

Program Overview →

New town center designation creates a framework for compact, walkable, mixed-use centers for municipalities without a designated downtown or village center. Public buildings anchor new town centers with town halls, schools or libraries, attracting people and stimulating the kind of activity and mixed use development that brings character and vitality to a community. By defining a compact, walkable civic and commercial core area, new town centers provide a focal point for future growth.

Municipalities with New Town Center Designation

- Berlin
- Colchester
- South Burlington

South Burlington - Designation Sets the Stage for a New Downtown

As part of South Burlington's effort to create a new downtown that will support vibrant civic life and build community pride and identity, the city sought and received a new town center designation in 2010. With designation, the door was opened for Tax Increment Financing (TIF) District approval and a neighborhood development area designation. Since designation, the city's TIF District has provided significant funding to the reconstruction of Market Street, the first phase of a new central park, and the construction of a three story library, city hall and senior center (opened in July 2021). This NTC is also a recipient of a state electric vehicle grant that resulted in 10 public chargers.

The TIF District investments are attracting transformative commercial and residential development, including four residential triplexes, several multi-family residential and mixed use buildings, and a stormwater park which serves future residential and commercial development. The new town center is also home to a new four-story hotel, many new local, national, and international retail establishments, and the first Tesla Supercharger station in Vermont. Federal, state and regional planning and implementation grants combined with TIF District funding create public amenities that allow land and business owners to see the value of investing in a compact, walkable, transit friendly, and bikeable urban center.



By the Numbers [2017-2023]

 **3**
designated NTCs

 **421**
new housing units

 **22**
new commercial units

Program Benefits

Designation provides Act 250 benefits to developers and the municipality receives priority consideration for some state investments. Unlike Vermont's historic downtowns and village centers, new town centers have few existing public buildings, streets or sidewalks, so access to infrastructure financing tools such as tax increment financing (TIF) is critical. A special assessment district may be created in a new town center to help fund both capital improvements and operating costs. New town center designation qualifies municipalities for additional benefits through neighborhood development area and growth center designations.

[NTC Application Guide](#) →