

Program Overview

Downtown designation provides Vermont's larger communities with financial incentives, training, and technical assistance. The program supports local efforts, to help communities thrive by restoring historic buildings, building new housing, and improving the streets and sidewalks that attract visitors on foot, or by bike, car, or bus.

Municipalities that receive designation collaborate with local non-profit downtown organizations that support revitalization efforts with staff and volunteers who provide marketing, promotion, and business development services. Once designated, the community may apply for additional benefits to encourage new housing with the neighborhood development area designation, or shape the next 20 years of compact development with the growth center designation.

Website: <http://accd.vermont.gov/community-development/designation-programs/downtowns>

By the Numbers [2014-2018]

23

designated downtowns

83

tax credit projects awarded

\$8 M

in tax credits awarded

\$1.7 M

in downtown transportation grants awarded

\$35.2 M

leveraged with downtown transportation funds

\$127 M

in private funds leveraged with tax credits

Bristol - Building a Walkable and Vibrant Downtown



Village Green



Downtown

VTrans funds the Downtown Transportation Fund (DTF) program to support revitalization efforts in designated downtowns by making these areas more pedestrian, bike, and transit friendly. Since 1999, the fund has invested \$10 million to support 115 projects in 22 communities leveraging over \$30 million for transportation improvements in designated downtowns. The Town of Bristol recently used a DTF grant to enhance their village green by adding lighting, benches, and bike racks to strengthen the connection to downtown and a VTrans improved Main Street intersection. The Prince Lane reconstruction project, also funded by a DTF grant, added sidewalks, lighting, and landscaping to improve access to local businesses and bring vitality to the downtown.

For more information, please contact:

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Program Benefits

The downtown 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:

Downtown and Village Center Tax Credits

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

Priority Consideration for State Grants

- Priority consideration for various ACCD, VTrans and ANR grants and incentives including, ACCD's Municipal Planning Grants, State Historic Preservation grants, Vermont Community Development Program (VCDP) grants, VTrans Bike/Ped and Transportation Alternatives grants, Northern Border Regional Commission Grants, ANR Water and Wastewater subsidies and loans, and various other state grants and resources.

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 by State Building And General Services (BGS)

- 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 business improvement district) to raise funds for both operating costs and capital expenses to support specific projects in the designated downtown.

Act 250

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

Neighborhood Development Area (NDA) Eligibility

- Communities may also designate Neighborhood Development Areas within 1/2 mile from the designated downtown. Qualified projects are:
 - Exempt from Act 250 regulations for [Priority Housing Projects](#) and projects not qualifying for the exemption receive a 50% discount on application fees.
 - Exemption from the land gains tax for housing units sold.
 - Eligible for reduced state permit fees.

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Downtown and Village Center Tax Credits

Return on Public Investment

An analysis of property values using local grand list data shows how public investment to improve buildings in designated village centers has increased property tax revenue. This investment not only revitalizes communities, it provides a permanent increase in tax revenue to support the education fund, creates jobs and housing.

Blanchard Block, Barre

Total Project Cost: \$5,500,000 Tax Credits Awarded: \$287,500

Standing on a prominent downtown lot across from Barre's city hall park, the Blanchard Block (1904) was designed by prominent Vermont architect Lambert Packard. Largely vacant in 2012, tax credits provided incentives for new owners to install an elevator, add a sprinkler system in the building, and complete major interior and exterior rehabilitation work. Now the five-story building provides 48,000 square feet of safe, accessible and modern commercial and office space. It is also one of several recent tax credit projects that helped transform downtown Barre.

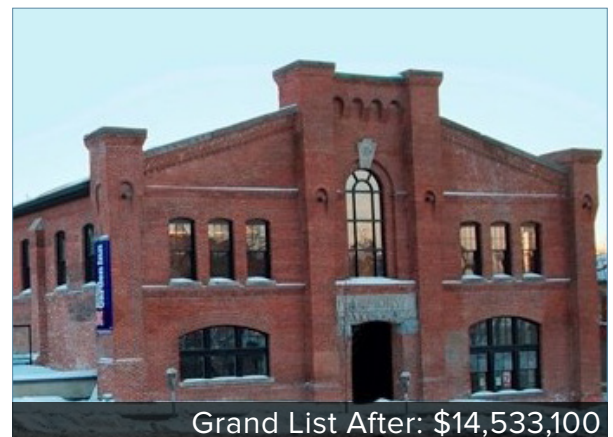


101 Main Street, Burlington (Armory/Hilton Garden Hotel)

Total Project Cost: \$5,000,000* Tax Credits Awarded: \$150,000

The rehabilitation of the historic Woodbury Armory (1904) was part of a large, multi-phased, redevelopment project in the distressed King Street neighborhood of downtown Burlington. Nearly lost to a fire in 2003, the former armory was adaptively re-used as the lobby and restaurant of a new Hilton Garden Hotel, as well as a newly opened comedy club, transforming this city block. Coupled with public infrastructure investments, this project resulted in a significant increase in tax receipts and will continue to generate meals and rooms revenue for the city.

**Investment reflects costs associated with rehabilitation of the Armory only, and not new construction*



For more information, please contact:

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Landry Block, St. Johnsbury

Total Project Cost: \$1,122,395 Tax Credits Awarded: \$168,279

Built in 1879, the Italianate Revival Landry Block suffered a devastating fire in December 2012 and was in danger of being demolished. This would have left a major hole along Railroad Street, the town's major commercial street. With the help of tax credits, the building was saved and rehabilitated. It now includes two ground floor commercial spaces and four market rate apartments, filling a need for quality housing in downtown St. Johnsbury. The project also included a new elevator tower at the rear and a new sprinkler system for the entire building.



Vermont House, Wilmington

Total Project Cost: \$950,000 Tax Credits Awarded: \$78,235

The Vermont House (1831), an icon of downtown Wilmington, served as a tavern and inn as far back as 1864. Following major flooding as a result of Tropical Storm Irene, the building sat vacant for three years. Tax credits supported code-mandated upgrades to the building as well as façade repairs. The building now includes 13 quality guest rooms associated with the nearby Hermitage, filling a need for tourist accommodations within walking distance of Wilmington's shops and restaurants. This project, along with several others in Wilmington, have not only increased property values, they have spurred economic recovery with local sales receipts jumping 22% between 2012 and 2013.



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