

Program Overview

Village center designation supports the revitalization efforts of medium-sized historic centers. The designation brings financial incentives, training and technical assistance needed to attract new business and vitality to Vermont's smaller communities. Once designated, the community may apply for the neighborhood development area designation that brings additional benefits to build new housing within walking distance to the village center.

Enhanced outreach efforts have led to an increase in designated village centers by 35% (93 to 124) in four years and a 200% increase in historic tax credit applications from village centers over the past two years. A record number of tax credits (14) were awarded to village centers in the past two years. This includes the revival of general stores that are the crucial economic and social foundations of Pawlett, Greensboro and Hancock. The iconic Craftsbury Inn, long a centerpiece in this small community, will be rehabilitated and re-opened as the Craftsbury Public House. In Jamaica, tax credits will support rehabilitation of a building that has long housed the local Post Office and in Putney, the Next Stage Performing Arts center is amid a multi-year rehabilitation.

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

By the Numbers [2011 - 2016]

132

designated village centers

41

tax credit projects

\$2.3 M

awarded in tax credits

116

municipal planning
grants awarded

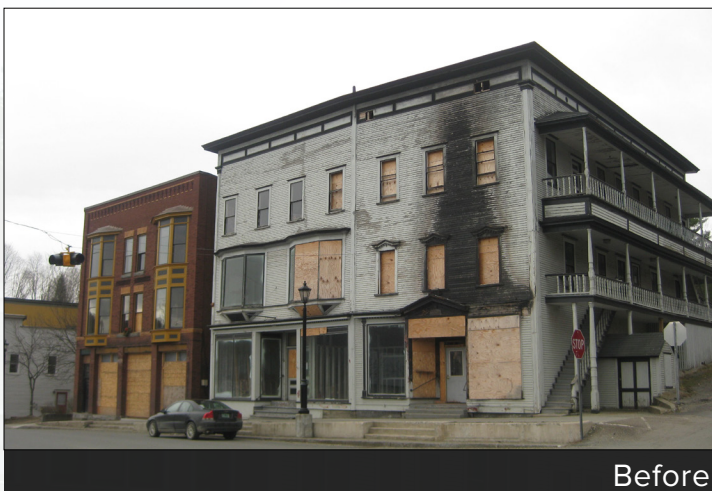
\$1.2 M

in municipal planning
grants awarded

\$25.8 M

in private
investment

Hardwick - Designation Sparks Revival



Before



After

Thanks to village center designation and the efforts of local property and business owners, downtown Hardwick has been transformed. Since 2005, six properties in the village center were awarded downtown and village center tax credits, sparking local investment and bringing new vitality to the commercial district. Approximately \$625,000 in state tax credits leveraged over \$7.5 million in private investment to date, making projects financially feasible and jumpstarting new businesses, creating jobs, and developing quality housing in the village center. The public investment to improve these buildings increased the local Grand List values and results in increased property tax revenue. Hardwick's success is a model for small communities across the state.

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.

Hancock General Store, Hancock

Total Project Cost: \$145,000; Tax Credits Awarded: \$19,850

Hancock's General Store operated for over 100 years before closing in 2013. A major community hub in this small village, the loss of this business was devastating to residents. That's when new owners, locals from Hancock, stepped in to buy the building and revive this important community resource. The project required major investments to upgrade the building to meet code requirements and also included façade improvements. The store re-opened in 2016.



Grand List Before: \$107,700



Grand List After: \$132,700

31 Main Street, Johnson

Total Project Cost: \$325,000; Tax Credits Awarded: \$50,000

Butternut Mountain Farm's retail store has been a mainstay of Johnson's downtown for almost 30 years, selling local maple products, maple sugaring supplies and equipment, and other Vermont products. Located in two neighboring buildings, a former garage and the "old town fire house," the owners decided to make a major investment in the property to improve its accessibility, energy efficiency and curb appeal. This included major structural work as well as upgrades to building systems, installation of new accessible bathrooms and façade improvements to ensure the continued viability of this anchor business.



Grand List Before: \$119,800



Grand List After: \$202,700

For more information, please contact:

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Program Benefits

The Vermont village center 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.

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.

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.

Neighborhood Development Area (NDA) Eligibility

- Communities may also designated Neighborhood Development Areas within 1/4 mile from the designated village center. Qualified projects are:
 - Exempt from Act 250 regulations and the land gains tax.
 - Eligible for, once designated, reduced Agency of Natural Resources review fees.



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