

NEW 'VERMONT NEIGHBORHOOD' DESIGNATED IN WINOOSKI

Contact: David Mace (802) 828-5229
New 'Vermont Neighborhood' Designated In Winooski
Will Assist Housing Development In Downtown

MONTPELIER, Vt. - Winooski's downtown has been designated a "Vermont Neighborhood" under a housing bill passed last year, making it eligible for benefits designed to aid in the development of lower-cost housing.

The designation of the Vermont Neighborhood, approved by the Vermont Downtown Board last week, will be particularly helpful for a proposed transitional housing project for homeless veterans, according to Commerce and Community Development Secretary Kevin Dorn, who chairs the Downtown Board.

"The veterans' project would have been subject to the state Land Gains Tax, which was created decades ago to discourage land speculation in rural areas," Dorn said. "One of the benefits of Vermont Neighborhood designation will be to exempt developments like this one from that tax."

The new 30-unit project, a joint venture of the Committee on Temporary Shelter and Housing Vermont, will include transitional and permanent housing and will be built on a vacant industrial infill site on West Canal Street.

In March, Governor Jim Douglas presented a \$746,000 Community Development Block Grant to the City of Winooski for the project.

"The Vermont Neighborhood designation is one more step in the redevelopment of our downtown," Winooski Mayor Michael O'Brien said. "It's another way to assist in the upgrade of our housing stock and to help keep housing affordable for our citizens. This particular project is a plus, because Winooski is always seeking ways to help our returning veterans."

The Vermont Neighborhoods law, proposed by Douglas and approved by lawmakers last year, was designed to support and encourage new housing development within or contiguous to Designated Downtowns and Villages.

"We were delighted to see Winooski take advantage of this program and encourage mixed-income housing within walking distance to jobs and services," said Noelle MacKay, Executive Director of Smart Growth Vermont. "The Vermont Neighborhood Program is designed to streamline and provide predictability in the development process in areas where there is existing infrastructure - primarily in our downtowns. We hope other communities follow Winooski's lead."

Among the other benefits that Vermont Neighborhood designation brings is exemption from Act 250, the state's development control law, for housing units that meet Vermont Housing Finance Agency affordability requirements.

In other business, the Downtown Board approved Village Center Designations for Castleton Village and Castleton Corners, and for Warren's Village Center, bringing the total number of designated downtowns and village centers to 23 and 88, respectively.

The board also approved Colchester's Growth Center designation at Severance Corners, making that area eligible for development incentives.

For more information please visit: <http://www.dhca.state.vt.us/Planning/VermontNeighborhoods.htm>