

Buyer Prepare: A Roadmap for Municipalities Considering Ownership of Former Community Buildings



Across Vermont, schools, churches, and other anchor and landmark properties have long served as focal points of community identity and culture. As populations shift and institutions consolidate, these buildings sometimes close, leaving behind vacant structures in prominent locations. While abandonment can diminish their appeal and invite neglect, these properties also present unique opportunities for municipalities to preserve heritage, repurpose space, and reinvest in community life.

The key is not to shy away from these opportunities, but to approach them with foresight. Moving from a mindset of *“Buyer Beware”* to *“Buyer Prepare”* means asking the right questions before purchasing or accepting donation of a building. Prepared municipalities can anticipate challenges, avoid costly surprises, and position themselves or others to steward these buildings into vibrant new uses.

Below is a **Top 10 list of considerations** paired with guiding questions to help municipalities evaluate their potential ownership of a former community building.

1. Physical Condition of the Asset and Its Systems

- What is the current condition of the building and its major systems (water and wastewater; mechanical, structural, electrical, plumbing; fire and life safety; energy efficiency and weatherization)?
- Are there urgent repairs needed to make the building safe and usable?
- What is the estimated cost of deferred maintenance?

A professional inspection can identify hidden structural issues that could drive up renovation costs.



2. Environmental Concerns

- Are there potential or documented issues – such as asbestos, lead paint, mold, or other hazards – from prior uses of the building or from surrounding properties?
- Did the municipality own or control the property previously?

Information provided by the current building owner can be useful, but it does not protect the municipality from liability issues. [Environmental assessments](#) are critical to avoid liability and ensure safe reuse – and to confirm any costs to mitigate. Vermont has several [funding programs](#) that might assist with assessments or help you find a qualified environmental professional. Knowing who will pay for assessment or remediation of environmental issues is imperative prior to purchase.

3. Community Needs and Support

- How does the building's potential reuse align with current community priorities?
- Will voters fund the purchase, improvements, and ongoing operational and maintenance costs?

Community buildings often hold emotional and cultural significance; people care about their fate. However, this doesn't mean everyone agrees these assets should be municipally owned. Understanding community needs and



gauging local support helps municipalities determine whether the project aligns with resident priorities, addresses real gaps or challenges, and has the backing necessary for long-term success. Extensive community conversations will be needed to determine whether municipal ownership is the best path forward.

4. Legal and Liability Issues

- Are the buildings or the land they sit subject to a trust?
- Is the property subject to outstanding liens?
- Are there easements or legal disputes tied to the property?
- Are there any other special conditions that need to be honored during transactions and adaptive reuse?
- Does the municipality's acquisition of the building or its rental of the facility for non-municipal uses comply with municipal law (Bates v. Bassett, 129 Vt. 46, 49 (1970) and Bogie v. Town of Barnet, 129 Vt. 46, (1970))?
- When will the municipality need to begin carrying insurance? Or paying for other carrying costs like electricity, heat, etc.,?
- How will the building be secured from misuse, vandalism, and theft while planning is underway?

A thorough title search, legal review, and consideration of liability issues can prevent future complications. **Be as diligent about this purchase as you would be if you were purchasing the property for your family.** The



municipality may want to consider using an option agreement versus a purchase and sales agreement to allow it the time to perform necessary due diligence before making a full commitment.

5. Existing Contracts

- What are the existing service contracts? These may include maintenance, trash, snow removal, etc.
- What services do you want to continue in the short or long term? What do you need to cancel?

Evaluating existing contracts allows municipalities to plan for continuity where needed and responsibly phase out services that no longer fit their long-term goals. It also can assist the municipality to anticipate costs, prevent service gaps, and align future operations with community needs.

6. Future Use

- What is the municipality's plan for reuse?
- Will flood resilience upgrades be required?
- Will upgrades be needed to comply with the Americans with Disabilities Act (ADA)?
- How flexible is the building's layout and design?



- How will funding or other issues guide or drive decision making?

Having a clear vision for adaptive reuse – and a contingency plan if community needs change – helps safeguard the property from becoming a future liability.

7. Regulatory Compliance

- Has the seller provided a maintenance transition binder describing annual and monthly safety-related tasks (e.g., inspections or checks of equipment such as fire extinguishers, boilers, and fire alarm/sprinkler systems)?
- Does the building meet accessibility requirements and current safety codes?
- Does zoning allow for the intended reuse?
- How might zoning requirements affect redevelopment?
- Will water or wastewater upgrades be required?
- Is the building historic or located in a historic district?

Historic designation can unlock grants and also impose restrictions on renovations. Early engagement with permitting and review agencies can prevent costly delays. Evaluating regulatory compliance helps municipalities understand requirements that may affect the building's reuse, ensuring that any redevelopment meets legal standards and avoids unexpected obligations.



8. Financial Viability and Capacity

- What are the projected acquisition, pre-development, renovation, and ongoing maintenance costs?
- What investments should be made to reduce long-term operating costs?
- Will your insurance cover the new asset?
- Will the municipality need a return on its investment to support carrying costs or capital improvements?
- Does the municipality have sufficient financial or debt capacity to fund the purchase and rehabilitation/reuse?

Developing a realistic project and operational budget is essential. Exploring whether funding sources or partnerships are available to support redevelopment and assessing debt capacity if borrowing is planned can help determine overall financial viability.

9. Timeframe

- Are there issues that might extend the time the municipality needs to complete its due diligence?
- What are the time requirements of your purchase agreement?
- What requirements would be associated with grants, loans, or bonds your community might pursue?



Approval times for financing and environmental testing can extend the normal due diligence process. A clear timeline allows municipalities to account for potential delays, satisfy purchase~~s~~agreement obligations, and navigate the approval processes required for any public financing.

10. Municipal Capacity

- Does your municipality have the time, technical expertise, and funding to engage the community and move the project from an idea through project development and into construction and long-term operation?

The municipality will need a project manager, a financial manager, community engagement champions, and operational staff/volunteers to plan and operate the facility. This team might need to work for three to 10 years to move a project from idea to operation. Consider partnerships with nonprofits or private operators to share responsibilities.

Reaching out to other municipalities that have purchased anchor and landmark properties can be helpful for learning about their experiences, successes, pitfalls, and warnings. Their advice can strengthen your efforts to be prepared.

Whether the building your town is considering purchasing is a solidly built architectural gem or a more modern structure made with cheaper materials, purchasing and repurposing these spaces should be done thoughtfully and with a robust community discussion and vetting. Repurposing these structures isn't just about construction – it's about re-centering the building in the community's future.



Resources

- Reach out to the [Preservation Trust of Vermont](#). Regardless of whether your building is historic, their field services team can provide guidance or help you navigate the considerations above and potentially provide some initial building assessment funding.
- [Public Buildings Keep Town Centers Alive](#), Preservation Trust of Vermont, 2017
- [Getting Started with Your Historic Building](#), New Hampshire Preservation Alliance, 2020
- [Transitioning Religious Properties to Meet Housing Needs](#), New Hampshire Preservation Alliance

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