

November 9, 2023, CD Board Meeting DRAFT Minutes
DHCD Calvin Coolidge Conference Room D613
Virtual Microsoft Teams (Meeting ID: 280 956 415 282 Passcode: dotJCU)

Board Members in attendance in-person: Gregg Over, John Kascenska, and Gabriel Lajeunesse

Board Members in attendance virtually: Cynthia Gubb, Angus Chaney, Liz Ruffa

Board Members Absent: Maura Collins, Lisa Sullivan, Bruce MacLean

Staff in attendance in person: Alex Farrell, Ann Kroll, Julia Connell, Cindy Blondin, Grace Vinson, Gretel St.Lawrence, and Brett Chornyak

Staff in attendance virtually: Nathan Cleveland, Patrick Scheld, Juliann Sherman, Kristie Farnham, Alice Dodge

Guests in attendance (all virtual): Lorrie Byrom, Terry White, Isaac Wagner, David Atherton; Marty Gallagher, Gary Fox; Barbara Spaulding, Dan Caputo, Ed Bove, Mike Doenges, Mary Cohen; Bob Flint, Matt Moore, Peter Paggi, Tom Marsh, Donna Sweaney; Javier Garcia, Matt Lawless, Jess Neubelt.

Members of the public: None

Cynthia called the meeting to order at 9:02 a.m. There were no members of the public in attendance for Public Comment.

Ann Kroll noted Waterbury withdrew their application and will come back in June. Much work is being done due to flood plain considerations.

Town of Pittsford – Pittsford Village Farm Adaptive Reuse

Brett presented the open issues of the Town of Pittsford application to provide a \$450,000 subgrant to the Pittsford Preservation Corporation to renovate a farmhouse located at 42 Elm St., Pittsford, VT 05763 to include childcare space for 26 children, community meeting room and two affordable apartments.

Brett said \$300,000 of the project was secured, with a capital campaign underway. They are doing asbestos mitigation. He said the issue raised with project impact remains with their proposal of 10 childcare slots for low-moderate income individuals (LMI). We need at least 14 slots for LMI to meet benefit. He questions if the budget was feasible, given BABA. He said the village farm is working on value engineering options.

The following individuals came before the board to present on behalf of the of the Town of Pittsford: Isaac Wagner (board member), Laurie Byrom (president, Pittsford Village Farm), Terry White (board member, project manager), David Atherton (Town Manager, Pittsford).

- Pittsford Village Farm is at the physical and spiritual center of town but became vacant in 2017. Was donated to the town by the Morgan family.
- VCRD facilitated citizen meetings on the future of the property. Goals emerged:
 - community center, which the town lacks.
 - make sure that the land is publicly available.
 - opportunities for economic development in the town.
 - Evolved into an interest in housing and early childhood development/childcare.
- Already partnering with Paramount Theatre in Rutland on concerts.
- Terry White is retired, formerly managed large construction projects. Hired Michael Wisniewski as architect, with full complement of engineers.
- They are close to submitting land use permit applications.

- They expect to submit act 250 applications and be ready for bids this winter.
- Childcare center will support 26 children and up to 10 staff.
- There will be two 2-bedroom apartments (1032 and 1290 sq ft). T
- They have support from the selectboard.

Questions, comments, and discussion raised by the board, staff, and applicant:

- Angus asked how the rents would be set or how families would be identified, and would you work with a property manager? They were hoping to manage housing themselves, with application process for rental units; hope to have part-time manager on site for community center. Rents would be held at just over \$1000/month.
- John asked if the building is on the national registry of historic places. Is there anything unanticipated in renovation because of that? They have been engaged with a number of historic preservationists, incl. Britta Tonn of VHB, Inc. to submit the Part 2 to the national park service.
- They have received an earmark through the National Park Service.
- Cynthia asked about the capital campaign. Terry said they had kick-off in late September with potential donors. They have already raised some funds, will be meeting with potential donors in coming months. Full board participation in campaign.
- Liz asks if the number of childcare center spaces supports community demographics, or will you draw from other towns? Dave Atherton predicts people from Proctor, Brandon, Chittenden will use childcare. They have been building a relationship with Proctor daycare, which has a long waitlist.
- Cynthia asks if they are considering increasing 10 spaces for AMI – they are reticent to do so because they need to fill the slots.

Cynthia advised the grant awards will be made not later than Dec 1, 2023, and asked if the award conditions were acceptable. Isaac Wagner confirmed they were.

Town of Rockingham - GRAS -Biomass Wood Chip Heating System

Nathan presented the open issues of the Town of Rockingham’s application to provide a \$250,000 subgrant to the Greater Rockingham Area Services to complete the replacement of the health facilities heating system and make associated renovations to the building located at 1 Hospital Court, Bellows Falls, VT 05101.

Nathan said we need an update on CRRP application, they are limited to 20% as maximum grant. He wondered if they are applying for USDA Wood Innovations funding. Many of the services they provide serve 100% LMI populations. Build America, Buy America – not clear how that will impact this project. This is a reduced request from their original \$500,000 request.

The following individuals came before the board to present on behalf of the Town of Rockingham: Marty Gallagher, Administrator Greater Rockingham Area Services; Gary Fox, Development Director, Town of Rockingham (grant administrator for this project).

- Their mission is to keep healthcare in the community.
- Their goal is to keep the tenants they have providing services to the community, and not raise their rent; however, they must reduce the expense of the current fuel oil boiler.
- Their Phase I review is completed; act 250 review is completed.
- Their funding gap may be covered by Wood Innovations grant from USDA (\$300,000).
- They brought in a construction consultant who will be talking with USDA about a USDA loan as a backup, since they are running out of time.
- The project can only be done in summer and needs 6-9 months to order a boiler, etc.
- Environmental review is being published tomorrow, with 15-day comment period, then will request notice to proceed.

Questions, comments, and discussion raised by the board, staff, and applicant:

- Cynthia asked if their budget had any wiggle room. Right now, their budget has a \$235,000 gap – they are asking USDA for \$300,000, so if that was successful there would be \$65,000 wiggle-room if USDA does not fully fund the application.
- Gabe Lajeunesse: GRAS – Greater Rockingham Area Services manages the former hospital building for healthcare providers to provide services.
- Gregg: how much do they budget for maintenance costs, and won't they recoup that in a couple of years? Yes – she estimates around \$12,000-\$15,000, but they are already at \$18,000 for the year – there will be saved fuel cost, estimated savings of \$50,000 per year. It will be hugely significant.

Cynthia advised the grant awards will be made no later than Dec 1, 2023, and asked if the award conditions were acceptable. Marty confirmed they were.

June 8, 2023, Board Meeting Minutes

Gregg made a motion to approve the draft minutes from the June 8, 2023, board meeting, Liz seconded the motion.

The motion carried 6 - Yes – 0 Abstention -0 No

Cynthia - Yes	Liz - Yes
Angus - Yes	John - Yes
Gregg – Yes	Gabriel - Yes

Planning Grant Consent Agenda

John moved to fund the Planning Grant as presented by the Consent Agenda at the level below. Liz seconded the motion.

The motion carried 6 - Yes – 0 Abstention -0 No

Cynthia - Yes	Liz - Yes
Angus - Yes	John - Yes
Gregg – Yes	Gabriel - Yes

Grant Identifier	Project Title	Amount
07110-PG-2023-Randolph -02	Playhouse Movie Theater	\$54,000
Total Funds Recommended		\$54,000

RHP Consent Agenda

John moved to fund the RHP enhancement request as presented by the Consent Agenda at the level below being paid out the 4th allocation. Liz seconded the motion.

The motion carried 6 - Yes – 0 Abstention -0 No

Cynthia - Yes	Gregg – Yes
Angus - Yes	Liz - Yes

John - Yes

Gabriel - Yes

Grant Identifier	Project Title	Amount
07110-IG-2021-Essex-14	VFOR Essex Recovery Housing	\$300,000
Total Funds Recommended		\$300,000

Award Condition Extensions

The Award Extension funding requests were presented to the Board.

Gregg made a motion to approve the award condition extension list as presented by staff to extend each of the grants award conditions to May 1, 2024. Angus seconded the motion.

The motion carried 6 - Yes – 0 Abstention -0 No

Cynthia - Yes

Liz - Yes

Angus - Yes

John - Yes

Gregg – Yes

Gabriel - Yes

City of Rutland – East Creek Commons

Nathan presented the open issues of the City of Rutland’s application to provide a \$1,000,000 subgrant to the Housing Trust of Rutland County to complete the renovation of nine units of affordable rental housing and the construction of thirteen new affordable rental units located at 194-208 Columbian Ave, Rutland, Vermont 05701-2721. Project includes supportive services, and significant historic preservation. One of the main sources of funding is state tax credits, which will not be decided until spring of 2024.

Nathan said the cost per unit was \$518,252 with just Columbian Ave. With the additional units in two new buildings on Drake Road, Castleton, it will bring the cost per unit to \$401,070.

The following individuals came before the board to present on behalf of the City of Rutland: Mary Cohen, Housing Trust of Rutland County, Dan Caputo, and Ed Bove (RRA). Michael Doenges - Rutland City Mayor; and Barbara Spaulding – Rutland Redevelopment Authority Grant Administrator, also present.

- They are working with VA VASH program on Drake Road property, which is close to community health center.
- Mandala House on Park Street was a house for women coming out of correctional facilities and it has been sitting vacant; the Housing Trust has this property under option currently.
- The project will now have 35 total units, including these two properties. Four units are for homeless individuals – they are working with the Homeless Prevention Center.
- They are also working with SASH.
- They currently have about \$4 M from VHCB; federal funding through AHP application has been submitted; they are hopeful to be awarded state tax credits in the spring.
- Hope to close on the project in August 2024.

Questions, comments, and discussion raised by the board, staff, and applicant:

- Cynthia questioned cost per square foot: new cost per square foot is \$387.42 for construction costs only.
- Gregg asks about whether this triggers Davis Bacon: yes, it does and has been taken into consideration.

- Concerns about BABA? Their construction team are familiar with those requirements.
- Cynthia asked if they don't get funded, how would it affect project? Would cause delays, they were originally awarded from VHCB last January.
- It's an incredibly important project for Rutland County.
- Gregg asks about contingency budget. They estimate 8% for construction, as well as inflation contingency – has been taken into consideration.

Cynthia advised the grant awards will be made no later than Dec 1, 2023, and asked if the award conditions were acceptable. Mary confirmed they were.

City of South Burlington – Feeding Chittenden Expansion

Julia presented the open issues of the City of South Burlington's application to provide a \$500,000 subgrant to Champlain Housing Trust to renovate and expand space at Feeding Chittenden (located in Old North End of Burlington) to accommodate a community resource center, teaching kitchen, and administrative offices.

Julia said issues are focused on funding, beneficiaries, environmental review – budget has \$1.5 M congressional delegation award pending. The project has raised about \$400,000 in a capital campaign. If they receive both, and continue the campaign, is there great need for our funding? We cannot fund projects in the City of Burlington, so the application needs to show the residents being served are residents from outside the City of Burlington. We have done projects like this before. Right now, 46% of Feeding Chittenden were residents from outside the City of Burlington. So, we can participate on a prorated share of up to 46%. We are not certain of the timeline on Environmental Review and Historic Preservation review.

The following individuals came before the board to present on behalf of the City of South Burlington: Paul Dragon (ED at Champlain Valley Office of Economic Opportunity), Amy Demetrowitz (COO, Champlain Housing Trust), Jessie Baker (City Manager, City of South Burlington), Rob Meehan (Director, Feeding Chittenden)

- This is a project the city council of South Burlington unanimously supports as a regional solution.
- They do have a South Burlington food shelf, but with hours of 6 hrs./week; Feeding Chittenden is a more viable solution. This facility started as a food pantry but has grown substantially.
- Has always served a regional need – is close to other services, on a bus line.
- Much of Vermont homelessness is located in Chittenden County; need is extraordinary, particularly after closure of statewide emergency hotel program.
- Moved CVOEO resource center into Feeding Chittenden, and it has become a critical site for services and meals. They served 2500 individuals last year, about 125/day, disproportionately Black (13%) and older. Many services for disabled community, addiction, etc. They have already extended cafeteria to seat 50 at once, but that displaced staff to off-site.
- Phase II extends footprint to seat 65, added safety and security, and build up for offices and meeting space for staff. They do not need a full Corrective Action Plan; they do need a soil management plan that will be part of the environmental review.

Questions, comments, and discussion raised by the board, staff, and applicant:

- Angus asks what does proposed work do to their ability to provide the prep space, day space, etc.? Rob answers that the community kitchen academy will have a classroom, allow chefs to have meetings – production of food would be greatly enhanced. They will use parking lot space to distribute food during disruption from construction, but they predict less disruption than there was with Phase I.

- Gabe Lajeunesse – if \$1.5 M from congress doesn't come through, what do you do? CVOEO will increase capital campaign. They will name a number on Feb 14th. The campaign will be comprehensive across different aspects of their service.
- Cynthia asks where they are raising money from if this is a regional campaign, even beyond Chittenden County. Right now, their goal is \$2.7 M, for the project and other operating costs. They will be looking for \$200,000 from Burlington CDBG funds. That would make the total from Burlington \$500,000, but that may change by January depending on what is available. For Phase II, they are looking at \$1.8 million, they are trying to hit \$2.7 M overall. They serve 291 households from South Burlington but serve over 11,000 Vermonters.

Cynthia advised the grant awards will be made no later than Dec 1, 2023, and asked if the award conditions were acceptable. Amy confirmed they were.

Scattered Site Consent Agenda

Patrick provided a status of each of the homeownership centers and their requests. Set aside is 35% of annual HUD allocation. Proposed funding is \$15,000 per proposed rehab project from each program. Some discussion of the VHIP program. Patrick notes Downstreet was impacted by flooding. Funding the request of \$2,240,000 would leave \$327,126 in the program to be allocated in June.

Questions, comments, and discussion raised by the board, and staff:

- How long does it take to get a project in the pipeline to completed? We believe on average 4-6 weeks including credit report, site visit including full inspection prior to approval.
- There have been problems getting contractors, especially with the summer flooding.
- Gregg expresses concern that lending standards are so stringent that it's hard for those who most need funding to get it. They track the balance of loans/grants. Our goal is to make program more accessible.

Gregg moved to fund the Scattered Site Enhancement Requests at the levels below as presented on the Consent Agenda. John seconded the motion.

**The motion carried 5 - Yes – 1 Abstention - from Windham and Windsor housing trust (Cynthia).
0 - No**

**Cynthia - Yes to all but abstained from Brattleboro Liz - Yes
Angus - Yes John - Yes
Gregg – Yes Gabriel - Yes**

Grant Identifier	Grant Project Title	Funding Recommendation
07110 -SS-2022-Brattleboro-06	WWHT Homeownership Services	\$440,000
07110 -SS-2022-Lyndon-05	NEK Home Repair Program	\$400,000
07110 -SS-2022-Montpelier C-03	Green Mountain Home Repair Downstreet	\$360,000
07110 -SS-2022-St Albans C-01	CHT Home Repair Loan Program	\$540,000
07110 -SS-2022-W Rutland-07	Comprehensive HOME/RENTAL Repair 2022	\$500,000
Total Funds Recommended		\$2,240,000

Town of Windsor – Central and Main

Nathan presented the open issues with the Town of Windsor's application to provide a \$760,000 subgrant to Windsor and Windham Housing Trust to be used to complete the construction of a new building with 25

mixed income rental apartments at 133-139 Main St, Windsor, VT 05089. Will include some soil remediation. Parcel is owned by Windsor Improvement Corporation. This would create 25 units. Environmental review should be completed in December.

The following individuals came before the board to present on behalf of the of the Town of Windsor: Bob Flint (SRDC), Matt Moore (EverNorth), Peter Paggi (Windham and Windsor Housing Trust), Tom Marsh (town of Windsor), Donna Sweaney (Chair, WIC)

- The Town is eager and supportive of the project, which is in the historic downtown. It will increase grand list and economic activity downtown.
- Work done on the second lot will enable future development. Town has given \$200,000 towards the project. They have had several false starts with this three-parcel property, which will become two lots.
- This is a brownfield site, which has been a complication – it is on the regional project priority list.
- This is a true infill project that can take advantage of walkability.
- This has been a 12-year effort on the part of the town and the community is behind the project.
- Closing date is December 21, they are out to bid on project.

Questions, comments, and discussion raised by the board, staff, and applicant:

- Cynthia asks about pending funding. Upper Valley Loan Fund is fully approved. LIHTC fund is fully committed. Brownfield loan is committed. National Housing Trust Fund is committed. Energy incentives will come before closing. ACCD Brownfields request for \$625,000 is before interagency team, should hear by the end of the month. HUD CDS funding is committed.

Cynthia advised the award announcements will be made no later than Dec 1, 2023, and asked if the award conditions were acceptable. Matt Moore confirmed they were. There is some uncertainty about Build America, Buy America but they have been working with ACCD staff as it presents risk of increased costs.

Town of Shelburne – Bay Ridge

Nathan presented the open issues of the Town of Shelburne’s application to provide a \$750,000 subgrant to Champlain Housing Trust (CHT) to redevelop a transitional housing motel with 59 short-term rooms into a new mixed-income and mixed-tenancy neighborhood with 68 units of affordable rental housing and 26 shared equity homeownership units. Project is targeting larger number of bedrooms per unit, for larger or multigenerational families. Will result in a mixed-use neighborhood on Shelburne Rd. within reach of social services, public transit, employment.

The following individuals came before the board to present on behalf of the Town of Shelburne: Javier Garcia, Champlain Housing Trust; Matt Lawless, Shelburne Town Manager; Jess Neubelt, Evernorth

- Town is very supportive of a mix of building types, mix of residents, exactly what they need to fill the needs for housing options for workforce housing and rehab of derelict site.
- Will have valuable impact on all public safety services.
- Bay Ridge would be a new neighborhood on site of Harbor Place hotel.
- With ARPA award they were able to purchase replacement hotel for homeless housing. Apartments will be available to people at 30% - 80% AMI, condos for those at or below 100% AMI. 20 units will be available for the homeless.
- The new construction will be 48 apartments fronting Shelburne Road. Entry and exit will be from the side street.
- Apartments will include 21 3- and 4- bedroom units for larger families.

- Tax credit funding will allow for new infrastructure, including water/stormwater, gravel wetland structure for stormwater mitigation. Also, sewer and power lines underground, and buildings will be solar ready. All permits and CAP in-hand. Construction starts in April.
- Environmental review was delayed by CAP process, but they hope to have it wrapped up by year-end. Hope to be complete by June 2025.

Questions, comments, and discussion raised by the board, staff, and applicant:

- What is the AMI range for Shelburne? 18% according to Nathan.
- Why the need for more bedrooms? It's larger families with more children, in part because of refugee resettlement.
- Were VCDP funds used for the acquisition of the motel in 2013 or was work done on them?
- Angus would like to commend them for the demo when there is no historic value to the building, keeping per-unit costs down. Ann says there were no VCDP funds used originally.
- John asks if they have a sense of rental rates for the units? Yes, this project has units that would be 30%, 50%, 60%, 80% AMI – a full 26 units will be supported by project-based vouchers. Rents would be \$1100 - \$1800 for a 3-bedroom not supported by vouchers.
- They expect shared equity homeowner units to be \$90,000 - \$110,000 but the Town Manager says a typical duplex in Shelburne now goes for \$700,000+.

Cynthia advised the award announcements will be made no later than Dec 1, 2023, and asked if the award conditions were acceptable. Javier confirmed they were.

CDBG Funding Recommendations Implementation Grants

The board discussed the applicant presentations, funding, and partial funding. Cindy says we could use recaptured funds to reach \$1,900,000 in total IG funding. We would like to request South Burlington and Rutland to come back in June.

Gabriel moved to fund the Implementation Grants at the levels below. John seconded the motion.

The motion carried 6 - Yes – 1 Abstention – Cynthia abstains from Rockingham Funding decision. 0 - No

Cynthia - Yes to all but abstained from Rockingham	Liz - Yes
Angus - Yes	John - Yes
Gregg – Yes	Gabriel - Yes

Grant Identifier	Implementation Grant Project Title	Funding Recommendation
07110-IG-2023-Pittsford-03	Pittsford Village Farm Adaptive Reuse	\$450,000
07110-IG-2022-Rockingham-06	GRAS -Biomass Wood Chip Heating System	\$250,000
07110-IG-2023-Rutland C-02	East Creek Commons	\$0
07110-IG-2023-SBurlingtonC-06	Feeding Chittenden Expansion	\$0
07110-IG-2022-Shelburne-08	Bay Ridge	\$700,000
07110-IG-2023-Windsor-05	Central and Main	\$500,000
Total Funds Recommended		\$1,900,000

Adjourn

Angus moved to adjourned, Gregg seconded.

The meeting adjourned at 3:05 PM, all were in favor, the meeting adjourned.