

Vermont: Downtown Program

The Vermont
Downtown
Program provides
training and
technical
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support
community
revitalization
efforts.

Description

Vermont, like other states, has for decades seen businesses slowly abandoning downtowns in favor of locations at the edge of town along arterial roads. In an effort to reverse this trend, in 1994 the Vermont state legislature created the Vermont Downtown Program (VDP) to provide training and technical assistance to support community revitalization efforts. The 1998 Downtown Development Act expanded the program substantially and created a designation process for “downtown development districts.” Designated downtowns became eligible for various incentives including tax credits, grants from state agencies, and financing of transportation projects under the state infrastructure bank. In 2001, the legislature created the Downtown Reinvestment Fund, which has provided grants to help communities make public improvements and rehabilitate underutilized or vacant commercial buildings in designated downtowns. The program is overseen by the Agency of Commerce and Community Development (ACCD), and the total cost of the program to the State has been about \$3.5 million annually, mostly through grants and tax credits.

The VDP is based on the National Main Street program, which stresses a “four point” approach: organizational capacity, economic restructuring, promotion and marketing, and physical design. The Vermont program also differs from the national program in some ways, especially in its rigorous designation process and the various financial benefits provided. Designations are made by a committee made up of representatives from state agencies of transportation, commerce and community development, natural resources, labor and industry, and human services, as well as two gubernatorial appointees and a representative of the Vermont League of Cities and Towns. To be designated as a Vermont Downtown, each town must have in place a planning commitment, a community reinvestment agreement by private and public partners, funding and resources to fulfill the agreement, a capital improvement plan, and an organizational structure for carrying out long-term revitalization. The capital improvement plan must address at least five issues: public transit, parking, pedestrian amenities, lighting, and public space. Plans must be action-oriented and address downtown needs comprehensively – not just through design strategies. While the 18 Vermont towns designated as of 2004 represent most of the State’s potentially eligible communities, designations must be renewed every three years, providing a strong incentive for communities to continue pursuing and developing their plans.

The VDP has included a significant emphasis on transportation and infrastructure improvements that support reinvestment in housing, commercial structures, and public spaces. The 1998 act created a Downtown Transportation Fund, which has committed \$800,000 annually to transportation-related projects such as sidewalks, streetscaping, and intersection improvements. In most of Vermont’s downtowns, Main Street is also a state highway, and VTrans participates on the state committee that meets monthly to oversee the program and designate downtowns. Designated downtowns also have the authority to post speed limits of less than 25 mph to help calm traffic and make the downtown a more pedestrian-friendly environment.

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Community Spotlight: The Rebirth of Vergennes

Vergennes, a city of 2,600 people 20 miles south of Burlington, is one community that has leveraged VDP assistance to stimulate the rebirth of its downtown. By the early 1990s, most of the City's downtown storefronts were empty, and the area was unattractive and poorly maintained. Efforts to turn around the downtown began when a group of citizens launched an effort to restore the town's opera house, which had been shut for 20 years. A Transportation Enhancements grant was one of a number of funding sources the citizens procured to restore the building, which had been damaged by vibration from truck traffic on the adjacent state highway.

According to Liz Fitzimmons, Executive Director of the Vergennes Partnership, once people realized they could restore the opera house, they felt they could successfully achieve much more. Business and community leaders wrote grants to conduct charrettes and community meetings and to conduct physical and economic assessments of the town, then developed a plan (funded by a Community Development Block Grant) with a list of recommendations and action steps. State agency staff worked with the City and its citizenry



Vermont Downtown Program funds helped create these streetscape improvements and handicapped-accessible business entrances.

to develop this plan, and the Vergennes Partnership was formed and a director hired to implement the plan. Designation as a Vermont Downtown helped in obtaining state funding and technical assistance to rebuild infrastructure, purchase and rehabilitate buildings, and market the town to businesses, residents, and tourists.

Ten years later, the revitalization of Vergennes has been a rousing success. Almost all of its storefronts are occupied, and vacancies fill quickly. City administrator Renny Perry notes that its efforts have coincided with favorable market conditions, including renewed national interest in small town and urban lifestyles, and “tenants are finding us.” Businesses are almost exclusively owned by local residents and tend to be specialty stores – for example, a butcher, fish shop, and natural foods café – that are not found elsewhere in the area. Transportation improvements funded through the VDP have included reconstruction of sidewalks to provide access to businesses that is compliant with Americans with Disabilities Act requirements, street lighting, and enhanced pedestrian crosswalks on the main street.

Success Factors and Lessons Learned

Over its 10-year history, the Vermont Downtown Program has helped to revitalize downtowns throughout Vermont. The migration of businesses and residents back into these centers is helping to reduce vehicle travel as well as environmental impacts from sprawl-type development. Transportation funds for streetscape and sidewalk improvements are not only helping to make the downtowns more attractive but are making it easier and safer for children, the elderly, and residents and businesses customers of all ages to walk around Vermont's towns. Staff from the ACCD and VTrans note a number of factors supporting the success of the program.

“Prime the pump.” A key tenet of the Vermont Downtown Program has been its “self-help” approach. The state program does not provide funding for local staffing of the program; instead, staffing must be provided by the community as a demonstration of commitment. State project funding requires a local match, which for the Downtown Transportation Fund is 50 percent of project costs. This ensures that locals are invested in their projects and are willing to undertake other activities necessary to leverage the state-funded investments – rather than simply relying on state handouts to undertake specific projects in isolation. It also ensures that the program's annual budget will stretch far enough to benefit communities throughout the State. In Vergennes, citizens took the initiative to obtain designations for the City and to raise funds from a variety of sources. According to VDP program coordinator Joss Besse, “Our role is to provide seed money and prime the pump. Successful projects build excitement so that communities are motivated to continue fundraising and investing in themselves.”

Hold communities to a high standard. While supporting important community goals through the VDP, the State also wants to ensure that its resources are put to good use. The



Improvements in downtown Vergennes have helped stimulate street-level shops and restaurants while spurring the rehabilitation of upper floors for residential and professional office uses.

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process for being designated a Vermont Downtown is rigorous and requires that towns address a range of key issues that are critical to revitalization. The involvement of experts from different functional areas, through a multiagency committee, helps ensure that the actions being undertaken by communities are appropriate and comprehensive enough to leverage private sector reinvestment.

Take advantage of niche markets. While downtowns may have difficulty in attracting large-scale retail, such as a supermarket or department store, a significant and growing market exists in many areas for smaller-scale specialty retail and entertainment uses that are attractive to the unique and pedestrian-oriented environment of a downtown area. Examples of such uses include specialty food shops, arts and crafts stores, and cafes and restaurants. Rehabilitation or construction of upper-story residential units over businesses provides customers for these businesses, reduces vehicle transportation needs, and provides affordable housing opportunities, especially for singles and childless couples. Live-work units provide affordable space for small businesses. Vergennes was boosted in its redevelopment efforts by its picturesque setting amidst rolling farmland near Lake Champlain as well as its proximity to Burlington, the State’s largest city. Established communities in many locations, however, have the potential to tap into the historic character of their downtown and enhance the unique sense of place that is increasingly attractive to people.

Resources

Vermont Downtown Program

<http://www.dhca.state.vt.us/dhp/programs/downtown.html>

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