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Creative Partnerships Save Historic Buildings and Give them New Life as Affordable Housing

Partnering with a local community development corporation and the Federal Home Loan Bank of Boston, as well as numerous other funding sources, a national bank in Middlebury, Vermont is doing two good deeds at the same time: helping to create affordable housing and restoring some deteriorated but architecturally important Addison County buildings dating from the late 19th century.

Clinton Smith, a noted Vermont architect, designed the buildings, which include a three-story Queen-Anne-style mansion and a carriage house in downtown Middlebury. In recent years the properties,

listed in the National Register of Historic Places, had been used for rental housing, but had become badly

apartments – 15 for low-income residents and two to be rented at market rates. Renovations included roof repairs, exterior improvements, mechanical and electrical upgrades, energy-efficiency improvements, replacement of appliances and bathroom fixtures, sprinkler systems, and code compliance. The interiors have been thoroughly modernized, but the exteriors retain their historical integrity.



This home in Middlebury, VT, listed on the National Registry of Historic Places, is one of the four buildings that Addison County Community Action Group renovated for affordable housing.

Total funding for the Smith Housing Limited Partnership project was \$2.76 million. In addition to the bank, the CDC (one of the general partners) was able to obtain funding from 11 other financing sources, including

Housing Vermont (whose subsidiary, H.V. 2001, Inc., is the other general partner), and the Federal Home Loan Bank's

Affordable Housing Program (AHP). The participating bank investor, assisted by ACCAG staff, accessed the zero-percent, 30-year \$95,000 AHP loan. In addition, the project qualified for low-income housing tax credits as well as federal rehabilitation investment tax credits and Vermont

downtown rehabilitation tax credits worth \$370,383.

The new apartments in the old-new buildings became available to income-qualifying renters in November 2002. Below-market-rate monthly rents range from \$405 for a one-bedroom unit to \$850 for a three-bedroom unit. Jeanne Montross, ACCAG executive director, notes that homelessness has been on the increase in Addison County, so the completion of the project came none too soon.

“Projects like this don’t solve homelessness,” she says, “but they do lead the way toward providing a safe place to live for a few more families” – who, she adds, are also delighted to live in historic buildings and committed to caring for them.

[This article was published in the *2002 Directory of National Bank Community Development Investments*]