

TO: Northwest Regional Planning Commission
FROM: Vermont Department of Housing & Community Development
DATE: November 12, 2025
RE: Northwest Regional Planning Commission Regional Plan Pre-Application
SUBJECT: FORMAL REVIEW AND COMMENT BY DHCD

Overview

- This memo provides formal review and comment by the Department of Housing & Community Development (DHCD) on the proposed regional plan referenced above.
- The primary objective of this Memo is to address potential issues prior to RPC hearings, support review and comment by the CIB, and support a positive determination of compliance by the LURB.
- The LURB is ultimately responsible for holding hearings and determining compliance with a regionally adopted plan (24 VSA §4348).

Process

- The **Northwest Regional Planning Commission (NWRPC)** submitted a pre-application to LURB on **October 3, 2025**.
- The LURB provided notice to partner agencies on **October 13, 2025**, with [submitted materials](#).
- To establish the new community investment designated downtown centers and village centers and neighborhoods, the LURB must ensure future land use areas (FLUA) proposed for designation meet the requirements under 24 V.S.A. § 5803 and 5804 for designation as downtown and VCs and neighborhood areas (10 VSA §6033).
- A positive determination of compliance by the LURB transfers all legacy State designated areas (Downtown Centers, Village Centers, New Town Center, Growth Centers, and Neighborhood Development Areas) and establishes eligibility for the new [State Community Investment Designations](#) and Act 250 Tier 1B and Tier 1A jurisdiction.
- Upon determination of compliance of the regional plan by the LURB, all future land use areas (FLUA) that establish designation will be recognized as Community Investment Program designated downtown/village centers and neighborhoods and tracked in the State's Planning Atlas and Data Center.
- Proposed regional plans will now apply a [standard methodology for FLUA](#) mapping developed by VAPDA and the [Enterprise GIS Consortium](#) is presently considering a proposed regional plan FLUA data standard to support statewide-consistent map data. Both implement the land use categories established by statute: *downtown centers (DC)*, *village center (VC)*, *planned growth area (PGA)*, *village area (VA)*, *transition area*, *enterprise area*, *resource-based recreation area*, *hamlets*, *rural general*, *rural ag/forestry*, and *rural conservation* (24 VSA §4348a).
- The LURB developed a [Mapviewer](#) to assist in its partner agency reviews of the preapplication FLUA map.

- The Department’s review and comments are primarily limited and focused on FLUAs establishing a Community Investment Designation and region-wide mapping topics or issues. The Department did not review the remainder of the plan.
- The designated downtown/village centers have three “steps” for (beginner [1], intermediate [2], advanced [3]) with graduated requirements and benefits. All *DCs and VCs* mapped by the RPCs enter the Community Investment Program. Centers associated with a legacy designated downtown enter the program at Step 3. Centers associated with a legacy designated new town center or village center enter the program at Step 2. All other centers, including all newly mapped centers with no legacy designation associated with it, enter the program at Step 1. Municipalities may then apply to submit an administrative application to the Department to advance to Step 2 and 3 (24 VSA §5803). The step data developed will support updates to the [Vermont Planning Atlas](#) and [Data Center](#) upon LURB determinations of compliance.

Municipalities & FLUAs Proposed for Designation

Summary on FLUAs proposed as Centers & Neighborhoods

Designated Areas Proposed	58	
Total New	34	59%
Total Legacy	24	41%
Centers	32	
Step 1 Centers Proposed	9	28%
Step 2 Center Proposed	22	69%
Step 3 Centers Proposed	1	3%
<i>Legacy Centers</i>	23	
<i>Expanded Legacy Centers</i>	18	
<i>New Center</i>	9	
Neighborhoods	26	
Planned Growth Area Neighborhoods	6	23%
Village Area Neighborhoods	20	77%
<i>Legacy Neighborhoods</i>	1	
<i>Expanded Legacy Neighborhoods</i>	1	
<i>New Neighborhoods</i>	25	

Commentary

The Department of Housing & Community Development’s (DHCD) most heavily weighted consideration in evaluating the Future Land Use maps is whether a region has included sufficient area in Centers and Neighborhoods to safely enable the region to achieve its [statewide and regional](#)

[housing targets](#), established as part of Act 181 (24 V.S.A. § 4348a(a)(9)). While statute (24 V.S.A. § 4302(c)(1)(A)) requires that a substantial majority of the units be encouraged in downtown centers, village centers, planned growth areas, and village areas, DHCD suggests the Region ensure sufficient land mass is mapped to allow nearly all of the units identified in the housing targets to be accommodated in those areas.

The upper targets for the Northwest Region as established in the statewide and regional housing targets are 3,249 during the period of 2025-2030, and 13,315 during the period of 2025-2050, indicating average annual unit creation in the region of 650 per year to achieve the 2030 target or 533 per year to achieve the 2050 target. According to the [DHCD Housing Development Dashboard](#), at its current pace, the Northwest region is only on pace to build 996 units during the 2025-2030 period. According to building permit data obtained from the US Census Bureau and as reported on [HousingData.org](#), between 2008 and 2024, this region only permitted an average of 182 units per year.

DHCD commends NWRPC's outreach efforts and robust engagement with municipalities to prioritize the needs and desires of communities in the regional plan and the Future Land Use maps. This review and comment provides region-wide insights for NWRPC to consider as they work towards a determination of compliance.

While this is a review and comment of the Regional Plan, and thus the underlying municipal plan, it does not provide direct comment on local zoning and bylaws. The Department encourages NWRPC and municipalities to ensure that zoning and bylaws account for and accommodate the growth needed to achieve the statewide and regional housing targets and to enable the growth sought by this Regional Plan.

Region-wide Mapping Topics

Expired Municipal Plans in Neighborhoods

To map PGA and VA, the municipality must have an approved plan and confirmed planning process. The Vermont Planning Data Center, which is updated by the Region, shows 6 towns in the region with expired plans. An example is that St. Albans City needs to have a plan in place to map PGA. If municipalities with VA and PGA do/will not have a plan in place, they must be mapped as another land use, and not be mapped for Neighborhood designation

Treatment of Centers and Neighborhoods

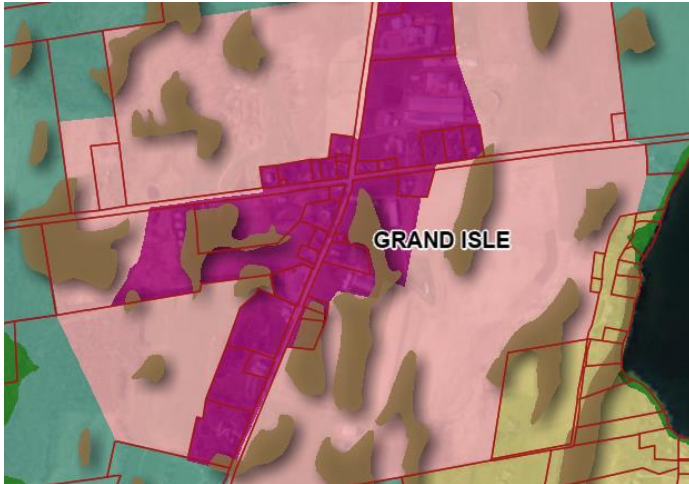
Centers must have a mix of uses, economic activity, civic assets, be the traditional/historic/central business and civic center, be listed or eligible for an historic district, and be contiguous and connected. DHCD noted areas that may not contain all of those elements; however, broader regional community and planning context may help explain NWRPC mapping. In some cases, these areas may be more appropriately mapped as another FLUA, which may include FLUAs that qualify designated neighborhoods, or transition/infill.

Expansion of village center into Flood Hazard areas (FH) and River Corridors (RC) may be appropriate where there are buildings that would benefit from tax credits or other flood resilience

investments. Expansions of centers into undeveloped RC and FH are better mapped as another FLUA to minimize hazard risk.

Suitable Soils & Water/Sewer Mapping for Neighborhoods

A VA must have Public Water/Wastewater/Suitable Septic Soils. The region maps some VA areas that do not appear to have suitable soils based on soils mapping. In some instances, part of the parcels would appear to support septic, in others, not. If areas like these are also not served by public water or wastewater, they may be better mapped as another land use; however, other considerations such as feasibility of septic to serve the whole parcel, and proximity and feasible access to public systems may be relevant to maintain those areas as currently mapped. Examples:



A PGA must have Public Water or Wastewater. In some instances, it is unclear if PGAs without sewer have water. Example:

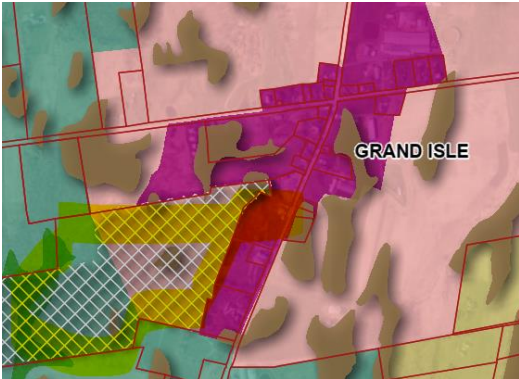


Mapping of State Parks

DHCD noted that some State parks were mapped with different FLUAs (rural ag/forestry, rural conservation, and resource-based recreation), which may be associated with the type of parks and intensity of uses. Noting this since it may affect VT-FPR's Management Plans for these Public Lands.

Conserved Land

DHCD noted an instance of conserved land being included in a VA, which may limit development.



Walkability & Transportation

While walkability is not defined by statute, the Region may want to consider if a proposed neighborhood/PGA/VA is generally a walkable distance from a center, or has capital plans to provide for multi-modal transportation, complete streets, or transportation choice. Planned transportation infrastructure includes those investments included in the municipality's capital improvement program pursuant to section 4430 of this title (24 VSA §4348a(12)(B)). The Vermont Planning Data Center contains records on municipal planning and plan implementation and is updated annually (at a minimum) by the Region on behalf of its member municipalities.

An example is Enosburgh, which does not have a capital plan per the Data Center, and includes areas not served by complete streets:

