

Why have an Approved Plan?

Vermont law states that municipalities **may** choose to adopt a municipal plan, although they are under no statutory requirement to do so. Likewise, communities are under no obligation to have their plan **approved** by the Regional Planning Commission. While a duly adopted plan can be used to guide development and serve as evidence in Act 250 and Section 248 hearings, some state programs require an approved plan to access funding.

In addition, State agencies proposing projects must consider approved local plans before proceeding. Regardless of whether a locally adopted plan is approved, however, it is still in effect.

Access to Municipal Planning Grant (MPG) funds

The Municipal Planning Grant program requires a community to have an approved plan in order to receive an award, unless the purpose of the grant is to make an approvable plan. Municipal planning grants can be used to:

- Collect data, support research related to a project consistent with the Plan.
- Conduct capacity studies, inventories and mapping for a project consistent with the Plan.
- Purchase development rights, easements, and titles of properties for housing and conservation purposes identified in the municipal plan.

MPG Projects can focus on:

- Updating a municipal plan (must be consistent with state planning goals)
- Bylaw updates
- Other special projects (determined by DHCD on a yearly basis)

Access to Village/Downtown Program

The Vermont Village and Downtown tax credit program, which can provide commercial operations in areas within these state designated areas with a number of financial incentives, requires an approved plan.

State Agencies cannot invest in projects where there are conflicts between local and regional plans

While most state grant programs do not require that a community have an approved plan, some require that a project that is seeking funding from the state be consistent with the local and regional plan. For example, Community Development Block Grant funding had this requirement (including those CDBG Disaster Relief funds that were released after Tropical Storm Irene).

Any community development block grant application requires that a project must not be "at odds with the ongoing regional initiatives." An investment in an area that conflicts with the Regional Plan, might

not receive the required letter of support from the Regional Commission depending on the type of investment.

State agencies are required to consider approved plans before proceeding with a project. As with the community development block grant program, a state project proposed in an area where there is a conflict between the local and regional plan might not move forward.

Consistency between local and regional plans supports a smoother Act 250 permit process

Criterion 10 of Act 250 requires a development to be in conformance with local and regional plans. When the local and regional plans are not consistent with each other, it creates a conflict that can result in a denial of a permit application. An approved plan is, by default, consistent with the Regional Plan (unless the Regional Plan has been revised since the date of approval, in which case consistency would depend on what changes were made to the Regional Plan).

Consistency with the Regional Plan is required for communities seeking Enhanced Energy Planning determination

2016's Act 174 (an act relating to improving the siting of energy projects) provides communities with the option of seeking an Enhanced Energy Planning determination. The land conservation measures and policies of a local plan that has met the standards set for Enhanced Energy Planning will be given "substantial deference," in the Section 248 Certificate for Public Good Process (which applies to in-state generation facilities). In regions where the Regional Plan has been determined to meet these standards, the Regional Planning Commission shall be responsible for reviewing municipal plans. Municipal Plans must meet the requirements of enhanced energy planning (as outlined in statute and by the PSD rules) AND must be consistent with the Regional Plan¹. Consistency with the Regional Plan is determined through the Plan approval process.

¹ 24 V.S.A. § 4352(b)