

# Track site in Pownal facing foreclosure

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POWNAL — A foreclosure complaint has been filed against the owners of the former Green Mountain Race Track property, Progress Partners, Ltd.

Bought in 2004

The complaint, filed with the Pownal Town Clerk by Bayview Loan Servicing, LLC, claims that Progress Partners failed to make payments called for under a mortgage on the 144-acre site.

Steven Sonnenblick, a member of Progress Partners, said, however, that the filing was made because Progress Partners was late on a payment. His company has been caught up in the same financial crisis many other companies have faced, he said, and an agreement with Bayview has been worked out so that the foreclosure proceedings will be dropped.

Sonnenblick said he did not know when the Pownal town clerk's office would be notified of a settlement.

Progress Partners bought the Route 7 property in December 2004 from J.T. Megaplex Inc., a company owned by John C. Tietgens, for \$1 million. Progress Partners also executed a promissory note in favor of Tietgens in the principal amount of \$600,000.

The mortgage and promissory note were sold by Tietgens to Sunvest International Inc. in May 2007, which assigned it to Bayview later that year. According to the complaint, the property has been assessed at \$1,005,200. When the town's common level of appraisal of 88.55 percent is applied, the fair market value is \$1,135,177.

Progress Partners also owes \$33,896 in delinquent taxes from the racetrack property to the town. Delinquent Tax Collector Suzanne Caraman said any tax sale procedures could not commence before Jan. 10, and even then the process would take several months.

Currently, the town is owed \$443,785 in total delinquent taxes from other groups and individuals, which Caraman said isn't unusual.

Select Board member Harry "Hap" Percey said Monday that developing the racetrack property could provide a challenge to a potential developer because of the national financial situation. He said the plans that have been proposed for the property are solid, provided financing can be found for them.

The property has been the subject of a number of public meetings, the most recent involving Pownal's application for a Growth Center designation. Growth Centers are part of a state program that allow a town to designate a certain are for economic development. Projects within the center are subject to a streamlined Act 250 process and have certain tax options open to them.

The centers are meant to concentrate development and preserve rural characteristics while preventing sprawl.

The property owned by Progress Partners played a large role in the discussions regarding the proposed Growth Center for Pownal. Noelle MacKay, executive director of Smart Growth Vermont, a non-profit company that works with municipalities on their Growth Center applications, said any foreclosure or tax sale proceedings that may occur won't harm the Growth Center as a whole.

Proposals for the site by Progress Partners have included a combination of light industrial and multi-unit and stand-alone housing uses. Retail buildings also have been proposed.

She said the Growth Centers are designed to take the entire village into account and are meant to work with whoever owns the properties located within them. MacKay said Smart Growth has recommended Pownal try to diversify the types of development it sees within the Growth Center.

Kathy Gaffney, a member of the Pownal Planning Board, said she had been involved in many of the public meetings regarding the racetrack and said the track's owners have come before the board on occasion with proposed concepts for the property, but nothing has come together.

At a September Growth Center meeting, Frank Cantatore, of Progress Partners, said one of the goals for the site was to build workforce housing, but the financial market had slowed the project down somewhat.

In 1963, the Green Mountain Race Track opened for horse racing, but switched over to greyhound racing in 1977. The track closed for good in 1992 and was bought at auction in 1993 for \$250,000 by Tietgens, who tried in vain for years to bring back horse racing. The Clarksburg, Mass., resident had been a horse owner at Green Mountain.

Other forms of gambling, such as a casino, have been proposed as a means of developing the site, but state and local opposition killed those proposals.

The track has played host to the Tri-State Fair and the Bennington Car Show and has been the site of occasional concerts and Shriner's bingo events.

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