

Downtown and Village Center Tax Credit Program



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State Designation Program

The Vermont Downtown and Village Center Designations **recognize and support local revitalization efforts** across the state **with dedicated staff and funding** to help designated municipalities build and foster strong communities.



Downtown & Village Center Tax Credits

By the Numbers [2019-2023]



159

projects awarded



68

communities
served



\$15.3 m

awarded tax
credits



\$295 m

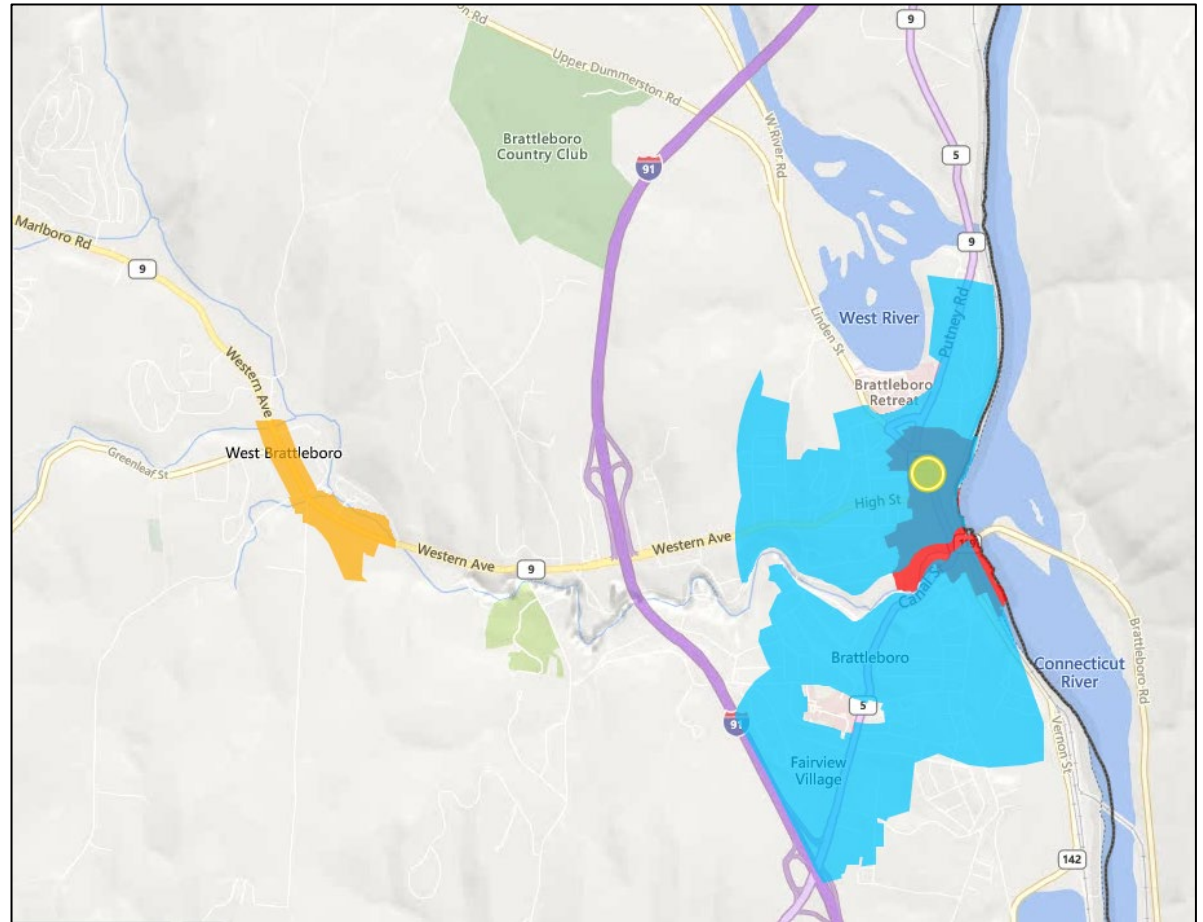
in private
investment

- Program was created in 1998
- Awards \$3 Million in credits annually
- Applications are competitive
- Building must be over 30 years old
- Must be located within a State-Designated Downtown or Village Center
- Applicants have 3 years from date of award to complete project

Neighborhood Development Areas

* For FY23 and 24 – Properties in NDAs are also eligible

- Berlin
- Brattleboro
- Burlington
- Essex Junction
- Hinesburg
- Manchester
- Middlebury
- Putney
- Randolph
- South Burlington
- Westford
- Winooski



Brattleboro

Tax Credit Tiers

Historic Credit:

- Property must be listed in the National Register of Historic Places
- 10% credit for all exterior and interior work.
- Must have an approved federal RITC application



Canal Street, Brattleboro

Tax Credit Tiers



Façade Credit

- 25% credit for façade repairs
- Cap of \$25k in credit
- Work must meet preservation standards



*Wallingford Block &
Chapman's Store, Fairlee*

Tax Credit Tiers

Code Credit

- 50% credit for code improvements
- Elevators up to \$75K in credit
- Sprinkler systems up to \$50k in credit
- “Other code improvements” up to \$50K in credit

*Craftsbury General Store &
Bag Balm Building, Lyndonville*



Tax Credit Tiers



Flood Mitigation Credit

- 50% credit for flood mitigation improvements
- Cap of up to \$75,000 in credit
- Must be within a FEMA flood hazard area

Dot's, Wilmington

Downtown & Village Center Tax Credits

- Credits can be carried forward up to nine years
- Can be sold to banks or insurance companies for cash, debt reduction, or favorable loan terms
- Non-profits are eligible, but not municipalities or single-family homes



St. Johns Distillery

Program Survey



Putnam Block, Bennington

By the Numbers – Survey Responses Talled from 96 Respondents

894

Permanent Jobs
Retained/Created

754

Temporary
Jobs

34

New
Businesses

16

Expanded
Businesses

Project Examples



Woolson Block, Springfield

\$8.2 Million Project

\$1.5 Million in Federal RITC funding
\$365,000 - 10% State Historic Credits

\$1.8 Million - Total Tax Credits

Project Examples



Albany General Store **\$800,000 Project**

\$ 5,125 - 25% State Façade Credit

\$78,220 - 50% State Code Credit

\$83,345 Total Tax Credits

Project Examples



Northfield Falls

\$125,000 Project

\$19,000.00 – 50% Sprinkler Code Credit

\$23,500.00 – 50% Other Code Credit

\$42,500 Total Tax Credits



Questions?

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