September 18, 2026

FOR IMMEDIATE RELEASE

87 State Street Local Development Corporation Expresses Deep Disappointment in GSA Decision to Reopen Auction

MONTPELIER, VT – The 87 State Street Local Development Corporation (LDC) today issued a statement expressing profound disappointment following the U.S. General Services Administration (GSA) decision to reject the LDC's high bid for the former federal office building at 87 State Street and move forward with reopening the auction process for the property.

Despite the LDC placing the winning bid and making good-faith efforts to reach a fair agreement while also providing extensive documentation regarding the significant financial and environmental challenges associated with the site, the GSA has opted to disregard the result of the auction that concluded August 6th.

"This is a lose-lose decision," said Ben Doyle, President of the 87 State Street LDC Board. "It will cost the community by prolonging the redevelopment process, and it will cost federal taxpayers as GSA continues to bear the expense of holding the property based on the long-shot assumption that another auction will produce a better outcome. By failing to recognize the significant environmental and flood-related liabilities we have worked so hard to document, GSA is placing a higher value on a hoped-for price than on a real bid and a realistic path toward redevelopment."

The LDC's bid was rooted in a data-driven understanding of the property's actual value. The site, which has been vacant since the July 2023 flooding, presents complex challenges that serve as barriers to traditional private investment:

- **Significant Environmental Remediation:** Characterization and remediation of PCB contamination is a significant unknown with estimated costs somewhere between $1.8 million and $3 million.
- **Flood Risk:** The property is situated within the Winooski River floodplain, requiring substantial investment to meet current floodproofing standards.
- **Market Realities:** As is true with many properties in Vermont downtowns, redevelopment costs for the site currently exceed the achievable rents and the projected final assessed value of the project.

The LDC is a nonprofit organization specifically designed to navigate these complexities. It is uniquely positioned to access environmental cleanup funds, low-interest financing, and economic development grants—resources that are often unavailable to private developers.

"Our goal was never to be the long-term owner, nor to make any profit from this property. Instead the LDC has been set up to serve as the necessary bridge between federal divestment and a revitalized property," said Jon Copans, Treasurer of the Local Development Corporation. "Reopening the auction does not change that goal or the environmental realities of the building. 87 State Street LDC will continue to pursue the building at auction and will continue to advocate for a solution that prioritizes community resilience and economic vitality.”

About the 87 State Street Local Development Corporation

The 87 State Street LDC is a Vermont-incorporated nonprofit organization established to foster economic development and community resilience through the responsible acquisition and redevelopment of the former Federal Building at 87 State Street in Montpelier. The Board includes representatives from the Foundation for a Resilient Montpelier, the Preservation Trust of Vermont, the City of Montpelier, National Life Group, Union Mutual Insurance, Vermont Mutual Insurance Group, Central Vermont Medical Center, Downstreet Housing and Community Development, the Central Vermont Economic Development Corporation, and the Central Vermont Regional Planning Commission.#

Media Contact:

Jon Copans

Treasurer, 87 State Street Local Development Corporation

jon@montpelierstrong.org

(802) 272-0162