

## Program Overview

Village center designation supports the revitalization efforts of small and medium-sized historic centers. The designation brings financial incentives, training, and technical assistance needed to attract new business and vitality to Vermont's smaller communities. Once designated, the community may apply for the neighborhood development area designation to bring additional benefits to build new housing within walking distance of village centers.

Enhanced outreach efforts have led to an increase in designated village centers by over 254% (98 to 248) in the last nine years, and have nearly doubled the number of downtown and village center tax credit applications.

In 2025, tax credits will support key projects in small but important economic centers. This includes renovation of the lower level of the historic Starksboro Meetinghouse to provide space for a growing childcare facility, the Starksboro Cooperative Pre-school; rehabilitation and expansion of the Greensboro Town Hall to create 20 new units of housing while retaining important community gathering spaces; and façade improvements and needed code upgrades to a mixed-use commercial building along Chester's main street.

## Return on Public Investment

An analysis of property values using local grand list data shows how public investment to improve buildings in designated village centers has increased property tax revenue. This investment not only revitalizes communities, it provides a permanent increase in tax revenue to support the education fund, creates jobs and housing.



## By the Numbers [2020-2024]

 **248**  
designated  
village centers

 **115**  
municipal planning  
grants awarded

 **82**  
tax credit projects

 **\$7.1 m**  
awarded in tax  
credits

 **\$1.9 m**  
in municipal  
planning  
grants awarded

 **\$41 m**  
in private funds  
leveraged with tax  
credits

## Program Benefits

The Vermont village center designation program supports local revitalization efforts across the state by providing technical assistance and state funding to help designated municipalities build strong communities.

VCD Application Guide 

For more information, please contact:  
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## Program Benefits

Once designated, the community will be eligible for the following benefits:

### Technical Assistance

Technical assistance provided by the state to support local village revitalization and planning efforts.

### Downtown Town and Village Center Tax Credits

#### 10% Historic Tax Credits

- Available as an add-on to approved Federal Historic Tax Credit projects.
- Eligible costs include interior and exterior improvements, code compliance, plumbing and electrical upgrades.

#### 25% Historic Tax Credits

- Eligible facade work up to \$25,000

#### 50% Code Improvement Tax Credits

- Available for up to \$50,000 each for sprinkler systems; up to \$75,000 for elevators; and \$12,000 for lifts.
- Eligible code work includes ADA modifications, electrical, fire safety, or plumbing up to \$100,000

#### 50% Flood Hazard Mitigation Tax Credits

- Up to \$100,000 available for structural and non-structural upgrades to reduce or eliminate flood damage to a building or its contents for buildings in a FEMA flood hazard area.

### Priority Consideration for State Grants

Priority consideration for various ACCD, VTrans and ANR grants and incentives including, ACCD's Municipal Planning Grants, State Historic Preservation grants, Vermont Community Development Program (VCDP) grants, Better Places grants (ACCD), VTrans Bike/Ped and Transportation Alternatives grants, Northern Border Regional Commission Grants, ANR Water and Wastewater subsidies and loans, and various other state grants and resources.

### Priority Considerations by State Building and General Services (BGS)

Priority site consideration by the State Building and General Services (BGS) when leasing or constructing buildings.

### Neighborhood Development Area (NDA) Eligibility

Communities may also designate Neighborhood Development Areas within 1/4 mile from the designated village center. Qualified projects are:

- Exempt from Act 250 regulations for Priority Housing Projects and projects not qualifying for the exemption receive a 50% discount on application fees.
- Exemption from the land gains tax for housing units sold.
- Eligible for reduced state permit fees.



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