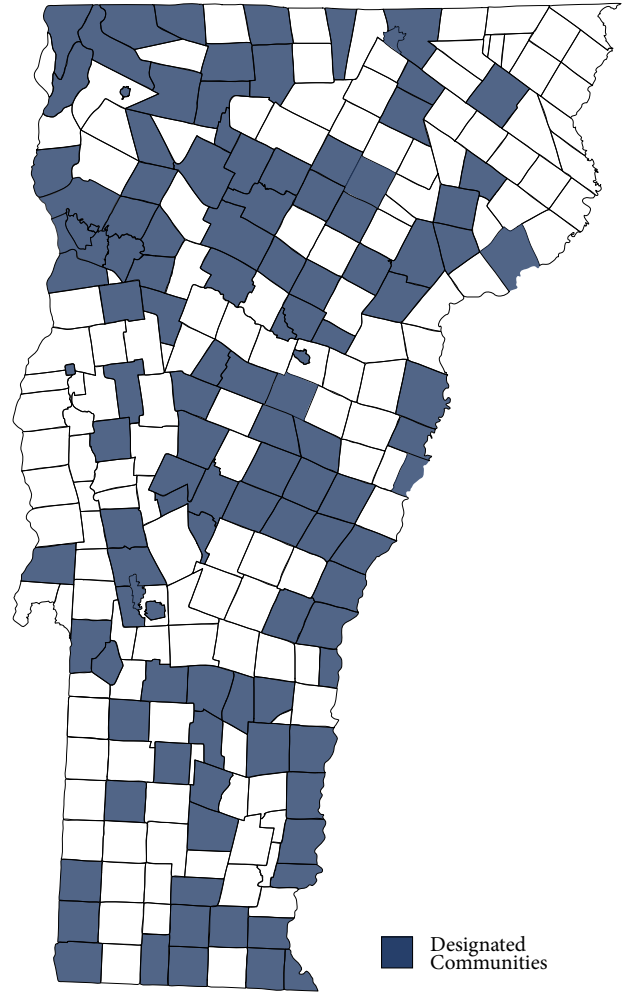


Overview

The Department of Housing and Community Development manages the state designation programs – Downtowns, Village Centers, New Town Centers, Growth Centers and Neighborhood Development Areas. These programs work together to provide incentives, align policies and give communities the technical assistance needed to encourage new development and redevelopment in our compact, designated areas. The program's incentives are for both the public and private sector within the designated area, including tax credits for historic building rehabilitations and code improvements, permitting benefits for new housing, funding for transportation-related public improvements and priority consideration for other state grant programs.



By the Numbers

Designated Downtowns

24 designated downtowns

Designated Village Centers

121 designated village centers

Designated Neighborhood Development Areas

6 designated neighborhood development areas

Designated New Town Centers

2 designated new town centers

Designated Growth Centers

6 designated growth centers



For more information, please contact:
Chris Cochran: chris.cochran@vermont.gov or 802.595.5410
or visit: http://accd.vermont.gov/strong_communities/opportunities/revitalization

Overview

This community revitalization program is designed to preserve the character and enhance the future of medium to large sized historic centers by incentivizing public and private investments, improving quality of life and encouraging economic development. Municipalities that receive designation collaborate with local non-profit downtown organizations supporting efforts through funding, staff, partnerships and volunteers. The program designates an improvement district around an existing historic district and offers financial incentives, regulatory streamlining and technical assistance. The designation must be renewed every five years to maintain the benefits. Once designated, the community can apply for additional benefits to encourage new housing within walking distance to the historic center with the Neighborhood Development Area designation. The community can also apply for Growth Center designation to help assure future development outside the designated downtown area connects to it and enhances its vitality.



By the Numbers

Designated Downtowns

24 designated downtowns

Downtown Tax Credits [2010-2015]

112 projects awarded

22 communities served

\$9.5 million in tax credits awarded

\$165.2 million in private investment

Downtown Transportation Fund [2010-2015]

33 grants awarded

16 communities served

\$1.9 million awarded

Municipal Planning Grants [2010-2015]

51 grants awarded

18 communities served

\$695,899 awarded



Waterbury, VT

For more information, please contact:

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

Downtown Designation Benefits

The program supports local revitalization efforts across the state by providing technical assistance and state funding to help designated municipalities build strong communities. Once designated, the community will be eligible for the following benefits.

10% Historic Tax Credits

- Available as an add-on to approved Federal Historic Tax Credit projects.
- Eligible costs include interior and exterior improvements, code compliance, plumbing and electrical upgrades.

25% Facade Improvement Tax Credits

- Eligible facade work up to \$25,000.

50% Code Improvement Tax Credits

- Available for up to \$50,000 each for elevators and sprinkler systems and \$12,000 for lifts.
- Eligible code work includes ADA modifications, electrical or plumbing up to \$25,000.

50% Technology Tax Credits

- Available for up to \$30,000 for installation or improvements made to data and network installations, and HVAC (heating, cooling or ventilation systems) reasonably related to data or network improvements.

Downtown Transportation Fund

- Eligible to receive grants up to \$100,000 for capital transportation and related capital improvement projects.
- Grants may not exceed 50% of a project's cost.

Traffic Calming and Signage Options

- Authority to post speed limits of less than 25 mph to help calm traffic and make the downtown a more pedestrian-friendly environment.
- May erect and post informational signs to help guide visitors to downtown and to significant historical, educational, recreational or cultural landmarks.

Priority Consideration for State Grants and Siting of State Buildings

- Priority consideration for Municipal Planning Grants, Vermont Agency of Transportation Grants, Vermont Agency of Natural Resources Grants and funding from Vermont's Community Development Program.
- Priority site consideration by the State Building and General Services (BGS) when leasing or constructing buildings.

Special Assessment Districts

- May create a special assessment district (also known as special benefits district or business improvement district) to raise funds for both operating costs and capital expenses to support specific projects in the designated Downtown.

Neighborhood Development Area (NDA) Eligibility

- Communities may also designated Neighborhood Development Areas within ½ mile from the downtown district. Qualified projects are:
 - Exempt from Act 250 regulations and the land gains tax.
 - Eligible for, once designated, reduced Agency of Natural Resources review fees.

Act 250

- No permit fees and special downtown review process with reduced criteria.
- Qualified mixed use-housing projects are exempt from review.

For more information, please contact:

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

Overview

The state's Downtown Designation program recognizes and supports local revitalization efforts across the state with specialized training, dedicated staff and funding to help build strong communities. To document local and state-wide outcomes, the Agency of Commerce and Community Development annually collects data from the 24 designated downtowns* including public and private investment in new construction, rehabilitation of buildings, public improvement projects, facades as well as business and job growth, volunteer hours and other indicators of downtown economic health.

The 2014 numbers show that continued investment in downtown amenities and infrastructure leverages millions in private investment, attracts new business and jobs and brings new vitality and energy to community centers.

By the Numbers

Public Investment

\$22,649,336

Private Investment

\$31,930,024

Business Growth

93 Net New Businesses

46 Expanded Businesses

301 Net New Jobs Created

Downtown Organization Volunteer Hours

50,417 Hours

\$1,104,636 Value in Dollars

*22 of the 24 downtowns reporting (no data from Brattleboro and Winooski)



For more information, please contact:

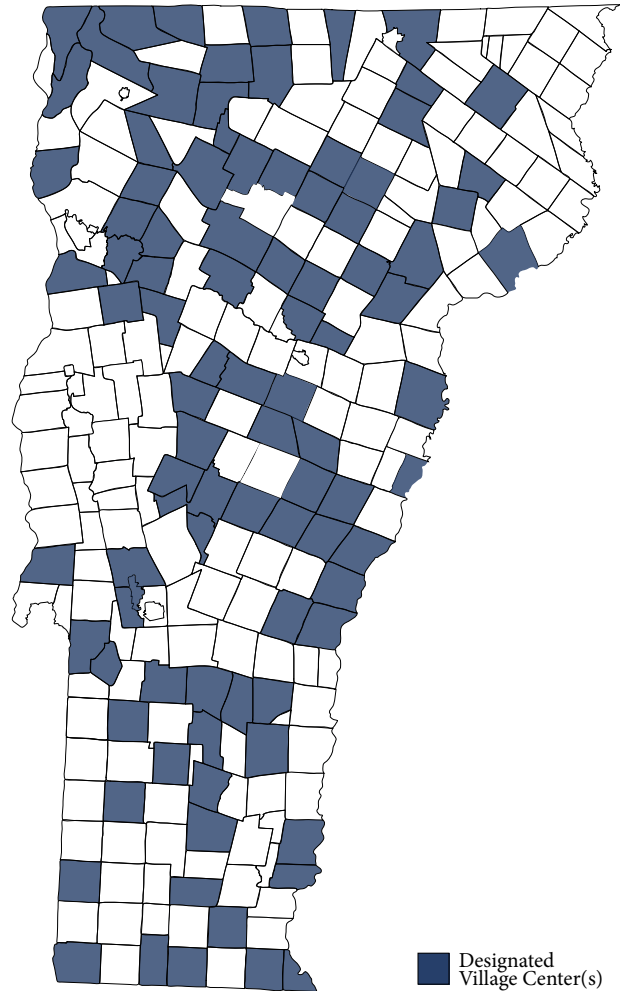
Gary Holloway: gary.holloway@vermont.gov or 802.828.3220

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

Overview

This community revitalization program helps maintain or evolve small to medium-sized historic centers with existing civic and commercial buildings. The designation supports the historic center and targets training and financial incentives to bring additional public and private investment to spark village revitalization. Multiple village centers may be designated in a community and the designation must be renewed every five years to maintain the benefits. Once designated, the community can apply for additional benefits to encourage new housing within walking distance to the center with the Neighborhood Development Area designation.

Expanded outreach efforts have led to an increase in designated village centers by 30% (93 to 121) in three years and a 200% increase in historic tax credit applications from village centers over the past two years. A record number of tax credits (12 grantees) were awarded to village centers this year. This includes the revival of general stores that are the crucial economic and social foundations of Pawlett, Greensboro and Hancock. The iconic Craftsbury Inn, long a centerpiece in this small community will be rehabilitated and re-opened as the Craftsbury Public House, while in Jamaica, tax credits will support rehabilitation of a building that has long housed the local Post Office and in Putney, the Next Stage Performing Arts center is in the midst of a multi-year rehabilitation.



By the Numbers

Designated Village Centers

121 designated village centers

Village Center Tax Credits [2010-2015]

45 projects awarded tax credits

32 unique communities served

\$2.6 million in tax credits awarded

\$26.7 in private investment

Municipal Planning Grants [2010-2015]

117 grants awarded

76 communities served

\$1,222,119 awarded



For more information, please contact:

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

Village Center Designation Benefits

The Vermont village center designation program supports local revitalization efforts across the state by providing technical assistance and state funding to help designated municipalities build strong communities. Once designated, the community will be eligible for the following benefits:

10% Historic Tax Credits

- Available as an add-on to approved Federal Historic Tax Credit projects.
- Eligible costs include interior and exterior improvements, code compliance, plumbing and electrical upgrades.

25% Facade Improvement Tax Credits

- Eligible facade work up to \$25,000.

50% Code Improvement Tax Credits

- Available for up to \$50,000 each for elevators and sprinkler systems and \$12,000 for lifts.
- Eligible code work includes ADA modifications, electrical or plumbing up to \$25,000.

50% Technology Tax Credits

- Available for up to \$30,000 for installation or improvements made to data and network installations, and HVAC (heating, cooling or ventilation systems) reasonably related to data or network improvements.

Priority Consideration for State Grants

- Priority consideration for Municipal Planning Grants, Vermont Agency of Transportation grants, Vermont Agency of Natural Resources grants and funding from Vermont's Community Development Program (VCDP).

Priority Consideration by State Building And General Services (BGS)

- Priority site consideration by the State Building and General Services (BGS) when leasing or constructing buildings.

Neighborhood Development Area (NDA) Eligibility

- Communities may also designated Neighborhood Development Areas within 1/4 mile from the designated village center. Qualified projects are:
 - Exempt from Act 250 regulations and the land gains tax.
 - Eligible for, once designated, reduced Agency of Natural Resources review fees.



Pittsfield, VT

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

For more information, please contact:

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Overview

The New Town Center program provides a framework for creating compact, walkable, mixed-use centers for municipalities that have no designated Downtown or Village Center. Public buildings serve to anchor Town Centers with town halls, schools or libraries, attracting people and stimulating the kind of activity and mixed use development that bring character and vitality to a community. By creating a compact, walkable civic and commercial core area, New Town Centers provide a nucleus for future smart growth. Successful New Town Centers require professional planning staff and a governing body that is committed to making public infrastructure and building investments. Once designated, the community can apply for additional housing and development incentives that come with Neighborhood Development Area and Growth Center designations.

Program Highlights

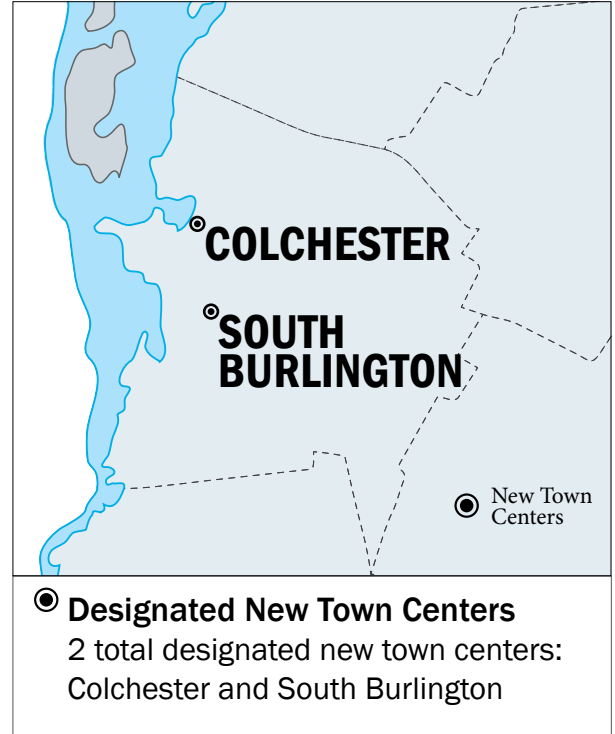
South Burlington is poised to expand its New Town Center boundary, incorporating a portion of the University Mall property, allowing new, multi-story, mixed-use buildings to line Dorset Street, replacing an underutilized parking lot. TIF financing enabled through designation will enable the city to create pedestrian-friendly amenities like wide sidewalks and interconnected streets, as well as parks and a new municipal office.

Colchester used its New Town Center designation to obtain Growth Center designation and has since secured funding for transportation and water infrastructure needed for developing the area. A total of 56 residential units have been built in the New Town Center and more are planned. For the first time, the Town has joined the regional transit agency, making bus service available to those living and working in the New Town Center.

Benefits

New Town Center designation provides limited Act 250 benefits to developers and the municipality receives priority consideration for state grants. Unlike Vermont's historic Downtowns and Village Centers, New Town Centers have few existing public buildings, streets or sidewalks so access to infrastructure financing tools such as Tax Increment Financing (TIF)* is critical. Special assessment district may be created in a New Town Center to help fund improvements. New Town Center designation qualifies communities for Neighborhood Development Area and Growth Center designation.

**requires legislative action.*



*City Center Hypothetical Development Visualization, courtesy City of South Burlington, prepared independently by Wiemann-Lamphere Architects and Lincoln Brown Illustrations

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

Overview

Designated Growth Centers encompass areas beyond the commercial center to shape the way a community develops over time. Once designated, infrastructure and building investments, both public and private, combined with a local framework of policies and regulations, ensure that 20 years of future development will enhance the vitality of the designated commercial center, while protecting farm and forest land outside the Growth Center. Communities must have designation for the commercial center in place with adopted plans, policies and regulations that support walkable, compact, mixed used development within the Growth Center. The designation lasts 20 years with 5-year check-ins to see how the program is working. Successful Growth Center designations typically require professional planning staff and a governing body that is committed to make the public infrastructure investments needed for compact development.

Program Highlights

Five years after designation all the Growth Centers have reported, indicating that a majority of the growth is occurring in the designated areas due to effective local bylaws, planning for infrastructure to serve new development and alignment with state funding and regulations. All are steadily investing in bike and pedestrian improvements in the Growth Center and committed to creating a community fabric with diverse housing, business and employment opportunities.

Benefits

Growth Center designation provides Act 250 benefits to developers and the municipality receives priority consideration for a wide range of state funding programs. Streamlined designation of Neighborhood Development Areas, with additional benefits for housing developers is also available. Access to infrastructure financing tools like Tax Increment Financing (TIF) is critical to the success of Growth Centers but these tools would require legislative action.

By the Numbers

Amount of Development Occurring in the Growth Center (Combined Averages) Five Years After Designation:

- Residential – 70%
- Commercial/Industrial/Civic – 77%*

Designated Growth Centers with a TIF District: 2 (St. Albans and Hartford)

*5 Growth Centers reporting



● Designated Growth Centers

6 designated growth centers:
Bennington, Colchester, Hartford,
Montpelier, St. Albans, and Williston



Bennington, VT

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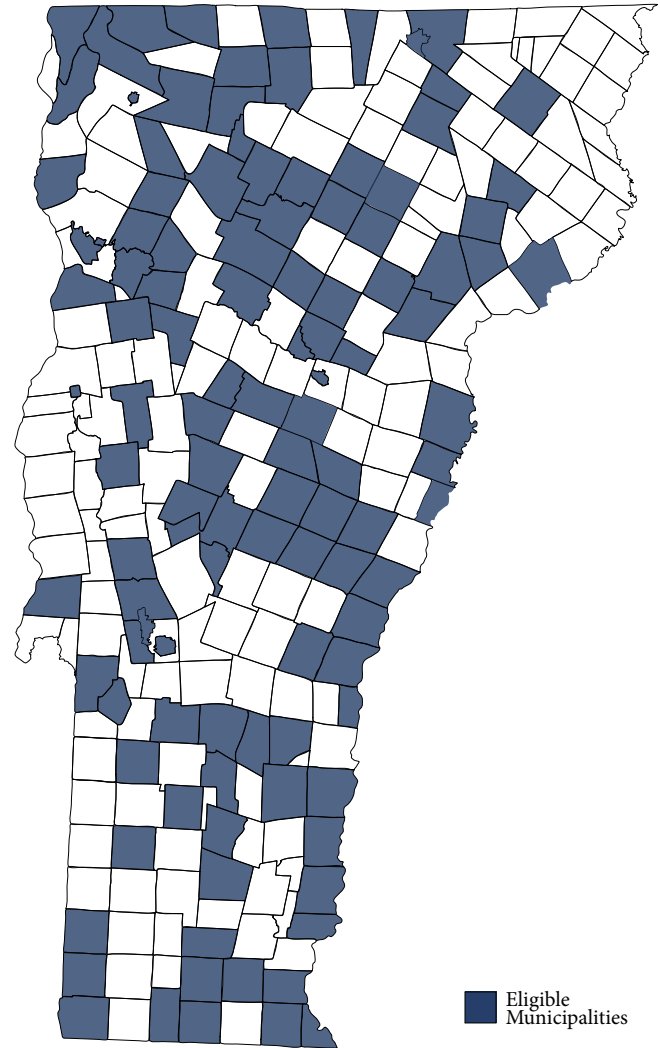
or visit: http://accd.vermont.gov/strong_communities/opportunities/revitalization/growth_center

Overview

The State's historic tax credit program supports building and code improvements and is one of the primary benefits of Downtown and Village Center designation, and sparks revitalization seen in community centers across the state. To date there are 24 designated Downtowns and 121 Village Centers. Annually, applicants in these communities submit well over 30 rehabilitation and renovation project applications to help support investments that exceed \$20 million. In July 2015, the Downtown Board allocated \$2.37 million in tax incentives for 27 projects, supporting nearly \$40 million in downtown and village center construction and rehabilitation projects. This means for every dollar in credits awarded by the State in FY 2015, nearly \$17 will be leveraged.

Expanded outreach efforts has led to a 200% increase in applications from village centers over the past two years, with projects in a record number of designated village centers receiving tax credit awards this year. This includes the revival of general stores that are the crucial economic and social foundations of Pawlett, Greensboro and Hancock. The iconic Craftsbury Inn, long a centerpiece in this small community will be rehabilitated and re-opened as the Craftsbury Public House, while in Jamaica, tax credits will support rehabilitation of a building that has long housed the local Post Office and in Putney, the Next Stage Performing Arts center is in the midst of a multi-year rehabilitation and renovation with the support of several grants and state tax credits.

Other project highlights include rehabilitation of the former Catholic high school in downtown Bennington to expand a popular community sports and recreation facility serving hundreds of residents of southern Vermont; hazard abatement and critical building repairs at the Marble Museum, which will bring 40,000 square feet of space in the heart of Proctor back into productive use; and affordable housing projects involving historic buildings in Winooski, Rochester and Lyndonville.



By the Numbers

Downtown and Village Center Tax Credits [2010-2015]

- 157 projects awarded
- 55 communities served
- \$12 million awarded credits
- \$202 million in private investment



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

Overview

The Downtown Transportation Fund supports revitalization efforts in Designated Downtowns each year with over \$300,000 in funding. Investment in the infrastructure of public spaces stimulates public investment and creates a sense of identity and pride in Downtowns across Vermont. The Downtown Transportation Fund is a financing tool which assists municipalities in paying for transportation-related capital improvements within or serving a Designated Downtown. Past projects include streetscape improvements, electric vehicle charging stations, parking facilities, rail or bus facilities, utility relocation, street lighting and way-finding signage. Since its inception in 1999 the program has invested \$5.1 million to support 99 projects in 21 different communities leveraging over \$36.9 million. Recently awarded projects include streetscape improvements in Windsor and Waterbury, important pedestrian safety enhancements in Rutland, the redevelopment of Enterprise Alley in Barre, and lighting for the Village Green in Bristol.

By the Numbers

Designated Downtowns

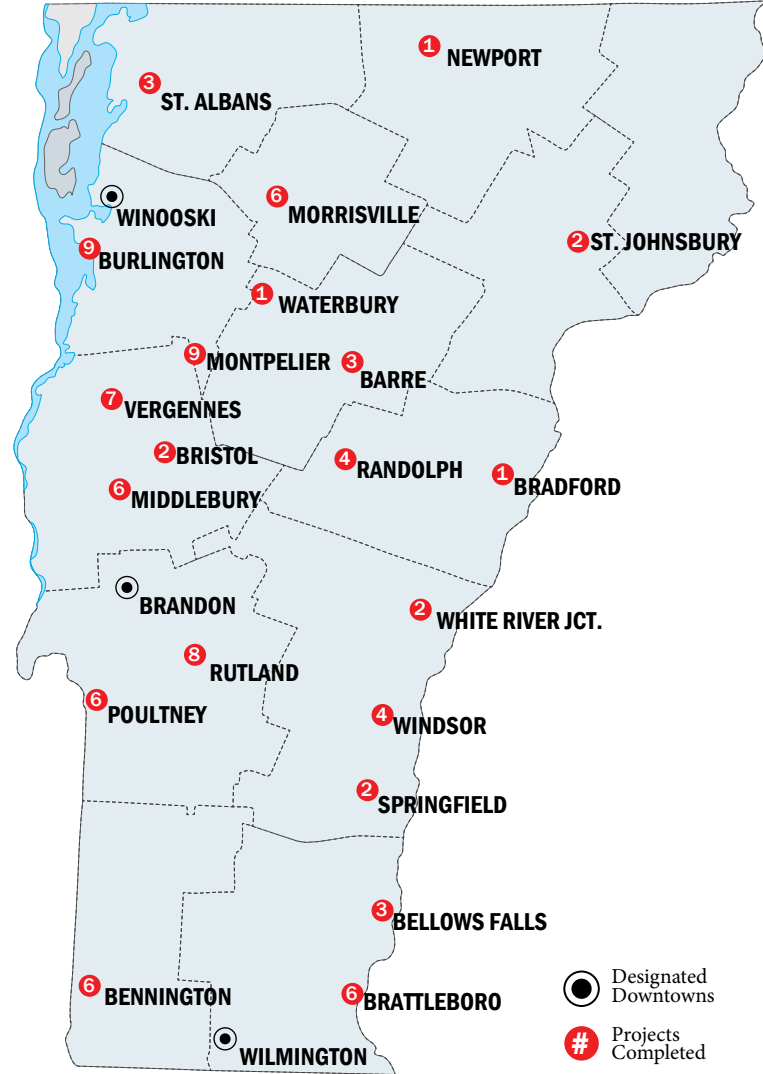
24 designated downtowns

Downtown Transportation Fund [2010-2015]

33 grants awarded

16 communities served

\$1.9 million awarded



St. Albans, VT

For more information, please contact:

Gary Holloway: gary.holloway@vermont.gov or 802.828.3220

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

Overview

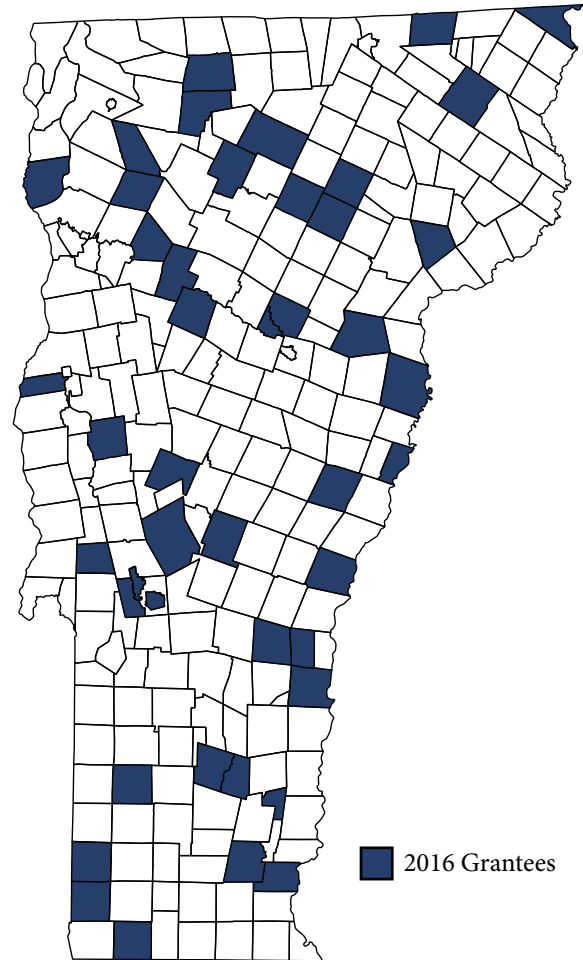
This program encourages and supports planning and revitalization with grants for up to \$20,000 for a single municipality and \$35,000 for a consortium of two or more towns. Annual funding totals around approximately \$460,000. Since 1998, the Municipal Planning Grant Program has provided over \$11 million to 232 cities and towns across Vermont to help breathe new life into communities, plan for future growth and development, and improve quality of life.

Program Highlights

This year's Municipal Planning Grants were selected from 72 communities across the state requesting over \$770,000. Grants ranging from \$2,800 to \$20,000 will allow projects in Middlebury and Hartford to assess downtown parking needs, help Brighton bring upper floors of a landmark building back into use, and identify important natural resources in Johnson. Around the state, grant funding will help many small towns, including Chittenden, Stamford and Wolcott, develop strategies to minimize future risks and costs from floods and make the places where people gather, their downtowns and villages stronger and more resilient.

2016 Grant Recipients

Athens, Bakersfield, Bennington, Bolton, Brighton, Canaan, Chittenden, Dummerston, Duxbury, East Montpelier, Eden, Enosburg, Fairfax, Fairlee, Greensboro, Groton, Hancock, Hardwick, Hartford, Holland, Hubbardton, Jericho, Johnson, Londonderry, Manchester, Middlebury, Montpelier, Newbury, Newfane, Panton, Proctor, Reading, Rutland, Shaftsbury, South Hero, St. Johnsbury, Stamford, Stockbridge, Strafford, Weathersfield, West Rutland, West Windsor, Westford, Windham, and Wolcott.



For more information, please contact:

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or visit: http://accd.vermont.gov/strong_communities/funding/municipal_planning_grants

Overview

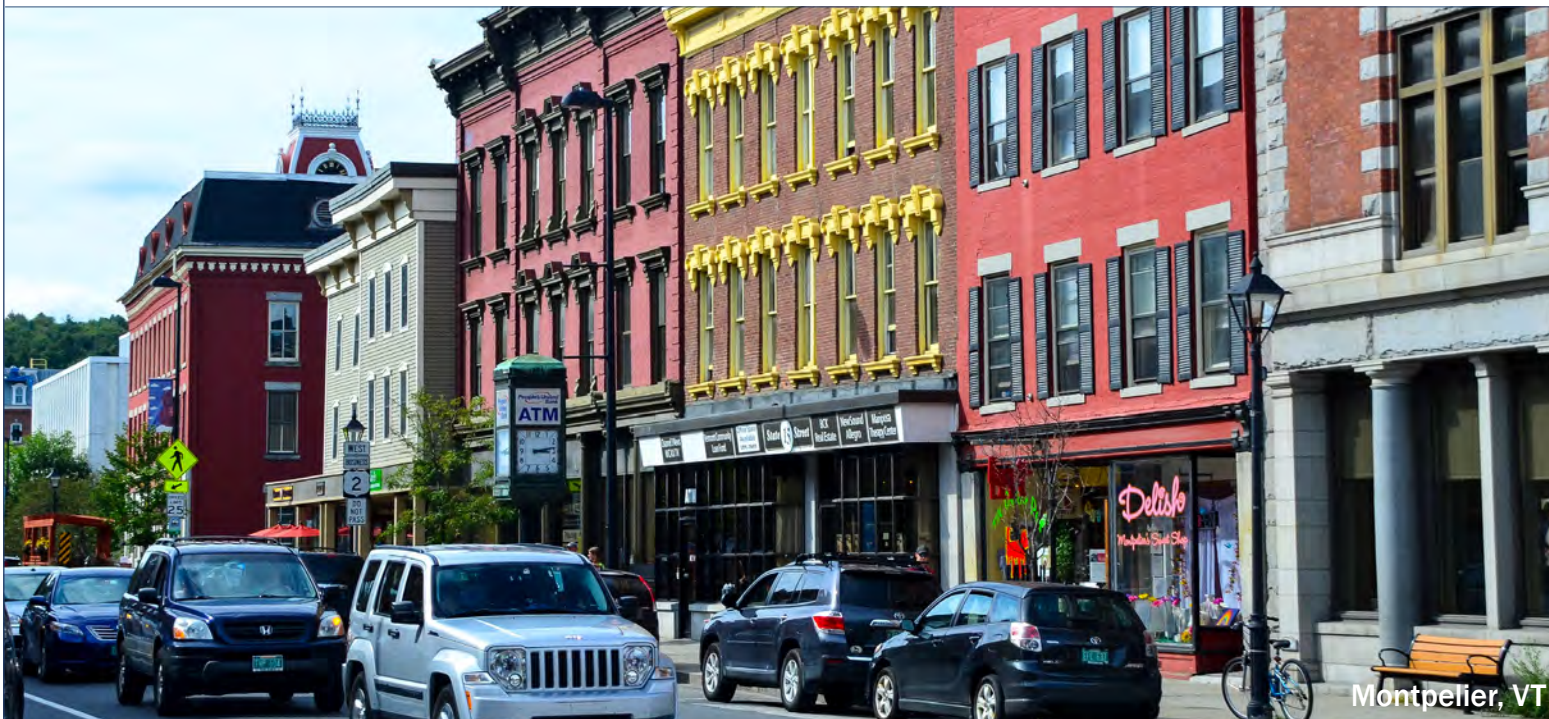
The Strong Communities, Better Connections Program (SCBC) is a multiagency partnership to align state and local investments to increase transportation options and build resilience and economic vitality in Vermont's community centers. The SCBC Program is an annual planning grant program administered by the Vermont Agency of Transportation (VTrans) in partnership with the Vermont Agency of Commerce and Community Development (ACCD). Municipalities (located outside of Chittenden County) annually compete for approximately \$200,000 in program funds, inclusive of 10% local match. The SCBC Program supports implementation-focused, municipal planning initiatives that:

- Coordinate land use decisions with transportation investments
- Advance the Federal Highway Administration (FHWA) Livability Principles;
- Support the State Planning Goals and the VTrans Vision and Strategic Plan Goals.

By providing resources and state assistance, the SCBC Program supports communities in proactively coordinating land use decisions and transportation investments to expand walking, biking and transit opportunities in downtowns and village centers that are proven to bring economic vitality to businesses and communities.

Program Highlights [2015 Grantees]

- Mad River Valley Towns are developing a unified, multi-town regional plan for non-motorized transportation facilities.
- The Towns of Rutland and West Rutland are planning for increased transportation options connecting their two centers of commerce and activity.
- The City of Vergennes is developing a master plan to improve the biking and walking connections between the downtown district and the Basin Harbor.



Montpelier, VT



For More Information Contact:
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or jackie.cassino@vermont.gov
Richard Amore at (802) 828.5229
or richard.amore@vermont.gov





Village Greens Initiative

The Vermont Village Greens Initiative is reviving awareness about Vermont's village greens and the important cultural and economic role they play. Vermont's village greens (and commons) serve as the physical, historic and cultural heart of many communities, hosting concerts, fairs, parades, seasonal festivals and farmers' markets. They provide residents and visitors a place to gather, exercise, recreate, celebrate, and engage in commerce and community. Integral to the Vermont brand and quality of life, village greens anchor and strengthen our communities, and make our cities and towns more attractive places to live and work. Nevertheless, many of the 148 village greens around Vermont suffer from deferred maintenance and lack of investment. To address this issue, a partnership is working to document, showcase, and revitalize these shared public spaces for future generations.

Overview

Located in Caledonia County, Danville is known as the "Village in the Hills" due to its proximity to both the Green and White Mountains. Danville has been a state designated Village Center since 2005 and is home to many attractions including Joe's Pond, the Great Vermont Corn Maze, the Danville Fair, the Lamoille Valley Rail Trailhead and a picturesque historic green. The Danville Green hosts many cultural and community events, including a weekly Farmers' Market, the Danville Fair, Autumn on the Green, concerts in the bandstand, a July 4th celebration and parade, and a Memorial Day celebration.

The Challenge

Vermont Route 2 serves as Danville's 'main street' through the village. As a major state highway, high travel speeds and heavy truck traffic were a safety concern for many residents. In the 1970s, the Vermont Agency of Transportation (VTrans) proposed a bypass around the town to address these concerns and preserve the small-town feel of Danville. However, residents were apprehensive about the potential economic impacts of the bypass on small businesses in the village. Ultimately, the town and VTrans chose to abandon the bypass in favor of a road improvement project that valued the historic character of the village and balanced the needs of cars and trucks with the needs of pedestrians and cyclists. The community saw the highway project as an opportunity to not only improve road access for all users – but also revitalize the community and enhance the quality of life for residents and visitors alike.

The Solution

Departing from the traditional design process, VTrans partnered with the Vermont Arts Council and the community to engage in the project design. A Local Review Committee led by the Vermont Arts Council, and comprised of local representatives and VTrans staff, identified specific community goals for the project which included, among others:

- Creating and supporting a safe pedestrian friendly environment;
- Celebrating the unique history and character of the community with public art;
- Preserving and revitalizing the Green as an open public space;
- Providing adequate parking to support visitors and to ensure the economic viability of businesses in the village;
- Supporting the 'pride of place' for residents and business owners.

Sidewalks, crosswalks, a traffic light and traffic islands were installed to slow traffic on Route 2 and to make the village more inviting to pedestrians. New street trees and gateway signs strengthen the village's identity as a destination and invite visitors to slow down and explore the community and enjoy the Danville Green. To encourage visitors to the Green, traffic was routed one-way around the green to create more on-street parking opportunities. In addition, a road was removed that split the Green into three separate areas. The edge of the Green was also defined with curbs, and pathways were formalized with sidewalks and landscaped features such as stone walls and staircases. Other changes include the construction of a new bandstand, installation of decorative lamp posts, and tree plantings. Finally, public art featured on the Green celebrate local heritage at the Danville Circle - an amphitheater with landscaping, a thermometer, historic water trough, multiple photo albums, sculptures, and poems inscribed on granite posts.



For more information contact:

Richard Amore, richard.amore@vermont.gov or (802) 828-5229

http://accd.vermont.gov/strong_communities/opportunities/revitalization/village_greens



The Result

The project achieved its goals and created new ways to see transportation and infrastructure improvements as opportunities to support economic development and restore community vitality. In 2014, the Danville Green re-opened following the completion of the Route 2 renovations. The reduced traffic speeds on Route 2 increased safety and encouraged visitors and residents to visit the green and cultural events draw visitors from across the state and New England. A number of businesses and residences surrounding the Green have been renovated and businesses in Danville's village center have flourished. The Town of Danville has made walking a priority and they received a VTrans grant to extend the sidewalks to a second public park on Hill Street and purchased a sidewalk snow plow so pedestrians have sidewalk access year-round.

Funding

VTrans managed the project, including the construction and permitting process. The total project cost for the reconstruction of Route 2 through the village was \$14.7 million, including design, permitting, property acquisition, utility relocation, construction, green improvements and streetscape enhancements. Funding for the public art components of the project, was approximately \$275,000.

Project Contacts

Sharon Lakey, Director, Danville Historical Society, historicalsociety.director.dan@gmail.com
Eric Bach, Danville Chamber of Commerce, eric.bach@vermont.gov
Michele Bailey, Vermont Arts Council, MBailey@vermontartscouncil.org



For more information contact:

Richard Amore, richard.amore@vermont.gov or (802) 828-5229

http://accd.vermont.gov/strong_communities/opportunities/revitalization/village_greens

Overview

Things are looking up in the Granite City. Since 2011, almost \$20M in public investment in the downtown spurred \$45M in private investment that has brought 24 new businesses, reduced vacancy rates by 8%, increased commercial rental rates by \$6-10 dollars a square foot and attracted over 350 jobs. This investment also includes major streetscape and public infrastructure improvements, construction of City Place, a new State office building with commercial/retail spaces on the ground floor, and rehabilitation of several prominent downtown blocks with the help of federal and state tax credits. Support from multiple state agencies including the State Designation Programs administered by the Department of Housing and Community Development, and the Agency of Transportation have been an important source of funding, helping to leverage other public and private money to make this renaissance possible.

The Challenge

After multiple years of economic decline in downtown Barre, the City was struggling with empty store fronts, low commercial rents and declining property values. Turning things around took time and didn't come without challenges. The City had spent a decade investing heavily in the creative/tourist economy without results. According to Mike Miller, the City's former Director of Planning, "We needed to better understand our strengths and weaknesses. Barre is never going to be Stowe, but what Barre has is plenty of water and sewer capacity, industrial activity, highway access, and a great stock of historic buildings with affordable rental office space." With those things in mind, a group of municipal officials and stakeholders identified three major goals to help jump-start revitalization: bring 500 new workers to Barre over five years by improving the city's image with investments in public infrastructure and marketing; recruit businesses and services to meet the needs of local residents; and modernize Barre's existing industrial assets to attract entrepreneurs and new start-up businesses.

The Solution

A Designated Downtown since 2000, Barre took advantage of a number of grant and tax incentive programs that give priority to projects in communities within the State Designation Program. Work began with updates to the City's municipal plan and zoning bylaws and the creation of Downtown Conceptual Plan – all supported by the State's Municipal Planning Grants. The next step was finding funding to implement the plan and make the infrastructure improvements that support economic development. A combination of \$140,000 in Downtown Transportation Grants and over \$15M in federal funding administered through the Agency of Transportation supported Barre's "Big Dig" – a multi-year effort to revitalize Main Street and City Hall Park. Finally, the City was able to relocate 200 state employees to a new office building in the heart of downtown. "Technical support through the State's Designation Program helped us plan projects, identify funding sources and leverage public investment," said Steve MacKenzie, Barre's City Manager. "We continue get great support from the Agency of Commerce including initiatives like the Vermont Downtown Action Team that helped us develop a downtown master plan and re-brand and market the community in the wake of the 2011 floods. This year, the City is working to make a number of changes to protect our infrastructure investments, economy and business from future floods with the help of the Vermont Economic Resiliency Initiative."

The Result

In just the past five years, the resume of accomplishments in Barre is impressive, including:

- Completion of the "Big Dig" which included the replacement of 100-year old water and sewer lines, plus sidewalk and lighting improvements and new paving, parking and signage. This effort was supported by a combination of federal, state and local funds.
- Construction of "City Place" a new 80,000 square foot building in the heart of downtown with state office space as well as ground floor commercial space for a new restaurant and commercial tenants.
- Secure state and federal tax credits to rehabilitate a dozen historic buildings on Barre's Main Street, including the 1904 Blanchard Block, which now houses 48,000 of mixed retail and office space, and the Aldrich Block, in danger of demolition following a fire in 2010, now home of the celebrated Cornerstone Restaurant.

Barre isn't content to rest after these successes and has set its sights on the 2015 makeover of "Enterprise Alley." The project will use a variety of public and private funding sources to remediate a brownfield site and transform a poorly configured parking with inadequate drainage into a pedestrian-friendly public space with new parking, storm water controls, sidewalks and landscaping; ADA accessible entrances to Merchants Row shops; a public plaza at the city's historic train depot and a long-planned bike path along the Stephens Branch of the Winooski River.





2011-2014
4 State Downtown Transportation Fund Grants \$240,000
12 State Downtown Tax Credit Projects \$793,895
4 State Municipal Planning Grants \$55,334
Vermont Agency of Transportation Grants \$15 million
Public and Private Investment Since 2011 \$65 million

Funding Toolbox

Downtown Transportation Grants

The Downtown Transportation Fund (DTF) annually grants approximately \$350,000 to help municipalities make a variety of transportation-related capital improvements within or serving state designated downtown districts and supporting economic development. The maximum annual grant is \$100,000. Projects may include, but are not limited to streetscape improvements, electric vehicle charging stations, parking facilities, rail or bus facilities, utility relocation, way-finding signage, street lighting and ADA access improvements.

Downtown and Village Center Tax Credits

In 2015, \$2,200,000 in state income tax credits are available to projects that enhance the historic character and improve building safety of older and historic commercial buildings located in Designated Downtowns or Village Centers. The credits support general rehabilitation work, code compliance work, data and network wiring, and exterior improvements, and may be combined with the federal program. Past projects range from small retail, office, and rental apartment rehabilitations to multi-million dollar redevelopments.

Municipal Planning Grants

Awarded annually and administered by the Department of Housing and Community Development, the Municipal Planning Grant Program works to strengthen Vermont by funding local planning initiatives that support statewide planning goals. Grants of up to \$20,000 are available for a wide range of municipal planning projects such as bylaw updates, planning for downtowns, village centers and neighborhoods and municipal plans.

Tax Increment Financing

A Tax Increment Financing (TIF) District is established by a municipality (with State approval) around an area that requires public infrastructure to encourage public and private property development or redevelopment. Once a TIF District is established, the municipality seeks voter approval to incur debt to build public infrastructure. The public infrastructure improvements cause real property development and redevelopment to occur, and, for a limited time, a percentage of the incremental municipal and education property tax revenue generated by the new development and redevelopment may be retained to pay the infrastructure debt, with the revenue from the original value and the balance of the increment going to the taxing entities (municipality and state). Currently, statute prohibits the creation of any further TIF Districts.

Vermont Agency of Transportation Funding

Vermont receives federal funding for roadways that are on the federal-aid road system from the Federal Highway Administration. All federal highway funds are received on a reimbursable basis. This means that project sponsors must pay for the project and be reimbursed by FHWA when the work is done. Vermont receives federal highway formula funding that is distributed to all states based on a formula. Federal Aid highway funds are authorized by Congress to assist the State in providing for construction, reconstruction, and improvement of highways and bridges on eligible Federal Aid highway routes and for other special purpose programs and projects.

Overview

The City of St. Albans is flourishing, welcoming nearly 50 new businesses and 300 workers – including 140 state employees – to its historic downtown and commercial center over the past five years. This robust revitalization is no accident: businesses, property owners and municipal officials have worked together with the state to take advantage of tax incentives, grants and planning assistance through the State Designation Programs, administered by the Department of Housing and Community Development, and support for transportation planning and implementation with grants administered through the Vermont Agency of Transportation. As the City continues to move forward, the example of its recent accomplishments offers a roadmap that communities statewide can follow.

The Challenge

The success in St. Albans took time and didn't come without challenges. As with revitalization in any community, finding money to support infrastructure improvements and economic development was, for many years, an obstacle. Another challenge was determining what projects to tackle, where to invest and how best to leverage limited financial resources. "Without a plan that focused on goals supported by the community we could never have gotten the support to tackle the big projects" says Chip Sawyer, St. Albans Director of Planning and Development.

The Solution

A critical first step was a community visioning process to support their downtown which received State Designation in 2004. This step was funded in part by two State Municipal Planning Grants (MPGs) – the initial \$10,500 grant was followed by a second of \$15,000 to create a Downtown Master Plan in 2009. With State Designation and a blueprint forward, the door opened to a number of funding sources that helped leverage taxpayer dollars and spurred private investment. Approval for a state Tax Increment Financing (TIF) District in 2012 provided yet another source of funds. "Downtown Designation and support from the State, both technical and financial, were key to getting several of these projects out of the planning pages and into reality," says Sawyer.

The Result

With a vision that city residents and city leadership could get behind, successful private/public partnerships and strategic use of public funds and taxpayer dollars, the list of recent public infrastructure and community development projects in St. Albans is impressive. These include:

- An ambitious three-year streetscape improvement project funded with the help of more than \$250,000 in state Downtown Transportation Funds and a number of grants funded through and administered by the Vermont Agency of Transportation. These included two federal TIGER grants – one for design and one for construction, Transportation Enhancement Program funds, Transportation Community and System Preservation Program funds and federal earmark funds totaling about \$2.5 million. The streetscape project included new traffic signals, sidewalks, lighting, landscaping, drainage, storm water treatment, paving, and signage.
- State tax credit projects, totaling \$619,955 which sparked over \$4.2 million in private investment, including, the former Fishman's Department Store, the former Napoli Variety Building, and the historic St. Albans House a former hotel that had been empty for over 15 years before its recent rehabilitation.
- \$14 Million in TIF bonds to finance construction of a new parking garage, redevelopment of a brownfield site for a new downtown hardware store and construction of a new State Office Building.

The decade-long effort to revitalize St. Albans was recently capped by the announcement of a new 88-room downtown hotel to be completed in 2016. Also currently under construction and planned for the near future are additional streetscape enhancements along Main and Lake Streets to be funded with \$300,000 of Transportation Alternative Program funds and \$300,000 of Transportation Community and System Preservation Program funds. All this proves St. Albans is not resting on their past success, but continuing to create a vibrant community with a diverse economic base.





2011-2014

- 3 State Downtown Transportation Fund Grants
\$351,000
- 6 State Downtown Tax Credit projects
\$619,955
- 3 State Municipal Planning Grants
\$40,493
- Vermont Agency of Transportation Grants
\$3.1 million
- Public and private investment since 2004
\$40 million

Funding Toolbox

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Vermont Agency of Transportation Funding

The Transportation Investment Generating Economic Recovery or TIGER Discretionary Grant program provides federal funds to states for both planning and implementation associated with road, rail, transit and port projects. Transportation Enhancement and Transportation Alternative grants administered through the Vermont Agency of Transportation support to enhance Vermont's transportation in various categories while Transportation, Community and System Preservation (TCSP) grants support integration of transportation systems, community and preservation that improve efficiency of transportation, reduce environmental impacts, ensure access to jobs, services and centers of trade and identify strategies to encourage private investment.

Downtown and Village Center Tax Credits

Overview

The damage in Wilmington resulting from 2011's Tropical Storm Irene was among the worst in the state with over 48 businesses flooded. Tucked in the mountains in southern Vermont, this classic skiing and recreation town is now a poster child for what can happen when people collaborate and unite around a shared goal to rebuild a devastated downtown economy. Thanks to the hard work of municipal leaders, local residents, a strong and dedicated group of second-homeowners, local foundations, businesses, private investors, and state policymakers, Wilmington's revival is now well on its way.

The Challenge

In 2011, the community was struggling economically with declining population and slowing tax revenue. Irene's flood destruction drove retail sales to new lows. Worse still, in the historic downtown, 80% of the buildings were damaged by flood waters, two were completely swept away by the raging waters, and every business was forced to close. Although some businesses began to re-open in the coming months, others closed for good. With so many vacant or severely damaged buildings the cost to rebuild was difficult to comprehend. In addition to structural problems and water damage, state building codes required owners to bring their historic buildings up to current codes. Even for building owners fortunate to have flood insurance, the cost of the flood repairs and code improvements often exceeded the value of the property.

The Solution

In response, an energetic organization, Wilmington Works was founded to champion and lead downtown's revival. Working alongside municipal staff, a major goal of the group was to foster economic development via a new partnership between the public and private sector. The Downtown and Village Center tax credit program, along with the special flood provisions enacted by the legislature, played a critical role bridging the financial gap and attracting investors needed to restore the downtown to its former glory.

The Result

Since Irene, ten projects in Wilmington have received state tax credits. The resulting reconstruction projects gave the community hope at a critical time and created the momentum needed to spark a larger revival. Today, iconic landmarks in Wilmington are back in business, including Dot's Restaurant and the Vermont House, and additional tax credit projects are in progress or nearing completion. Over \$550,000 in state tax credits is anticipated to leverage almost \$6 million in private investment. "Without this program, there are several projects in Wilmington that could not have happened or would have been a lot harder," says Adam Grinold, former Director of Wilmington Works. "We would still be looking at vacant storefronts instead of new businesses and ongoing construction." Now the local economy is on the upswing with receipts returning to their pre-Irene levels, jumping 22% between 2012 and 2013. "This community really came together after Irene," says Grinold "but without the help of the tax credits, we wouldn't have been able to come back this quickly or strongly."



For more information, please contact:

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



Downtown and Village Center Tax Credits

Hardwick's Revival

Overview

Several years ago Hardwick's Main Street was in a state of decline like many communities throughout Vermont. Buildings were run down, underused or even condemned. Adding to these issues, in 2006, a tragic fire gutted the Bemis Block, a prominent building in the heart of downtown. Rather than tearing it down to create a parking lot, the community chose restoration and created new business and housing within the historic building. This key decision not only sparked a new direction for Hardwick, it also showed other small towns how saving one historic building can spur redevelopment of an entire community.

Challenge

The expense to repair and bring historic downtown buildings up to code (especially costly items like sprinklers and elevators) often exceeds the value of the building. Rents in many of Vermont's smaller downtowns and village centers are often low and may not generate significant capital to finance a major rehabilitation. With insufficient funding to fill the gap, banks are reluctant to make loans to upgrade buildings. As a result, buildings are not maintained and Main Street slowly closes down. Over time, property values decline along with the local economy.

Solution

Downtown and Village Center tax credits help close this financial gap, make projects economically viable, spark community revitalization, cement a sense of place, and bring buildings back onto the tax rolls.

"The amount of new activity, life and excitement on Main Street is unprecedented. It's clear to me that strong communities need vital urban cores -- and with the help of the tax credits, we've made a great start in Hardwick."

Michael Gohl
Hardwick Architect

For More Information Contact:

Caitlin Corkins at (802) 828.3047 or caitlin.corkins@vermont.gov

The Result

In Hardwick, seven buildings have been rehabilitated with the help of tax credit-financing and another five are in progress, or near completion. Approximately \$820,000 in state tax credits have leveraged over \$5 million in outside investments to date, jumpstarting new businesses and creating jobs, developing quality housing, and bringing new vitality to the commercial district. An analysis of Hardwick's downtown property values (Grand List) is evidence that public investment to improve these buildings results in increased property tax revenue. By promoting reinvestment and encouraging projects that put dollars back into the local economy, tax credits are a critical factor in promoting economic vitality for communities that take advantage.

Bemis Block - 73 South Main Street



Grand List After
\$797,400

Grand List Before
\$257,800



Hill Block [1874] - 35 South Main Street



Grand List After
\$314,500

Grand List Before
\$55,400



Hardwick Inn - 1 North Main Street

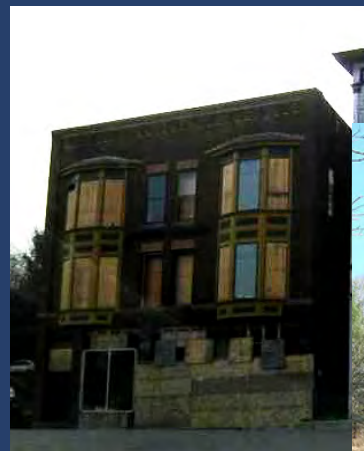


Grand List After
\$583,300

Grand List Before
\$147,800



Marshall Block - 87 South Main Street



Grand List After
\$297,200

Grand List Before
\$145,500



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Overview of Designation Program Benefits

DOWNTOWN
VILLAGE
CENTER
NEW TOWN
CENTER
GROWTH
CENTER
NEIGHBORHOOD
DEVELOPMENT
AREA

AUTHORITY					
Statute Section (24 V.S.A. Chapter 76A)	2793	2793a	2793b	2793c	2793e
Date Established	1998	2002	2002	2006	2013
PURPOSE					
Historic Preservation*	√	√		√	√
Economic Revitalization*	√	√		√	√
Smart Growth	√	√	√	√	√
Economic Development	√	√	√	√	√
BENEFITS					
10% State Historic Rehabilitation Tax Credit	√	√			
25% Façade Improvement Tax Credit	√	√			
50% Code Improvement Tax Credit	√	√			
50% Technology Tax Credits	√	√			
Downtown Transportation Fund	√				
Sprinkler System Rebate	√				
Special Assessment District	√	√	√		
Reallocation of Sales Tax on Construction Materials	√				
Traffic Calming Options	√				
Signage Options	√				
Act 250 Threshold for Mixed-Income Housing & Mixed-Use Projects	√			√	√
Act 250 Findings and Conclusionson Criteria				√	
Act 250 Master Plan Permit Application				√	
Act 250 Mitigation for Loss of Primary Agricultural Soils**	√		√	√	√
Act 250 fee reduction					√
Act 250 Existing Settlement under criterion 9(L)	√	√	√	√	√
Exemption from land gains tax					√
ANR Wastewater fee capped at \$50/application					√
PRIORITY CONSIDERATION					
All State Agencies and Funding Programs - first priority	√	√			
Specific State Agencies and Funding Programs:					
Municipal Planning Grants	√	√		√	√
Transportation Enhancement Improvements	√	√		√	√
Property Assessment Fund (Contaminated Sites / Brownfields)	√			√	√
Community Development Block Grants	√	√		√	√
ANR Wastewater funding	√			√	
State affordable housing funds	√			√	√
Locating State Buildings	√	√	√	√	

*May not apply to all growth centers.

**Agricultural soil mitigation benefits apply to designated neighborhood development areas only when they are associated with a designated downtown and applies only to new town centers created before 1/1/14.