



PARK CENTER

THE 2018 ONCE BITTEN, TWICE SHY TOUR...

LAST SLIDE PRESENTED TO THE COUNCIL ON 6/12/2017

Should Barre Choose To Move Forward

- **Identify And Seat A “Development Team”**
 - Up To 10 Members With Contributing Skills
 - Assess Existing Options
 - Negotiate Remaining Options
 - Establish Time-Line For Development
- **Focus The Scope Of The Project**
 - The Scope Drives The Required Parcels
 - Refine Site Plans
 - Identify Funding Sources
- **Present The Project To The Public**
 - Series of Public Hearings
 - Likely A TIF Vote

DOWNTOWN DEVELOPMENT 2011-2017

....2 UNITS OF MARKET RATE HOUSING...



THE KEITH TO PEARL BLOCK

Some bright spots.....

- **Summer Street Center (Downstreet Housing and Community Development)**
 - **TIF appropriation for the Pearl Street Gateway**
 - **Expanded municipal parking (roughly 70 spots)**



A 10-15 minute walking radius to amenities is **CRITICAL**...



WHAT WE LEARNED / WHAT HAPPENED SINCE JUNE, 2017....

- SOME PEOPLE CAN'T SEPARATE THE PRODUCT FROM THE MANUFACTURER.
- MOST WERE AND REMAIN SUPPORTIVE OF THE PROJECT AND THE VISION / EFFORT BEHIND IT.
- SOME IDENTIFIED AREAS FOR REDEVELOPMENT ARE LIKELY NOT FOR SALE.
- SOME PREVIOUSLY UNIDENTIFIED PROPERTY OWNERS ARE INTERESTED IN A SALE.
- A PLANNED HOTEL PROJECT IN MONTPELIER WILL TIGHTEN THE ACCOMODATIONS MARKET, BUT WILL NOT ADD CONFERENCE SPACE.
- WITH INCREASED USE AT THE CIVIC CENTER AND ADDITIONAL CONFERENCE SPACE, THE MARKET WOULD LIKELY SUPPORT A 60 ROOM BRANDED HOTEL.
- THE DEMAND FOR QUALITY, MARKET RATE HOUSING HAS ONLY GOTTEN STRONGER.
- **WE SIGNIFICANTLY UNDERESTIMATED THE IMPORTANCE OF THE 60 YR PLUS MARKET AND HOW THAT DEMOGRAPHIC IS DRIVING CURRENT HOUSING TRENDS.**

IN SUMMARY....

- A CENTRAL VERMONT CORE CENTER (BARRE / MONTPELIER / BERLIN) WOULD SUPPORT THIS CONCEPT.
- NO SURPRISES WITH DOWNTOWN / URBAN CENTER CONSUMER TRENDS....THE CONSUMER BEHAVIOR PATTERNS REMAIN PREDICIBLE AND SUPPORTIVE OF THE PROJECT.
- WHILE NOT A CRITICAL COMPONENT OF THE PROJECT, CONFERENCE SPACE AND A 60 ROOM HOTEL WOULD LIKELY BE SUPPORTED BY THE MARKET AND MOST IMPORTANTLY, WOULD SUPPORT AREA BUSINESSES AND TOURISM GROWTH.
- A FULL SERVICE GROCERY STORE, RUN BY AN ORGANIZATION OR INDIVIDUAL WITH A TRACK RECORD OF SUCCESS, REMAINS A NEED AND CRITICAL COMPONENT OF THE PROJECT.
- ADAQUATE SURFACE AND STRUCTURED PARKING IS EQUALLY IMPORTANT.
- THE CONSUMER SHIFT TOWARDS MORE COMPACT, AMENITY RICH HOUSING OPTIONS WITHIN A MORE DENSE POPULATION CENTER WILL EXTEND INTO THE PREDICTIBLE FUTURE.
- IN PLANNING FOR THE OCCUPANTS, THE SENIOR (60 +) DEMOGRAPHIC IS A CRITICAL CONSIDERATION.

VERMONT'S EXPANDING SENIOR POPULATION.....

here-is-vermonts-burgeoning-population-of-seniors-going-to-live/Content.oid=14363971

PDF Quads - Trail M ARTICLE 1 QuickBooks

NEWS+OPINION ARTS+LIFE HOME+DESIGN FOOD CANNABIS MUSIC MOVIES EVENTS JOBS CLASSIFIEDS PERSONALS

BEYOND BERNIE Streaming now at **VERMONT PBS .org**


NEWS + OPINION » ECONOMY APRIL 04, 2018

Like 129 Tweet Save Email Print Favorite Share

+ send a news tip
+ send a letter to the editor


Where is Vermont's Burgeoning Population of Seniors Going to Live?

By **KEN PICARD**



The Residence at Quarry Hill | COURTESY OF HEATHER PROHASKA

Vermont is preparing for a demographic shift that has been described with all manner of ominous-sounding metaphors: the elder earthquake, the geriatric time bomb, the demographic cliff, the silver tsunami.



Quality Plants
Vermont grown right here!
10236 Williston Road
Williston, VT

PROJETTE FULL OF POSIES
Nursery

most popular most shared

1. Vermont Employers Prepare for Legal Pot NEWS
2. Law Schooled: Burlington Attorney Runs Vermont's First Cannabis Practice BUSINESS
3. Vermont Lawmakers Pass Paid Family Leave, \$15 Minimum Wage OFF MESSAGE
4. Walters: Team Scott Achieves a Talking Point OFF MESSAGE
5. Vermont Legislature Adjourns As Veto Threats Loom OFF MESSAGE
6. For Noncitizen Immigrants, Marijuana Legalization Does Not Apply CRIME
7. Vermont Senate Votes Down Scott's Labor Board Appointee OFF MESSAGE

1-1-e2d8da0be955b577.jpg

“VERTICAL MAIN STREET”


SENIOR, MARKET RATE HOUSING UNDER CONSTRUCTION IN WHITE RIVER JUNCTION

Where is Vermont's Burgeoning Population of Seniors Going to Live? Content?old=14363971

PDF Quads - Trail M | ARTICLE 1 | QuickBooks

BEYOND BERNIE Streaming now at VERMONT PBS .org

'Vertical Main Street'



Rendering of the Village at White River Junction

COURTESY OF THE VILLAGE AT WHITE RIVER JUNCTION

Proportionally, rural communities across America are home to more seniors than are urban areas. People move to the country in search of a better quality of life, as the *Journal of Rural Health* reported in the fall of 2012, only to find that those areas often lack what elders need in terms of social services, medical facilities, public transportation and walkability. Rural seniors are thus more likely to live solitary lives.

Why not move to a city that is busy with people, restaurants, cabs and buses? One reason is the high price of real estate. Not many downtown lots lend themselves to affordable senior housing.

erson has found a sweet spot in downtown White River



ART WOOLF – VERMONT'S STATISTICAL DALAI LAMA

Burlington Free Press
PART OF THE USA TODAY NETWORK


HOME NEWS SPORTS BIZ VT LIFE OPINION OBITUARIES ARCHIVES Insider USA TODAY

Summer es
Sheraton Book early a best

Vermont aging faster than rest of U.S.

Art Woolf, Free Press contributor Published 4:00 a.m. ET July 21, 2016

CONNECT TWEET LINKEDIN COMMENT EMAIL MORE



(Photo: Courtesy)

Vermont continues to age, and age faster than the nation as a whole. The latest Census Bureau numbers report that Vermont's median age rose to 42.8 in 2015. That means half of Vermonters are older than 42.8 and half younger. As recently as 1990 Vermont's median age was just under 33 years, the same as the nation. Over the past quarter of a century, the median age nationally has increased by almost five years to 37.8 while Vermont's has increased by 10 years.

While Vermont's median age was the same as the nation's 1990, today it's one of the oldest states in the nation. Only Maine has a higher median age, 44.5, than Vermont. Vermont is an even older state than Florida, which has a median age of 41.9. We are tied with New Hampshire and older than the rest of the New England states. The youngest state is Utah, with a median age of only 30.7. If you think globally, the median age of the planet's 7.4 billion people is only 28.5. So Vermont is an old state in an old nation in a young world.

ADVERTISEMENT

FROM SEVEN DAYS ARTICLE.....

Call it what you will, the numbers are sobering: According to U.S. Census figures, Vermont's population is the second oldest in the nation and on track to claim the top spot soon. **In the next decade, Vermont is projected to add another 100,000 people to the 60-and-older age group, a 16 percent increase.** The number of Vermonters 85 and older is expected to *double* by 2030.

This population change will have an impact on state coffers: Retired people, who are no longer working, pay fewer taxes. Those who live in rural isolation are harder to reach and costlier to care for. Tiny Vermont lacks the resources to expand public transportation or make older houses affordable and safe.

The state's current inventory of more than 100 senior living communities, including independent living, assisted living, memory care and nursing homes, won't be enough. **Bottom line: "We're going to see an increased need for many different retirement options,"** says Monica Hutt, commissioner of the Vermont Department of Disabilities, Aging and Independent Living.

FROM ART WOOLF ARTICLE.....

MEDIAN AGE (1990)

VERMONT – 33 YRS

UNITED STATES - 33 YRS

MEDIAN AGE (2015)

VERMONT – **43 YRS**

UNITED STATES – 37.8 YRS

ALTERNATE CONCEPT – MIXED USED STRUCTURE ON SUMMER STREET OCCUPYING 50% OF EXISTING CITY LOT





MAIN STREET CONCEPTUAL VIEW

MAIN STREET VIEW



ORIGINAL PROJECT BUDGET

ILLUSTRATIVE ONLY – COSTS WOULD LIKELY SHIFT TOWARDS HOUSING AND AWAY FROM HOTEL / CONFERENCE CENTER

Closing	<u>7,500,000.00</u>			
Sub-Total	<u>3,775,000.00</u>			
Development Costs:				
Permitting	50,000.00			
Site / Demolition	750,000.00			
Funding	600,000.00			
Design	<u>400,000.00</u>			
Sub-Total	<u>1,800,000.00</u>	7.70%		
Construction Costs:				
Hotel	9,306,000.00	90 rooms @ \$103,400 per room		
Conference Center	2,000,000.00	10,000 sq ft @ \$200 psf		
Grocery Store	2,325,000.00	15,000 sq ft @ 155 psf		
Grocery Store fit up	750,000.00			
Housing Redevelopment	2,500,000.00	20,000 sq ft @ \$125 psf		
Surface Parking	750,000.00	150 spaces @ \$5,000 per space		
Structured Parking	5,500,000.00	250 spaces @ \$22,000 per space		
Wheelock Renovation	<u>250,000.00</u>			
Sub-Total	<u>23,381,000.00</u>			
Project Total, Before Tax Credits	28,956,000.00			
Historic Tax Credits (90%)	(324,000.00)			
New Markets Tax Credits	(4,207,140.00)			
Downtown Tax Credits	<u>(250,000.00)</u>			
Project Total	<u>24,174,860.00</u>	83.49%		
Allocation:				
		Annual DS	Per Unit	
Hotel / Conference Center	9,839,200.00	639,632.00		
Grocery Store	2,945,250.00	173,866.00	11.59	15,000
Structured Parking	4,621,500.00	272,820.00		
Surface Parking	4,020,910.00	237,366.00		
Housing	2,528,000.00	149,235.00	7,461.75	20
Wheelock	<u>220,000.00</u>	12,987.00	6.49	2,000
Total	<u>24,174,860.00</u>			

MUNICIPAL BASIC PREMISE....

ANY MUNICIPAL INVOLVEMENT MUST BE SELF SUPPORTING

PARK CENTER REDEVELOPMENT EFFECT ON GRAND LIST / TIF DISTRICT

EXISTING VALUES:



Total	1,652,900
CONCEPTUAL VALUES:	
Grocery store	1,500,000
Hotel / Conference Center	7,574,350
Housing	1,516,800
Total	10,591,150
CHANGE IN VALUE	8,938,250
POTENTIAL INCREMENT (\$)	277,979.58
	X 75%
ANNUAL TIF INCREMENT	208,485.00
SUPPORTED DEBT	3,639,127
CONCEPTUAL FINANCING STRUCTURE:	
TIF Increment	208,485.00
Structured Parking Revenue - Hotel	197,100.00
Structured Parking Revenue - Housing	45,000.00
Additional surface parking revenue	37,500.00
Total	488,085.00

WHY THIS PROJECT HAS THE POTENTIAL TO BE SUCCESSFUL

- The need exists (lodging, grocery, housing)
 - The want exists (blighted area)
- New Markets Tax Credit Eligible (40%)
 - The Scale Spreads Development Costs
 - TIF Eligible
 - Downtown Tax Credit Eligible

THE CHALLENGE MOVING FORWARD...

TIME

IN NOVEMBER, 2017, THE NMTC DISTRICT SHIFTED FROM ONE SIDE OF MAIN STREET TO THE OTHER. WHILE THE SHIFT HAS A TWELVE MONTH TAIL, AS OF NOVEMBER, 2018 THESE SITES WILL NO LONGER BE ELIGIBLE FOR NMTC FUNDING.

WHILE THIS SHIFT OPENS DEVELOPMENT OPPORTUNITIES WITHIN OTHER AREAS OF THE CITY, THE EFFECTIVE 40% INCREASE IN DEVELOPMENT COSTS ESSENTIALLY FORECLOSES A MEANINGFUL DEVELOPMENT OPPORTUNITY ON THESE SITES.

IN ORDER FOR THESE SITES TO TAKE ADVANTAGE OF NMTC FUNDING, PROJECT FUNDING WOULD NEED TO BE IN PLACE AND ACQUISITION CLOSINGS WOULD HAVE TO OCCUR BY NOVEMBER, 2018.

A SIGNIFICANT CHALLENGE....BUT NOT IMPOSSIBLE WITH A CLEAR PATH FORWARD.

HAPPY TO ANSWER QUESTIONS