



Downtown Revitalization

7

Overview

When traveling around Vermont, it's common to happen upon small villages that seem to appear from nowhere. The state's traditional community centers range in size from tiny hamlets with a cluster of homes and a storefront or meetinghouse, to villages with small downtowns and residential neighborhoods, to larger urban centers such as Burlington, Montpelier, Rutland, and St. Johnsbury. The Vermont Downtown Program describes a downtown as "the traditional central business district of a community that serves as the center for socioeconomic interaction, and is characterized by a cohesive core of commercial and mixed use buildings, often interspersed with civic, religious, and residential buildings and public spaces." A village center is defined as "the traditional



By protecting and enhancing the historic integrity of their downtowns and village centers, municipalities can promote economic growth and redevelopment that take advantage of the unique character and sense of place that these community centers offer.

What Happened to Vermont's Downtowns and Village Centers?

Every local story is different, but there are some common threads:

- From about 1860 to 1950, Vermont and most of its communities experienced a significant decline in population, reducing the customer base of local commercial centers.
- When population growth resumed in the 1960s—around the time the interstates were completed—travel became much easier, and competition from larger chains grew with the local customer base.
- Old downtown buildings were not readily adaptable to new uses. Green fields on the outskirts of town—with easy auto access and acres of parking space—were much easier and cheaper to develop for commercial use.

center of a community, typically comprised of a cohesive core of residential, civic, religious, and commercial buildings" (24 V.S.A. §2791).

Many of Vermont's traditional centers date from the mid-nineteenth century—a time when communities were more self-reliant and local economies flourished. Over much of the twentieth century, a variety of factors conspired to diminish the economic underpinnings of these lovely, once-bustling centers, as evidenced in underused or abandoned buildings, vacant upper stories, and boarded storefronts. During the 1950s and 1960s, many historic buildings and neighborhoods were torn down in the name of urban renewal. (Urban renewal statutes are still on the books [24 V.S.A. Chapter 85] and are effectively being used for the targeted redevelopment of blighted areas that may require the use of eminent

domain. St. Johnsbury, for example, voted in 2004 to declare a portion of Bay Street a "blighted area" under urban renewal statutes in support of redevelopment.)

It's now widely acknowledged that the decline of Vermont's traditional centers means more than just the loss of a few old buildings. Our downtowns and villages represent decades of public investment—in civic buildings, public spaces, and supporting infrastructure—and remain the very heart of our communities. People have come to realize that commercial strips don't have the same function or character as our traditional downtowns and villages and that investing limited public resources to extend development far beyond these areas can be costly and counterproductive. More and more communities around the country, and here in Vermont, are seeking ways to reinvest in and

revitalize their historic cores. Downtown revitalization is a process by which to breathe new life into our traditional community centers.

Downtown Revitalization Programs

The phrase *downtown revitalization* conveys two very important ideas:

First, we're dealing with traditional downtown and village centers, most of which contain historic buildings and places that have physical and visual qualities that must be respected.

Second, revitalization implies that these centers must have vitality: they need to generate economic and cultural activity that justifies renewed interest and investment.

The challenge of revitalization is to stimulate new development and activity while retaining the historical integrity and physical qualities that define a downtown's or village center's

traditional character and identity.

Probably the most comprehensive source for information on downtown revitalization is the National Main Street Center, a division of the National Trust for Historic Preservation (www.mainstreet.org). The Main Street Center has assisted hundreds of communities across the country in their efforts to revitalize downtowns. Based on this experience, the center has developed a four-point approach that has proven effective in many communities. The four points are generally described as follows:

1. Organization. A long-term organization is needed that has the capacity and community support to head up revitalization efforts. A downtown organization focused on revitalization carries on as individual participants come and go and may serve a variety of functions. It can:

- develop, modify, and implement the community's revitalization plan;
- identify and take advantage of opportunities that arise;
- serve as the focal point for fundraising efforts;
- coordinate the efforts of businesses, property owners, and local officials; and
- oversee community outreach efforts.

Many communities have found that the creation of a nonprofit organization effectively fills these roles. This organization, as noted, is typically charged with preparing and implementing a comprehensive revitalization plan and leads the community through the next three stages.

2. Economic Restructuring. Most downtowns begin their decline when their economic functions diminish or move elsewhere. In almost all cases, successful revitalization involves shifting to a different mix of economic activities. This requires identifying and promoting new economic functions for the downtown in relation to local or regional

Downtown Organization Mission Statement

Example: Waterbury

"Revitalizing Waterbury, Inc. was founded in 1991 to encourage downtown development in Waterbury, Vermont. Our mission is to create a clean and safe downtown that preserves our architectural and authentic history as it creates a center for citizens, businesses and visitors.

We're an advocacy organization that has the best interests of the whole community at heart. We believe that strong downtowns mean strong communities, both economically and culturally. We identify projects that will enhance our town's vitality, and we help bring them to life."

Source: www.revitalizingwaterbury.org.

markets and competing commercial centers. Economic restructuring should be based on a realistic inventory and assessment of market trends, existing businesses, and local assets, including buildings, infrastructure, public amenities, and the local workforce. In addition to market analyses, work under this element can include programs to strengthen and recruit businesses.

3. Promotion. To initiate and perpetuate revitalization, the downtown must be effectively marketed. Promotion involves making sure businesses, potential investors, residents, and visitors are aware of what the downtown has to offer and understand the vision for its future. Activities can include branding (image development) and marketing campaigns, sales events and promotions, special downtown celebrations, and cultural programs that draw people downtown. Highlighting economic successes generates more activity.

4. Design. The historical and aesthetic qualities of a downtown or village center and well-defined public spaces set it apart from other commercial areas. Design is the key

Essentials for Downtown Revitalization

The Vermont Downtown Program's guide to downtown revitalization lists the following as essential to successful revitalization efforts:

Comprehensive. No single focus will be successful.

Incremental. Small projects lead to larger impacts.

Self-help. Efforts must be community driven.

Partnerships. Success requires cooperative action by a variety of players.

Existing Assets. Capitalize on the downtown's unique qualities.

Quality. Set high standards for everything, from brochures to customer service.

Change. Economic restructuring requires changes in attitudes and practices, which take time.

Action-Oriented. Implement the plan through continuous actions, both small and large. The community needs to see results.

element that ties discrete buildings and spaces into an attractive, visually coherent environment for visitors, customers, employees, and residents. Most Vermont downtowns and village centers retain an established street network and core of mid- to late-nineteenth-century buildings that define their overall character. Design can be used to integrate new buildings, streetscapes, public areas, parking lots, signs, and other elements of the built environment within this established framework in a manner that complements the traditional character of the downtown. The Vermont Downtown

Statutory Definitions

24 V.S.A. Chapter 76A §2791

Village Center means a traditional center of the community, typically comprised of a cohesive core of residential, civic, religious, and commercial buildings, arranged along a main street and intersecting streets. Industrial uses may be found within or immediately adjacent to these centers.

Downtown means the traditional central business district of a community, that has served as the center for socioeconomic interaction in the community, characterized by a cohesive core of commercial and mixed-use buildings, often interspersed with civic, religious, and residential buildings and public spaces, typically arranged along a main street and intersecting side streets and served by public infrastructure (for the larger centers).

New Town Center means the area planned for or developing as a community's central business district, composed of compact, pedestrian-friendly, multistory, and mixed-use development that is characteristic of a traditional downtown, supported by planned or existing urban infrastructure, including curbed streets, sidewalks, on-street parking, stormwater treatment, sanitary sewers, and public water supply (for municipalities without a historic center or planning to create a center in a new location).

Program, within the Vermont Department of Housing and Community Affairs, provides a wide range of assistance to Vermont communities that are working to revitalize their downtown and village centers. The Vermont Downtown Program is affiliated with the National Main Street Center and has endorsed its fundamental approach to downtown revitalization. The state program is a great source for information, technical assistance, and moral support for individuals and communities interested in improving their traditional downtowns and village centers (www.historicvermont.org).

Vermont has a strong affection for its traditional downtowns and village centers and has established nationally lauded programs to encourage their continued use and revitalization. In every community, it's up to residents, businesses, and property owners to take the initiative and set in motion the organization, planning, and development activities necessary to support successful revitalization efforts.

Downtown District and Village Center Designation

State statutes, in addition to establishing the Vermont Downtown Program, provide for state designation of local "downtown development districts" and "village centers" (24 V.S.A. Chapter 76A). Municipalities may apply to the Vermont Downtown Board for formal designation of their downtown or village centers. Designation, if granted by the board under applicable program criteria, offers municipalities and property owners within the district access to a variety of state programs that promote downtown redevelopment. For downtown development districts, these include:

- state technical and marketing assistance

- tax credit and rebate programs for qualified rehabilitation, facade, and code improvements
- eligibility to apply for project funding under the downtown transportation fund and priority consideration under other state grant and loan programs
- priority consideration for the siting of state facilities and functions in the downtown, in consultation with the municipality
- the authority to create special taxing districts to finance infrastructure improvements and operating costs
- Act 250 exemptions for mixed-income housing or mixed-use development projects that include housing that meet Act 250 definitions and threshold criteria

Village center designation has fewer requirements and confers fewer benefits, but is nevertheless useful to support local redevelopment efforts. A more detailed outline of state designation criteria and associated benefits for downtowns and villages is available from the Department of Housing and Community Affairs Downtown Program.. Many incentive programs have annual funding caps and are therefore made available on a competitive basis, and additional incentive priorities may apply. Applicants and proposed projects also must meet individual program qualification and funding requirements.

The Vermont Downtown Program has become a popular program. As of June 2006, twenty downtown development districts and sixty five village centers had earned the state downtown designation. State designations are reviewed by the Vermont Downtown board every three years. If the board finds that designation requirements are not being met, it can require corrective action, offer additional technical assistance through the downtown program, or remove the designation, which does not affect previously awarded benefits.



Related Considerations

Conformance with the Municipal Plan. The municipal plan should contain specific recommendations that support the creation of a downtown district and revitalization program, including recommendations for the adoption of supporting land use regulations and a capital budget and improvement program. For state downtown district designation, the municipality must document that it has:

- an adopted municipal plan that has been approved by the regional planning commission, as required for regional confirmation of the local planning process;
- a delineated downtown district that meets the statutory definition of downtown;
- a demonstrated planning commitment to include the adoption of historic district, design district, or local Act 250 review regulations under zoning, which must conform to the municipal plan; and
- a capital improvement program to preserve or improve public infrastructure within the downtown district, which also must conform to the municipal plan.

Municipalities are authorized to incorporate downtown, village center, historic, and design review districts in their zoning regulations (24 V.S.A. §4414), as discussed in related topic papers.

Growth Center Designation. A downtown or village center may also serve as the focal point for a larger, extended settlement pattern or planned growth center, which may qualify for a separate state designation. (See related topic paper, Growth Centers.) A downtown or village center, by itself, does not generally constitute a growth center under this designation, even though revitalization may stimulate new growth and redevelopment. Growth centers are planned to accommodate the majority of growth in a municipality over a twenty-year period and may therefore incorporate adjoining under- or undeveloped land. A downtown or village center—or a planned new town center where a downtown does not yet exist—is considered an integral part of a growth center and is a required component for state growth center designation. Downtown and growth center designations can occur concurrently.

Infrastructure Capacity. Growth in many of Vermont's traditional centers is constrained by a lack of potable water and limited wastewater treatment capacity. Facility limitations should be identified early on and a long-term strategy developed to acquire needed infrastructure capacity. A ten-year commitment to construct supporting infrastructure is required for downtown designation, if sufficient capacity does not exist at the time of application. State designation affords priority consideration under state infrastructure assistance programs (for example, revolving loan fund and community development block grant programs) and allows the municipality to create special assessment districts to finance capital and operating costs. If a municipality has a designated growth center, it is also presumed to meet the locational requirements for the establishment of a tax increment financing (TIF) district to finance needed infrastructure improvements.

Infill Development. In many downtowns and village centers, there are vacant lots where buildings once stood or buildings that are beyond restoration and scheduled for demolition. It is important that empty spaces be redeveloped in a manner that is consistent with the overall character of the center. In some areas, open spaces, such as public parks, greenways, playgrounds, or parking areas, may be appropriate. On many vacant lots, new buildings will be constructed. It's critical that infill development be sited and designed to be compatible in scale, style, and architectural treatment with existing, defining structures. It's equally important to ensure that the renovation of historic structures does not diminish their historic qualities. Both these objectives suggest the need for establishing a formal procedure for historic or design review in downtowns and village centers—as also noted above for state designation. Basic siting and design standards also can be applied under site plan and conditional use review provisions of zoning.

Brownfield Development. Some properties that have the potential for redevelopment have been used in the past for industrial, warehouse, railroad, or other uses that resulted in various types of on-site contamination. These brownfield sites are often located in downtowns and village centers and present special challenges and opportunities for redevelopment. The state, the city of Burlington, and several regional planning commissions have established federally funded programs to help finance the assessment of contaminated sites that are proposed for redevelopment. Municipalities with designated downtowns may also apply for assessment funds from the state in the form of planning grants issued through the Vermont Community Development Program. Other state brownfield programs are describe in the brownfields topic paper.

Rebirth of a Vermont Downtown

Example: *Winooski Redevelopment Project*

Perhaps the most extensive downtown revitalization project currently under way in the state is the Winooski Redevelopment Project, now known as the Winooski Falls Riverfront Downtown Project. This project involves a complete reinvention of the city's downtown—a former urban renewal area that had been razed during the early 1970s under the federal "Model Cities" program. As a result of subsequent recessions and competing development in other communities, this land remained vacant for decades. In 1999, the city and the Winooski Redevel-

opment Corporation outlined an ambitious plan for revitalizing the downtown—one of the largest community revitalization efforts ever undertaken in Vermont.

The project encompasses more than 20 acres of land targeted for redevelopment and an additional 100 acres of public recreation areas and open space. The project is being completed in phases and to date has included the construction of a new home for Winooski's largest employer, the Vermont Student Assistance Corporation; high-density, mixed-income, and student housing; commercial space; a municipal parking garage; a new road network and roundabout; and other infrastructure improvements and public amenities, including a river walk along the Winooski River. Project design in-

corporates transit access, pedestrian-friendly streetscapes, and walkable, mixed-use neighborhoods that complement the traditional character of Winooski's downtown business district.

The \$175 million dollar project has been funded through a complex mix of local, state, and federal funds, including a \$24.25 million federal loan guaranteed by the state for the garage and infrastructure improvements. Winooski also received downtown designation from the state in 2003. Given the project's demonstrated success, the U.S. Department of Housing and Urban Development is using it as a model for other redevelopment efforts around the country.

Drawing and design by Arrowstreet Inc.

