

**June 8, 2023, CD Board Meeting DRAFT Minutes**  
**DHCD Calvin Coolidge Conference Room D613**  
**Virtual Microsoft Teams (Meeting ID: 291 150 915 822 Passcode: tfxntF)**

**Board Members in attendance:** Bruce MacLean, Cynthia Gubb, Elizabeth Ruffa, Gregg Over, Maura Collins, and Gabrielle Lajeunesse

**Attended virtually:** Johns Kascenska (left meeting at 1:12PM), Lisa Sullivan

**Staff Members in attendance:** Alex Farrell, Ann Kroll, Patrick Scheld, Cindy Blondin, Gretel St. Lawrence, Julia Connell and Cynthia Davis

**Attended virtually:** Brett Chornyak, Grace Vinson and Nathan Cleveland

**Members of the public:** None

Cynthia called the meeting to order at 9:06 a.m. There were no members of the public in attendance for Public Comment.

New members, Gabrielle Lajeunesse and John Kascenska, introduced themselves to the Board.

**Town of St. Johnsbury – Armory Redevelopment Project**

Nathan presented the open issues of the Town of St. Johnsbury application to provide a \$330,000 grant to complete the remediation phase of the project Armory redevelopment. Phase II, or the actual construction of the Police Department and Dispatch Center, utilizing other resources will begin as soon as remediation is complete.

The following individuals came before the board to present on behalf of the of the Town of St. Johnsbury: Joe Kasprzak, Assistant Town Manager; Chad Whitehead, Town Manager; Tim Page, Chief of Police; and Frank Empsall, Select Board Chair

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

- Ann questioned the issue of fair housing. Nathan advised he has not received any further information.
- Cynthia commended the town for not giving up on this project and questioned, if the remediation can be completed, where will the remaining funding come from? Mr. Kasprzak advised he has reached out to Senator Sander's office and the project has been placed on the priority list for possible funding. The select board is confident they will bridge the funding gap.
- Gabrielle requested the square footage of the building. Joe advised the square footage is currently 16,700 feet and when complete the building will be 13,000 square feet in total. Gabrielle also questioned why remediation was chosen as opposed to tearing down and constructing a new building. Joe advised tearing down the building is not an option due to Historic Preservation. The plan was developed to keep the historic significance of Main Street intact. Tearing down the building is not an option.
- Bruce asked about the existing state of the police station. Chief Tim Page provided information regarding the movement of the Police Department over the years. The current building is in terrible shape and overburdened by the inadequacies of the structure, also adding that current training facilities are in the lower portion of the state. The facility will allow for training opportunities for the upper portion of the state, as they can be hosted in St. Johnsbury.

- John questioned the water damage. Joe advised that the most recent damage is in the gymnasium. The gymnasium will be taken down through the project—agreed upon by VDHP. An addition is being added with a similar look and feel, also approved by VDHP through a mitigation process and they do believe there is an adequate contingency built in and have planned accordingly.
- Bruce questioned what the fate of the existing police building is. Joe advised it does require some remediation and they are looking to develop some housing within it.
- Cynthia requested clarification of when the remediation will be completed. Joe advised he expect remediation to be completed in early November.
- Elizabeth questioned the population served. Joe advised the population served is between 32,000 and 34,000.
- Maura requested an estimated timeline of the results of the fair housing and where discussions are with the Human Rights Commission. Joe advised he does not have an immediate timeline at this time. The process has just begun. The information has been filed by their attorneys and the League of Cities and Towns has picked up the claim. Through mediation sessions, the Human Rights Council found that legal actions must be filed against the town, but a court date is not set yet.

Cynthia advised the grant awards will made not later than June 30, 2023, and asked if the award conditions were acceptable. Joe 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 \$500,000 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.

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

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

- Gregg questioned the pictures of the boilers and asked: Is the boiler the original boiler? Does it have asbestos pipe around it and has it been addressed? And is asbestos mitigation a part of the budget? Marty advised the boiler is not the original boiler. She believes asbestos mitigation is in the quote. Greg also asked if the building had an energy audit or upgrades. Marty advised the only source of income is tenant rent. Prior to her coming onboard, maintenance was deferred. She has reached out to Efficiency Vermont and has done some capital improvements with “low hanging fruit’ projects. With the rental income, they were able to replace an old air handler. Oil prices reduced the possibility of creating a financial cushion. They have considered solar panels; however, the facility has a high energy load. An energy audit is a good next step.
- Cynthia questioned if other possible heating sources were considered. Marty advised the Dubois and King proposal gave an estimate for oil replacement. They have not looked beyond oil or biomass.
- Cynthia questioned what options they would have if they do not get this funding. Marty responded that it has been challenging for people to understand the organization because they do not do health care. The next step would be applying for a USDA-RD loan.
- Patrick questioned the budget. NBRC does have a cap on the total number of federal resources that can be put into a project, and they have received a NBRC grant, along with a fully funded CDBG grant. This places the project at 71% federal funding. Have they had any discussions with NBRC? Marty advised she believes the cap is 80% and Community Development Block Grant funding is technically state funding that will not add to the federal cap.

- Mr. Fox added that whenever he goes to the clinic, he has observed from the NorthStar, Springfield Medicare systems people are getting off the bus and walking into the site, which indicates local. The Windham Regional Commission will offer an 80% grant 20% loan for asbestos removal.

Cynthia advised the grant awards will be made no later than June 30, 2023, and asked if the award conditions were acceptable. Marty confirmed they were.

### **Town of Bennington– Benn High Redevelopment**

Julia presented the open issues of the Town of Bennington’s application to provide a \$386,190 subgrant to Hale Resources to purchase the Old Bennington High School Building located at 650 Main Street in downtown Bennington. The building will be renovated into housing, commercial space, and community recreation facilities.

The following individuals came before the board to present on behalf of the Town of Bennington: Shannon Barsotti – Community Development Director, Town of Bennington; Jon Hale and Zak Hale – Hale Resources, LLC, Liz Nickerson, Development Consultant, Dan Monks, Planning Director, Town of Bennington

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

- Shannon added the Town of Bennington has committed over 2 million dollars in ARPA funding for development of a community center in the other condominium. Dan also added the project is receiving unanimous support from the Select Board and staff leadership.
- Bruce questioned the heating source. Zak provided information for both options of an open loop or a closed loop geothermal system and is hoping this will be a completely electric building.
- Maura questioned the status of permits for the project. Zak stated this project is a “priority housing project”. They have an opinion letter stating the project is exempt from ACT 250 and they also have DRB approval. There is still local permitting that will take place. Dan provided information on local zoning permits. All local land use permits have been granted and only the building permit remains, which takes place just before construction. There are no issues identified for local permitting. Zak added that wastewater has not been submitted to date but believes there is more than enough capacity in the town’s infrastructure for the wastewater and water allocation.
- Ann questioned the design of the units and if they are meeting HUD standards. Zak stated all units will be smaller units, one bedroom, and they are pursuing project-based vouchers to cover any funding gaps.
- Maura stated in the design one of the two bedrooms did not have a window and instead contained an open window skylight that passes the towns codes.
- Cynthia asked when they expect the first phase for people to move in. Zach anticipates construction to begin at the end of the year, with the expectation of 18 months of construction—with the completion of the project in mid-2025. There would not be any phasing just doing it all at once.
- Bruce questioned the terms of priority of who gets into the condos. What is the “pecking order?” Zak clarified these are 39 apartments and not condos to be sold. The apartments would be rented out and they have not considered a way to prioritize the occupancy but do intend to. Zak also added that they are property managers of 200 units in Bennington and noted that he sees people trying to move to the Bennington area to take jobs, but they are unable to due to lack of housing. This is an opportunity to create unrestricted housing for people to move here, while also providing services to those people that have needs that are not being met due to the lack of capacity.
- Cynthia asked if there will be supportive services in the Condo One apartments. Zak advised they do have MOUs (Memorandums of Understanding) with PAVE and Pathways who are interested in the Shelter Plus care vouchers, as well as the transitional housing program. They are looking to build on those partnerships.

Cynthia advised the grant awards will be made no later than June 30, 2023, and asked if the award conditions were acceptable. Zak confirmed they were.

### **Town of Brattleboro – Tri Park Infill Relocation**

Nathan presented the open issues of the Town of Brattleboro’s application to provide a \$450,000 subgrant to the Tri-Park Cooperative to be applied towards the infrastructure construction work (site work, earthwork, utilities, etc.) related to the infill development of 26 new mobile home lots that will be used to relocate 26 existing homes from within the floodplain of the Whetstone Brook.

The following individuals came before the board to present on behalf of the Town of Brattleboro: Dan Ridlehoover, Senior Manager of Project Development; M&S Development LLC; Mary Houghton, Board member, Tri-Park Board of Directors; Sue Fillion, Planning Director, Town of Brattleboro

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

- Maura stated she is confused by the master plan and requested clarification of the 26 available sites, as there are far more residents. Do you have 26 identified residents that want to move to the sites? Dan advised that there are only 15 identified. The hesitation lies in the residents not knowing what home they will end up with. They are planning to purchase a model home for residents.
- John K. questioned the footprint. Is that a typical configuration? Dan reviewed the configuration. The site is most readily developable and is where the maintenance garage is.
- Cynthia asked how the project would move forward if funding were not awarded. Dan advised TriPark does have a lot of existing debt though there has been great progress, before M&S became involved, through the legislature to help restructure the debt. They are debt limited in this project. The funders of the project have collectively underwritten the finances and believe that TriPark does not have the ability to fund its own capital needs while also retaining affordable rent for low to middle income.
- Cynthia also questioned what is the monthly rent? Dan advised the median lot rent is \$291.00. The other two parks are \$330, as they are not individually metered.

Cynthia advised the grant awards will be made no later than June 30, 2023, and asked if the award conditions were acceptable. Dan and Sue confirmed they were.

### **Town of Middlebury – Stonecrop Meadows**

Nathan presented the open issues of the Town of Middlebury’s application to provide a \$1,250,000 subgrant to Ascend Housing Allies Incorporated to be used in conjunction with other resources to complete a Multi-Year Implementation Grant covering 2 phases, 1) infrastructure to support affordable housing development (the "Infrastructure Phase"). 6 for-sale townhomes and duplexes targeted to be affordable for households who make less than 80% of AMI; and 2) the construction of 28-unit building containing 21 new units of rental for households earning less than 60% of AMI and 7 apartments for households earning less than 30% of AMI.

The following individuals came before the board to present on behalf of the Town of Middlebury: Kathleen Ramsay, Town Manager, Town of Middlebury; Zeke Davisson, Summit Properties

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

- Cynthia requested a price range of the houses. Zeke provided information as an affordable home for someone with an income of 120% of the area median income, which will be the first phase will cost between \$330,000 to \$350,000. That number may change as VHFA updates its affordability matrix as houses go to sale. Six will be available through the shared equity program and closer to \$220,000 to \$230,000.

- John asked what the median income is for Addison County. Zeke advised in 2022, for a family of 2, is 74,900. So just under 60,000.00 for 80% of median income. Nathan corrected the number to \$63,450.
- Gregg questioned how the buildings would incorporate efficiency standards and what level of these standards will this project be? Zeke advised all multifamily buildings are built to the Efficiency Vermont high performance multifamily track and they will be using the 2.0 standard or better.
- Maura questioned the status of the permits. Zeke advised they are wrapping up with applications and will be ready for phase I filing by the end 2023. The project is exempt from ACT 250. They will have to do a full Environmental Policy Act review due to that exemption.

Cynthia advised the grant awards will be made no later than June 30, 2023, and asked if the award conditions were acceptable. Zeke and Kathleen confirmed they were.

### **City of Rutland – Hospital Heights Rehab**

Julia presented the open issues with the City of Rutland’s application to provide a \$1,000,000 subgrant to Ascend Housing Allies Inc. to rehabilitate 22 units of rental housing known as Hospital Heights Apartments located at 101 Mahoney Ave, Rutland, VT 05701. The project will preserve and upgrade affordable units which house individuals and families at or below 30% AMI.

The following individuals came before the board to present on behalf of the of the City of Rutland: Andy Miller - Summit Properties; Michael Doenges - Rutland City Mayor; and Barbara Spaulding – Rutland Redevelopment Authority Grant Administrator

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

- Barbara advised they just received approval for \$75,000 from the City’s revolving loan fund for the project.
- Bruce questioned concern over the use of heat pumps, as a sole heating source, with the below zero temperatures. Andy provided insight to the mini split heat pump and backup heat source of wall heaters that will come on when the efficiency of the heat pump drops below a certain point.
- Cynthia asked if the electric fees are included in the rent? Andy advised electric fees are paid by the building owner.
- Greg asked if the scope of work included weatherization upgrades and air ceiling. Andy advised one of the upgrades that took place prior to purchase was an “exterior weatherization” through Efficiency Vermont.
- Greg asked about windows and doors and requested definition of interior finishes. Andy advised the windows were performed in 2015 and the exterior doors are included in the scope of work. They are currently looking to do all new flooring, interior doors, fixtures in bathrooms and kitchens, appliances, and refurbish or completely upgrade cabinets where needed. They will also be repainting and adding LED light fixtures to all units.
- Cynthia asked if all units are currently occupied and how will the rehab be handled with occupancy. Andy advised all units are currently occupied, with one unit looking to vacate. They can scale up or scale down the renovation in terms of the time frame and phase based on the number of units they can secure. They have been talking with other landlords for possible vacancies and plan to renovate 4 units at a time but ideally would prefer 10.
- Cynthia questioned if two accessible units is enough. Andy advised that at this time there are only 2 units in a position to be modified, so they are limited to two.

Cynthia advised the award announcements will be made no later than June 30, 2023, and asked if the award conditions were acceptable. Andy and Barbara confirmed they were.

**November 10, 2022, Board Meeting Minutes**

**Maura made a motion to approve the draft minutes from the November 10, 2022, board meeting, Bruce seconded the motion.**

**The motion carried: 5 Yes – 2 Abstention – 0 No**

**Cynthia - Y  
Lisa – Y  
Maura - Y  
Elizabeth – Y**

**Bruce – Y  
John – Abstention  
Gabriel – Y  
Gregg - Abstention**

**Award Condition Extensions**

The Award Extension funding requests were presented to the Board.

- Cynthia requested information on the delays and if they are related to planning or permitting. Julia advised the Randolph Water Infrastructure project is starting to move forward and they did recently submit their site control letters. Nathan added they are in construction currently.
- Julia advised she is unsure of what is happening with the Fox Run project and housing. The road portion has not had any movement. She does get updates but there has not been anything concrete at the moment.
- Maura questioned the city of Newport. Nathan advised they are making good progress., however the city manager is retiring. They are fully supported by the city and are moving forward soon.
- Cynthia questioned the progress of the Judevine library, Nathan advised they are nearing their ability to meet the award conditions, and now have contract and are ready to move forward with construction.
- Cynthia asked for an update on Winooski Falls. Patrick advised they are working through HUDs ER with housing and regulations, that were not part of the project when funded.
- Bruce asked if there has been an increased demand for childcare centers. Julia advised that they do often hear about it more so than seeing projects come in. The Bennington High project does include a 66 plus childcare facility. She does not believe she has anything in the pipeline for now regarding childcare but does hear things about it. Patrick added that he recently had a conversation with DCF regarding the funding of childcare centers.

**Bruce made a motion to approve the award condition extension list as presented by staff to extend each of the grants award conditions to November 1, 2023. Greg seconded the motion.**

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

**Cynthia - Y  
Lisa – Y  
Maura - Y  
Elizabeth – Y**

**Bruce – Y  
Gabriel – Y  
Gregg - Y**

**CDBG/RHP Enhancement Requests**

**Greg moved to fund the CDBG enhancement requests as presented by the Consent Agenda at the level below with Bennington being paid out the 4<sup>th</sup> allocation for RHP and increasing the amount of award for RHP to \$1,000,000 in that amendment to HUD. Bruce seconded the motion.**

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

Cynthia - Y  
 Lisa – Y  
 Maura - Y  
 Elizabeth – Y

Bruce – Y  
 Gabriel – Y  
 Gregg - Y

Grant Identifier	Project Title	Funding Recommendation
07110-IG-2021-Bennington-04	612 Gage Street Recovery Housing	\$500,000
07110-IG-2021-Randolph-24	Salisbury Square Ph II Infrastructure	\$0
<b>Total Funds Recommended</b>		<b>\$500,000</b>

**CDBG-CV Consent Agenda**

Maura moved to fund the CDBG-CV enhancement request at the levels below as presented on the Consent Agenda. Gregg seconded the motion.

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

Cynthia - Y  
 Lisa – Y  
 Maura - Y  
 Elizabeth – Y

Bruce – Y  
 Gabriel – Y  
 Gregg - Y

Municipality	Project Title	Funding Recommendation
Town of Craftsbury	Craftsbury Care Center Renovations	\$500,000
<b>Total Funds Recommended</b>		<b>\$500,000</b>

**Planning Grant Consent Agenda**

Elizabeth moved to fund the Planning Grants as presented by the Consent Agenda at the levels below. Bruce seconded the motion.

The motion carried 8 Yes – 0 Abstention – 0 No

Cynthia - Y  
 Lisa – Y  
 Maura - Y  
 Elizabeth – Y

Bruce – Y  
 John – Y  
 Gabriel – Y  
 Gregg - Y

Municipality	Project Title	Funding Recommendation
Town of Irasburg	Irasburg Fire Station Options	\$0
Town of Proctor	Vermont Marble Company Redevelopment	\$60,000
Town of St. Johnsbury	NEKCA Campus Planning 2023	\$60,000
<b>Total Funds Recommended</b>		<b>\$120,000</b>

**Funding Discussions of Implementation Grants and Enhancement Requests**

The board discussed the applicant presentations, funding, and partial funding.

**Bruce moved to fund the Implementation Grants at the levels below. Elizabeth seconded the motion.**

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

**Cynthia - Y**

**Lisa – Y**

**Maura - Y**

**Elizabeth – Y**

**Bruce – Y**

**Gabriel – Y**

**Gregg - Y**

<b>Municipality</b>	<b>Implementation Grant Project Title</b>	<b>Funding Recommendation</b>
Town of Bennington	Benn High Redevelopment	\$386,190
Town of Brattleboro	Tri Park Infill-Relocation	\$450,000
Town of Middlebury	Stonecrop Meadows	\$500,000
Town of Rockingham	GRAS -Biomass Wood Chip Heating System	0
City of Rutland	Hospital Heights Rehab	\$900,000
Town of St. Johnsbury	Armory Redevelopment Project	\$330,000
<b>Total Funds Recommended</b>		<b>\$2,566,190</b>

**Adjourn**

**Bruce moved to adjourned, Lisa seconded.**

**The meeting adjourned at 2:03 PM, all were in favor, the meeting adjourned.**