

Testimony before the Vermont Senate Committee on Economic Development, Housing and General Affairs

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Regarding the Vermont Downtown Program and the State benefits allocated to designated downtowns and village centers.

Chairman Mullin and esteemed members of this committee, I thank you for your time today.

I am here to convey how important the VT Downtown Program has been in the revitalization of the City of St. Albans. We have had an amazing decade. Our success is an example of how local government can and must actively engage in development in order to level the playing field for our historic downtowns and villages in today's commercial climate. But while we may have been quarterbacking the team that scored us a new State office building, a parking garage, a downtown hardware store, a manufacturing expansion, a national chain hotel, and more than 500 new jobs, we can't forget that we owe many of the moves in our playbook to the Vermont Downtown Program.

Consider this sequence of events:

- In 2004 the City and our downtown nonprofit St. Albans For the Future were granted downtown designation by the VT Downtown Development Board. This designation gave us access to State historic tax credits and the downtown transportation fund and scored us higher on applications for municipal planning grants and the transportation alternatives program.
- In 2009 we used an MPG for a downtown master plan, which set in motion our intent to reconstruct our Downtown streetscape and create a renewed brand and sense of place.

We began planning our Main Street Streetscape Project, but we had a long way to go to compile the funding for such a venture.

- In 2010, our downtown designation enabled us to achieve state growth center designation, which further advanced our redevelopment planning efforts.
- In 2011, a developer approached the City to renovate the historic St. Albans House at the corner of Lake and Catherine Streets. The condition of this hotel building from the 1800's was an embarrassment in light of its heritage and the fact that it was named for the City. The developer secured \$174,000 in historic tax credits. The City decided to grant the developer \$50,000 and loan him \$100,000 from our old revolving loan fund. The total cost of the project in the end was more than \$1.1 million. The City realized the potential for public-private partnerships and the leveraging of local, state and federal dollars to attract private investment. More importantly: when the people of our City saw the finished product, the sense of pride and accomplishment created a new form of momentum in our community; they wanted to see more.
- The best way to give them more was to use tax increment financing, which was made easier by our growth center designation. In 2012 our TIF application was approved by VEPC, and City voters approved a \$43 million debt ceiling.
- In 2012, we began construction on our \$3 million Main Street Streetscape Project. It seemed like my job that summer was just to dig 10-foot holes in front of Main Street businesses, and yet empty storefronts started filling up while construction was still underway. And of the cost of that project, \$675,000 came from grant funds that downtown and growth center designation helped us to secure.

- In 2014, we finished our new 5-level City parking garage as part of a TIF-funded \$13 million project that included partnering with the State of Vermont, a multi-national pharmaceutical company, and private developers in order to sell a State office building, build the State a new one downtown, and create a place for a national hotel chain.
- In 2016, Hampton Inn broke ground on a hotel on Lake St. alongside yet another City streetscape project. Through the VT Sales Tax Reallocation Program, \$103,000 of the sales taxes paid by the hotel construction will go toward that streetscape project.
- Since 2011, \$860,000 in historic tax credits have gone toward more than \$16 million in private building renovations in our City.
- Each and every one of our downtown streetscape projects has been supported by the Downtown Transportation Fund.
- From 2008 to 2017, the City of St. Albans has attracted more than \$40 million in private investment with around \$20 million in local, state and federal public investment.

This all began with downtown designation.

There is more to do in the City of St. Albans. We still have brownfields, historic buildings needing \$ millions in code updates, underutilized lots, owners of dense properties worried about having enough parking. We will need more assistance from the historic tax credits program, the downtown transportation fund, the sales tax reallocation program, and all of the other benefits of the VT Downtown Program. But these are not just hand-outs to an old downtown; these are wise investments from the State to leverage more than double the amount in private investment and grow our local and statewide grand lists. And there are many other downtowns and village centers that are ready to realize that potential as well. Think of how much more we could accomplish across the State. Thank you.