

Overview

This housing incentive program helps lower the cost to build housing in areas within easy walking distance of commercial centers — whether its converting a barn or wing of a house into a “grandmother” apartment or developing an entirely new neighborhood. Communities wishing to maintain, evolve or transform areas can use this designation to create new housing opportunities and reduce pressure to build new housing on farm and forestland. Communities must have an existing designation in place with adopted plans, policies and regulations that support housing and smart growth development. Designations must be renewed every five years and developers have the option to apply for designation separately or jointly with the municipality.

Program Highlights

In 2015, a property owner in Hinesburg was the first to apply using the ‘developer’s option’ to receive the designation. The Hinesburg project is a 24 unit mixed income housing project being built entirely with private dollars. By being within a designated Neighborhood Development Area, the project was able forgo Act 250 review - saving approximately \$30,000 in associated costs and an estimated 3 to 4 months of permitting time. Additionally, the project saved another \$2,950 in wastewater connection fees and limited the risk of a project appeal.

Benefits

Qualified projects within these designated areas receive a variety of benefits, such as: exemption from Act 250 review, municipal permit appeal limitations, exemption from the land gains tax, and a state wastewater review fee limited to \$50.



Neighborhood Development Areas

6 designated NDAs:

Burlington, Essex Junction, Hinesburg, Shelburne, South Burlington and Winooski



Rutland, VT

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or visit: http://accd.vermont.gov/strong_communities/opportunities/revitalization/vermont_neighborhoods