

Dear Chair Kitchel, Chair Ram Hinsdale, Members of the Senate Committee on Appropriations, and Members of the Senate Committee on Economic Development, Housing, and General Affairs:

I urge you to support a one-time \$2M increase in the Downtown and Village Tax-Credit program.

In my capacity as President of the Preservation Trust of Vermont, and as Chair of the Montpelier Commission for Recovery and Resilience, I've seen firsthand what our downtowns are up against in their recovery from this summer's flood. Places like Johnson, Barre, So Londonderry, Glover, all saw downtown and village businesses devastated. Many in Montpelier have said they can't go through it again.

The Downtown and Village Tax Credit program is one of the best tools we have in Vermont to help these businesses recover and *build back with flood mitigation in mind*:

- The program currently offers a 50% credit for structural and non-structural upgrades to reduce or eliminate flood damage.
- The credits can be monetized meaning that business owners can sell the credits if they don't have sufficient tax-liability (banks often finance the remaining cost of construction using the credit as collateral).
- The credit applies to neighborhood development areas, incentivizing flood mitigation investment in residential rental properties that are at risk.
- The program is perhaps the most accessible and equitable economic development program in the State's toolbox. The tax credit program mostly provides funding to projects in areas of the State with slower economic growth. 65% of total credits awarded have been to projects in municipalities located in counties with below-average GDP growth (JFO Report, Jan 2021).

The truth is our downtowns and rural villages aren't going to be able to meet the challenge of climate change if we don't help. At PTV, this means providing flood mitigation assessments by professional engineers and architects, free of charge, to any flood impacted commercial, municipal, or non-profit owned historic building. At the State, I hope it means that you will fully utilize one of the most effective tools at your disposal.

Please feel free to contact me should you have questions or need additional information. In the meantime, thank you for your leadership during this challenging time. Best, Ben

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Ben Doyle  
President  
Preservation Trust of Vermont