



Downtown Designation Program

Renewal Application Guidelines



Department of Housing
and Community Development
Community Planning + Revitalization
May 2022

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



Overview

Downtown designation recognizes and encourages local efforts to revitalize Vermont's traditional downtowns. Downtown revitalization is an ongoing process to improve a community's vitality and livability. Downtown designation is only one tool for revitalization and its focus is on supporting commercial activity in Vermont's downtowns.

These guidelines provide instructions for communities preparing new applications for Downtown designation. The statutory definition of Downtowns is:

"Downtown" means the traditional central business district of a community that has served as the focus of socio-economic interaction in the community, characterized by a cohesive core of commercial and mixed use buildings, some of which may contain mixed use spaces, often interspersed with civic, religious, residential, and industrial buildings and public spaces, typically arranged along a main street and intersecting side streets that are within walking distance for residents who live within and surrounding the core and that are served by public infrastructure such as sidewalks and public transit. Downtowns are typically larger in scale than village centers and are characterized by a development pattern that is consistent with smart growth principles.

24 V.S.A. §2791(3)

Renewal Process for Downtowns

A Downtown is designated for eight years. After eight years, the municipality must submit a request for renewal, demonstrating that it continues to meet all of the requirements for the designation.

Timeline and Process

The Department of Housing and Community Development sends out a reminder memo outlining the renewal process to each community 6 months prior to the renewal date. The applicant must submit via email an electronic copy of a draft renewal application including all items on the [renewal checklist](#) 2 months prior to the renewal date. Staff will send written comments 1 months prior to the renewal date outlining any concerns or issues.

Final applications are due the first Monday of the renewal month and the Board will meet and review applications the fourth Monday of each month. Municipalities must submit one electronic copy of the application and all supporting documents. If the file is too large to email – applications may be submitted on a CD or uploaded to a file sharing service such as Dropbox. All maps and photos must be in color. Representatives of the municipality and the downtown organization should attend the meeting and be prepared to make a 10 minute presentation (see recommended outline on [page 6](#)) to the Downtown Board highlighting successes over the past five years and future plans. At the meeting the staff will provide a summary of the renewal followed by the community presentation. The Downtown Board will then discuss the renewal and vote.

Four-Year Review

An interim review of the designation is required every four years. DHCD will send a reminder memo outlining the review process and to schedule a meeting with the community 3 months prior to the review date. The community will provide an update to the Downtown Board at the four year mark.

Late Submissions

If the renewal date is missed, the designation continues for 6 months with the program benefits suspended. If no renewal application is received after the 6 month suspension the Downtown Board will withdraw designation. A community may submit a new application for designation at any time.

Amendments to Designated Downtown Boundary

Requests to amend a boundary must be submitted by the first Monday of any month the Board meets. Requests for amendments are reviewed using the same procedures as for a new application.

Please contact Gary Holloway (802.522.2444) or gary.holloway@vermont.gov, Downtown Program Manager, to guide and assist you in the renewal or amendment process.

Application materials must be submitted to:

Division for Community Planning and Revitalization
Department of Housing and Community Development (DHCD)
One National Life Drive, 6th Floor
Montpelier, VT 05620

Applications are due on the first Monday of the month by 4:30 p.m. in electronic format.

Vermont Downtown Designation Program

Gary Holloway Phone: 802.522.2444 email: gary.holloway@vermont.gov

The downtown 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 sprinkler systems; up to \$75,000 for elevators; and \$12,000 for lifts.
- Eligible code work includes ADA modifications, electrical, fire safety, or plumbing up to \$50,000.

Downtown Transportation Fund

- Eligible to receive loans, loan guarantees, or grants up to \$100,000 for capital transportation and related capital improvement projects.
- Grants may not exceed 50% of a project's cost.

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, Better Places 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.

Traffic Calming and Signage Options

- Authority to post speed limits of less than 25 mph to help calm traffic and make the downtown a more pedestrian-friendly environment.
- May erect and post informational signs to help guide visitors to downtown and to significant historical, educational, recreational or cultural landmarks.

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.

Special Assessment Districts

- May create a special assessment district (also known as business improvement district) to raise funds for both operating costs and capital expenses to support specific projects in the designated downtown.

Act 250

- No permit fees and special downtown process with reduced criteria.
- Qualified mixed use-housing projects are exempt from review.

Neighborhood Development Area (NDA) Eligibility

- Communities may also designate Neighborhood Development Areas within 1/2 mile from the designated downtown. Qualified projects are:
 - Exempt from Act 250 regulations for [Priority Housing Projects](#) and projects not qualifying for the exemption receive a 50% discount on application fees.
 - Exemption from the land gains tax for housing units sold.
 - Eligible for reduced state permit fees.

1. Cover Letter, including:

- ☐ Name of the municipality.
- ☐ Name, address, daytime phone number and email address of the primary contact person for application.
- ☐ A list of documents included in the application.

2. Authorization and Notification

- ☐ Minutes, municipal resolution or signatures of the legislative body showing that the renewal application has been authorized by the municipality.
- ☐ Letter notifying the Regional Planning Commission & Regional Development Corporation of the application.

3. Confirmed Planning Process

- ☐ Letter from the municipality's Regional Planning Commission stating that its planning process is "confirmed" under 24 V.S.A. §4350.

4. The municipality must meet at least one of the following to demonstrate its planning commitment:

- ☐ Adoption of a design control district, in accordance with 24 V.S.A. §4414(1)(E);
- ☐ Adoption of a local historic district, in accordance with 24 V.S.A. §4414(1)(F) (please note that this is not the same as a National Register district);
- ☐ Adoption of regulations that adequately regulate the physical form and scale of development that the State Board determines substantially meet the historic preservation requirements in subdivision 24 V.S.A. §4414(1)(E) and (F);
- ☐ Creation of a development review board authorized to undertake local Act 250 reviews, in accordance with 24 V.S.A. §4420.

Has the community modified its zoning bylaws that demonstrate its planning commitment since the last renewal? [Yes / No](#)

Please describe how the bylaws continue to protect and enhance the historic character of the downtown and attach relevant sections of the zoning bylaws.

5. Community Reinvestment Agreement

- ☐ Provide a community reinvestment agreement that has been signed by authorized representatives of municipal government, board members of the downtown organization, business and property owners within the district, community groups and residents demonstrating a commitment to the downtown revitalization efforts. The agreement must demonstrate that a broad range of downtown interests are committed and willing to participate in downtown revitalization efforts. The agreement should include and clearly describe the designated boundary, capital improvement plan, funding and resources, organizational structure and the strategic plan.

6. Municipal Capital Budget and Program

- ☐ A capital budget and program showing a clear plan for providing public infrastructure within the downtown, including facilities for:
 - ☐ Drinking water
 - ☐ Public space
 - ☐ Wastewater
 - ☐ Lighting
 - ☐ Stormwater
 - ☐ Transportation including public transit, parking & pedestrian amenities
- ☐ Evidence that the plan has been formally adopted by the legislative body of the municipality and/or board of directors of downtown organization.

7. Downtown Organization

- ☐ Five year strategic plan with a description of goals/objectives, strategy for implementation & timeline for completion.
- ☐ Description of current organization structure (501(c)(3) non-profit organization, municipal commission, downtown Improvement district/tax assessment district, etc.).
- ☐ Current list of board members and their affiliations.
- ☐ List of committees and number of volunteers overall.

8. Community Update

- ☐ Provide summary of your downtown reinvestment statistics since last renewal.
- ☐ Description and photos of historic preservation success over past five years.
- ☐ Description and photos of successful projects, events or other success stories.
- ☐ Description of key challenges facing the community and/or organization.

9. Funding and Resources

- ☐ Evidence of the municipalities continuing financial commitment.
- ☐ Proposed downtown organization budget with funding sources (see sample budget on page 8).
- ☐ Plans to pursue long term, sustainable funding strategies (e.g. business improvement district, local option tax, etc.).

10. Downtown Designation Boundary Map

- ☐ A color map must be included, delineating the boundary of the designated downtown district, clearly showing the buildings and properties that are within the district. See the map requirements on the following page for details.

11. Other Required Information

- ☐ Zoning District Map and corresponding bylaw language should be included. Zoning boundaries and bylaws help explain the community's development and uses within the Downtown.
- ☐ National or State Register Historic District Boundaries should be included, but if not available, are not required.

Downtown Renewal Presentation Guidelines

The applicant is required to make a 10 minute presentation to the Downtown Board highlighting successes over the past eight years and describe future plans.

- ☐ **Program Highlights** – overview of 2-3 successful program initiatives (events, business recruitment initiatives, partnerships, etc.).
- ☐ **Successful Projects** – overview of successful projects (façade renovations, new construction, streetscape projects, other public improvement or building rehabilitations).
- ☐ **Reinvestment Statistics Summary** – overview of reinvestment statistics over the past five years including public/private investment, business and job growth.
- ☐ **Future Plans** – brief overview of goals and implementation strategy for the next five years.
- ☐ **Challenges** – overview of key challenges facing the community and/or organization.
- ☐ **Assistance** – list the training and outreach needed that would help your community achieve its goals (e.g. strategic planning, board development, fundraising, etc.).

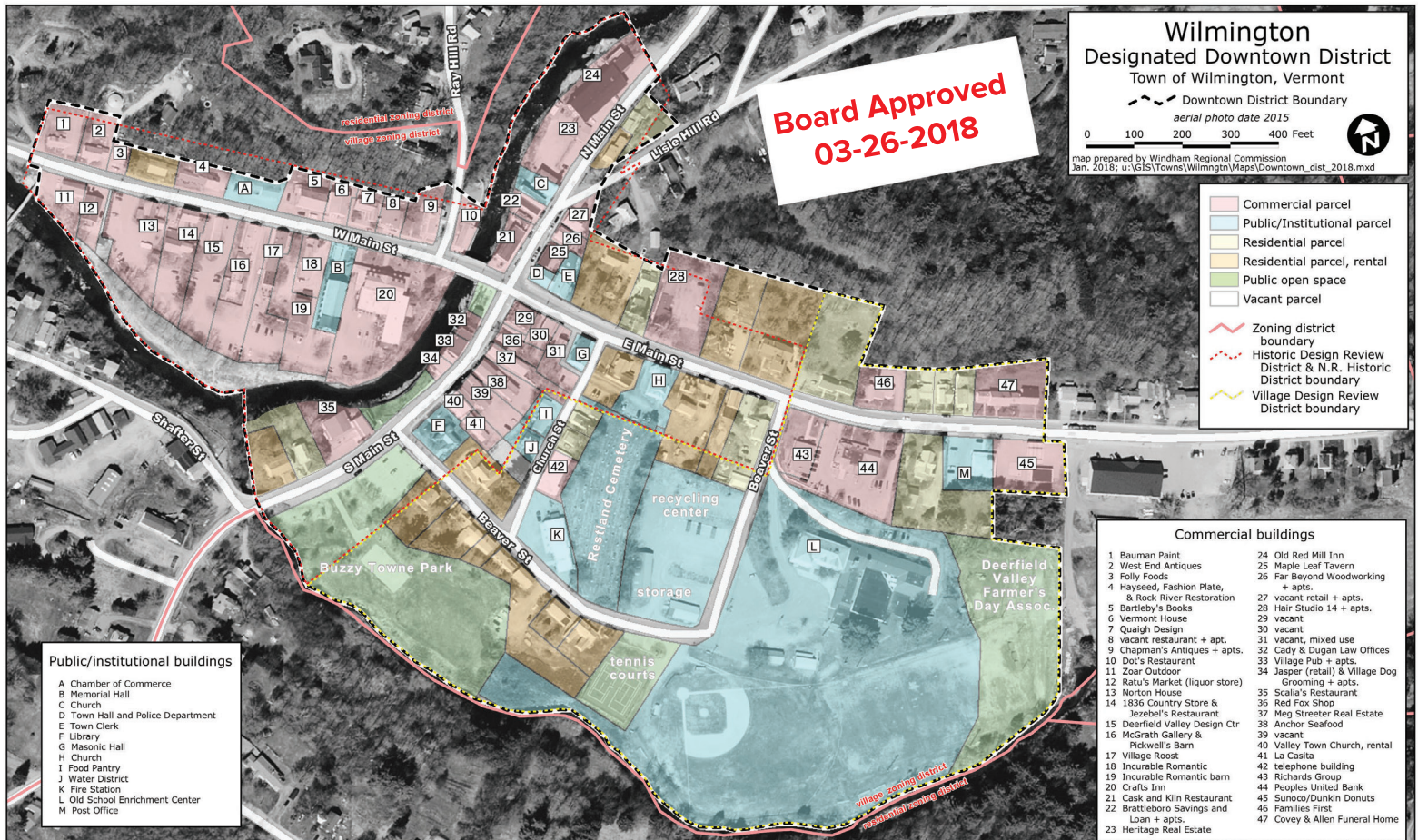
Please contact Gary Holloway (802.522.2444) or gary.holloway@vermont.gov, Downtown Program Manager, to guide and assist you in the renewal process.



Map Requirements

- ☐ A color map must be included, delineating the boundary of the designated downtown district, clearly showing the buildings and properties that are within the district. In most cases, an orthophoto should be used as the base map, with the information below superimposed over it:
 - ☐ Streets identified by name.
 - ☐ Significant buildings and all businesses indicated by number with a separate key identifying each number and name of the building/business – see example map.
 - ☐ Land/building use identified clearly with colors and symbols that will very clearly indicate the various land usages – see example map.
 - ☐ Photograph locations identified and keyed on the map.
 - ☐ North arrow, scale and current date.
 - ☐ Property lines should be shown, but if not available, are not required.
 - ☐ Zoning District Map (with corresponding bylaw language) should be included on the map or a separate map. Zoning boundaries and bylaws help explain the community's development and uses within the Downtown.
 - ☐ National or State Register Historic District Boundaries should be included on the map or separate map, but if not available, are not required.

Sample Map



Sample First Year Operating Budget

Income	Cash		
Downtown Improvement District	25,000		
Fundraising	8,500		
Sponsorships	11,000		
Membership Contributions	4,000		
Municipal Contributions	10,000		
Grants and Gifts	1,000		
Miscellaneous	550		
Total Income	60,050		
Personnel	Cash	In-Kind	Total
Executive Director (gross salary)	25,000		25,000
Benefits	1,200		1,200
Payroll Taxes	1,400		1,400
Clerical, Bookkeeping	450	300	750
Filing Fees, etc.	1,000		1,000
Total Personnel	29,050	300	29,350
Office			
Rent	3,200	2,600	5,800
Utilities	800		800
Telephone	900		900
Internet/Wireless	900		900
Office Supplies	600	250	850
Postage	650		650
Insurance	1,000		1,000
Equipment/Repair	500	1,500	2,000
Dues and Subscriptions	500		500
Total Office	9,050	4,350	1,340
Other			
Photography	200	150	350
Printing	1,000	1,000	2,000
Local Meetings	600		600
Workshops, Trainings and Travel	1,000	200	1,200
Public Relations	900		900
Advertising and Promotion	1,200	1,400	2,600
Technical Assistance	750		750
Committee Expenses	1,700	4,000	5,700
Incentives Program (façade improvements)	10,000	1,000	11,000
Miscellaneous	500		500
Total Other	17,850	7,750	25,600
Total Operating Expenses	55,950	12,400	68,350
Total Income	60,500		
Ending Cash Balance	4,100		