

Community Investment Package



Community Investment Package

Modernize state regulations to support housing

Act 250 in State Designated Downtowns & Neighborhoods

- Modifies jurisdiction to exempt development-ready downtowns and neighborhoods
- Transitions existing permits to municipal review

State & Municipal Water/Wastewater Connection Permits

- Exempts state connection permits in willing and capable municipalities.
- Requires communities improve maps of their sewer and water infrastructure

Community Investment Package

Regulation, Municipal Technical Assistance & Training

- Provides incentives (tax credits) to encourage communities to modernize their bylaws through the Neighborhood Development Area designation
- Offers funding to help municipalities update and adopt inclusionary housing bylaws
- Trains “missing middle” builders and landlords to jumpstart development in all counties

Community Investment Package

Provides new funding support community investment

Tax Incentives

- Expands tax credits for re-investment and flood-safe rehabilitation in designated Neighborhood Development Areas
- Eliminates capital gains on the sale of improved homes located within federally designated Opportunity Zones

Vermont Housing Improvement Program Grants

- Creates housing provider grants to bring unsafe, blighted, and vacant rental units up to code and back online

“Better Places” Crowd-granting Framework

- Establishes a framework to leverage funding from private foundations for placemaking in state designated centers

Number of State Designations: 223



Village Centers: 187



Downtowns: 23



New Town Centers: 2

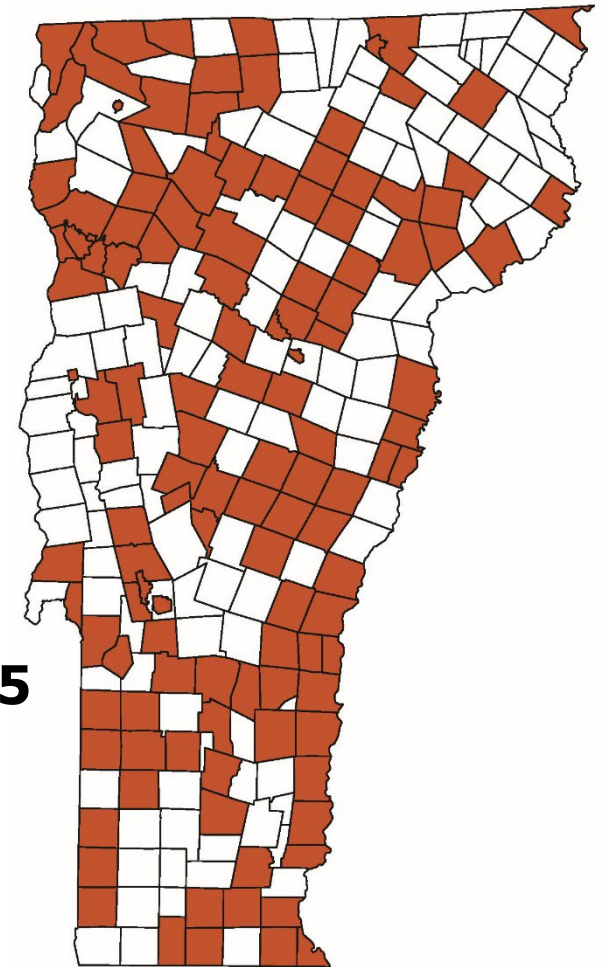
Add-On Designations



Neighborhood Development Areas: 5



Growth Centers: 6



Downtown and Village Center Tax Credits

The Basics

- Goal to stimulate investment in commercial centers, large and small
- Award \$2.6 Million in credits annually
- Applications are competitive
- Project must be a Designated Downtown or Village Center
- 23 Designated Downtowns, 187 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 code improvements including elevators and sprinkler systems



Landry Block, St. Johnsbury

Tax Credit Outcomes



French Block, Montpelier

By the Numbers 2015-2019

112

Projects Awarded

53

Communities Served

\$12M

Awarded

\$150M

Total Investment

Program Survey



Putnam Block, Bennington

By the Numbers – Responses Talled from 96 Respondents

894

Permanent Jobs
Retained/Created

754

Temporary
Jobs

34

New
Businesses

16

Expanded
Businesses

Wilmington



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

Case Studies



Grand List Before \$198,000



Grand List After \$230,100

Maple Corner Store, Calais

Total Project Cost
\$92,712

Tax Credits Awarded
\$4,536



Grand List Before \$738,500



Grand List After \$1,341,700

Lackey's Store, Stowe

Total Project Cost
\$1,003,706

Tax Credits Awarded
\$103,339

Case Studies



Grand List Before: \$132,700



Grand List After: \$175,700

Hancock General Store

Total Project Cost
\$145,000

Tax Credits Awarded
\$19,850



Grand List Pre-Construction: \$88,000

Albany General Store

Total Project Cost
\$381,000

Tax Credits Awarded
\$55,125

Brownsville General Store



Total Project Cost: \$413,771
Tax Credits Awarded: \$51,444
Grand List pre-construction: \$379,000

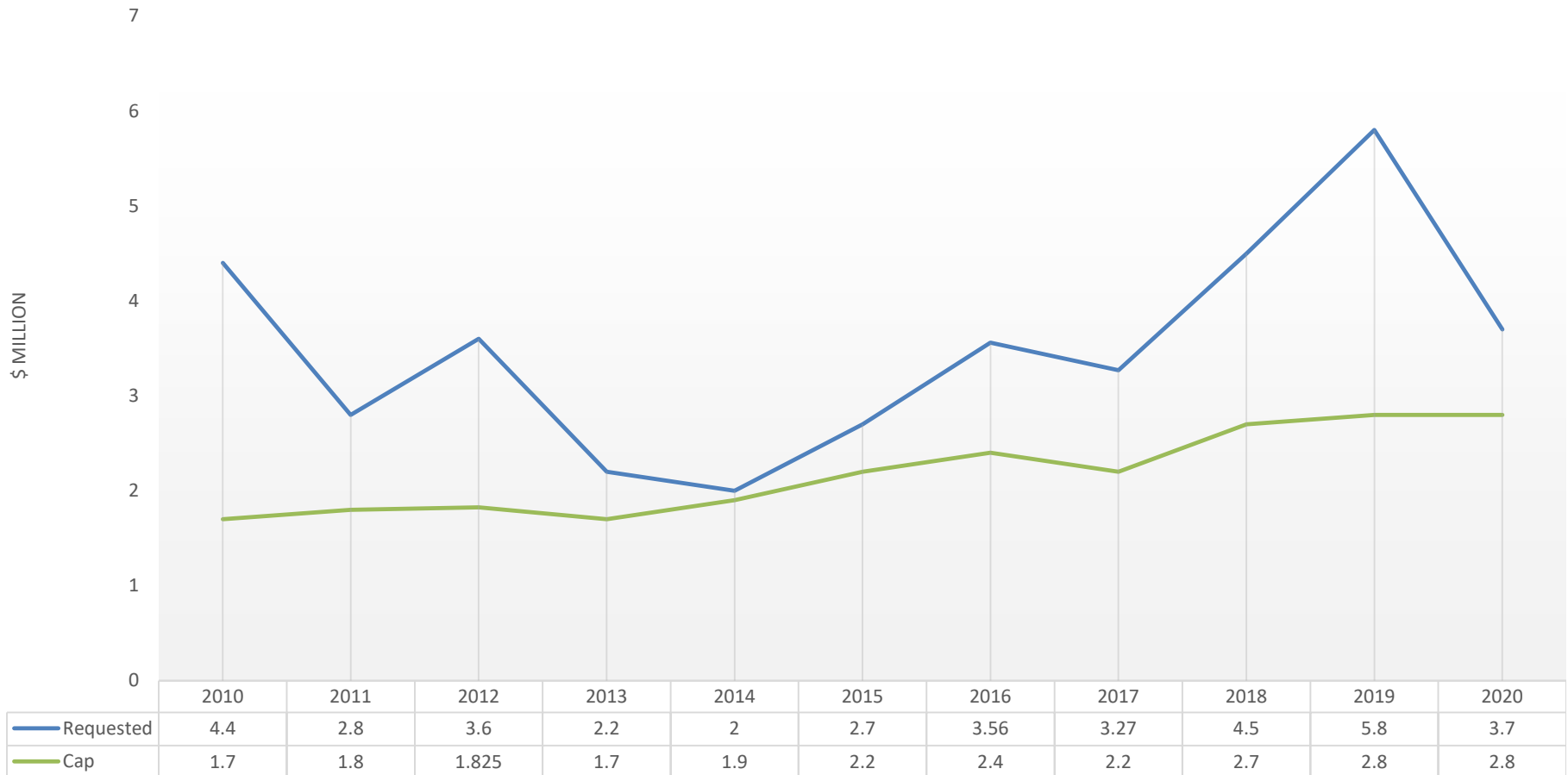
Community Investment Package

Proposed Amendments

- Increase annual cap from \$2.6M to \$4M
- Enable credits to support “Qualified Flood Mitigation” projects to encourage investment in making communities more resilient
 - 50% credit with a cap of \$75,000
 - Projects within flood hazard areas as mapped by FEMA
- Extend program benefit to designated Neighborhood Development Areas to encourage investment in housing around our commercial centers

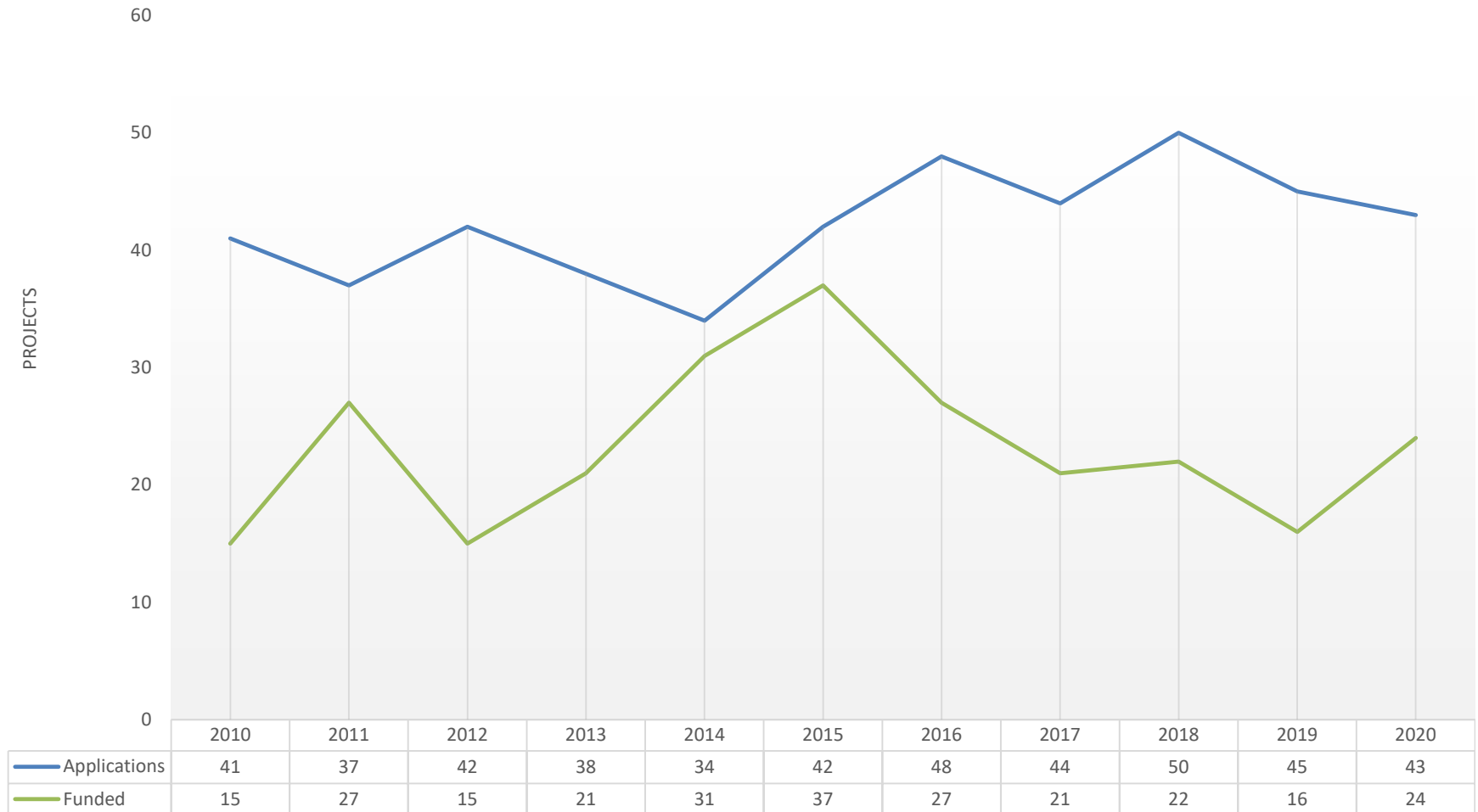
Downtown & Village Center Tax Credits

Funding Demand FY 2010-2020

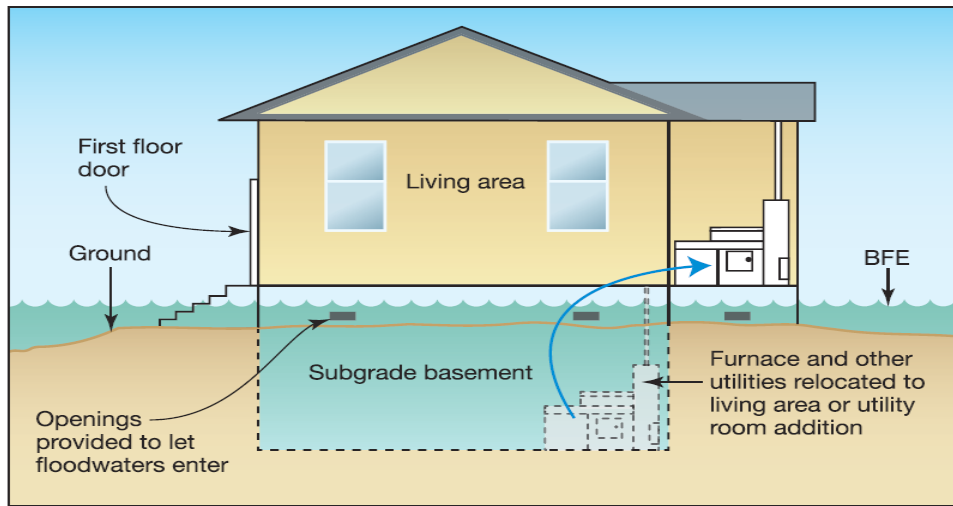


Downtown & Village Center Tax Credits

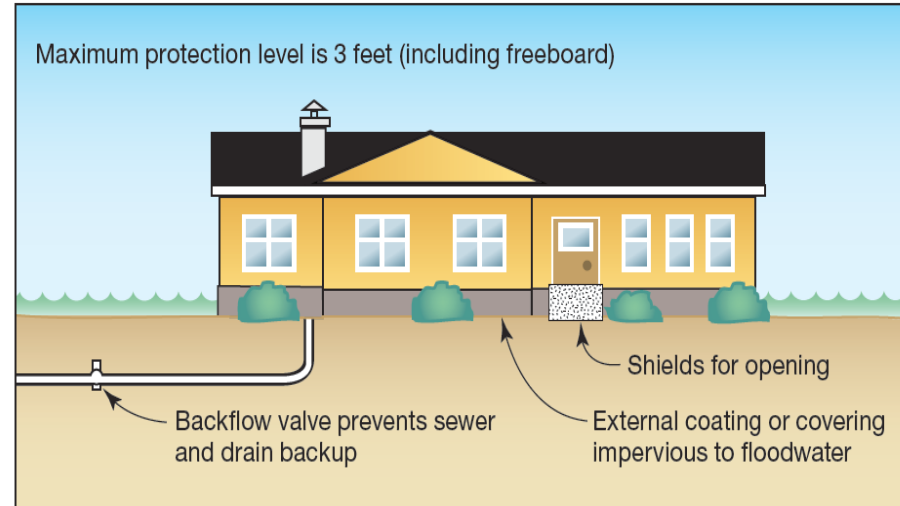
Project Demand FY 2010-2020



Floodproofing



wet floodproofing

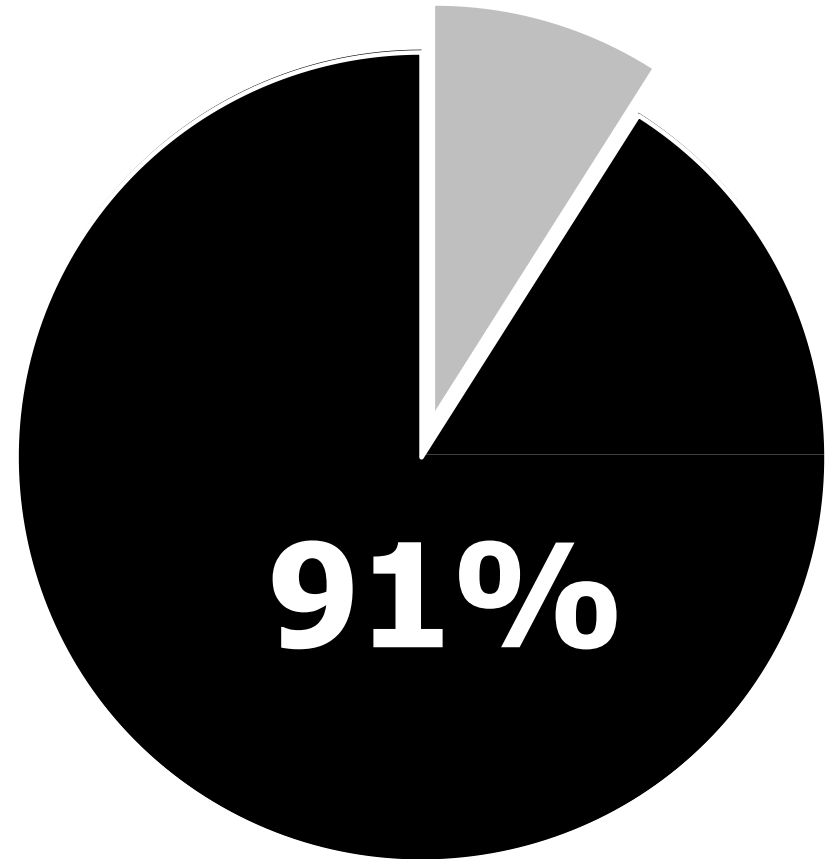


dry floodproofing

Floodproofing



I would walk to
work, school,
shopping or
other activities
if they were
close enough...



Housing Barriers Survey Results

Difficulties (Top 4 out of 8)

1

Lack or High Cost of Real Estate

2

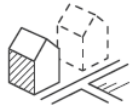
High Construction Costs (includes infrastructure)

3

Resistance to Neighborhood Change

4

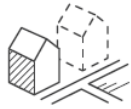
Municipal Zoning/Land Use Regulations



Neighborhood Development Areas

1. Burlington
2. Essex Junction
3. Manchester
4. South Burlington
5. Winooski
6. Westford

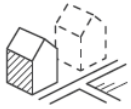




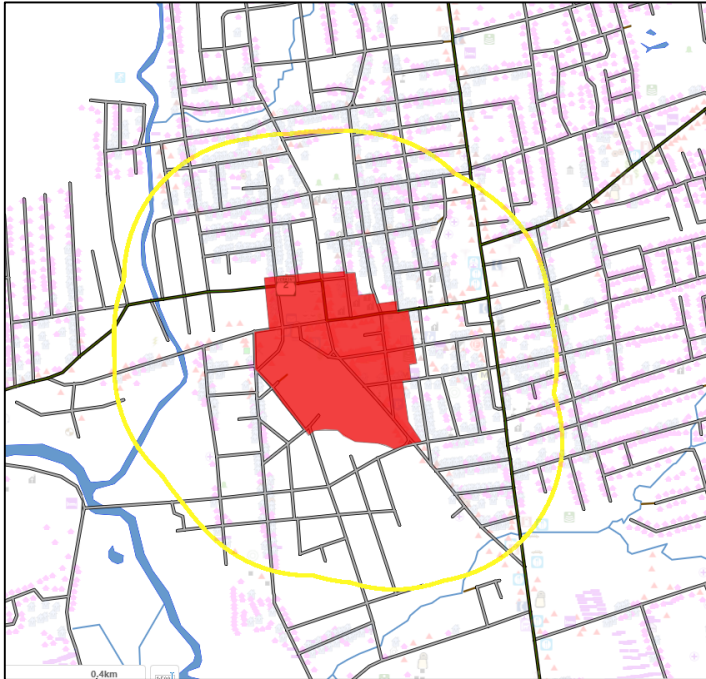
Neighborhood Development Areas

1. Barre*
2. Brattleboro* - application in the works
3. Bristol
4. Cabot
5. Castleton
6. E. Montpelier
7. Fair Haven
8. Fairlee
9. Hinesburg*
10. Hyde Park
11. Jericho*
12. Johnson
13. Lyndon
14. Middlebury*
15. Middlesex
16. Montpelier*
17. Putney
18. Richmond
19. Rutland
20. Shoreham
21. South Hero*
22. Swanton
23. Vergennes*
24. Waterbury
25. Stowe
26. Randolph

* close to qualifying

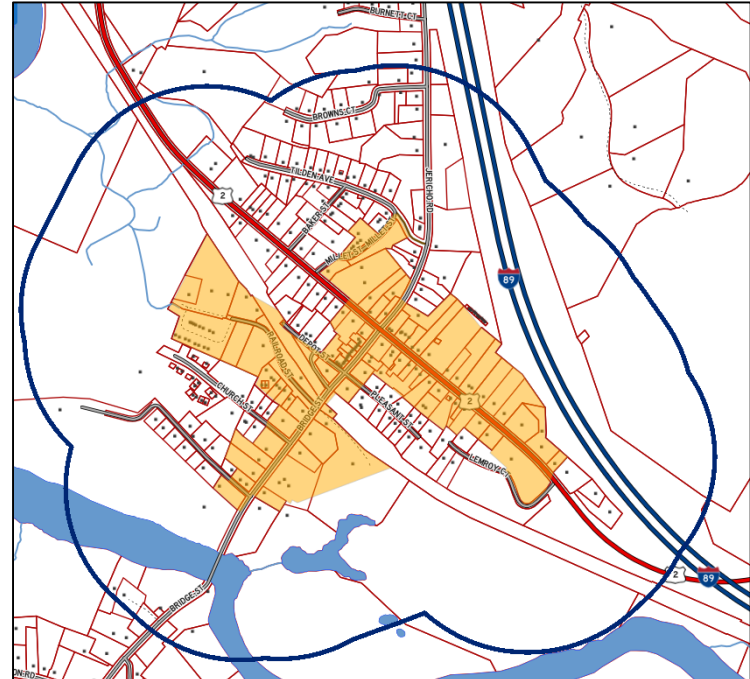


Neighborhood Development Areas



Downtowns – 1/2 mile

15 min walk



Village Center – 1/4 mile

5-10 min walk

Policies & Bylaw Requirements

1

Density

Minimum 4 DU/Acre

2

Building & Lot Patterns

3

Uses

4

Complete Streets



**Neighborhood
Development Area
Designation
Program**

**Application
Guidelines**



State Designation Programs
Community Planning + Revitalization
July 2017

 **VERMONT**
AGENCY OF COMMERCE & COMMUNITY DEVELOPMENT
DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT



Thank You.



**Department of Housing + Community Development
Community Planning + Revitalization**