

1 Sec. XX. 24 V.S.A. § 2793a(c) is amended to read:

2 (c) A village center designated by the State Board pursuant to subsection  
3 (a) of this section is eligible for the following development incentives and  
4 benefits:

5 \* \* \*

6 (6) Provided the municipality where the designated village center is  
7 located has completed a project funded through the Vermont Better  
8 Connections Program, participation in the Downtown Transportation and  
9 Related Capital Improvement Program established by section 2796 of this title.

10 Sec. XX. 24 V.S.A. §§ 2795 and 2796 are amended to read:

11 § 2795. CONSIDERATIONS FOR COMPETITIVE-BASED INCENTIVES

12 In awarding competitive-based financial incentives under section 2794 of  
13 this title, including a rebate and tax incentives, or in awarding grants or other  
14 assistance from the Downtown Transportation and Related Capital  
15 Improvement Fund under section 2796 of this title, the Vermont Downtown  
16 Development Board shall give consideration to the following factors:

17 (1) the vacancy rate for existing buildings in the downtown development  
18 district or village center;

19 (2) the current or projected unemployment rate for the labor market area  
20 in which the municipality is located;

1           (3) ordinances or bylaws adopted by the municipality that support the  
2 preservation of the ~~downtown's~~ vitality of the downtown development district  
3 or village center, including:

4           (A) an ordinance or bylaw requiring that new construction in the  
5 downtown development district or village center shall be compatible with the  
6 buildings that contribute to the integrity of the district or center, in terms of  
7 materials, features, size, scale and proportion, and massing of buildings, and  
8 that exterior rehabilitation shall respect the historic and architectural  
9 significance and its exterior features; and

10           (B) a conditional use provision in a town zoning ordinance that  
11 supports adaptive reuse of historic properties;

12           (4) the integration of the proposed improvements with any coordinated  
13 plan for the downtown development district or village center and surrounding  
14 area;

15           (5) the degree of any deficiency in the downtown development district  
16 or village center of transportation infrastructure including parking facilities;

17           (6) the vulnerability of the downtown development district or village  
18 center to economic decline due to competing development in adjacent areas;

19           (7) the immediacy of the benefits provided and the desirability of  
20 prompt action to secure those benefits for a downtown development district or  
21 village center;

1           (8) the amount of investment from individual Vermont taxpayers that  
2           has been committed to projects in the downtown development district or  
3           village center. In considering this factor, the Board shall recognize the value  
4           of individuals participating in downtown or village projects by giving  
5           preference to applications for incentives from individual Vermont taxpayers,  
6           and projects coordinated by developers who have encouraged the participation  
7           of such investors.

8           § 2796. DOWNTOWN TRANSPORTATION AND RELATED CAPITAL  
9           IMPROVEMENT FUND

10          (a) There is created a Downtown Transportation and Related Capital  
11          Improvement Fund, to be also known as the Fund, which shall be a special  
12          fund created under 32 V.S.A. chapter 7, subchapter 5, to be administered by  
13          the Vermont Downtown Development Board in accordance with this chapter to  
14          aid municipalities with designated downtown development districts and  
15          designated village centers in financing capital transportation and related  
16          improvement projects to support economic development.

17          (b) The Fund shall be comprised of the following:

- 18               (1) such State or federal funds as may be appropriated by the General  
19          Assembly;
- 20               (2) any gifts, grants, or other contributions to the Fund;
- 21               (3) proceeds from the issuance of general obligation bonds.

1           (c) ~~Any municipality~~ Municipalities with a designated downtown  
2           development district and municipalities with a designated village center that  
3           have completed a project funded through the Vermont Better Connections  
4           Program may apply to the Vermont Downtown Development Board for  
5           financial assistance from the Fund for capital transportation and related  
6           improvement projects within or serving the district or center. The Board may  
7           award to any municipality grants in amounts not to exceed \$250,000.00  
8           annually, loans, or loan guarantees for financing capital transportation projects,  
9           including construction or alteration of roads and highways, parking facilities,  
10          and rail or bus facilities or equipment, or for the underground relocation of  
11          electric utility, cable, and telecommunications lines, but shall not include  
12          assistance for operating costs. Grants awarded by the Board shall not exceed  
13          80 percent of the overall cost of the project. The approval of the Board may be  
14          conditioned upon the repayment to the Fund of some or all of the amount of a  
15          loan or other financial benefits and such repayment may be from local taxes,  
16          fees, or other local revenues sources. The Board shall consider geographical  
17          distribution in awarding the resources of the Fund.

18          (d) The Fund shall be available to the Department of Housing and  
19          Community Development for the reasonable and necessary costs of  
20          administering the Fund. The amount projected to be spent on administration

- 1 shall be included in the Department's fiscal year budget presentations to the
- 2 General Assembly.