Preparing Municipal Land for Housing Development

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When a municipality owns land that could be used for housing, it can be tempting to start by looking for a developer. But doing some work first can help the municipality have more productive conversations and make better decisions.

The municipality does not need to design the housing project before talking with developers. Instead, it should learn enough about the property to understand its opportunities, possible challenges, and community goals.

The amount of work needed will depend on the property. Some municipalities may already have much of this information. Others may need help from planners, engineers, attorneys, environmental consultants, or other professionals.

1. Decide What the Municipality Wants to Achieve

Start by discussing what the municipality hopes to accomplish by developing the property. Review the municipal plan, housing studies, community surveys, and other recent public input to understand needs and priorities that residents have already identified.

Consider whether more community engagement is needed before moving forward. Early engagement can help the municipality understand what residents value about the property, what housing needs they see, and what questions or concerns should be considered.

Questions might include:

- Is housing the main goal for the property?
- What community housing needs could the property help address?

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- Are there goals for affordable, workforce, senior, rental, or ownership housing?
- Are there other community uses or priorities that should be considered?
- What concerns or questions have residents raised about the property or housing development?
- How does housing on this property support the municipal plan or other community priorities?

The municipality does not need to ask the community to design the project. At this stage, engagement should help identify goals, priorities, and concerns while leaving room for developers to suggest workable solutions.

2. Confirm Ownership and Property Restrictions

Make sure the municipality understands its legal rights and responsibilities for the property.

Review available records to identify:

- property boundaries and ownership;
- deeds and title information;
- easements and rights-of-way;
- leases, covenants, or other restrictions;
- conditions tied to how the municipality acquired the property; and
- other legal issues that could affect development.

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The municipality also should understand what process it must follow if it plans to sell, lease, or otherwise make the property available for development. Municipal counsel can help identify legal requirements and issues that should be addressed before moving forward.

3. Learn About the Site

Gather enough information to understand whether the property appears suitable for housing and what could make development difficult or expensive.

Depending on the property, review:

- property size and boundaries;
- surveys and site plans;
- topography and steep slopes;
- wetlands;
- flood hazards;
- soils;
- road and site access;
- existing buildings or structures;
- environmental conditions; and
- nearby land uses.

Not every question needs to be answered before talking with developers. Focus first on issues that could prevent housing development or have a major effect on project costs.

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If important information is missing, identify what still needs to be studied.

4. Understand Infrastructure

Housing needs infrastructure. Before developer outreach, learn what infrastructure serves the property and whether improvements may be needed.

Consider:

- drinking water;
- wastewater;
- roads and site access;
- sidewalks and other transportation connections;
- stormwater;
- electricity; and
- broadband and other utilities.

For public water and wastewater systems, find out whether service is available and whether the systems may have enough capacity for additional development.

If major infrastructure improvements may be needed, preliminary engineering can help the municipality better understand possible costs and development limits.

5. Review Zoning and Permitting

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Find out what housing can currently be built on the property.

Review:

- the property's zoning district;
- allowed housing types;
- density requirements;
- lot, setback, height, and other dimensional standards;
- parking requirements; and
- other local development requirements.

Also identify major state or federal permits that may be needed.

If current zoning does not support the type or amount of housing the municipality hopes to see, consider whether zoning changes should be explored before seeking a developer.

The goal is not to complete every permit review. It is to identify requirements that could affect whether or how the property can be developed.

6. Test Whether Housing Appears Feasible

A municipality does not need to prepare a developer's detailed financial analysis. But it can be helpful to complete a basic feasibility review before seeking development proposals.

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For example, the municipality might estimate a reasonable range of housing units the site could support and consider:

- likely development costs;
- infrastructure costs;
- expected rents or home prices;
- land value;
- major site constraints; and
- possible funding or financing sources.

This early review may show that development is likely to need financial assistance or other support.

The municipality also can begin considering what it might be willing to contribute. Possible support could include municipal land, infrastructure improvements, grants, CHIP financing, or other assistance.

At this stage, the municipality can identify possible options without committing to provide them.

7. Plan How the Municipality Will Work with Developers

Before reaching out to developers, also consider how the community will be involved as the project moves forward. Decide when residents will receive information, when they will have opportunities to provide input, and who will communicate on behalf of the municipality.

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A simple engagement plan can help the municipality communicate consistently and avoid waiting until a development proposal is nearly complete to involve the community.

Before informal conversations with developers turn into negotiations, establish a clear municipal process.

Decide:

- who will serve as the main municipal contact;
- who will participate in reviewing development proposals;
- who has authority to make decisions;
- how potential developers will be identified;
- whether the municipality will use an RFQ, RFP, or another selection process;
- what information developers will be asked to provide; and
- what criteria will be used to evaluate developers and their proposals.

Also consider what property information will be provided to potential developers. Providing the same reliable information to each developer can help them understand the opportunity and can make proposals easier to compare.

Know When to Stop

Preparing does not mean designing the project for the developer. In most cases, municipalities do not need to complete detailed architectural plans, final engineering, or a final site design before talking with developers. Developers bring knowledge

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about design, construction, financing, housing markets, and project feasibility. Giving them room to propose different approaches may lead to better solutions.

A useful goal for municipal predevelopment is: **Know the site. Know the constraints. Know the community's goals. Know the process. Leave room for solutions.**

Are You Ready to Talk with Developers?

Before beginning developer outreach, ask:

- What do we want this property to accomplish?
- What do we know about the property's development opportunities and constraints?
- What important questions still need to be answered?
- What, if anything, might the municipality contribute to help make housing possible?
- How will we identify, evaluate, and select a development partner?

The municipality does not need to have every answer. But knowing what is known, what is still uncertain, and how decisions will be made can put the municipality in a stronger position when it begins working with potential developers.

How This Work Can Help With CHIP

If the municipality is considering CHIP, this early work also can help determine whether the property could become a realistic CHIP opportunity. Understanding the site, infrastructure needs, possible housing development, project costs, and municipal goals can make it easier to decide whether to continue exploring CHIP with a developer.

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This early work does not mean the municipality has committed to a CHIP project or to a particular developer. It helps the municipality enter those conversations prepared to ask good questions and make informed decisions.

See How Vermont Municipalities Are Preparing Land

Vermont municipalities are taking different approaches to prepare public land for housing. Some are identifying and screening properties. Others are studying whether a site can support housing, asking the community what it wants, or preparing to work with a developer.

The examples below show how municipalities are putting some of the steps in this resource into practice. They are examples, not models. Each municipality should decide what preparation makes sense based on its property, housing goals, staff capacity, and community needs.

Municipality	Property or Project	State	Pre-Development Work	What Other Municipalities Can Learn

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Hartford	Potential Town-owned parcels	Property identification / screening	Review of municipal properties, existing public uses, flood constraints, and development suitability	**Start with an honest land inventory.** Not every municipally owned property is appropriate for housing. Screening properties can help identify where further study is worthwhile.
Chester	Town-owned properties, including 878 Route 103 and 80 Canal Street	Feasibility / pre-development	Site feasibility and market analysis, community outreach, and screening of multiple properties	**Compare sites before choosing one.** Studying more than one property can help a municipality understand its options before committing to a development approach.

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Hancock	Town-owned property near VT 100 and Taylor Meadow	Feasibility / site due diligence	Review of water and wastewater needs, archaeology, flood risk, historic resources, and other site constraints	**Investigate site constraints early.** Identifying issues before development begins can reduce uncertainty for the municipality and prospective developers.
Fair Haven	Approximately 24 acres of Town-owned land	Pre-development / developer solicitation	Housing goals, consideration of water and sewer availability, RFP preparation, and preliminary financing discussions	**Define what you want before seeking a developer.** Clear housing goals and basic site information can help a municipality prepare for productive developer conversations.

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Waterbury	Stanley Wasson and Woody Avenue development projects	Pre-development / developer engagement	For Stanley Wasson, entered into a pre-development agreement, completed a Phase I Environmental Assessment, and held a public meeting. For Woody Avenue, hired consultant to pre-development activities.	**Match the preparation to the project.** Municipalities can investigate site conditions while also determining how and when to engage development partners. Technical studies, environmental review, public engagement, and pre-development agreements can help reduce uncertainty before a municipality makes longer-term commitments.

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Dorset	Raptor Lane property	Developer / project concept + public engagement	Housing needs and site feasibility work, development goals, developer solicitation, and public engagement	**Plan for community engagement.** A technically feasible project still needs community understanding and support as decisions about public land move forward.
Burlington	Multiple City-owned properties	Development planning	Property identification, coordinated planning with nearby property owners, infrastructure planning, and public-private development planning	**Look beyond individual parcels.** Municipal land may create greater housing opportunities when considered with nearby properties and infrastructure needs.

Learn More About These Examples

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These communities are at different stages, and their approaches continue to evolve. Follow the links below to learn more about their work and consider which practices may be useful in your community.

- Hartford: Valley News – Hartford housing and municipal property discussion
- Chester: Chester Housing Development Feasibility Study RFP, Town of Chester – Housing Open House, and Chester Telegraph – Property assessments for housing
- Hancock: Hancock Housing Feasibility Study RFP and Hancock Wastewater & Water Supply Feasibility - Waite-Heindel Environmental
- Fair Haven: Town of Fair Haven – February 3, 2026 Selectboard materials (PDF)
- Waterbury: Housing Planning and Development - Waterbury, VT
- Dorset: Town's project webpage, Raptor Lane Housing Project Feasibility Report 2024 (PDF, 7.95 MB), Dorset Mixed Housing Project RFQ and Vermont Public – 2026 Town Meeting coverage
- Burlington: City of Burlington – 2026 Housing Strategy and City of Burlington – South End Coordinated Redevelopment

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