Renaissance in Barre

2017

Public Improvements Leverage Private Investment

Photo credits: Rue Landry

Overview

Things are looking up in the Granite City. Since 2011, almost $20M in public investment in the downtown spurred $65M in private investment, and has drawn 25 new businesses, reduced vacancy rates by 8%, increased commercial rental rates by $6-10 dollars a square foot, and attracted over 350 jobs. This investment also includes major streetscape and public infrastructure improvements, construction of City Place, a new state office building with commercial/retail spaces on the ground floor, and rehabilitation of several prominent downtown blocks with the help of federal and state tax credits. Support from multiple state agencies including the state designation programs administered by the Department of Housing and Community Development, and the Agency of Transportation have been an important source of funding, helping to leverage other public and private money to make this renaissance possible.

The Challenge

After multiple years of economic decline in downtown Barre, the city was struggling with empty store fronts, low commercial rents and declining property values. Turning things around took time and didn't come without challenges. The city had spent a decade investing heavily in the creative/tourist economy without results. According to Mike Miller, the city's former Director of Planning, "We needed to better understand our strengths and weaknesses. Barre is never going to be Stowe, but what Barre has is plenty of water and sewer capacity, industrial activity, highway access, and a great stock of historic buildings with affordable rental office space." With those things in mind, a group of municipal officials and stakeholders identified three major goals to help jump-start revitalization: bring 500 new workers to Barre over five years by improving the city's image with investments in public infrastructure and marketing; recruit businesses and services to meet the needs of local residents; and modernize Barre's existing industrial assets to attract entrepreneurs and new start-up businesses.

By the Numbers [2011 - 2017]

$15.2
million awarded in VTrans federal funding

$65
million in public and private investment

12
tax credit projects

$3.3 M
awarded in HUD Community Development Block Grants

$4.5
in private funds leveraged with tax credits

$793,895
awarded in tax credits

For more information, please contact:
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VERMONT
AGENCY OF COMMERCE & COMMUNITY DEVELOPMENT
DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT

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The Solution

A designated downtown since 2000, Barre took advantage of a number of grant and tax incentive programs that give priority to projects in communities within the state designation program. Work began with updates to the city's municipal plan and zoning bylaws and the creation of downtown conceptual plan – all supported by the state's municipal planning grants. The next step was finding funding to implement the plan and make infrastructure improvements to support economic development. A combination of $140,000 in downtown transportation grants and over $15M in federal funding administered through the Agency of Transportation supported Barre's "Big Dig" – a multi-year effort to revitalize Main Street and City Hall Park. Finally, the city was able to relocate 200 state employees to a new office building in the heart of downtown. "Technical support through the state's designation program helped us plan projects, identify funding sources and leverage public investment, "said Steve Mackenzie, Barre's City Manager. "We continue get great support from the Agency of Commerce including initiatives like the Vermont Downtown Action Team that helped us develop a downtown master plan and re-brand and market the community in the wake of the 2011 floods. The City is also working to make a number of changes to protect our infrastructure investments, economy and business from future floods with which was supported by the Vermont Economic Resiliency Initiative."

The Result

In just the past five years, the resume of accomplishments in Barre is impressive, including:

- Completion of the "Big Dig" which included the replacement of 100-year old water and sewer lines, plus sidewalk and lighting improvements and new paving, parking and signage. This effort was supported by a combination of federal, state and local funds.
- Construction of "City Place" a new 80,000 square foot building in the heart of downtown with state office space as well as ground floor commercial space for a new restaurant and commercial tenants.
- Secured state and federal tax credits to rehabilitate a dozen historic buildings on Barre's Main Street, including the 1904 Blanchard Block, which now houses 48,000 of mixed retail and office space, and the Aldrich Block, in danger of demolition following a fi re in 2010, now home of the celebrated Cornerstone Restaurant.

Barre isn't content to rest after these successes. In 2015, the City completed a $3.1M makeover of the blighted "Enterprise Aly," with the support of funding through the Vermont Community Development program, and an EPA Brownfields Grant. The project remediated a brownfield site and transformed poorly configured parking with inadequate drainage into a pedestrian-friendly public space with new parking, storm water controls, sidewalks and landscaping; ADA accessible entrances to Main Street shops; a public plaza at the city's historic train depot and a long-planned bike path along the Stephens Branch of the Winooski River. Work to continue these improvements along Merchants Row will begin in 2017.

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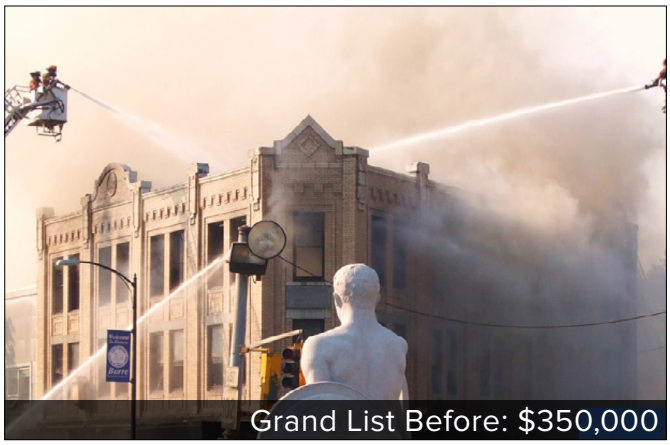
Tax Credits Leverage Private Investment

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.

Aldrich Block, Barre

Total Project Cost: $1,160,000 Tax Credits Awarded: $112,500

On Memorial Day 2011, residents of Barre watched as flames spread through the century-old Aldrich Block. The roof was destroyed, the interior of the 3rd floor was badly damaged by fire, and the rest of the building suffered significant smoke and water damage. The owner was granted a demolition permit. But for the tax credits, rehab of this anchor building was unlikely. Both federal and state tax credits supported installation of a fire alarm and sprinkler system to protect the building and the rest of the downtown from future tragedy. The building currently includes three apartment units, second-floor office space, and the aptly named Cornerstone Restaurant. This project created housing, attracted a new business, generated jobs and saved a historic anchor in the community.



Grand List Before: $350,000

Grand List After: $1,037,310

Blanchard Block, Barre

Total Project Cost: $5,500,000 Tax Credits Awarded: $287,500

Standing on a prominent downtown lot across from Barre's city hall park, the Blanchard Block (1904) was designed by prominent Vermont architect Lambert Packard. Largely vacant in 2012, tax credits provided incentives for new owners to install an elevator, sprinkler the building and complete major interior and exterior rehabilitation work. Now the five-story building provides 48,000 square feet of safe, accessible and modern commercial and office space. It is also one of several recent tax credit projects that have transformed downtown Barre.

Grand List Before: $618,600

Grand List After: $2,125,000

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