Winston Prouty board votes to pursue Austine School campus purchase

By Howard Weiss-Tisman

The Winston Prouty board voted Monday to look into purchasing the Austine School campus. If the deal goes through Winston Prouty wants to move to the upper level of Vermont Hall and possibly sell other parts of the campus as condominiums or rent.

BRATTLEBORO — The Winston Prouty Center for Child Development Board of Directors has unanimously approved a plan to pursue the purchase of the former Austine School for the Deaf campus.

The board voted Monday night to look closer at the facilities, and to begin coming up with a plan to purchase the 177-acre property which is in Chapter 7 bankruptcy.

The early education center still has a very long way to go before it could take over ownership of the campus, but Winston Prouty Executive Director Chloe Learey said the vote Monday was the most significant step yet that could lead to the Winston Prouty Center acquiring the property.

"This is not something that is going to happen tomorrow, but what the board said is that they are committed to the process," Learey said Tuesday. "There are many different paths we can take to purchase a property that is in bankruptcy and the general feeling of the board was that this was positive and they are optimistic. We are going to move slowly and make sure we understand just what we are getting into."

The Austine Center for the Deaf, which was part of the Vermont Center for the Deaf and Hard of Hearing, closed at the end of the 2014 school year following years of declining enrollment and mounting debt.

The Vermont Center for the Deaf and Hard of Hearing, which included a number of support and educational programs, closed in September and the organization declared bankruptcy.

Just as the Vermont Center for the Deaf and Hard of Hearing was about to close, Winston Prouty began to move forward on a long-planned $2.4 million expansion of its early education center, which is located in the former Christian Heritage School across from Living Memorial Park.

The Vermont Center for the Deaf and Hard of Hearing, at the time, was scrambling to rent out vacant sections of its campus in a last ditch effort to save the organization.

Learey looked at Austine School as a potential location for Winston Prouty while construction was going on.

The Vermont Center soon closed and Learey and the board began thinking about moving up to Austine.

Their expansion plans were put on hold while they explored the option of moving the early education center to Austine.

Following Monday's vote Learey said Winston Prouty will hire an engineering firm to inspect the buildings and determine what it would cost to maintain the property.

Winston Prouty is also working with construction consultant Steve Horton to find out what it would mean to create a condominium association and sell off parts of the campus to other organizations that are currently there, or who might want to move on to the property.

High Five Adventure Learning, INSPIRE School for Autism, Garland School, UVM Extension and New England Center for Circus Arts are among the organizations currently renting space on the Austine campus.

Groundworks Collaborative has also investigated the possibility of taking over the dormitories on the former residential campus to use as transitional housing.

The dorms could be used instead of area motels for the homeless, possibly saving the state money, Groundworks Collaborative Executive Director Josh Davis has said.

If Winston Prouty does proceed, however, there could be choppy financial waters to navigate.

Brattleboro Savings & Loan holds the mortgage and is owed about $2.4 million.

"BS&L is very pleased with and supportive of Winston Prouty's decision to move forward with its purchase of the Austine Campus," BS&L President and CEO Dan...
Yates said. "Their commitment to revitalizing the campus is a critical step forward for preserving so significant an asset in this community, and they should be applauded for this decision. We look forward to continuing to work with Winston Prouty in completing the transaction and in the years ahead."

And the state of Vermont has a $5.67 million lien against the real estate for appropriations made to the school over the years.

The state's support of the Austine School goes all the way back to 1910

Up until 2003 the school was required, under state statute, to seek legislative approval prior to a land sale and to reimburse the state if the school ceased to exist.

In 2003 the statute was amended and Austine was allowed to sell land without legislative approval but a provision was added that all capital appropriations would create a first priority lien and that all state capital appropriations would need to be repaid without interest following a sale.

The lien and repayment obligation were both made subordinate in an amount up to $3,000,000 to the interest of any lender to whom Austine has pledged its property as collateral.

Assistant Attorney General Jacob A. Humbert said his office will pay close attention to the bankruptcy proceedings.

Even if Winston Prouty makes an offer he said the state is going to push for a public auction before a sale is approved by the bankruptcy trustee to ensure the state has every opportunity to recover some, or a portion of its money.

Creditors usually do not recover all of their money in a bankruptcy proceeding, Humbert said, and the state is interested in having the Austine School occupied.

"We want a public auction to ensure the market has been tested," Humbert said. "But the state remains receptive to local efforts to structure a sale to meet a variety of charitable, educational and civic purposes."

Humbert said the state can file motions during the bankruptcy proceedings but the final sale will be in the hands of the bankruptcy trustee and he said the Legislature will not have to sign off on the deal.

"At this point the state is looking to work cooperatively with everyone in the process to figure out what makes sense," Humbert said. "The state is still second in line behind Brattleboro Savings & Loan. It is up to the trustee and the court to decide how the property will be sold."

According to Learey, the Winston Prouty board is entering into the possible acquisition of the Austine campus with an eye toward establishing a resource for the greater Windham County nonprofit community.

The property includes a commercial kitchen, dormitories, classrooms, studios, a gym, forests with trails and office space and Learey said she could envision a campus of supportive services working together to serve the region.

Winston Prouty started a $400,000 capital campaign for its planned renovation, and with $150,000 already in the bank Learey said the organization is going to kick the fundraising back into gear as the plans move forward.

"If we do this we are going to do this with community partners and it will be done to bolster the whole nonprofit community," she said. "This has never been just about the Prouty Center. The board is thinking big, and there is greater vision here. Everyone we've spoken with is excited about the possibilities and we haven't spoken with anyone who thinks this is not a good idea. It's a lot to think about but it feels like the right thing to do."

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