

State Designation Program and Downtown and Village Center Tax Credits Spark Revitalization



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March 17, 2017

What is Downtown and Village Center Designation all about?

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



Designation Benefits

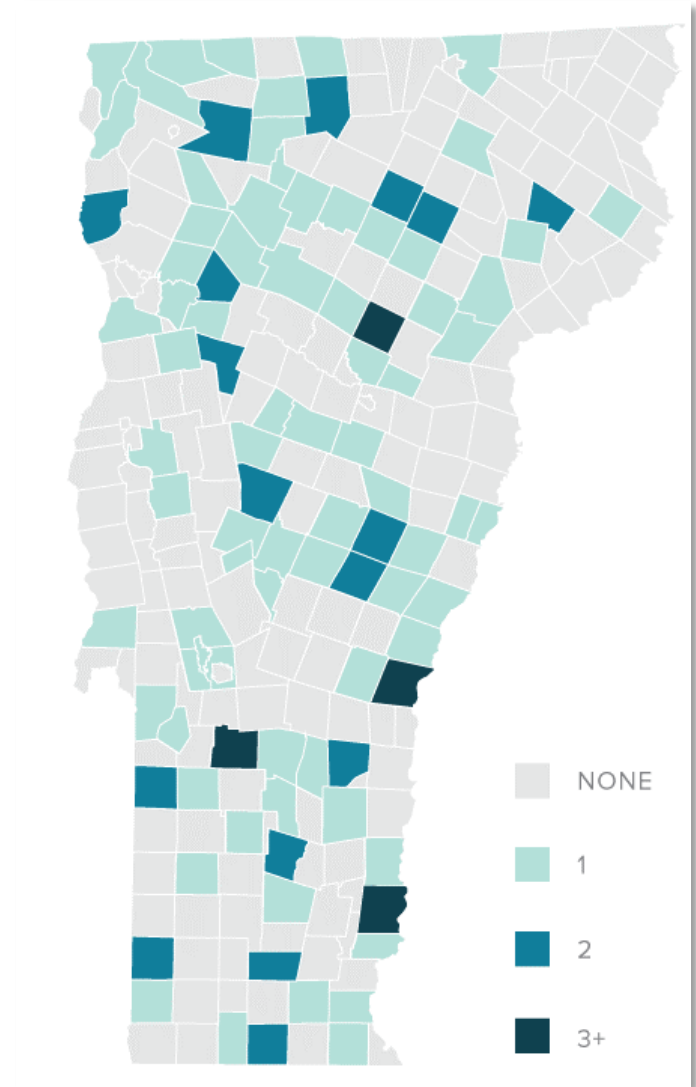
- Technical Assistance
- State Grants Priority
- State Buildings Priority
- Eligible for Neighborhood Development Area Designation
- **Downtown and Village Center Tax Credits**



Downtown & Village Center Tax Credits

The Basics

- Goal to stimulate investment in commercial centers, large and small
- Award \$2.2 Million in credits annually
- Applications are competitive
- Project must be a Designated Downtown or Village Center
- 24 Designated Downtowns, 121 Designated Village Centers



Downtown & Village Center Tax Credits

Tax Credit Tiers

- 10% credit for qualified rehabilitation with approved federal application
- 25% credit for façade repairs
- 50% credit for technology improvements such as data and network wiring
- 50% credit for code improvements including elevators and sprinkler systems



Downtown & Village Center Tax Credits

2011-2015



156

projects



54

communities



\$12.5M

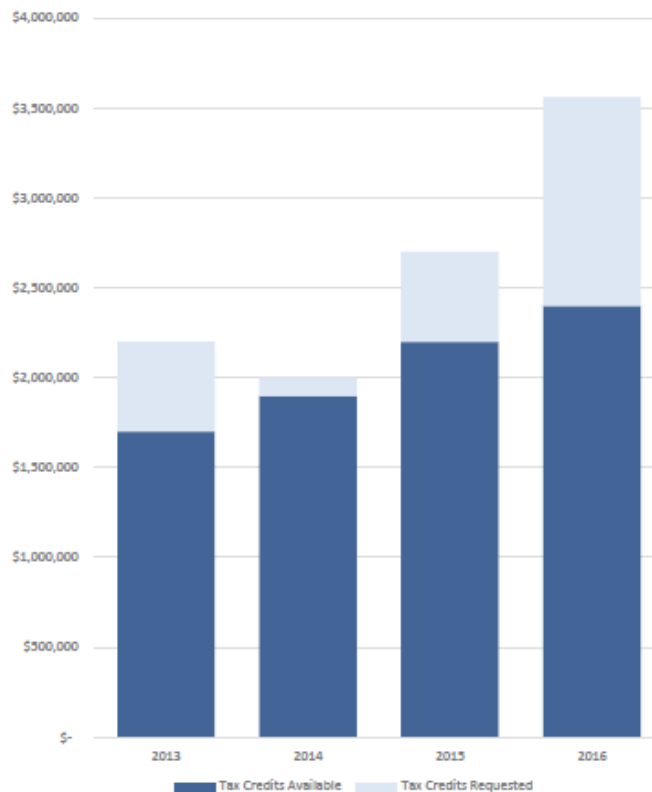
awarded



\$236M

private investment

Tax Credit Demand



Downtown & Village Center Tax Credits

Survey Results – Responses tallied from 59 respondents

- 42% of those surveyed say their project would not have been possible without tax credits
- An additional 42% of respondents said the credits improved the quality of the project
- 27% of projects funded created space for a new business and an additional 27% allowed an existing business to expand
- Over 150 units of housing were created or rehabilitated
- On a scale of 1 to 10, survey respondents rate the program's review process at 9.2 and customer service at 9.7



Downtown & Village Center Tax Credits



Survey Results

Responses tallied from 59 respondents

80 Million Invested

56%

Spent on Labor

98% of materials
purchased in Vermont

44%

Spent on Construction Materials

Businesses and Jobs Created

622

Permanent Jobs Created

754

Temporary Jobs Created

34

New Businesses

16

Expanded Businesses

Downtown & Village Center Tax Credits



Aldrich Block

Total Project Cost
\$1,160,000

Tax Credits Awarded
\$112,500



Blanchard Block

Total Project Cost
\$5,500,000

Tax Credits Awarded
\$287,500

Barre, VT

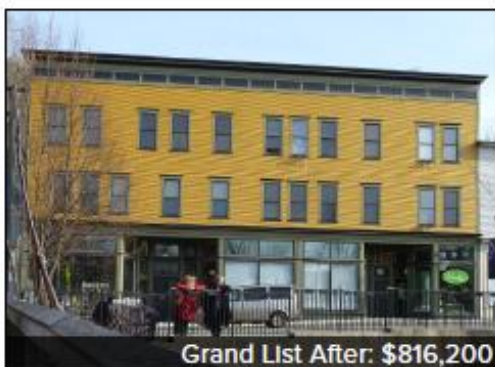
Downtown & Village Center Tax Credits



Hardwick Inn

Total Project Cost
\$1,225,000

Tax Credits Awarded
\$192,200



Bemis Block

Total Project Cost
\$2,500,000

Tax Credits Awarded
\$112,500

Hardwick, VT

Downtown & Village Center Tax Credits



Dot's Restaurant

Total Project Cost
\$802,000

Tax Credits Awarded
\$92,087



The Village Roost

Total Project Cost
\$575,000

Tax Credits Awarded
\$41,764

Wilmington, VT

Downtown & Village Center Tax Credits



Hancock General Store

\$145,000 Project

\$ 6,000 - 25% State Façade Credit

\$13,850 - 50% State Code Credit

\$19,850 Total Tax Credits



Planning and Revitalization

A community vision, a shared plan, funding and teamwork is a common element in revitalization – the State of Vermont and your RPC are committed to working with each other to revitalize your village center.



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