

**June 9, 2016 Vermont Community Development Board  
National Life Deane Davis Building, 6<sup>th</sup> Floor (Calvin Coolidge Room)**

**Members in attendance in person – Cynthia Gubb, Amelia Silver, Sarah Carpenter, Bruce MacLean, Ebony Nyoni, and Lisa O’Sullivan**

**Staff in attendance – Josh Hanford, Carl Bohlen, Nathan Cleveland, Claire Forbes, Ann K. Kroll, and Wendy Tudor**

Cynthia Gubb, Chair, called the meeting to order at 9:10 a.m.

There were no members of the public in attendance for Public Comment. Cynthia directs the Board to the first application.

Josh Hanford introduces our new board member, Lisa Sullivan of Wilmington, replacing Kate O’Connor, who has served on the board for many years and who’s service is appreciated.

**Town of Arlington – Battenkill North Housing Project**

Claire Forbes presented an overview of Arlington’s application requesting \$399,000 in VCDP funds and issues raised in the analysis. The Town would provide a deferred loan, at 0% for thirty years, to Battenkill North Housing Limited Partnership to rehabilitate 22 units in seven historic multi-family buildings located throughout Bennington County.

The following individuals came before the board to present on behalf of the Town of Arlington’s application: Kathy Beyer and Amy Dohner, Housing Vermont; Stephanie Lane, Shires Housing; and Cynthia Browning, Arlington.

Questions raised by the board and discussed with the applicant: Are VCDP funds critical to making this happen? Can the scope be scaled back: Could the project get by with less VCDP funding?

Cynthia asked if the award conditions were acceptable and Cynthia Browning said yes.

**Town of Bradford – Colonial Village Apartments Project**

Carl Bohlen presented an overview of Bradford’s application requesting \$468,000 in VCDP funds and issues raised in the analysis. The Town would provide a deferred loan, at 0% for thirty years, to a Limited Partnership to be formed by Downstreet Housing and Community Development to fully rehabilitate 21 apartments in four buildings in the village area of Bradford.

The following individual came before the board to present on behalf of the Town of Bradford’s application: Eileen Peltier, Downstreet Housing & Community Development. A letter of support from Ted Unkles, Bradford select board Chair, was read.

Questions raised by the board and discussed with the applicant: Who owns Colonial Village? How much VCDP funding does the project really need to go forward? Why was a pellet heating system chosen? What are the savings on energy systems? What year did Bradford receive state housing credits? What has been Downstreet’s work towards serving the homeless? How long are

the units generally occupied by each tenant? Is there any amount of play regarding VCDP funds needed?

Cynthia asked if the award conditions were acceptable and Eileen Peltier said yes.

### **Town of Brattleboro – Bradley House Project**

Nathan Cleveland presented an overview of Brattleboro's application requesting \$457,000 in VCDP funds and issues raised in the analysis. The Town would subgrant \$455,000 of the total amount to the Bradley House to complete renovations to the 28-unit senior residential care facility. The project proposes to modernize the existing facility and to add seven new units, two of which will be fully accessible.

The following individuals came before the board to present on behalf of the Town of Brattleboro's application: Patrick Moreland, Brattleboro; Cindy Reid, Cathedral Square; and Cindy Jerome, Holton Home and Bradley House.

Questions raised by the board and discussed with the applicant: Does the Home involve enhanced residential care? How many residents occupy the residence at present? How many on the waiting list? Will new renovation include office space? Any additions to staff expected? Have you applied for a Commons Loan? If funding is secured, are you ready to go? Who is the architect? Are the neighbors ok with the expansion? Can the project happen with less VCDP funding?

Cynthia asked if the award conditions were acceptable and Patrick Moreland said yes. He noted that Groundworks award condition was not necessary.

### **Town of Bennington – Rental Rehab Pilot Program**

Claire Forbes presented an overview of Bennington's application requesting \$500,000 in VCDP funds and issues raised in the analysis. The Town would develop a pilot project designed to encourage small scale rental property owners to reinvest in their rental units by supplying incentives in the form of rehabilitation grants. Properties would be assessed, guidance for improvements to mechanical systems, health and safety standards, weatherization, etc. will be provided.

The following individuals came before the board to present on behalf of the Town of Bennington's application: Michael Harrington, Bennington; Ludy Biddle, Ron Ryan, Thad Omand, NeighborWorks of Western Vermont; Stepanie Lane, Shires Housing; and Justin Classen, Rutland.

Questions raised by the board and discussed with the applicant: How are previously funded VCDP projects going? To Josh: Has any place else in the country had a project like this? Are proposed grants and loans funding enough to rehab each unit? Have you identified landlords interested in this project? What about Town of Bennington's lack of funding commitment?

What about the timing with the Environmental Review? If the pilot project is successful, how will you continue to fund it in the future?

Cynthia asked if the award conditions were acceptable and Michael Harrington said yes.

### **City of Montpelier – French Block Housing Project**

Carl Bohlen presented an overview of Montpelier's application requesting \$500,000 (plus \$10,000 for General Administration costs) in VCDP funds and issues raised in the analysis. The City would provide a deferred loan to a limited partnership to be formed by Downstreet Housing and Community Development and Housing Vermont to assist in acquiring and rehabilitating the second and third floors of what is known as the French Block Building, creating a total of eighteen units of affordable housing.

The following individuals came before the board to present on behalf of the City of Montpelier's application: Michael Miller, Montpelier; Kathy Beyer and Samantha Dunn, Housing Vermont; Eileen Peltier, Downstreet Housing and Community Development.

Questions raised by the board and discussed with the applicant: Will this be a condo? What is Aubuchon's financial commitment to the project? How did the property become vacant in the first place? When did Aubuchon buy it? Where is the project with historic preservation requirements; staircase issue in particular? Readiness to start? Issue remaining with fuel tanks? What about the \$270,000 cost discrepancy in cost estimate? If less funding would project be delayed? Can project be delayed in order to wait for another round of funding?

Cynthia asked if the award conditions were acceptable and Michael Miller said yes.

**It was announced to the Board that the Town of Royalton had withdrawn their Wastewater Treatment Facility Project application for VCDP funds due to securing other resources.**

### **February 11, 2016 Draft Minutes**

**Bruce MacLean made the motion to approve the draft minutes from the February 11, 2016 board meeting. Amelia Silver seconded the motion. The motion carried 5-0-1.**

### **Award Condition Extensions**

Staff proposes approving extensions to the award conditions for the prescribed list of awardees to Sept. 30, 2016.

**Bruce made the motion to accept the award condition extension for those on the list and Amelia seconded. The motion carried 6-0-0.**

The board discussed the Thetford Childcare Project, Bennington Pilot Project, and Monument View Project.

### **Consent Agenda – Planning Grants**

Following a brief presentation and discussion, **Amelia made the motion to fund the St. Johnsbury application requesting \$29,535 for a Housing Assessment project, and to not fund Bradford's application requesting \$26,350 in VCDP funds for a Main Street Sidewalk project. Bruce seconded the motion. The motion carried 6-0-0.**

### **Accessibility Modifications Grant**

**City of St. Albans** – Staff reported that the Barlow Street Center Accessibility application will not be funded.

**City of Rutland – SW VT Council on Aging Renovation Project**

Claire Forbes presented an overview of Rutland’s application requesting \$300,000 in VCDP funds and issues raised in the analysis. The City intends to subgrant to the Southwestern Vermont Council on Aging, to purchase and renovate a property within the Northwest Neighborhood, one of the City’s target areas for revitalization.

The following individuals came before the board to present on behalf of the City of Rutland’s application: Mayor Christopher Louras, Rutland, Brennan Duffy and Barbara Spaulding, Rutland Redevelopment Authority (RRA); Sandy Conrad, Southern Vermont Council on Aging; Jay White, Architect.

Questions raised by the board and discussed with the applicant: Please explain why you can’t borrow more Rural Development funding. What are the terms of your loan request? How many seniors do you currently serve? How wide an area does the organization cover? How many staff members will occupy the building? Will there be space for parking available? Would the project move forward with less funding? What about the City’s Revolving Loan Fund

Cynthia asked if the award conditions were acceptable and Mayor Christopher Louras said yes.

**City of Winooski – Winooski Hotel Project**

Claire Forbes presented an overview of Winooski’s application requesting \$1,000,000 in VCDP funds and issues raised in the analysis. The City will loan \$850,000 to Winooski Hotel Group, LLC for development soft costs, and use the remaining for brownfield remediation and public infrastructure. The project, adjacent to the Champlain Mill will meet the National Objective by creating 42 jobs of which 22 will be filled by and/or available to low to moderate income persons.

The following individuals came before the board to present on behalf of the City of Winooski’s application: Katherine Decarreau “Deac”, Winooski; and Adam Dubroff, Winooski Hotel Group.

Questions raised by the board and discussed with the applicant: What are the proposed loan terms? What types of guests would you expect and what reason would they stay at this establishment? Speak to the full time employee job opportunities and starting wages, hourly wages, and their benefits. Have you looked into new market tax credits?

Cynthia asked if the award conditions were acceptable and Katherine Decarreau said yes.

**Town of Rochester – Park House Senior Housing Project**

Nathan Cleveland presented an overview of Rochester’s application requesting \$460,000 in VCDP funds and issues raised in the analysis. The Town will subgrant funds to the Rochester Community Care Home, Inc. (DBA Park House) to complete renovations to the historic Park House, a 16-unit community elder housing facility within the Town’s designated Village Center.

The following individuals came before the board to present on behalf of the Town of Rochester's application: Doon Hinderyckx, Rochester; Harlen Houghton, Joan Hubbard, Meg Hudson, Andrea Murray, Gretchen Perera, Evelyn Pruiksma, Juli Reiderer, Maddy Benson, and Amy Wright, Rochester Community Care (Park House).

Questions raised by the board and discussed with the applicant: Will all residents have private bathrooms? Are all residents located on second and third floors? How much staffing is required for the fourteen residents? How do you go about raising funds? Are Rochester residents given priority? Is respite care available to the residents?

Cynthia asked if the award conditions were acceptable and Doon Hinderyckx said yes.

### **Town of Royalton – Wastewater Treatment Facility Project**

As noted previously, this application was retracted prior to the presentation due to additional funding acquired by the applicant.

### **Town of Royalton – VT Veterans Legal Assistance Project**

Nathan Cleveland presented an overview of Royalton's application requesting \$299,785 in VCDP funds and issues raised in the analysis. The Town will subgrant the funds to be used by the South Royalton Legal Clinic (SRLC) at Vermont Law School in South Royalton, to assist in the continued operation of the Vermont Veterans Legal Assistant Project.

The following individuals came before the board to present on behalf of the Town of Royalton's application: Rose Hemond, Royalton; Professor James May, South Royalton Legal Clinic Director; and Captain Christopher Sheridan, Vermont Law School (SRLC). Additionally, a letter from William Dillon, a Veteran client of the SRLC, was provided in support of the project.

Questions raised by the board and discussed with the applicant: What kind of support will the school provide the program? What is the cost per client for the services you offer? Would you consider less VCDP funding? How about a half-time attorney instead of full-time? Have you considered collaborating with Vermont Legal Aid? What about statewide attorneys donating in-kind services? Is there a Vermont Law School professor who would donate time towards this project?

Cynthia asked if the award conditions were acceptable and Rose Hemond said yes.

### **Town of Lunenburg – Kingdom Pellets Project**

With ACCD staff Ken Jones, Jared Duval, and Kiersten Bourgeois in attendance, Nathan Cleveland presented an overview of Lunenburg's application requesting \$835,830 in VCDP funds and issues raised in the analysis. The Town would subgrant the funds to the Northeastern Vermont Development Association. A loan for \$811,000 will then be issued to Kingdom Pellets to convert 20,000 square feet of an old paper mill building and construct a wood chip pellet manufacturing mill on the former log yard of the Dirigo paper mill.

The following individuals came before the board to present on behalf of the Town of Lunenburg's application: Amos and Mary Jane Colby, Lunenburg; Irene Nagle, Northeastern

Vermont Development Association (NVDA); Chris Brooks and Tabitha Bowling, Kingdom Pellets.

Questions raised by the board and discussed with the applicant: What is the relationship of the company to the Clarendon facility? Is this project in close proximity to the customers? When do the proposed twenty-one jobs come online? Will you stockpile logs in advance? Will you sell bark for mulch? What will the impact be on the forest around this location? What about the logging impact on wildlife?

Cynthia asked if the award conditions were acceptable and Amos Colby said yes.

### **CDBG Enhancements**

Nathan Cleveland presented information on the Town of Lyndon's enhancement request for the Northeast Kingdom Revolving Loan Fund. Carl Bohlen presented information on the Town of Randolph's enhancement request for the Armstrong Mobile Home Park project. Discussion ensued.

**Bruce moved to fund the Randolph and Lyndon enhancement requests. Eboni Nyoni seconded the motion. The motion carried 6-0-0.**

### **CDBG Funding Recommendations**

Discussion ensued.

**Bruce MacLean moved to partially fund the following grants at the levels listed:**

- \$375,000      Town of Arlington – Battenkill North Housing**
- \$450,000      Town of Bradford – Colonial Village Apartments**
- \$450,000      Town of Brattleboro – Bradley House**
- \$250,000      Town of Bennington – Rental Rehab Pilot Program**
- \$250,000      City of Rutland –SW VT Council on Aging Renovation**
- \$455,000      Town of Rochester – Park House Senior Housing**
- \$550,000      Town of Lunenburg – Kingdom Pellets**

**and to not fund the Royalton, Winooski, or French Block projects at this time.**

**Amelia Silver seconded the motion. The board voted – all voted yes. The motion carried 6-0-0.**

The meeting was adjourned at 4:55 pm.