

April 1, 2021 Virtual CD Board Meeting Minutes
GoToMeeting (Access Code: 939-088-677)

Board Members in attendance: Cynthia Gubb, Angus Chaney, Maura Collins, Jonas Rosenthal, Ken Niemczyk, Gregg Over, and Lisa Sullivan

Staff Members in attendance: Josh Hanford, Nathan Cleveland, Cindy Blondin, Patrick Scheld, Julia Connell, Ann Kroll, James Brady, Juliann Sherman and Kristie Farnum

Cynthia Gubb called the meeting to order at 9:01 a.m. There were no members of the public in attendance for Public Comment. Cynthia Gubb disclosed that she has joined the Board of Windham Windsor Housing Trust, so will recuse herself for the Town of Rockingham's decision.

City of Barre- Barre Recovery Residence

Julia presented the open issues of the City of Barre's application to provide a \$500,000 subgrant to Downstreet Housing to acquire and rehabilitate 31 Keith Ave. in Barre in order to turn the property into a Recovery Residence. The project will renovate 3 family units to be dedicated to women in recovery who also have children. Downstreet has partnered with Vermont Foundation of Recovery (VFOR) to staff and operate the program.

The following individuals came before the board to present on behalf of the City of Barre: Eileen Peltier, Downstreet; Nicola Anderson, Downstreet; Janet Shatney, City of Barre; David Riegal, Vermont Foundation of Recovery (VFOR); and Anne Latulippe, VFOR

Questions, comments, and discussion raised by the board, staff and applicant: Maura asked about the Recovery Housing Program funds. Julia said VCDP staff are currently working on the program and are expecting that program will be available July 2021. She said this project would be eligible for that funding. She said there will likely be a \$300,000 maximum per project. Eileen said according to a recent study Barre City has immediate need for 3 recovery residence. She said VFOR will be the operator for this program and will serve women and children. She said connection to community is very important for recovery. She said this project will have 10 bedrooms and one appartement and shared spaces. David noted VFOR continues to be a leader in assisting individuals in recovery by providing access to sober housing. Ken asked about the operational plan and commercial space. Nicola said they are converting commercial space into apartments. Ken asked what the square footage was for the 4 families assisted. Nicola said its 1400 square ft on each floor. She said there will be a total of 8 bedrooms in that one apartment. Eileen said the downstairs also has common space. Eileen said Downstreet has been collaborating with Circle a domestic abuse center in Central Vermont. She noted this facility primary focus is for recovery. Jonas asked about the estimated length of stay. David said there is not a defined length of stay, but they typically look at the year mark. He said It depends on the individuals need for recovery. Cynthia asked if counseling was onsite. David said it's a home with outside connections to services in the community and the residents are encouraged to be engaged with services. Eileen noted Turning Point a recovery service provider is about a half a mile walk from the facility. Maura asked them to speak about proven benefits of peer's services. David said the magic is the peer-to-peer support given to one another to deal with challenges. He said that is more creditable for the residents knowing they have been through similar experiences. Ann asked if there are mentors that are invited into the home that provide additional support. David said the residents will have house meetings to decide what services come into the home. Ken asked about the success rate. David said it depends on how you determine success. He said he views success for individuals in recovery just coming through the door can be evaluated as success. Cynthia asked if 2 bathrooms for 10 people was adequate. David said typically there is up to 6 adults with 2 bathrooms and is confident with access to a 3rd on the 3rd floor is sufficient. Angus asked what the financial expectations was for residents to move in. David said there is a \$300 hundred initial entry with \$100 a week there after. He said the have partnered with housing

developers such as, Downstreet, Champlain Housing Trust or Rural Edge to bring down the costs, and there is voucher program to also assist individuals. He said the residents have to work, go to school or volunteer to do work. Angus asked if the \$609 was per unit. David said costs are operated per adult. Cynthia asked if the award conditions were acceptable and the Eileen, Nicola and David said yes.

Town of Calais – East Calais General Store

Julia presented the open issues of the Town of Calais’s application to provide a \$383,000 subgrant to the East Calais Community Trust (ECCT) to redevelop the East Calais General Store building located at 4520 VT-14, East Calais, VT 05650. The project will return the first floor of the building to a General Store, create 2 full-time and 4 part-time jobs, and renovate the 3 apartments located above the store.

The following individuals came before the board to present on behalf of the Town of Calais: Marc Mihaly, ECCT President; Denise Wheeler, Calais Selectboard chair and ECCT Board member; Janice Ohlsson, Calais Planning Commission Chair and ECCT Treasurer; Liz Curry and Brian Pine, consultants; Ian Jakus, VHCB; Melissa Brough secretary of Board of ECCT.

Questions, comments, and discussion raised by the board, staff and applicant: Julia said there will be 4 full time jobs and three units of housing. She said there will be a 1- 2- and 3-bedroom unit. Marc said the store is one of the oldest stores in Vermont. Marc said the Environmental Review has been completed. He said the store is the HUB for the community. He said they need final grant decisions in April and May in order to go out to bid, because the summer months are the busiest for construction costs coming in. He said they are moving into design and bid document process. He said there are tenants currently there that will need to be relocated. He said store owner operator prospects will not talk with them without a firm commitment. He said the town needs this affordable housing in their community. He also noted the empty unit had pipes burst this winter. Ken asked if there will be any ADA work done on the building. Marc said they want 2 of the units to be handicapped accessible if financially possible but said there will be one. Ken asked what the backup game plan was if they do not find an operator. Marc said they have gotten inquiries. Denise said there are people looking to be store operators, and they are working with VT Retail Association to attract a new operator. Liz said the ECCT board has already received an inquiry from someone in Hardwick. Gregg asked them to talk about energy efficiency plans. Brian said the heat pumps will adequately heat the space and they will have electric for backup. Liz said heat pumps technology has really improved. Maura asked who was going to manage the units. Denise said they are looking for a property manager, and two have been identified. Maura asked what the rents were going to be. Marc said its very apparent that a nonprofit need to manage and run property. Brian said they have been in touch with Vermont State Housing Authority (VHFA) and they will be providing referrals. Cynthia asked if the award conditions were acceptable, and Marc said yes.

Town of Randolph - Randolph Water Infrastructure Project

Julia presented the open issues of the Town of Randolph’s application to provide a \$500,000 grant to the Town to construct new reservoir and introduce three new water wells to the Randolph Village Water System.

The following individuals came before the board to present on behalf of the Town of Randolph: Adolfo Bailon – Randolph Town Manager; Chris Chambers – Water Superintendent; Naomi Johnsons – President of Dufresne Group

Questions, comments, and discussion raised by the board, staff and applicant: Julia said one of the reservoirs in town has failed, and the new reservoir will decrease the mineral manganese that is currently high in their system. Maura asked if there are other sources through Agency of Natural Resources (ANR) or USDA-Rural development for drinking water. Julia said there is a line item in the budget from the VT Bond which comes from the Department of Environmental Conservation which has funded the planning part of

this project. She said if the town applied for additional funds it would be in a form of a loan. Adolfo said this has been a collaborate effort with DEC and ANR. He said this is a long-term solution that should last the Town 50 years. He said the three water reservoirs will be on town property and the Naomi North Reservoir is being replaced, and they anticipate construction to be completed in 2022. Adolfo noted the NBRC grant. Naomi said the state revolving loan fund is not expected to be as generous for grants. Jonas asked about funding from USDA. Naomi said they have not been enthusiastic there funding or loan rates. Angus asked if they were able to use the source with manganese from blending, filtering or if it was unusable. Chris said they do blend, but unfortunately last summer the other reservoirs were dry making it harder to do. Ken asked about glass dome. Naomi said its standard cobalt blue and used on farms for silos and grains. Maura asked if there were any timing pressures. Adolfo said there is a requirement of one of the grants that this project needs to be complete next year. Chris said all three wells have been drilled but got halted due to leak at the north reservoir. He said there is no manganese at the three wells. Cynthia asked if the wells were online with the system. Chris said they are not, because they had to look at repairs. Cynthia asked if the award conditions were acceptable, and Adolfo said yes.

Town of Rockingham – Bellows Falls Garage

Nathan presented the open issues of the Town of Rockingham’s application to provide a \$292,745 subgrant to Windham and Windsor Housing Trust to support the demolition of the former Bellows Falls Garage located in the Bellows Falls Designated Downtown at 115 Rockingham St. to be replaced with a new building that will include 27 new apartments, 20 of which will be affordable to households earning less than 80% AMI.

The following individuals came before the board to present on behalf of the Town of Rockingham: Elizabeth Bridgewater, WWHT; Jeff Kantor, Consultant; Gary Fox, Town of Rockingham; Emmett Dunbar, Bellows Falls Downtown Development Alliance; Peter Paggi (WWHT); and Sarah Bartlett

Questions, comments, and discussion raised by the board, staff and applicant: Elizabeth said they could not rehabilitate the building because it was no feasible with costs coming in 80%-120% over budget. She said they will be rebuilding with lighter materials and are now able to restore the façade with the new build. She said there will be 27 units, its more cost effective, with more energy efficiency and will have the feel more original design. She said Rockingham has some of the highest rents and they are eager to get this project going. She said she has been diligently working with Historic Preservations, SHPO on this project. She said they are still working on the environmental release but once that is in hand they can get started. Emmett said this project is the gateway to the community. Gary said they are actively looking at housing development, according to the town needs assessment 35 units are needed per year. Cynthia asked if the award conditions were acceptable, and Elizabeth said yes.

Town of South Hero- Bayview Housing

Patrick presented the open issues of the Town of South Hero’s application to provide a \$730,000 subgrant to Cathedral Square Corporation to develop 30 units of affordable senior rental housing in South Hero's designated village center.

The following individuals came before the board to present on behalf of the Town of South Hero: Cindy Reid – Cathedral Square; Martha Taylor-Varney – Town of South Hero; Robin Way – CIDER

Questions, comments, and discussion raised by the board, staff, and applicant: Patrick said the project has completed their environmental release. Cynthia asked if the requested changed since last time. Patrick said it is the same. Martha said they will be going to the Town’s zoning board for final site plan review on April 14, 2021. She said the Village designation was expanded to include this location and the Selectboard is in favor of this project. Cindy said they have made great progress and have worked with CIDER for many

years on the planning for this project. She said they anticipate being in construction in August 2021. She said they have received all their funding except for a VHCB enhancement and Tax Credits from VHFA, but they do already have a letter of commitment from Peoples United Bank for the pending tax credits award. Cindy said they currently have 48 names on the wait list for this project. Robin said CIDER support seniors as they aged in the islands. He said there is no congregate housing in the islands. He said they were able to run a Capital Campaign during the pandemic and raised \$440,450 dollars, enough funding for the project. He said \$100,000 from the CIDER campaign will contribute to the project and the remaining will allow them to be able to purchase their own space without having debt. He said this funding puts their organization in a better position. Cynthia asked if the award conditions were acceptable, and Cindy said yes.

City of St. Albans – Spectrum Youth Service

Patrick presented the open issues of the City of St. Albans’s application to provide a \$500,000 subgrant to Spectrum Youth and Family Services for operational expenses related to the establishment of a new regional drop-in center that will provide support services to at-risk and homeless youth and young adults in Franklin County.

The following individuals came before the board to present on behalf of the City of St. Albans: Chip Sawyer – City of St Albans; Mark Redmond – Spectrum; and David Brace – Spectrum

Questions, comments, and discussion raised by the board, staff, and applicant: Patrick said this project will support the organization for the first 2 years to be able to build up their funding, so it doesn’t become a strain on the organization. He said this is truly a new and expansion of a public service. Chip said the City is in need for youth services. He said there is a lot of excitement in the community for this project. Mark said Spectrum has been around since the 1970’s. He said Agency of Human Services has asked them to run a program in Franklin County to work with youths that need services. He said they needed to start with the Drop-in Center to be able to create positive interactions for the youth. He said they opened a month ago. He said they have an AmeriCorps volunteer. He said the notch is going to provide health care. Jonas asked how they will generate funding for continued service after the two years. Mark said with without VCDP, Spectrum is committed for to be in St. Albans for three years. He said there are as many children in custody in Franklin County as there is in Burlington. Cynthia asked why they would be open Monday-Friday but not weekends. He said in Burlington kids did not show up on weekends. He said when they have residential facility that will be open 7 days a week. He said they would like to duplicate the level of housing available in Burlington in St. Albans. Jonas asked if Spectrum gets money from Department of Children and Families (DCF). Mark said not for the drop-in center, just when youth are in a residential facility. Cynthia asked what the number one issue was for at risk youth. Mark said poverty, missing parents, addiction, and parents incarcerated. Cynthia asked if the award conditions were acceptable, and Chip said yes.

December 18, 2020 Board Meeting Minutes

Angus made a motion to approve the draft minutes from the December 18, 2020 board meeting, Lisa seconded the motion. The motion carried 6 Yes - 1 Abstention – 0 No

**Cynthia - Yes
Ken - Yes
Lisa – Yes
Maura - Abstained**

**Jonas - Yes
Angus – Yes
Gregg - Yes**

Award Condition Extensions

Maura wondered if some of these extensions was due to rising costs. Nathan said yes you will see that with the enhancements. Nathan said the City of Newport's need is due to the environmental review. Julia said the same with Washington County project there was an environmental review issue. Maura asked about the Bolton project if there were any other water issues. Patrick said he has not heard of any issues, but he did know the Ski resort was having to truck the water in. He said their Grant Agreement has been executed.

Ken made a motion to approve the award condition extension list as presented by staff to extend each of the grants award conditions to October 1, 2021. Lisa seconded the motion. The motion carried 7 Yes – 0 Abstention - 0 No

Cynthia - Yes

Ken - Yes

Lisa – Yes

Maura - Yes

Jonas - Yes

Angus – Yes

Gregg - Yes

Implementation Grants

Josh went over the other funding the state will be receiving and how that may impact our regular CDBG funding.

Josh noted Barre City will be eligible for Recovery Housing Program funding. He said South Hero does not have its 9% tax credits yet so if funded may need an award condition to accommodate that. Angus said the need for the City of Barre project is there, but the costs seem high for building. Lisa said the cost per unit is so high because it's based off shared unit space. Julia said in the analysis, the square footage was not accurate because that was not included in the application. Ann agreed the costs seem higher because of its shared living space. Josh said the costs are going to see high, smaller number of units are better for this type of housing. Angus wondered if they could build a new house for the cost of this rehab. James said when you think of the environmental aspect, there best hope is with support with this type of funding.

Josh believes for Calais VHCB wants one of the units to not be restricted to LMI. Julia said they have talked with property managers. Angus thought the urgency was articulated very well by the Town. Ann they are ahead on their environmental review. James this was an old gas station, and its able to go for HP tax credits.

Cynthia wondered if there are there any other funding sources for Randolph. Josh said there is, but the cost would be put to the users and the village has a high low- and moderate-income (LMI) population. He said the Town under threat from DEC. Julia said they did have to go out and do income surveys, and 54% were LMI. Jonas did not understand why the Town would not be eligible for a grant through USDA. Josh said they did not disclose they already have a large loan with USDA.

Nathan said Rockingham did not follow the process for the environmental review as indicated. James said Rockingham's environmental review will need to be reviewed by HUD in Boston, but fully anticipates it will move forward. Gregg questioned the bank merger for equity. Josh said the bank equity is more of concern of commitments in place. Ken wondered if this application was premature. Nathan said no they were forced to take a different path due to costs.

Greg asked about the Capital Campaign for South Hero. Patrick said CIDER did the Capital Campaign, they will provide \$100,000 to the project, but the remaining CIDER will use it to purchase their building.

Cynthia and Maura were impressed with Spectrum Youth work. Maura was concerned with supporting the social service organization instead of the need for youth, so they do not have to dip into their operational reserves when they said they are committed to being in St. Albans for three years and have \$7 million in assets. She wondered how this will hurt the organization if they do not receive our funding, and what has AHS and Legislature told them. Patrick said the original application showed \$1.2 million in assets for 7 years of operating. He said the operation fund is for their entire organization and programs. He noted to be eligible for CDBG for public service the project must be new or expanded public service cannot be just to continue a service. Cynthia asked how much in their endowment fund. Patrick said close to a \$1 million. He said they will have to remain for five years after the completion of the grant. Jonas said he has a lot of sympathy and empathy for this program. He said this is a legislative challenge and don't think legislature funds these programs at the amount needed. Ann said we don't want to pull funding from Burlington to go fund this in St. Albans the need is compelling with more youth in St. Albans than Burlington. Gregg said they made a commitment for 3 years and feels we should meet them halfway. Angus said other service organizations may now move forward into new region services since CDBG is a source of funding. Cindy said CDBG does have a CAP on public service funding.

Josh said we will be doing more marketing for our CARES Act funding. He said Vermont will be receiving \$1 Billion of ARPA, each community will receive their own funding. He said there will be a lot of funding to help projects, the challenge will be capacity. VHFA will be hosting a round table discussion with housing developers and contractors. Maura questioned if communities are ready to move housing forward. Maura asked if any of the new funding that is not moving forward available for planning. Josh said not CDBG-CV. Josh said CDBG has done housing studies in communities years ago and they just sat there, no movement forward or nimby came into play. Josh said the state is trying to quickly get a plan in process to get Legislature to approve for the ARPA funds so we can get proposals out there to get the contractors businesses here to do the job, because if we are behind, we will not have a chance.

Ken moved to fund the Implementation Grants at the levels below. Jonas a seconded the motion.

The motion carried 6 Yes – 1 Abstention - 0 No

Cynthia – Yes to all except abstained from Rockingham
Ken - Yes
Lisa – Yes
Maura - Yes

Jonas - Yes
Angus – Yes
Gregg - Yes

Municipality	Implementation Grant Project Title	Funding Recommendation
City of Barre	Barre Recovery Residence	\$200,000
Town of Calais	East Calais General Store	\$383,000
Town of Randolph	Randolph Water Infrastructure Project	\$300,000
Town of Rockingham	Bellows Falls Garage	\$292,745
Town of South Hero	Bayview Crossing	\$730,000
City of St. Albans	Spectrum Youth Services in St. Albans	\$300,000

Enhancements

Cynthia asked about Fair Haven's large enhancements. Josh said we originally cut them 250,000. Patrick said this project was impacted by bid receipts, they came in. Maura asked if they went out the bid. Patrick said yes, they have.

Jonas moved to fund the Enhancement Requests at the levels below. Ken seconded the motion.

The motion carried 7 - Yes – 0 Abstention -0 No

Cynthia - Yes
Ken - Yes
Lisa – Yes
Maura - Yes

Jonas - Yes
Angus – Yes
Bruce – Yes
Gregg - Yes

Municipality	Grant Project Title	Funding Recommendation
Town of Hardwick	Hardwick Yellow Barn	\$50,000
City of Montpelier	Supportive housing and services	\$50,000
Town of Fair Haven	Fair Haven Community Center Project	\$250,000
Town of Guilford	Guilford Free Library Expansion Study	\$4,919

Adjourn

Ken adjourned the meeting at 12:39PM