

# VERMONT ECONOMIC RECOVERY PACKAGE

## \$400 MILLION

**\$310**  
MILLION

### Phase I: Immediate Relief to Survive



FINANCIAL ASSISTANCE  
**\$250 MILLION**



HOUSING ASSISTANCE  
**\$50 MILLION**



TECHNICAL ASSISTANCE  
**\$5 MILLION**



MARKETING  
**\$5 MILLION**

**\$90**  
MILLION

### Phase II: Recovery Investments to Thrive



FINANCIAL ASSISTANCE  
**\$55.5 MILLION**

Restart Vermont Emergency Action Grants  
**\$45 Million**

Recapitalize Seed Capital Fund and Further  
Technology Commercialization Efforts  
**\$10.5 Million**



HOUSING ASSISTANCE/  
COMMUNITY RECOVERY  
**\$11 MILLION**

Vermont Home Forever Fund  
**\$6 Million**

Better Places Fund  
**\$5 Million**



BROADBAND  
**\$20 MILLION**

Emergency Broadband Connectivity Initiative  
Consumer Line-Extension Assistance Fund  
Short-term Broadband Lifeline Support  
Pole License Rapid Response Fund  
**\$20 Million**



REGULATORY  
MODERNIZATION  
**\$3.5 MILLION**

Regulatory Program Modernization  
**\$3.5 Million**

## FINANCIAL ASSISTANCE

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\$55.5 MILLION

### Restart Vermont Emergency Action Grants \$45 MM

**Who is in need:** Businesses that were severely impacted by closure, business disruption, and are operating at limited capacity upon reopening. This additional funding is meant to support the Phase I programs as we expect an oversubscription to the funds.

**What will be done:** Provide grant disbursements to individual businesses that have been closed or lost significant revenue and are struggling to breakeven. Funding to help prevent wide-scale foreclosures, bankruptcies and deterioration of the sectors and the communities in which they operate. Grant proceeds may be used for rent, mortgage interest payments, utilities, inventory, and other essential operating expenses.

**How will program be administered:** Businesses will file an online form demonstrating impact and need. Businesses that can demonstrate need will be eligible for a grant.

### Recapitalize Seed Capital Fund (VEDA) and Further Technology Commercialization Efforts \$10.5 MM

**Who is in need:** Vermont headquartered business requiring equity to start, recovery or grow as a result of pandemic impacts. >50% FT employment in VT at time of investment decision.

**What will be done:** Support longer term recovery efforts via creating and growing job creators in new technologies, utilizing IP, to support prosperity for the state.

- Credible business plan, team and market opportunity. Determined by Fund Manager
- Not Everyone Gets Funding. This is not a grant program and the demand for investment far outstrips the supply of capital. There will be more no's than yes's which is similar to today.
- Demonstrated and documented impact by pandemic for investment eligibility
- Target examples of these investments with demonstrated pandemic impacts:
  - Local Virologists seeking funds to proof patented therapeutics for cancer and COVID illness
  - Retailer now closed who has pivoted to e-commerce and needs growth capital as a DTC Brand
  - Apprenticeship software platform growing and in need of modest working capital
  - New Agriculture / Hydroponics / Seed / Product / Forestry tech firms to meet grocery, grow at home and direct to consumer demand for greens and vegetables.
  - Telemedicine firms seeking 2-3x local workforce to meet local/national demands from pandemic.
  - Online education boot camps for technical up-skilling and new employment opportunities.

**How will program be administered:** Rapid investment decisions and simplified investment instruments (Convertible Notes, Forgivable Loans, Royalty Financings, etc) to get funds into smaller, credible company situations.

## HOUSING ASSISTANCE AND COMMUNITY RECOVERY

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\$11 MILLION

### Vermont Home Forever Fund \$6 MM

**Who is in need:** Low- and Moderate-income homeowners affected by COVID-19 response actions.

Due to the COVID-19 pandemic, many homeowners have seen the loss or reduction of income and consequently are unable or struggling to pay mortgages. Upon the lifting of foreclosure and eviction moratoria, these homeowners and members of their households could be at risk of foreclosure action and the loss of their homes.

**What will be done:** Provide direct financial assistance to stabilize households that could otherwise face foreclosure.

The program will provide up to 3 months of emergency mortgage assistance to low- and moderate-income property owners in order to avoid mortgage arrears and potential foreclosure action. Re-application beyond 3 months or assistance will be accepted as program funds are available. At the proposed funding levels, it is estimated that 3,000 households of low- or moderate-income could receive up to 6 months of mortgage assistance.

**How will program be administered:** Payments will be disbursed through grants to regional or statewide housing organization(s) selected with oversight authority through the Department of Housing and Community Development.

These organizations will develop a standard application form for homeowners that describes the application process and includes clear instructions and examples to help homeowners apply. The selection process will ensure equitable approval of applications, and a distribution system that ensures accountability for both the statewide and/or regional housing partner organizations, and homeowners receiving the funds. The Department shall develop certain eligibility requirements for the statewide and/or regional housing partners to implement to ensure the funds are applied towards homeowners equitably. DHCD is already working with potential administering organizations to develop the program and distribute funds as quickly as possible once funding is approved.

### Better Places Fund \$5 MM

**Who is in need:** Municipalities, nonprofits, and small businesses located in downtowns and villages.

Small business, hospitality, and performing arts venues underpin Vermont's quality of life and brand, but they are critically affected and most at-risk due to the pandemic. While restaurants,

stores and lodging facilities are carefully reopening, to survive the ‘new normal’ of reduced occupancies, mandated safety protocols, and hesitant consumers – businesses will have to quickly adapt. Changes on the ground are needed to give Vermonters and visitors the confidence they need to return lost vitality to downtowns and villages and support local businesses. One of the lowest-cost, highest-impact investments the state can make to safely restart is to temporarily move indoor operations outside on to local streets, parking areas, and public spaces like parks and greens.

**What will be done:** Provide grants, technical assistance, and resources to villages and downtowns that restore consumer confidence, rebuild local economies, boost local capacity, and reconnect Vermonters to one another – critical elements that help communities recover quickly.

The Better Places Fund will advance local recovery efforts by providing funding, materials, capacity, and guidance to enable safe outdoor operations of stores, markets, restaurants, performing arts, civic activities, and libraries.

**How will program be administered:** To expend funds quickly, the Department of Housing and Community Development would offer subgrants to a statewide organization with expertise in grant management to distribute funds to support CRF qualified community-based projects. Additional funds would be granted to statewide or regional organizations with expertise in community engagement and project management. This COVID mitigation funding request would:

**Distribute \$1.5 million quickly to 23 downtown organizations and \$1 million for villages** to provide organizational capacity to support local business recovery by providing assistance to businesses to plan, permit, and organize safe outdoor events, retail sales, and dining opportunities this summer and into the future.

**Grant \$1.5 million for the purchase** and/or lease/rental of tents, outdoor tables and chairs, temporary gates, parklets and barriers, PPE, masks, sanitizing stations, hands free door pulls, signage, etc. to support local retailers, restaurants, downtown organizations, and municipalities in economic recovery and to ensure local businesses have the necessary public safety measures to reopen.

**Allocate \$1 million for Better Places** to ensure local groups, nonprofits, and municipalities can continue to address local needs that improve public spaces, rebuild community life, and support main street recovery.

**When will funds become available:** DHCD is already working with potential administering organizations to develop the program and distribute funds as quickly as possible once funding is approved.

## **BROADBAND INVESTMENT**

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**\$20 MILLION**

### **COVID-19 Emergency Broadband Connectivity Initiative** **\$11 MM**

**Who is in need:** Vermont k-12/college students in need of internet access for distance learning.

**What will be done:** This program would construct last-mile internet access of at least 25/3Mbps to qualifying student locations identified by the Department of Public Service. At an average cost of \$2,200 per location, the program could bring access to up to 5,000 qualifying locations.

**How will program be administered:** The Department will issue a Request for Proposals seeking technology-neutral expansion of Internet service of at least 25/3 Mbps to the qualifying student locations (as identified by the Department). Grant recipients would commit to substantially completing projects by December 31 that would bring at least 25/3 Mbps service to qualifying student locations.

### **COVID-19 Consumer Line-Extension Assistance Fund** **\$2 MM**

**Who is in need:** Students, teachers, patients with telehealth or telemedicine needs, healthcare workers, home-based business and remote workers.

**What will be done:** This program would provide up to \$3,000 for individual line-extensions and up to \$500 for cable or fiber service drops to homes and businesses. For extensions with more than one but less than 16 paying subscribers per mile, the customer support amount would be calculated using a sliding-scale formula borrowed from PUC Rule 8.313.

**How will program be administered:** The Department would publicize that this program is open to any consumer who lacks internet access of at least 25/3Mbps. The consumer would apply to a cable company or internet service provider for a line-extension or service drop. Upon receipt of a quote, the consumer would apply to the program administrator (the Department or a contractor) for funding, which would be paid to the service provider on behalf of the customer.

### **Short-term Broadband Lifeline Support**

**\$6 MM**

**Who is in need:** Students, healthcare patient or individuals who can otherwise demonstrate economic harm from the COVID-19 emergency (e.g., unemployment, sole-proprietor unable to work due to business closure order, etc).

**What will be done:** This program addresses the affordability challenge of the digital divide during the COVID-19 emergency by providing up to 50,000 eligible households with a \$20 credit for 6 months for broadband services.

**How will program be administered:** This program funding would be administered by the Vermont Universal Service Fiscal Agent. Internet service providers would, through their monthly VUSF transmittal, take a credit for the amount of broadband lifeline service provided and the state would reimburse the VUSF. Alternatively, the program funding could be directly administered through DCF. To qualify, the recipient would need to be a student or healthcare patient and qualify for SNAP, free or reduced lunch, Medicaid, or be able to make a showing of economic harm by the COVID-19 emergency (e.g, unemployment, sole-proprietor unable to work due to stay-home-stay-safe order, etc.). This program would not be open to individuals who already receive broadband-only federal Lifeline service.

### **Pole License Rapid Response Fund**

**\$1 MM**

**Who is in need:** Vermonters whose last-mile internet access construction is delayed by the processing of pole-license applications.

**What will be done:** Financial support would be provided to pole-owning utilities to hasten the processing of pole license applications.

**How will program be administered:** The Department would provide grants to pole-owning entities that commit to a two-month schedule for pole-application processing and make-ready work. This fund would be active from July to September of 2020.

## Regulatory Program Modernization

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\$3.5 MILLION

### Regulatory Program Modernization \$3.5 MM

**Brief summary:** Efforts to jumpstart the recovery of the Vermont economy will be enhanced by modernizing Vermont’s regulatory programs and environmental permitting tools in order to improve the timeliness of regulatory review while ensuring environmental outcomes and public participation processes are maintained or enhanced.

**Who is in need:** Developers, small business owners and individual Vermonters

**What will be done:** A “one-stop shop” for on-line permitting including application materials, annual reporting and payment submissions, and built-in guidance and support. This on-line resource will be integral to efforts to jumpstart the recovery of the Vermont economy, modernizing the way Vermonters engage with State regulatory programs and obtain permits. Historically, these programs have required significant, direct interaction between the public and those within government responsible for regulatory review. With continued advancements in remote sensing technologies and on-line review tools there is a significant opportunity to invest in Vermont’s regulatory programs and environmental permitting tools, in manner that improves the timeliness of regulatory review, ensures environmental outcomes and public participation processes are maintained or enhanced, and retools our systems to allow and support for increased telework which has increased importance in light of the COVID-19 crisis.

**How will program be administered:** The Governor will direct the Agency of Natural Resources and the Natural Resources Board to accelerate the transition of program administration from paper-based to web-based. This will include:

- Developing and implementing solutions to reduce total permitting time by 30% while maintaining public participation.
- Investing in a single-entry point, “permitting wizard,” or case management system that links thru updated jurisdictional maps to the existing online application submission program (ANR Online) and moving all DEC permit applications, payments, and report submission to ANR Online.
- Modernizing the forestland Use Value Appraisal (UVA) thru the development of: management plan templates, digital permitting applications, on-line report and form submission, and document storage portals, as well as a tele-forestry program.
- Contracting with outside experts to identify opportunities to enhance and expand self-certification while maintaining program integrity and protecting natural resources.
- Implementing smaller scale business and information technology changes to support more efficient permit processing.