



WAITSFIELD PLANNING COMMISSION AGENDA

January 6, 2026 at 7:00 p.m.

Planning Commission

Beth Cook
Robert Cook
Emma Hanson
AnnMarie Harmon, Vice-
Chair
Becca Newhall
Alice Peal
Jonathan Ursprung, Chair

THE PLANNING COMMISSION WILL BE HOLDING A HYBRID MEETING. THE PUBLIC MAY ATTEND IN PERSON AT WAITSFIELD TOWN HALL OR REMOTE VIA ZOOM WITH TELEPHONE AND/OR VIDEO ACCESS. THOSE PARTICIPATING MAY SPEAK DURING THE DESIGNATED PERIODS.

To join the meeting remotely, use this link:

<https://us02web.zoom.us/j/9190265312>

Meeting ID: 919 026 5312

Or call: 1 929 205 6099

Planning & Zoning Administrator

J. B. Weir

Town Administrator

York Haverkamp

Town Clerk

Jennifer Peterson

Town Treasurer

Steve Lewis

Waitsfield Town Office

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Waitsfield, VT 05673
(802) 496-2218
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1. CALL TO ORDER / ROLL CALL
2. REVISIONS TO AGENDA, IF ANY (5 +/- min)
3. PUBLIC FORUM (10 +/- min)
4. APPROVAL OF MINUTES –DECEMBER 16 (10 +/- min)
5. ERIC FRIEDMAN (MRVCC) (45 +/- min)
6. FUTURE OF IRASVILLE – CHIP Program (20 +/- min)
7. WASTEWATER PLANNING PROJECT UPDATE (10 +/- min) JB/Bob
8. PC BUDGET 2026 (10 +/- min)
9. OTHER BUSINESS (20+/-min)
 - a. Short-Term Rentals Subcommittee
 - b. MRVPD Update
10. ADJOURNMENT

**Waitsfield Planning and Zoning Administrators Report
Planning Commission January 6, 2026 meeting**

5. Eric Friedman (MRVCC)

Eric Friedman of the MRB Chamber of Commerce will be present to discuss the needs and concerns of the business community in Waitsfield. This is an important step as the PC dives into the impending CHIP Program and infill development in Irasville pursuant to the Irasville Master Plan.

6. Future of Irasville (CHIP) Program

In the wake of the Irasville Village Master Plan, the PC has discussed the creation of a subcommittee that could make recommendations with regard to utilization of the impending CHIP Program. The Vermont CHIP program is the Community and Housing Infrastructure Program, a new financing tool that helps smaller communities fund infrastructure needed for housing development. It is a scaled-down version of the state's tax increment financing (TIF) program and allows municipalities to use future property tax revenue growth to pay for projects like water, sewer, roads, and sidewalks that support the creation of new housing. The program does not raise taxes on current residents and gives towns more control over what housing is built and where. This program could be a valuable tool in achieving the goals promoted by the Plan.

CHIP enables municipalities to finance essential infrastructure (like water, sewer, roads, and stormwater systems) that supports new housing development. It allows towns and cities to: 1) access long-term financing without raising local property taxes; 2) capture a portion of new property tax revenues from future development; and 3) invest in public improvements that directly support the creation of homes.

Infrastructure is one of the biggest barriers to housing development in Vermont. CHIP provides a scalable, municipality-driven solution to this challenge by giving communities the financial tools to: 1) grow their grand lists; 2) develop the types of housing most needed in their community; 3) support economic growth and workforce need; and 4) help generate an estimated \$380 million in new Education Fund revenue over time, without raising taxes.

Municipalities apply to the Vermont Economic Progress Council (VEPC) to designate housing development sites. Once approved, towns can retain a portion of new property tax revenue to pay for infrastructure investments for up to 20 years:

- Not less than 85% of new municipal tax increment
- Up to 75% of education tax increment for market-rate developments

- Up to 85% of education tax increment for developments with at least 15% affordable units; and
- Both rental and homeownership projects are eligible.

Debt may be issued by municipalities, developers, or third-party sponsors.

The PZA has included in the packet updated draft guidelines for the impending CHIP Program. Guidelines for the program have been approved by the Vermont Economic Progress Council (VEPC). They outline the criteria and procedures governing the program's housing infrastructure project applications, VEPC review, and related requirements.

The PZA will be participating in three webinars on the CHIP Program beginning on January 8th and January 15th. The PZA will provide a detailed analysis and update on those webinars at the January 20th meeting.

7. Wastewater Project Update

JB and Bob will have an update on the community wastewater project.

8. PC Budget 2026

The PC should think about what monies it might need for special projects in FY26. There is no specific PC budget line item per se, but the Selectboard will reserve monies for the PC in anticipation of any special planning projects. The approximate \$5,000 match for the 2024 Municipal Planning Grant was taken from this “Special Planning Projects” line item in 2025.

There are no plans as of yet to apply for any grants in FY26, but that could always change. Although the STR subcommittee likely won't require monies to pursue its work over the next few months, committee work related to the future of Irasville (i.e., CHIP Program) might require some monies be set aside.

The PC should consider requesting at least \$5,000 be put in reserves for FY26.

9. Other Business

At last meeting, the PC designated an STR subcommittee with the purpose of assisting the PC in devising a set of recommendations for the Town with regard to registration and regulation of short-term rentals in Waitsfield. Emma Hanson, Beth Cook and Becca Newhall will make-up the committee along with the PZA. The PC intends to provide the Selectboard with a set of recommendations in the early spring of 2026.

The committee will hold its first meeting this Thursday January 8th from 1:00 – 2:00pm via Zoom.

Jonathan should have an update on the Mad River Valley Planning District. There is good news!

Upcoming trainings/webinars:

Introducing CHIP – Vermont's \$2B Housing and Infrastructure Program

Discover how your community can unlock new opportunities for housing and infrastructure development. Join us for the kickoff session of our Vermont Community Housing and Infrastructure Program (CHIP) webinar series. CHIP is the largest investment in municipal infrastructure in the state's history. This session will provide a clear overview of CHIP, including:

How the program works and what makes it different from traditional funding tools

Eligibility requirements and key guardrails to ensure responsible implementation

The timeline and expectations for program launch

Whether you're a town manager, selectboard member, lister, assessor, treasurer, or local or regional planning or development staff, this session will help you understand how CHIP can be a game-changer for communities of all sizes. Following the presentation, you'll have the chance to ask questions and learn from peers across Vermont.

Presenters:

Bonnie Waninger, Project & Funding Specialist, VLCT

Samantha Sheehan, Municipal Policy and Advocacy Specialist, VLCT

Josh Hanford, Director, Intergovernmental Relations, VLCT

Jessica Hartleben, Executive Director, Vermont Economic Progress Council (invited)

Building Housing, Building Futures: VLCT's CHIP Webinar Series

The Vermont Community Housing Infrastructure Program (CHIP) aims to enhance housing development by allowing municipalities to finance infrastructure improvements using future tax revenue. This webinar series helps local government officials and staff learn about different aspects of CHIP and managing its requirements. Each topic-oriented event begins with a presentation or panel discussion then transitions to Q&A. Bring your questions, share your challenges, and learn from other communities.

Date: Thursday, February 19, 2026

Time: 10:00 AM - 12:00 PM EST

Registration Deadline: Thursday, February 19, 2026

Register [here](#).

Respectfully submitted,

J.B. Weir

TOWN OF WAITSFIELD, VERMONT
Planning Commission Meeting Minutes
Tuesday, December 16, 2025

Draft

Members Present: Beth Cook, Bob Cook, Emma Hanson, AnnMarie Harmon, Jonathan Ursprung
Members Absent: Becca Newhall, Alice Peal
Staff Present: JB Weir, Zoning Administrator
Others Present: Alex Belenzs, SE Group

II. Regular Business

1. Call to Order

The meeting was called to order at 7:08 pm by Jonathan Ursprung. The meeting was held in person at the Town Offices and remotely via Zoom.

2. Review agenda for addition, removal, or adjustment of any items

No changes were made to the agenda.

3. Public Forum

Nobody requested time to speak.

4. Approval of Minutes

The Minutes of December 2, 2025 were amended and approved.

5. Village Master Plan

- Adopt Final Plan – Alex Belenzs of SE Group provided an overview of the recent changes made to the Plan, noting an edit made in the acknowledgements section to recognize the grant funding provided, and the incorporation of the all the suggestions made by the PC during their review of the document.

MOTION: *AnnMarie moved to adopt the Irasville Master Plan as presented by Alex Belenzs/SE Group. The motion was seconded by Bob, and passed with Alice opposed.*

- Next Steps – It was agreed to move forward with the Steering Committee reconvening in January to discuss future work related to the Plan.

Alex noted that that a grant was recently announced by VLCT to provide technical assistance and guidance materials for assisting towns with CHIP projects.

6. CVRPC Update

Alice noted that there is an opportunity to apply to participate in the Climate Action Plan pilot program, and that she will also speak to the Selectboard about Waitsfield's participation. Regarding the floodplain restoration sites that were evaluated, she explained that Watershed Consulting has determined that the site with the most potential is the Fairgrounds reconnection area; Brian Voigt will be looking into whether the Winooski Basin program will be providing further grant money for implementation. Alice noted that the Regional Plan work is going well, with a meeting coming up in January to address utilities, climate change, and renewable energy resources. She indicated that ANR is moving ahead with Wetlands Rules changes; she will share a recent presentation when it becomes available. Alice noted that a best practices guide will also be provided to accompany any

changes, and that the process is somewhat in flux, as there is conflict with the language in the Flood Safety Act and the Executive Order requiring changes to Wetlands Rules.

Alice suggested that the Land Use Review Board be the party invited to present Act 250 Tier information.

7. Wastewater Planning Project Update

Bob reported that the final engineering plans are being drafted, and should be completed by mid-January. The Northern Borders Regional Commission award of \$1M has been granted, for construction of the segment from Bridge Street to the Elementary School. The Community Development Block Grant applied for to cover the proposed work at Carroll Road was not awarded. JB noted that he met with Forest Anderson, who attended the previous PC meeting, and that he may be able to provide assistance with cybersecurity needs related to the wastewater system.

8. PC Work Plan 2026

- Overview – Jonathan outlined the 2026 work plan, noting what he sees as the priorities for PC efforts in the coming year, including:
 - Coming out of the Master Plan finalization, work on a CHIP analysis and a traffic study
 - Engage those from the Steering Committee still interested in participating
 - Potentially a task force for CHIP
 - Broaden the base by reaching out to area businesses
 - Short Term Rental work
 - Consult with Eric Freidman for business community input
 - Understand community perceptions
 - Agreed that Beth, Emma, Becca, and JB will be on a subcommittee to begin work on this
 - Child Care language in the Town Plan
 - Address these edits after Town Meeting
 - Understanding Act 250 Tiers
 - Better to be addressed after all rules, etc. are finalized
 - Bylaw changes – begin this work in spring, when other projects are taking up less PC time
 - Limited Business District
 - ADU allowances – JB will research what other rural towns have implemented
 - Garage Sale language
 - Review uses allowed in Ag/Res

9. Other Business

2026 Budget – It was noted that the matching amount for the Municipal Planning Grant should have come from the PC Reserve fund; JB and Jonathan will work to have this corrected. The PC budget for 2026 will be reviewed at the first PC meeting in January, for presentation to the Selectboard.

MRVPD – Jonathan noted that over 40 applications were received for the Planner positions, with many qualified applicants in the pool.

7. Adjournment

The meeting adjourned at 8:46 pm.

Respectfully submitted,
Carol Chamberlin, Recording Secretary

Community and Housing Infrastructure (CHIP) Guidelines (Updated 11/17)

I. Purpose

II. Program Description

III. Key Definitions

IV. Eligibility Criteria

V. Application and Approval Process

VI. Financing and Debt Requirements

VII. Use of Tax Increment

VIII. Reporting and Compliance

IX. Amendments

X. Contact Information

I. Purpose

The Community and Housing Infrastructure Program (CHIP) is established under 24 V.S.A. Chapter 53, Subchapter 7 to “encourage the development of new primary residences for households of low and moderate income across both rural and urban areas of all Vermont counties that would not be created but for the infrastructure improvements funded by the Program.”

Pursuant to Act 69 (2025), the purpose of this document is to provide guidance on the processes and requirements related to the formation, development, and implementation of CHIP sites within Vermont.

II. Program Description

The Community Housing Infrastructure Program utilizes tax increment financing for infrastructure improvements that support the development of new housing, with the preferential consideration of affordable and moderate-income primary housing. It is a targeted use of the tool, allowing municipalities to retain a portion of the property tax revenue resulting from increased values within a defined Housing Development Site. These funds may be used to repay the debt incurred for, or otherwise pay for, eligible infrastructure improvements. CHIP is designed to complement local and state planning priorities and foster coordinated public-private partnerships. Projects must meet statutory criteria and be approved by the Vermont Economic Progress Council (VEPC) before municipal debt is incurred or a municipality is obligated to reimburse eligible infrastructure costs.

III. Key Definitions

Additional definitions can be found in the enacting legislation.

- **Affordable Housing:** See [24 V.S.A. Chapter 117 § 4303](#).
 - Owner-occupied housing for which the total annual cost of ownership, including principal, interest, taxes, insurance, and condominium association fees, does not exceed 30 percent of the gross annual income of a household at 120 percent of the highest of the following:
 1. the county median income, as defined by the U.S. Department of Housing and Urban Development;
 2. the standard metropolitan statistical area median income if the municipality is located in such an area, as defined by the U.S. Department of Housing and Urban Development; or
 3. the statewide median income, as defined by the U.S. Department of Housing and Urban Development.
 - Rental housing for which the total annual cost of renting, including rent, utilities, and condominium association fees, does not exceed 30 percent of the gross annual income of a household at 80 percent of the highest of the following:
 1. the county median income, as defined by the U.S. Department of Housing and Urban Development;
 2. the standard metropolitan statistical area median income if the municipality is located in such an area, as defined by the U.S. Department of Housing and Urban Development; or
 3. the statewide median income, as defined by the U.S. Department of Housing and Urban Development.
- **Housing Development:** The construction, rehabilitation, or renovation of any building on an approved Housing Development Site. In connection with an approved Housing Development that is not an Affordable Housing Development or Moderate-Income Housing Development. A municipality may retain up to 75% of the education tax increment and must retain at least 85% of new municipal tax increment.
- **Affordable Housing Development:** A housing development where at least 15% of the units are designated as affordable housing with a recorded covenant or deed restriction ensuring affordability until the Final Repayment Date. Units must be used as the tenant's

or owner's primary residence during such time. An application serving an affordable housing development does not have to meet the "but-for" test. The municipality may retain up to 85% education tax increment and must retain at least 85% of the new municipal tax increment.

- **Moderate-Income Housing Development:** A housing development in which at least 25% of the units are for households earning 150% or less of area median income (AMI) and also subject to affordability restrictions until the Final Repayment Date. Units must be used as the tenant's or owner's primary residence during such time. A municipality with an application serving a moderate-income housing development may retain up to 85% of the education tax increment and must retain at least 85% of the new municipal tax increment.
- **Final Repayment Date:** In the event of municipal financing of CHIP debt, the date on which the municipal debt is fully repaid, or in the event of non-municipal financing of CHIP debt, the date on which the municipality's obligation to reimburse eligible infrastructure costs ends.
- **Housing Infrastructure Project:** A set of infrastructure improvements that support a specific CHIP housing development. These improvements must be directly tied to enabling the housing development. These improvements may or may not be located on the Housing Development Site.
- **Housing Development Site:** The whole parcel or parcels where the housing development will occur. If the development is to occur over multiple parcels, the parcels must be contiguous (i.e., a parcel may be separated by a road). Only parcels where the housing development is to occur can be included in the Housing Development Site, unless contiguous parcels are under common ownership and share a School Property Account Number (SPAN), in which case they must also be included. Housing Development Sites must be formally designated by the municipality (24 V.S.A. § 1908) and approved by VEPC. Housing Development Site boundaries define the area within which the original taxable value is established, and tax increment is generated. Once established, the boundaries of the Housing Development Site shall not change.
- **Improvements:** The installation, construction, or reconstruction of infrastructure that will serve a public good and fulfill the purpose of the program; and the funding of debt service interest payments, or other financing, for a period of up to four years, beginning on the date on which the debt or other financing is first incurred. Improvements do not need to be within the Housing Development Site, but the applicant must demonstrate that the proposed improvements enable the proposed housing development.

- **Related Costs:** Expenses incurred and paid by a municipality or sponsor that are directly related to the creation, implementation, and administration of the Housing Infrastructure Project, including reimbursement of sums previously advanced for those purposes.
- **Sponsor:** The person or entity undertaking to finance the Housing Infrastructure Project. This may be the municipality, a developer, or an independent agency that meets State lending standards.
- **Developer:** The person or entity responsible for undertaking to construct the housing development. Developers must enter into a binding Housing Infrastructure Agreement with the municipality.
- **Original Taxable Value (OTV):** The assessed value of taxable real property within the Housing Development Site on April 1 of the year the site is approved by VEPC.
- **Tax Increment:** The difference in property tax revenue generated by the increase in assessed value over the OTV. A portion of the increment may be retained by the municipality to service debt on eligible infrastructure costs, pay for eligible related costs, reimburse a non-municipal sponsor or developer for eligible costs of the Housing Infrastructure Project, and/or pay for eligible direct costs associated with the eligible infrastructure project. Municipalities whose infrastructure projects will result in an affordable or moderate-income housing development are eligible to retain up to 85% of the education tax increment. Municipalities whose infrastructure projects will result in any other type of housing development are eligible to retain up to 75% of the education tax increment. All projects must retain at least 85% of the municipal tax increment.
- **Public Good:** The public good will be considered met for improvements that directly support the housing development and are:
 - publicly owned and publicly accessible; or
 - privately owned and publicly accessible; or
 - privately owned and privately accessible improvements may be eligible so long as they can demonstrate a community benefit from the CHIP-supported infrastructure project. The municipality shall articulate with evidence how the community needs or desires the planned improvements and that they are mutually beneficial for the municipality and developer. (i.e., private septic systems for a development in a community that does not have a municipal wastewater system, and/or the cost of connecting the development to an existing system would be cost-prohibitive for the developer and town.

- **60% Floor Area:** 60% of the indoor floor area must qualify as housing. The housing must primarily serve residential uses. Floor area to be considered housing includes all housing units dedicated to primary residences, shared spaces that are accessible to residents or exist solely to serve residential units, including but not limited to hallways, elevators, stairwells, common rooms, or mechanical and utility spaces directly serving residential units. Space that does not count toward the 60% includes, but is not limited to: commercial space, or space operated by the municipality or another entity for uses not directly serving residential units. For further clarification for the purpose of calculating the eligible floor area, refer to the current [International Building Code](#) as adopted by the Vermont Department of Fire Safety.
- **Primary Residence:** A homestead is the principal dwelling and parcel of land surrounding the dwelling, owned and occupied by the resident as the person's [domicile](#) as defined by the Vermont Department of Taxes. Or, if the unit is a rental unit, the lease agreement stipulates that the tenant occupies the unit as their primary residence. Both owner-occupied and rental units must remain a primary residence until the Final Repayment Date
- **Housing Infrastructure Agreement:** A legally binding agreement among the municipality, sponsor (if other than the municipality), and developer that includes terms related to infrastructure financing, affordability, unit production, timelines, and performance assurances.

Housing Type	State Tax Retained	Municipal Tax Retained	Unit
Affordable: Rental (Total annual cost \leq 30% of gross income)	Up to 85%	85% to 100%	At l
Affordable: Owner-Occupied (Total annual cost \leq 30% of gross income)	Up to 85%	85% to 100%	At l
Moderate-Income	Up to 85%	85% to 100%	At l
Market Rate	Up to 75%	85% to 100%	N/A

** All housing must be for primary residents. See Section 1, Purpose; and Section V(3), Housing Infrastructure Agreement.*

IV. Eligibility Criteria

Applicants:

Eligible applicants are Vermont municipalities (cities, towns, or incorporated villages) that seek to create a Housing Infrastructure Project.

Projects:

Eligible projects include infrastructure improvements that serve a public good and directly support the development of an eligible housing development. Eligible Housing Development projects must result in new or rehabilitated housing developments where at least 60% of the floor area of the projected housing development is dedicated to primary housing residences, or the projected housing development meaningfully addresses the purpose of the program. If the projected housing development does not meet the criteria for an affordable housing development, the project must meet the but-for test.

Improvements:

- Eligible infrastructure improvements may include, but are not limited to, the following: Utilities, such as power distribution and transmission lines and conduit, telecommunications lines and conduit, telecommunications towers, digital infrastructure, and power or telecommunications equipment; drinking water, wastewater, and storm water, infrastructure including: water sources; green and gray stormwater practices; distribution/collection and conveyance piping and pump stations; and treatment systems, facilities, and regulatory required pertinent equipment.
- Thermal energy networks, waste heat recovery, and community-scale geothermal.
- Transportation improvements such as publicly accessible roads, streets, bridges, parking lots, facilities, garages, and structures, multimodal facilities, public transit stop equipment and amenities, street and sidewalk lighting, roundabouts, crosswalks and/or other pedestrian crossing treatments, traffic calming features, sidewalks, streetscapes, way-finding signs and kiosks; traffic signals, medians, turn lanes, and property acquired or used for right of way such as hiking and biking trails, pathways to facilitate multimodal transportation, bicycle and pedestrian lanes, paths, and bridges, street furnishings.
- Site preparation for development or redevelopment including acquisition, demolition, environmental remediation of contaminated property, and mitigation of a flood-prone area.
- Soft costs such as consulting, design, architects, engineering, accounting, legal, project management, associated application fees, or other professional services directly related to the implementation and construction of eligible site improvements.

Eligible Related Costs:

Related costs are costs incurred by the municipality, sponsor, and/or developer associated with the creation, implementation, and administration of the CHIP site. Eligible related costs include, but are not limited to the following:

- Cost of plans, studies, or reports that are specific to preparing a CHIP Plan, a Finance Plan, an application to VEPC, or a subsequent amendment required to maintain the CHIP site.
- Costs of providing public notification about, and obtaining public approval for, a CHIP Plan, a Finance Plan, and CHIP debt, CHIP application, or CHIP amendment.
- Costs such as consulting, design, architects, engineering, accounting, legal, project management, or other professional services incurred during preparation or implementation of a CHIP Plan, Finance Plan, application or amendment, and administration of the program, including administrative fees paid by the municipality.
- Application fees charged by VEPC for third-party analysis of CHIP Plans, CHIP Financing Plans, or CHIP amendments.
- The CHIP-related costs of the independent annual municipal audit
- Municipal employee and staff costs directly related to the administration and implementation of the CHIP Site. These costs may only be paid with the municipal tax increment.

Costs that are not eligible related costs, or improvements are:

- Annual municipal operating costs.
- Public transportation operating costs.
- Annual maintenance or repair costs.
- Purchase of vehicles.
- Interior furnishings.
- Operating equipment or apparatus that is not part of the infrastructure improvement itself.
- Other expenditures for non-capital assets with the exception of debt service interest payments, as outlined under eligible improvement costs.

V. Application and Approval Process

1. Pre-Application Coordination

Municipalities must complete a CHIP Interest Form and submit it to VEPC staff for review prior to submitting a full application to VEPC.

2. Housing Development Plan and Housing Development Site

The municipality must create a Housing Development Plan and a Housing Development Site:

- Develop a Housing Development Plan that includes:
 - A description of the proposed Housing Infrastructure Project.
 - The proposed housing development, including the anticipated floor area dedicated to housing.
 - If less than 60%, a narrative about how the projected housing development meaningfully addresses the purpose of the CHIP program.
 - The proposed housing development site.
 - Identification of a sponsor.
 - A tax increment financing plan, including;
 - a statement of costs and sources of revenue;
 - estimates of assessed values within the housing development site;
- - - the portion of those assessed values to be applied to the Housing Infrastructure Project;
 - the resulting tax increments in each year of the financial plan and the lifetime education property tax increment retention;
 - the amount of bonded indebtedness or other financing to be incurred;
 - estimates of necessary principal, interest, costs of improvements, and related costs and in the event of municipal financing the amount anticipated to be approved by voters;
 - other sources of financing and anticipated revenues; and
 - the duration of the financial plan.
-

- A pro forma projection of expected costs of the proposed Housing Infrastructure Project.
- A projection of the tax increment to be generated by the proposed housing development.
- A development schedule that includes a list, cost estimate, and a schedule for the proposed Housing Infrastructure Project and proposed housing development.
- A determination by the legislative body of the municipality that the proposed housing development furthers the purpose of the program.
- Develop a Housing Development Site by identifying its boundaries and the properties within it, titled “Proposed Housing Development Site [municipal name], Vermont”
- The municipal legislative body must hold one or more public hearings, after public notice, on the proposed Housing Infrastructure Project, including the plans developed above.
 - Public Hearing: Unless a municipal charter requires greater notice, the municipal legislative body shall hold a public informational hearing on the question by posting notice at least 15 days in advance of the hearing in at least two public places within the municipality and in the town clerk's office and on the town’s website. If the municipality does not have two public places to post their warning, they may post their warnings in adjacent communities.
- Adopt the plan by action of the municipal legislative body and record it with the municipal clerk and lister or assessor.

3. Housing Infrastructure Agreement

Create a Housing Infrastructure Agreement between the municipality, the developer, and, if applicable, a third-party sponsor. The agreement must:

- Identify the sponsor for the project.
- Identify the developer and housing development.
- Obligate the tax increments retained for financing and related costs for the infrastructure project.
- Provide that any housing unit within the housing development be offered exclusively as a primary residence until the Final Repayment Date. This condition shall be satisfied by providing a landlord certificate or homestead declaration every two years.

- Provide for performance assurances to reasonably secure the obligations of all parties under the housing infrastructure agreement.
- Include the expected outcomes, including the percentage of floor area dedicated to housing, the number of housing units, the number of affordable housing units, and the expected overall housing development value.
- Detailed description of the infrastructure improvement(s), the types of costs and amount of cost of the improvement that may be financed with CHIP debt, and that the developer must provide documentary evidence to substantiate that the costs are eligible to be financed with CHIP debt and the infrastructure improvement was constructed as agreed upon.
- A provision that expressly defines the obligations of the municipality and sponsor and/or developer in the event that the tax increment generated by the housing development project falls short of the financing of the CHIP debt.
- A municipality shall provide notice of the terms of the housing infrastructure agreement for the municipality's Housing Infrastructure Project to the legal voters of the municipality and shall provide the same information as set forth in statute as follows:
 - 24 V.S.A § 1910a(e): A municipal legislative body shall provide information to the public prior to the public vote required under subsection (b) of this section. This information shall include the amount and types of debt and related costs to be incurred, including principal, interest, and fees; terms of the debt; the housing infrastructure project to be financed; the housing development projected to occur because of the housing infrastructure project; and notice to the voters that if the tax increment received by the municipality from any property tax source is insufficient to pay the principal and interest on the debt in any year, the municipality shall remain liable for the full payment of the principal and interest for the term of the indebtedness. If interfund loans within the municipality are used, the information must also include documentation of the terms and conditions of the loan.
 - In the case of non-municipal debt being used to financing for the eligible improvements, the municipality still must provide notice of the terms of the housing infrastructure agreement, including the types of financing and related costs to be incurred, including principal, interest, and fees; terms of the debt; the Housing Infrastructure Project to be financed; and the housing development projected to occur because of the Housing Infrastructure Project.

4. VEPC Review & Approval

The municipality will submit its municipally approved Housing Development Plan, Housing Development Site, and Housing Infrastructure Agreement to VEPC for review. VEPC will determine whether the municipality has:

- Properly created a Housing Infrastructure Project and Housing Development Site.
- Executed an acceptable housing infrastructure agreement for the Housing Infrastructure Project with a developer and, if the municipality is not financing the Housing Infrastructure Project itself, a sponsor.
- Approved or pledged to use at least 85% of incremental municipal tax revenues for the Housing Infrastructure Project.

Additional VEPC Application Determinations:

- **Affordability:** VEPC will determine whether the proposed housing development meets the criteria of “affordable housing development” or “moderate-income housing development” and set the maximum education tax increment at 85% if either criterion is met or up to 75% if neither criterion is met. VEPC has the discretion to set the increment retention lower than these maximums, depending on the application circumstances. VEPC will utilize the Vermont Housing Finance Agency’s most recent [home purchase price and rental affordability thresholds chart](#) based on United States Department of Housing and Urban Development median income estimates to determine if the affordability threshold is met for affordable and moderate-income housing developments.
- **But-For Test:** VEPC will review each application other than those for which the housing development is an affordable housing development to determine whether the infrastructure improvements proposed to serve the Housing Development Site and the proposed housing development would not have occurred as proposed in the application or would have occurred in a significantly different and less desirable manner than as proposed in the application but for the proposed utilization of the incremental tax revenues.
 - A non-exhaustive list of factors VEPC may consider around the question of what is a “significantly different and less desirable manner” may include, but is not limited to: a housing development occurring significantly later than it could occur with CHIP financing, a housing development that would include fewer units without CHIP financing, a housing development that is significantly less affordable than could occur with CHIP financing.

- Floor Area: VEPC will determine whether the housing development will have at least 60 percent of the floor area dedicated to housing, or if it meaningfully addresses the purpose of the program.
- Economist Review: VEPC will determine the financial viability of the housing development plan based on an assessment prepared by a consultant with the requisite technical expertise. At a minimum, the following will be incorporated into the consultant's assessment:
 - Tax increment financing plan;
 - pro forma projection of expected costs of the Housing Infrastructure Project;
 - projection of the tax increment to be generated by the housing development; and
 - the development schedule for the Housing Infrastructure Project and housing development.
- Site Visits: Upon a determination by VEPC staff that a municipality has submitted a complete application, VEPC staff will schedule a site visit of the proposed Housing Development Site.
- VEPC Approval: The application shall be submitted to VEPC and approved or denied in writing by VEPC within 90 days of the site visit. The reason for denial will be provided to the municipality, and if resolvable, the municipality may file a new application for VEPC's consideration.
- Post-VEPC Approval: Municipality instructs lister/assessor to certify OTV.

VI. Financing and Debt Requirements

In the event of municipal financing, the first issuance of debt must be incurred within five years of CHIP site creation (April 1 in the year the application was approved by VEPC). VEPC may issue an extension up to three years (for a total of eight years). In the event of non-municipal financing, notice to proceed under a construction contract for eligible infrastructure must be given within five years of site creation, subject to extension by VEPC up to three years (for a total of eight years). Upon the first incurrence of debt or notice to proceed under a construction contract, VEPC and the Department of Taxes will be notified by the municipality.

Municipal voters must approve each instance of municipal borrowing in a warned vote. This information shall include:

- the amount and types of debt and related costs to be incurred, including principal, interest, and fees;
- terms of the debt;
- the Housing Infrastructure Project to be financed;
- the housing development projected to occur because of the Housing Infrastructure Project; and
- notice to the voters that if the tax increment received by the municipality from any property tax source is insufficient to pay the principal and interest on the debt in any year, the municipality shall remain liable for the full payment of the principal and interest for the term of the indebtedness.
- If interfund loans within the municipality are used, the information must also include documentation of the terms and conditions of the loan.

Allowed instruments include bonds, loans, interfund loans (interest-free), and bond anticipation notes. Bond anticipation notes or other forms of temporary financing may not be used as a first incurrence of debt.

The CHIP Housing Development Site shall continue until the Final Repayment Date. Or, if no debt is incurred in the event of municipal financing or no construction contract is let in the event of non-municipal financing, the debt incursion period ends.

VII. Use of Tax Increment

Municipal and education increments may only be used to pay for:

- CHIP debt service;
- related costs;
- direct payment of the cost of a Housing Infrastructure Project, as long as the payment was included in the CHIP financing plan and subject to the same vote provisions as public debt; and
- a municipality may provide tax increment to a sponsor upon receipt of an invoice for payment of the debt financing. The sponsor shall confirm to the municipality once the tax increment has been applied to the debt financing.

Increment Retention period: A municipality may retain tax increment for 20 years beginning the first fiscal year in which debt is incurred in the event of municipal financing, and beginning the first fiscal year in which the construction contract is let in the event of non-municipal financing.

- Example: If a town votes in March 2027 (FY27) and incurs that debt in July 2027 (FY28), retention begins in FY28 (using GL27) and is retained through FY47 (GL46),

Increment amount:

- Municipalities within which infrastructure projects will result in an affordable or moderate-income housing development are eligible to retain up to 85% of the education tax increment;
- Municipalities within which infrastructure projects will result in any other type of housing development are eligible to retain up to 75% of the education tax increment;
- All projects must retain at least 85% of the municipal tax increment, and VEPC may approve retention of up to 100% on the municipal tax increment;

Adjustment of percentage: During the 10th year following creation of the site, the municipality will submit an updated financing plan to VEPC. VEPC will determine, based on the debt actually incurred and the increment actually generated, whether the percentage being retained is appropriate or if it can be lowered while still allowing the municipality to service remaining debt.

Excess increment:

- Excess increment in any tax year may be
 1. used to prepay debt;
 2. placed in the municipality's CHIP fund and used for future financing payments; or
 3. used for defeasance of the financing.
- Excess increment remaining upon the Final Repayment Date must be returned to taxing authorities in the appropriate proportions.

VIII. Reporting and Compliance

A municipality must:

- Develop a system to identify, collect, and maintain all data and information to fulfill annual reporting requirements.
- Implement procedures to: verify the sponsor used financing for eligible infrastructure project costs, ensure the infrastructure improvement was constructed as agreed upon by the sponsor, and to validate total cost of the infrastructure project.

- A municipality shall collect documentary evidence from the developer and/or sponsor as part of their procedure above.
- Notify VEPC and the Department of Taxes of any CHIP debt, public votes, or votes by the municipal legislative body immediately. They will need to provide copies of public notices, agendas, minutes, the vote tally, and a copy of the information provided to the public.
 - A municipality must hold a public vote if the CHIP infrastructure project(s) will be financed through a municipal bond. If the CHIP infrastructure project(s) are financed by the sponsor in another fashion, only approval from the municipal legislative body at a properly warned hearing is required. The municipality must provide copies of the warning, minutes, and vote of municipal legislative body.
- Conduct annual financial audits and provide results to VEPC.
 - Verify the developer's use of debt proceeds was for eligible costs and for the infrastructure that the developer committed to construct according to the Housing Infrastructure Agreement.
 - Validate the amount of education and municipal tax retained.
- Submit annual reports on or before February 15 to VEPC and the Department of Taxes on a form prescribed by VEPC. These will include, but are not limited to:
 - annual and total municipal and education property tax increments generated;
 - expenditures for financing and related costs;
 - current balance;
 - expenditures for infrastructure improvements;
 - scope and value of projected and actual improvements and developments in the Housing Development Site, including the number of housing units created;
 - sale prices for initial offerings of any housing units;
 - rental prices for initial offerings of any rental housing units;
 - number and types of housing units for which a permit is being pursued under 10 V.S.A. chapter 151 (State land use and development plans) and, for each applicable housing development, the current stage of the permitting process;
 - projected and actual incremental revenue amounts;

- allocation of incremental revenue, including the amount allocated to related costs;
 - projected and actual financing;
 - amount of public funds flowing to private ownership or usage; and
 - biennial verification of affordability covenants and primary residence occupancy.
- VEPC may request supplemental reports or perform audits at any time.

IX. Amendments

Once approved, the CHIP Housing Development Plan, CHIP Finance Plan, and Housing Infrastructure Agreement serve as the foundational documents for each CHIP Site's implementation, providing the intentions of the municipality, sponsor, and developer regarding CHIP debt and financing, improvements, and development/redevelopment. These plans were presented at a public hearing, voted on by the municipal legislative body, and approved by VEPC.

Any significant changes require VEPC's review and approval before proceeding. To apply for a Substantial Change Request (or amendment), the municipality must submit a narrative explaining the desired change and rationale, as well as a revised CHIP Housing Development Plan, CHIP Finance Plan, and Housing Infrastructure Agreement. These revised documents must be approved by the municipal legislative body at a properly warned hearing.

A non-exhaustive list of changes that would require VEPC review include, but are not limited to:

- An increase in the CHIP-funded portion of a project of 20% or more.
- Adding, removing, or substituting a public infrastructure project in the CHIP Housing Development Plan or Finance Plan.
- An increase in the VEPC-approved CHIP debt ceiling.
- An extension of the 5-Year requirement to incur first CHIP debt.
- A change in the number or distribution of affordable or moderate-income units that would reduce the units below the threshold allowing for the increased increment retention percentage (85% versus 75%).
- A change in the percentage of floor area dedicated to housing that would reduce the percentage below the 60% threshold.

- If the town and developer make material modifications to their development agreement that impacts the infrastructure improvements and/or anticipated increment generated by the private development.
- If the developer is not able to meet the requirements set out in the Development Agreement and/or the anticipated timeline for the infrastructure or private development is significantly delayed (two or more years).
- Changes in the sources of funding for the CHIP-funded portion of a project.
- Any bond structured to generate bond premium proceeds which will be used to pay for improvements or for debt service (principal and interest), not previously submitted as part of an approved CHIP Finance Plan.
- Any Payments In Lieu of Taxes (PILOTS) or other negotiated payments not previously submitted as part of an approved CHIP Finance Plan.

Any of the above changes and others that the VEPC determines to be a substantial change made without VEPC approval need to be reviewed through the issue-resolution process outlined in 24 V.S.A. § 1910f (b).

Any changes to a VEPC-approved CHIP project not meeting the substantial change thresholds shall be reported to the VEPC staff immediately. VEPC staff will review the proposed change and may determine that a substantial change request is required.

X. Contact Information

Vermont Economic Progress Council (VEPC)

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2026 WAITSFIELD PLANNING COMMISSION WORK PLAN

	Tasks	Project	Timeline
		Village Master Planning	
1	Irasville Master Planning	This project will incorporate the updated wetland maps and include a review of the history of planning in Irasville. Segue from the By-Laws Modernization Grant work and Wastewater project.	Project completion 12/31/25; requisition in progress
2	Post-Plan	<ul style="list-style-type: none"> - Creation of Subcommittee to analyze use of CHIP Program to promote and accomplish goals of Master Plan - Other? 	
		Zoning and By-Laws	
1	GPOD	Groundwater Protection Overlay District to be adopted to protect certain land radii around the Town aquifer off Reed Road. The PC held a public hearing in February approving the overlay district and forwarding it to the SB for its own adoption in July.	Complete
2	Limited Business District	Reviewing standards and purpose. Two landowners have approached the PZA with regard to developing housing in this area. As it stands, residential development is deterred in this area. However, given the proximity to the Town's future disposal field, future phasing of the wastewater system could allow for connections in this area.	2026
3	ADU restrictions	Review and update the 30% threshold for ADUs as this restriction is less common; PZA has email into counsel as to status of this standard in the post-HOME ACT era. Per SE Group: CU for ADU above 900sqft/30% makes little sense now that 2-4 units are allowed outright w/ no size limit.	2026

4	Section 6.02 (F) – Exemption for garage/yard sales	Town Garage Sale Ordinance repealed 8/11/25; Section 6.02 (F) must be revised to accord to intent and removal of ordinance mention	2026
5	Table 2.07 (Ag-Res District)	Review Permitted and Conditional uses in the Agricultural-Residential District	2026
6	Act 250/LURB/Act 181 Tiers	Assess impacts of changes to Act 250 in addition to Act 181's tiered framework and discuss whether updates to the Zoning Bylaws are necessary or required	2026
		Town Plan Update	
1	Childcare	Update Childcare language per CVRPC feedback	2026
		Town Ordinances	
1	STRs	Work with the Selectboard to draft a framework for registering/regulating short-term rentals; Subcommittee formed w/ kick-off meeting 1/8/2026	winter/early spring 2026

Other:

- 1) Invite Eric Friedman (Mad River Valley Chamber of Commerce) to a meeting to discuss the needs and concerns of business community (January 6, 2025)
- 2) Invite Ned Swanberg to a meeting to discuss the changes in flood regulation and mapping.
- 3) Invite Brian Voigt/Niki Sabado (CVRPC) to a meeting for further clarity on Act 181's tiered framework and the application processes thereto.

1/6/2026