

Village Center Designation Program

Application Guidelines



**Department of Housing
and Community Development**
Community Planning + Revitalization
October 2024



VERMONT
AGENCY OF COMMERCE & COMMUNITY DEVELOPMENT
DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT



Overview

Village center designation supports the revitalization efforts of small to 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](#) that brings additional benefits to build new housing within walking distance to the village center.

Village centers are generally mixed-use areas that serve the surrounding population with goods and services, civic and religious functions, jobs, and residences. Village centers must be the traditional historic center with at least one civic or commercial building. Vermont law defines a village center as “the core of a traditional settlement, typically comprised of a cohesive mix of residential, civic, religious, commercial, and mixed use buildings, arranged along a main street and intersecting streets that are within walking distance for residents who live within and surrounding the core.” (24 V.S.A. §2793a).

Consider village center designation if the community has an existing traditional village with at least one commercial or civic building. Municipalities with multiple villages may obtain separate village center designations for one or more villages.

These guidelines provide instructions for communities preparing new applications for village center designation. With the passage of [Act 181](#) during the 2024 legislative session, new applications for village center designation will be accepted until 12/31/2025. Renewal applications are no longer required.

1

Contact DHCD to discuss the program and application process

2

Schedule a pre-application meeting with DHCD in your village center

3

Build support for the designation by working with the general public, your local planning commission, selectboard and your regional planning commission

4

Begin the written application. The regional planning commission can offer assistance

5

Complete the application using the checklist to ensure all required materials are included (see [page 6](#) for the checklist)

6

Submit documents by email by the first Monday of the month

7

DHCD will call or email the local contact to discuss the application review process

8

Attend (in person or virtually) Community Investment Board meeting on the fourth Monday of the month



Overview

To ensure a common understanding of the application requirements prior to submission, all applicants **must schedule a pre-application meeting** with the Department of Housing and Community Development (DHCD) to discuss the program requirements and the proposed designated boundary. Applications are made by the municipality.

The Vermont Community Investment Board only reviews complete applications which must include all items listed on the application checklist (see [page 6](#)). Applications are due the first Monday of each month and the Community Investment Board typically meets on the fourth Monday of each month to review and consider applications.

A community must be designated before the Community Investment Board will consider any applications for benefits, including tax credits and state grants. A village center is designated forever by the Community Investment Board and renewals are no longer required. DHCD will check-in with the municipality annually to offer support, share updated information, tools, and resources related to the designation, and ensure our local contact information is up-to-date.



Submission Requirements

Municipalities must submit one electronic copy (pdf or word) of the application and all supporting documents. If the file is too large to email – applications may be submitted on a CD, thumb drive or uploaded to a file sharing service such as Dropbox. All maps and photos must be in color.

Community Investment Board Meeting

Representatives of the municipality must attend (in person or virtually) the Community Investment Board meeting when their new application is considered. A meeting agenda and a copy of the staff review will be sent to the contact person identified in the application a week before the board meeting.

Amendments to Designated Village Center Boundary

Requests to amend a boundary must be submitted by the first Monday of any month the Board meets. Requests for amendments are reviewed using the same procedures as for a new application.

Please contact DHCD to discuss the village center designation new application or boundary amendment process.

Application materials must be submitted to:

Vermont Village Center Designation Program
Division for Community Planning and Revitalization
Department of Housing and Community Development (DHCD)
One National Life Drive, 6th Floor
Montpelier, VT 05620

Applications are due on the first Monday of the month by 4:30 p.m. in electronic format (pdf) by email.

Vermont Village Center Designation Program

Natalie Elvidge Phone: 802.261.0681 email: natalie.elvidge@vermont.gov

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. 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 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 Mitigation Credits

- Available for up to \$100,000 for structural and non-structural upgrades to reduce or eliminate flood damage

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, 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

Eligible for the Better Places placemaking grants

- Eligible to apply for the Vermont Better Places placemaking grants to create, revitalize, or activate public spaces in the designated village center

Priority Consideration 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



1. Cover Letter, including:

- ☐ Name of the Municipality
- ☐ Brief narrative of why you seek village center designation and a list of previous and current revitalization activities
- ☐ Name, address, daytime phone number and email address of the primary contact person for application
- ☐ A list of documents included in application

2. Authorization from Town or Village Selectboard or Trustees

- ☐ Minutes from publicly held meeting, showing that the application for village center designation has been authorized by the town or village (if separately confirmed municipality)
- ☐ Or municipal resolution from majority of selectboard/trustees authorizing application

3. Notification to Regional Planning Commission and Regional Development Corporation

- ☐ Letters or emails notifying the regional planning commission and regional development corporation of the application. The application must include copies of the letters to each of these organizations notifying them of the intent to apply

4. Confirmed Planning Process

- ☐ A letter from the municipality's regional planning commission must be included in the application, stating that its planning process is "confirmed" under [24 V.S.A. §4350](#) by the commission. Confirmation means that the adopted municipal land use plan and planning process, have been reviewed and approved by their regional commission

5. Village Center Designation Boundary Map

- ☐ A color map must be included, clearly delineating the boundary of the proposed village center district, showing the buildings and properties that are within the district. See page example map on [page 8](#). In most cases, an orthophoto should be used as the base map with the information below superimposed over it:
 - ☐ Clearly delineates the proposed designated boundary
 - ☐ Streets identified by name
 - ☐ Significant buildings and all businesses indicated by number with a separate key identifying each number and name of the building/business – see example map
 - ☐ Photograph locations identified and keyed on the map. See item 6 below and [example map](#)
 - ☐ Land/building use identified with colors that clearly indicate the various land uses
 - ☐ North arrow, scale and current date
 - ☐ Property lines should be shown, but if not available, are not required
 - ☐ Zoning district boundaries, if applicable, should be included on the map or on a separate map
 - ☐ Historic district boundaries, if applicable, should be included on the map or on a separate map
 - ☐ Once designated, work with your regional planning commission to provide DHCD a digital GIS shape file of the boundary map

6. Photographs

- ☐ Color photographs are required showing key areas of the village center district, particularly at the edges and other areas where there may be questions about consistency with the definition of a village center. Photographs should show the streetscape rather than just individual buildings, giving a sense of the context of the area. Photos should be clearly keyed on the map to identify the location of where the photographs were taken. [See example map](#)

7. Municipal Plan Integration

- ☐ Evidence that the municipal plan includes the intention to apply for village center designation and the municipal plan explains how the designation would further the plan and statewide goals (include municipal plan excerpts)

8. Other Required Information

- ☐ Municipal Infrastructure: Does the municipality have a water system? Does the municipality have a wastewater system? If so, please include the name of the system and brief description of the system(s) in the cover letter.
- ☐ Zoning district map with corresponding bylaw language should be submitted, but if not available or there is no adopted zoning, is not required
- ☐ National or State Register Historic District boundary map should be submitted, but if not available, is not required

The boundary should be drawn around the civic and commercial core of the village center including its traditional anchor points such as the post office, commercial buildings, town hall, churches and other public buildings that typically comprise the center of the historic village.

The boundaries must be consistent with the following statutory definition:

“Village center” means the core of a traditional settlement, typically comprised of a cohesive mix of residential, civic, religious, commercial, and mixed use buildings, arranged along a main street and intersecting streets that are within walking distance for residents who live within and surrounding the core. Industrial uses may be found within or immediately adjacent to these centers.

The boundary should follow the property lines. However, where a building that should be included in the village center sits on a large tract of land, the boundary should be drawn to exclude the excess open land by using a setback from the center of the road, or other means that make clear what land and which buildings are within the boundary. Large parcels of undeveloped land cannot be included in the designated village center. Your regional planning commission can help you with the application and map.

The boundaries of designated village centers range in size and scale from tiny hamlets with a cluster of buildings and a general store and meeting house to larger villages with a concentration of commercial and civic buildings along a main street. The following list of common characteristics of village centers is provided to help further define the boundary of a designated village center. These are supplemental to the statutory definition (above), and intended to help communities draw appropriate boundaries.

- A traditional historic center of socio-economic activity
- The civic and commercial core area of the village, which often will be different and smaller than the village (municipal) boundary and historic district
- Boundaries are anchored by a civic or commercial use
- Development densities should be uninterrupted, although there may be some public space, like a park or village green, within a designated village center. Development is also consistently more compact than development outside the village center
- Pedestrian-oriented, rather than auto-oriented with building facades generally set close to the street with sidewalks
- Commercial (and industrial, if it exists) activities should be within and part of the traditional development pattern, not on the outskirts
- Smaller scale than a downtown, but often with a mix of uses that can be similar to downtowns

In addition:

- Residential and industrial properties that occur within the core area may be included, but areas that are predominantly residential or industrial should not be included in the village center boundary
- If a center is clearly a downtown, then the application should be made for designation as a downtown rather than a village center. If in doubt, applicants are encouraged to contact DHCD
- Finally, a village center should not be confused with a growth center. The purpose of village center designation is to support revitalization of what exists rather than to support areas where new growth should occur

Map Requirements

A color map must be included in new applications, clearly delineating the boundary of the proposed designated village center, showing the buildings and properties that are within the district. In most cases, an orthophoto should be used as the base map with the information below superimposed over it:

- ☐ Clearly delineates the proposed designated boundary
- ☐ Streets identified by name
- ☐ Significant buildings and all businesses indicated by number with a separate key identifying each number and name of the building/business – see example map below
- ☐ Photograph locations identified and keyed on the map (for new applications). See example map below
- ☐ Land/building use identified with colors that clearly indicate the various land uses.
- ☐ North arrow, scale and current date
- ☐ Property lines should be shown, but if not available, are not required
- ☐ Zoning district boundaries, if applicable, should be included on the map or on a separate map
- ☐ Historic district boundaries, if applicable, should be included on the map or on a separate map
- ☐ Once designated, work with your regional planning commission to provide DHCD a digital GIS shape file of the boundary map

Please work with your Regional Planning Commission and contact DHCD to guide and assist you in creating the boundary around your designated village center.

