or show a range of opinions, and research and polling provide balance to the individual voices, lending authority or illuminating contradictions in the ideas expressed. All references, unless otherwise noted, are from the St. Michael's report *Vermont in Transition: A Summary of Social, Economic and Environmental Trends*, the companion volume to this report. When UVM's Center for Rural Studies web and telephone surveys are referenced, these percentages and data are found in the *Looking Ahead: Vermonters' Values and Concerns* reports.

The Council invites every reader to think about conclusions from the data and what directions it might suggest for Vermont. These chapters summarize what the Council heard; the Council's own conclusions can be found in Part Two of *Imagining Vermont*.





## **Built Environment: Land Use and Development**



**V**ermonters are proud of the character and heritage of the state's downtowns, village centers, historic buildings, and the balance of the working landscape with natural and developed areas. At the same time, while citizens are passionate about preserving the state's beautiful and healthy natural environment, they also call for economic development and job creation. Talking about development and land use can be divisive in this state because while Vermonters share core values in these areas, they differ on the appropriate balance point and the role of the government in defining the balance. Thus, values and daily decisions sometimes support and sometimes conflict with those of neighbors or community members. The resulting tension may be inescapable, as each major decision around land use and development marks a new balance point in both the dialogue and the reality of the state's land use.

### **Land Use Development History**

The conversation about land use and development in Vermont is framed by its scale and history. Vermont's historical development pattern includes compact villages surrounded by open, working landscapes, such as farms and wood lots; a pattern built by the history of local economies and worked lands. This pattern has been articulated and promoted in the goals of Vermont's planning laws and innumerable policy positions, agency rules, regional and municipal plans and zoning. Development takes many forms today: a new business opens its doors in an existing building, a new shopping mall or 'big box' store settles outside of town, a set of condominiums grows near a ski resort, or a low income housing development is built at the edge of town. Each type of development has an impact on the landscape and, it is clear from conversations held around Vermont, an accompanying impact on the residents who care deeply about maintaining their own vision of a working balance of wild, working, and built environments.

Patterns of development reflect population dynamics as well as history. With a few exceptions, in the decades since Vermont became a state, the average annual rate of population growth has been about one-half of one percent. In some decades however, population growth substantially exceeded that norm. In the 1970s Vermont added 15 percent to its population (compared to 11.5 percent for the nation as a whole). From 1980 to 1990 Vermont's population increased around 10 percent, in the 1990s another 8.2 percent and in the six years between 2000 and 2006 Vermont added another 2.5 percent.

In response to some of the changes resulting from growth, the state has passed historic land use regulations that, to this day, provide the guidelines that govern growth. Nearly four decades ago, Governor Deane Davis and the legislature enacted Vermont's State Land Use and Development Bill (Act 250 [1970]) to respond to public concern over the impacts of increasing development, especially poorly planned and badly executed projects that were perceived to have a negative effect on the character of the state. According to Vermont's Agency of Natural Resources, the law provides a "process for reviewing and managing the environmental, social and fiscal consequences of major subdivisions and development in Vermont through the issuance of land use permits."

In 1987, the state of Vermont responded to continuing concern about rapid development by passing the Vermont Housing and Conservation Trust Fund Act, with the following statute:

In the best interests of all of its citizens and in order to improve the quality of life for Vermonters and to maintain for the benefit of future generations the essential characteristics of the Vermont countryside, Vermont should encourage and assist in creating affordable housing and in preserving the state's agricultural land, historic properties, important natural areas and recreational lands.

One year later, and at the recommendation of Governor Madeleine Kunin's Commission on Vermont's Future, the Vermont Housing and Conservation Board (VHCB) received appropriations to begin the work of achieving these dual missions. By combining two of the issues related to development – housing and conservation – the Vermont Housing and Conservation Board has been able to make significant strides in bringing housing and conservation investment together. A member of the VHCB reported that: "One success has been [the] embracing by the conservation community of thinking

about housing. It's a huge mindset jump that's really significant. [The] conservation community becomes a partner, not a competitor on open space. From a housing standpoint it unites us in a dialogue on land-use – we come to agree on projects on the ground in the communities – [it] has built collaboration."

The VHCB works with state government and non-profit partners such as The Vermont Land Trust, Preservation Trust of Vermont, the Vermont Housing Finance Agency, the Nature Conservancy, Housing Vermont, regional housing organizations, and other non-profit partners on these dual missions.

In the late 1980s the Commission on Vermont's Future took a comprehensive look at the state's growth pattern. Its purpose was to "assess the concerns of Vermont citizens on the issue of growth, to establish guidelines for growth and to suggest mechanisms to help plan Vermont's future." In May 1988 the legislature passed the Vermont Growth Management Act (Act 200). Intended to improve the effectiveness and coordination of planning at local, regional, and state levels, Act 200 established a new framework of land use goals while generally echoing the purpose and guiding principles of Act 250. Act 200 also sought broader public participation in the planning process, with the objective of pressing for land use decisions "to be made at the most local level possible commensurate with the impact of the decision."

## Balance of Needs

Little of the discussion currently taking place around development throughout the state is new to Vermonters. Participants at public forums wrestled with the perennial issues that were framed and are managed by Act 200 and Act 250. Some Vermonters are adamant that these laws have been responsible for producing what many have called an impossible business development environment in the state, and for the high costs associated with new projects. One forum participant from Lamoille County said "Vermont is much, much too highly regulated," and cited Act 250 as an example. For him, as for other Vermonters, there is an impression that regulations are responsible for "driving business away." At the same time, some business owners told the Council that the quality of life in Vermont, especially the clean and green environment, is an identity that they can use as they market their products. The Vermont landscape and quality of life also are a draw for new businesses – in short, these impressions of the impact of environmental regulation are very hard to measure.

Both Acts 250 and 200 have been subject to recurrent scrutiny but have been sustained over time. Despite the challenges they pose to development, they embody central values Vermonters hold concerning the conservation of the working landscape and the participatory nature of democracy in the state. One Bennington resident expressed the need for balance in a way that echoed hundreds of remarks in CFV sessions, “We need to create affordable housing in a way that doesn’t destroy the landscape.”

Although it has been difficult for Vermont to define the balance point between growth and development, today’s working definition is in the practical application of these two laws and their sometimes painful interaction with industrial, commercial and housing development. A Rutland County resident spoke to the center of the issues that Vermonters wrestle with around development when he stated that, “We need to balance economic, environmental, and social equity needs in our planning.” The public forums conducted by the Council found that Vermonters today are dedicated to this sense of balance between the conflicting issues that play out on the land. A Poultney resident also spoke for many when she said that, “Vermont needs to be business friendly and to find a balance between business development and sprawl.” And a St. Johnsbury resident said that, “It seems like Vermont is caught between a competition of ‘covered bridge’ and ‘factory’ ideals. We are here because we like the image of the covered bridge, but without the factory we don’t survive. There needs to be a balance for Vermont.”

Many forum attendees testified that the physical land is a finite resource. “There needs to be a balance between the working population, second home owners and agricultural land. We have a finite space.”

The Council also heard about how to make land use development conflicts less divisive. Many Vermonters wanted to see the dialogue change from what can’t be done on the land to what *can* be done. The Council found that some Vermonters seem anxious for a chance to plan for certain types of development:

“We need incentives to promote mixed use planning for settlement patterns and preservation of open land.”

– *Waitsfield*

“We need to entice people downtown, via tax policy, incentives, tax-free zones, targeting areas where you want development.”

– *Bellows Falls*

“Small farms are maintained by small towns. We need to maintain incentives for downtown development and limit sprawl.”

– *Poultney*

“Downtown we have lots of old, historic buildings with vacant space on upper floors. It’s cost-prohibitive for potential investors to come in and be able to do renovations and recoup their investment. There has to be more incentives.”

– *St. Albans*

## Affordable Housing

Affordable housing was one of the chief concerns in discussions of land use and development and the cost of living expressed in the public forums. Over 83 percent of Vermonters polled by the Council responded that a shortage of affordable housing was a matter of moderate or strong concern to them. Research shows that housing prices rose faster than income from 1999-2006, reducing the ability of Vermonters to purchase a home. In addition, the size of homes in Vermont, and the Northeast as a whole, has increased dramatically in the past decades – another reason for the rising costs of housing. And although Vermont’s rate of inflation in home prices between 1995 and 2007 was less than the average increase in New England of 81 percent, it was still a sharp 62 percent.

Rising costs affect all Vermonters, but especially those who live on fixed incomes: the elderly, those just starting out, such as young professionals and families, and those in poverty. Overall, housing availability and affordability were reported to be problems for many residents. A lack of affordable housing is not unique to this state, but because an exceptionally high proportion of Vermonters own their own homes, it is a major issue here.

Many Vermonters worry that they will be driven from their communities as housing prices and the accompanying property taxes rise because purchases by affluent newcomers to the state have driven up market values of property. “Affordable housing! If you want us to stay here, you can’t build \$400,000 homes! By doing that you eliminate the kids and just bring in the baby boomers who can afford it.” A member of the Manchester Interfaith Council pointed out the problem in the Manchester region, “The poor can’t afford to live here anymore, so we have an influx of new residents who are largely second-home owners... how can we protect the housing stock most importantly for those who need primary housing, not second homes? Especially in face of the prices and land values.”



Although Vermont still rates as one of the places within New England where the “average family” can afford the “average home,” these data can easily mask great differences between income classes and geographic location within the state. For Vermonters, second homes (and second home owners) are a major topic of discussion. In addition to the concern noted above about newcomers and especially part-time residents driving up the cost of housing, many worry that these people do not understand the culture of the community and may not participate in helping to carry forward the work of the town. A Bennington forum attendee noted that “There are more and more part-time residents. In a small community, if 20 percent of the people are not there a good deal of the time, it’s difficult to find people to run the community.” An attendee from Springfield shared the warning that; “Non-residents buy vacation homes in the area but don’t get involved with the community, don’t understand local issues, and take property out of circulation for residents.” This concern was expressed by many Vermonters but it was balanced by recognition that many of these individuals bring skills, talents and resources that could and frequently do make powerful contributions to their new and part-time communities, should they be invited and choose to be involved.

### Development Pressures

While some Vermonters look to define a positive balance point between land preservation and development, others think Vermont has already gone too far in one direction or the other. A member of the Poultney Downtown Revitalization Association told the Council on the Future of Vermont that, “Vermont needs to be business friendly and to find a balance between business development and sprawl.” College students at Green Mountain College reported that “Some rural areas of Vermont are becoming built up and Vermont is like a time bomb for becoming a more urban or semi-

urban area.” And in Rutland, at a public forum, “There are huge economic challenges. The State should create an incentive for economic development in the state.”

Where is the balance between the values of the state – expressed time and again in public documents, town plans, and state regulations – and the needs of a diverse and growing economy? For Vermonters, this issue centers on thorny decisions on where and how the state designs, permits, and supports development.

Some regions are under more development pressure than others and want to limit or restrict new commercial or residential development. Other parts of the state are much more eager to attract new residents, housing and economic activity. As the geographic dispersion of development is uneven, so too are the economic benefits and any social or environmental costs. At the Council forum in Brattleboro, speaker after speaker compared the state to a negative perception of New Jersey or elsewhere south and repeated a message heard virtually throughout the state, that people do not want the landscape overrun with the massive suburban and exurban developed areas like those in states to the south.

A business owner in Glover wryly remarked that, “Vermont is protected from being overrun by second homes because of the harsh weather.” Another Northeast Kingdom resident pointed out that, “The Northeast Kingdom has an agricultural stink, which affects the second home market and tourism.” While many Vermonters look to attract new jobs and housing to the state, many others take pride in the kinds of adversity that keep overdevelopment at bay.

The Center for Social Science Research at Saint Michael’s College found a number of major trends about Vermont land use in the past decades. First, the acreage of rural or undeveloped land in the state (especially those typically thought of as ‘working landscapes’ such as cropland and pastureland) is declining. Forested lands are increasing, although unevenly and in smaller parcels. The percentage of developed land has also

been increasing and the rate and extension of land development has *exceeded* population growth in the state. In the past three decades, development planning and formally adopted land use plans have been used by an increasing number of communities throughout the state. There has also been a significant increase in the participation of working lands in the Use Value Appraisal Program popularly known as “Current Use.” Even as land is being developed and enrolled in state programs, other public and private efforts led by VHCB, the Vermont Land Trust and other conservation partners to conserve Vermont lands permanently are increasing significantly. Vermont currently has 1.3 million acres conserved.

Many Vermonters place high value on the rolling rural landscapes, and would like to see protection of the lands, soils, and waters of the state be the first priority. Others recognize the importance of business development and growth within the state; they want to see good paying jobs available so that Vermont families can provide for themselves, and put this priority above the preservation of open lands. Still others see the fragility of the small towns and value the human scale of communities that Vermont has maintained as its neighbors have grown in size. They want any discussion on land development to put the needs of the community first. Unfortunately, the dialogue in the state sometimes devolves to where Vermonters rally and rage against one another, over-generalizing about the mindsets of those who fall into opposing camps.

Wherever they stand on development, Vermonters tend to be passionate about it:

“The biggest challenge to the state today is over-development and people who will kill Vermont if you let them turn it into Connecticut or Massachusetts.”

– *North Hero*

“Vermont isn’t California. Vermont’s common values protect against over-development.”

– *Poultney*

“Those of us who have seen [the development] process and project unfold from outside the state, feel like lifetime Vermonters don’t have the outside life experiences to know what is happening.”

– *Sheffield*

“Non-native residents move to Vermont to get away from cities; while attempting to keep Vermont from changing, some get involved in legislation efforts that end up hampering economic and population growth.”

– *Springfield*

“Older Vermonters and previous generations resist change, new population, and new ideas. We need to change this sentiment.”

– *Newport*

With all the concerns that Vermonters have about development, it’s important not to forget the independent strain of thought expressed by many throughout the state who question the public’s right to tell citizens what to do with their private land. The Center for Rural Studies polls showed that over 15 percent of Vermonters disagree with the statement that, “I believe that private property rights are well respected in Vermont.” Of the twelve value statements tested by the poll, this statement ranked last in public agreement. The poll data add to what the Council has consistently heard about the passionate disagreement around the boundary line between individual liberty based on property rights and the conditions imposed on those properties and rights by a collective definition of public good in statutory or ordinance form.

## Economic Development

There are clear, consistent, and cumulative development pressures in Vermont, both from internal and external sources. Commercial and industrial developers are looking for the next best place to locate a business, and homeowners are looking to move into the beautiful, rural landscape, or escape from city life.

Even with their resistance to unplanned or out-of-scale development, Vermonters clearly recognize the needs for business growth and development. The Center for Rural Studies surveys show that, when asked what the most important goal was for the state in the next generation, 64 percent of telephone respondents gave answers related to the economy or affordability, while 48.6 percent of online respondents did so. Many want to see economic growth and identify it as the solution to the challenges the state faces today – especially those related to the increasing costs of living and tax rates. A young inmate at the Caledonia Community Work Camp proposed that “We need more industry in the state. Act 250 needs to allow more business development; we need to get around issues that affect business. It won’t allow them to grow or expand so they leave.” In Montpelier, staff at a non-profit wrestled with the question, “How do you keep economic growth so that you have enough jobs for people?... we need to create enough growth to sustain the jobs we have. There’s lots of focus on the environment and green Vermont, but I see less focus on good jobs for people.”



## Open Landscapes

At the same time, Vermonters feel passionately about their open landscapes, and the natural beauty of the state. Many newcomers told the CFV that they decided to move to Vermont for the look of the land and the access to nature. Other said that it's the reason they stay, despite economic hardships. One respondent at Hildene Foundation in Manchester put it most eloquently when she told the Council: "I don't care how broke I am, I want to be here." Survey results show the same sentiment throughout the years: that environmental quality and rural landscapes continue to be important to Vermonters and rank as one of the most frequent shared values.

Recent statewide polls also show that Vermonters themselves are committed to protecting the environment and reflect how the "green" reputation of the state is of continuing importance in the minds of residents. For example, a recent University of Vermont poll found that 97 percent of Vermonters agreed with the statement that "I value the working landscape and its heritage," and the four "Pulse of Vermont" polls of 1990, 1995, 2000, and 2005 sponsored by the Vermont Business Roundtable consistently document that Vermonters are committed to preserving the physical environment.

– *Vermont in Transition*

"There's a common value in Vermont that is a connection to the land and environment," said one forum participant in Windham County; "we're proud of the notion of environment above profit." Many Vermonters affirm that they value quality of life ahead of pure economics. A Rutland forum participant cautions, "Be careful of such a strong focus on development. If we bring in too many people, we will become another Burlington. We need to focus less on having more money and focus more on the things Vermont values. We don't have to be big and wealthy."

## Community Scale and Sprawl

One of the most important themes in CFV forums focused on Vermont's human-scale communities. The built environment and rural surroundings of Vermont communities add to the sense of connectedness and Vermonters understand that rapid growth can detract from this intangible value. Vermonters value their villages, towns and communities and want to see them protected. They explained this by talking especially about how to guide development to existing village and town centers, or how to bring business back into communities, rather than placing commerce and industry outside and forcing people to drive to it. They also emphasized historic buildings and the importance of an awareness of history and heritage. Without using the term "smart growth," most forums participants were concerned with ideas like these expressed by a St. Johnsbury forum participant: "We need to offer more incentives for development in traditional village centers, support rail infrastructure, connect more local farm goods to local markets, grab onto existing infrastructure to support these models."

The conversation about the effects of development on communities was also evident in the numerous comments about sprawl like these made by a representative of the Chittenden County Regional Planning Commission: "There has been a pattern of growth away from town centers. We need clustered housing and nearby employment. We need to think about the consumption of open space." This consumption of open space is increasingly evident in the out-of-town commercial activity and seems paradoxical when there are vacant lots and empty storefronts in downtowns. Despite Vermonters' expressed desire to limit this growth, many parts of the state have seen and felt the impacts of rapid strip development and their contribution to the commercial and economic stagnation of traditional downtown centers. This growth is supported by Vermonters themselves choosing to shop there.

Polls and public testimony document that Vermonters seem to be generally opposed to the idea of sprawl, whether it is the proliferation of residential houses built outside of communities or the development of commercial strips with large parking lots. Many forum attendees cautioned against the patterns of land development they see in other states, such as New Jersey, Massachusetts or Connecticut. They connect a sprawling development pattern to the loss of that sense of community that Vermonters so value, and see strong economy and strong communities as those supported by compact development, rather than sprawl. One speaker phrased it that, “Controlled planning for community development [is needed] to avoid the danger of uncontrolled growth and sprawl and preserve intimate community.” Another testified that, “Historic cluster development that we see on the land today is great, and sprawling development ultimately undermines the things about community that we like. If we want to preserve something that’s unique, we need to respect historic land use with jobs in the communities here.”

While Vermonters support smart growth goals and express aversion to sprawl, they also make personal decisions to build homes in areas that were forests and fields. Despite the stated goals of Act 200 and many town and regional plans, most new housing in Vermont is single-family homes on separate lots. Urban apartments, town houses or clustered housing have been the exception rather than the rule in housing development. Many forum attendees pointed out that while Vermonters profess positive attitudes toward the preservation of open land or the working landscape, they often choose to vote with their dollars to build and live in the countryside.



### Points of Unity: Finding the Balance

Vermonters all across the state told the Council that there are still significant and complicated challenges around defining the balance point around land use and development. The Council heard that empty storefronts in downtowns and village centers represent a loss of community and connectedness and that second floors stand empty because it is easier, quicker, and less expensive to build outside of town than renovate historic buildings. Business development does not happen when there are long and costly permitting processes. The renovation of historic buildings is often expensive, and developers take other routes because of the bottom line. Moreover, the current economic recession affecting the nation

as well as the state complicates the decisions about how to spend limited resources. Ultimately, businesses responding to their own rapid growth may choose to relocate and take their jobs out of local towns, even out of Vermont rather than incur the expense and delay of finding and renovating space in town centers.

Vermonters have wrestled with land use issues for decades, and have devised structures and regulatory measures to work through development projects while attempting to optimize the conservation of the working landscape and the preservation of natural areas. Throughout the recent history of the state, while commercial sprawl and new homes dotting former pastures have continued to spread, Vermont public policy has recognized and invested in maintaining the historic pattern and dynamic balance of natural landscapes, working farms and forests, industrial and commercial areas, and village and town centers.

Vermonters differ on the order of priority among the options of expanding economic opportunity, building housing for Vermonters, and preserving open landscapes or community scale. While these debates continue, it is unfortunate that Vermonters sometimes stereotype each others’ viewpoints, generalize about those with opposing perspectives, and dismiss their ideas, intentions, or motivations.

Most Vermonters seem to agree that the state’s historic development pattern has both enabled small businesses and farms to prosper and fostered community. Many worry that a tendency toward homogenization with the rest of the Northeast and out-of-scale development endanger the character of Vermont communities today. Some Vermonters see a threat in any dramatic change of land use patterns because this sense of community is precious to them. They caution against sprawling development and the loss of interpersonal connectivity and community that can follow. Others express frustration with the intrusion of government into private landowner rights. Many recognize that there are financial and regulatory obstacles to retaining and enhancing historic patterns of growth and change, and to fostering responsible development – obstacles that they would like to see removed.

Overall, Vermonters want to see balance. The ongoing controversy points to the fact that they recognize that land in the state is a finite commodity and they struggle to balance the equal values of the economy, the community, and the environment. Although this dialogue is always passionate and occasionally less than civil, it reflects a dynamic process to achieve balance that is fueled by the great love Vermonters have for the state, the land, and their home communities.