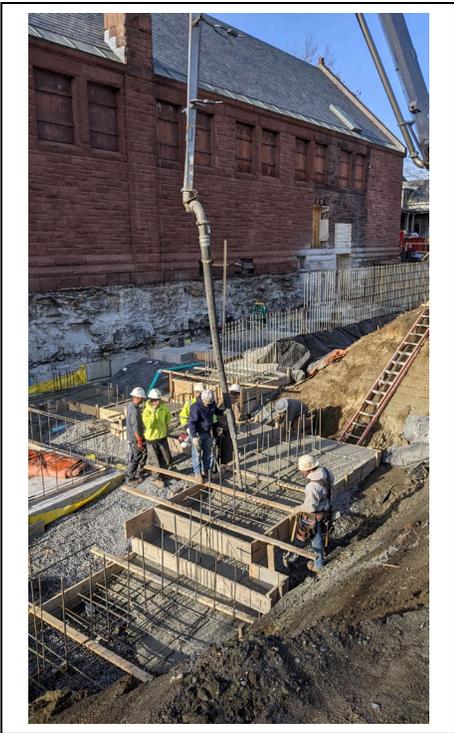




Department of Economic Development Community Recovery and Revitalization Program Report

The Community Recovery and Revitalization Program (CRRP) provides funding for projects that spur economic recovery in communities across the state. Eligible uses for these funds include capital improvements related to the creation of childcare and affordable housing for low- and moderate-income households, capital projects that assist small businesses operating in identified industries most impacted by the pandemic or pursuing projects in low-income census tracts, and municipal water supply and wastewater projects that build housing or create jobs. \$40,000,000 from American Rescue Plan Act (ARPA) – Coronavirus State Fiscal Recovery Funds was appropriated to fund awards by the CRRP. Pursuant to Act 183, the Legislature directed the program to submit this report regarding the following: (1) a description of the implementation of the program; (2) the promotion and marketing of the program; and (3) an analysis of program utilization and performance.



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DEPARTMENT OF ECONOMIC DEVELOPMENT



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Executive Summary

Vermont was awarded \$1.05 billion in Coronavirus State and Local Fiscal Recovery Funds as part of the Federal American Rescue Plan Act of 2021. A portion of these funds were distributed under Act 183, and 185, signed by Governor Scott on June 8, 2022. Sec. 53 (c)(1) of Act 183 appropriated \$10,000,000, and Section G 300(a)(5) of Act 185 appropriated \$30,000,000 to create the Community Recovery and Revitalization Program (CRRP) to make funding available to address the negative economic impacts of COVID-19 on Vermont's economy, employers, workers, and families while simultaneously leveraging opportunities to grow Vermont's economy. These recovery funds are intended to retain and expand existing businesses and nonprofit organizations with a preference for projects that primarily serve BIPOC populations and projects located in regions and communities with declining or stagnant grand list values.

This grant program started accepting applications on November 29, 2022. For the first 30 days, as part of the State of Vermont's commitment to build on local, state, and national efforts to advance equity and to increase meaningful inclusion and representation of BIPOC (Black, Indigenous, and People of Color) communities, ACCD prioritized applications from BIPOC organizations and organizations that primarily serve BIPOC populations. ACCD also prioritized the review of applications from non-Metropolitan Statistical Areas (non-MSAs) in the first 30 days. A Metropolitan Statistical Area (MSA) is a designation used by the Federal government to identify multi-county clusters with a population density of at least 50,000. In Vermont, non-MSA communities are in Addison, Bennington, Caledonia, Essex, Lamoille, Orange, Orleans, Rutland, Washington, Windham, and Windsor counties. The application portal will stay open until all funds are allocated.

As of February 1, 2023, DED has received 83 complete applications for the CRRP program totaling \$36,873,332 in capital investment requests. DED has received 7 BIPOC (either owned, managed, or serving) applicants and 40 applications from non-MSA counties.



Program Overview

The Community Recovery and Revitalization Program was created based upon the language set forth in Act 183. Eligible applicants include both for- and non-profit businesses: in identified impacted industries; located within Qualified Census Tracts; pursuing affordable housing; creating or expanding childcare facilities for low to moderate income families; as well as municipalities pursuing water and wastewater projects where the project supports development of affordable housing or business expansion.

Impacted Industries

To target those industries that were disproportionately impacted by the negative economic impacts of the COVID-19 pandemic, CRRP targets the following Impacted Industries with North American Industry Classification System (NAICS) codes that start with the following two digits:

- 11 (Agriculture)
- 61 (Educational Services)
- 71 (Arts, Entertainment, & Recreation)
- 72 (Accommodation & Food Services)

Award Calculations and Considerations

Awards will not exceed the lesser of \$1,000,000 or 20% of total project cost and will be calculated based on the merit of the application. The merit of the application will be determined based on the following considerations:

- Project readiness, including the status of any necessary permits
- The demonstrated availability of the balance of the other sources of funding (including availability and eligibility of other sources of funding)
- Community impact (e.g., number of childcare slots, housing units, business development, etc.)
- Prior experience with grants and/or adequate staff to comply with the terms of the grant agreement
- Regulatory issues that may complicate the completion of the project
- The ability of the applicant to receive project funding through more traditional funding streams



- Demonstrated applicant need, including the project's remaining gap in funding and how the project would differ if not for the CRRP funds.
- Evidence of good standing with the Vermont Secretary of State
- Community and regional support for the project
- Creation of Vermont-based jobs
- Applicants that have received a Capital Investment Program (CIP) award must also factor CIP into their total CRRP award calculation. The combined CIP and CRRP award cannot exceed the lesser of 20% of total project cost or \$1,000,000 (i.e. the award limit takes into account both CIP and CRRP programs)
- Applicants are asked to disclose prior accepted Federal or State recovery assistance (i.e. Paycheck Protection Program loans or State Emergency Recovery Grants such as Economic Recovery Bridge Program grants, Ski Area Recreation Safety grants, Vermont Housing Improvement Program grants, and Capital Investment Program grants) in an effort to avoid duplication of benefits uses.

Coordination with Joint Fiscal Office

Pursuant to Act 183, DED collaborated with JFO to develop guidelines and approval processes for the Program. These guidelines and approval processes were submitted to the JFC and the chairs of the relevant legislative committees of jurisdiction prior to accepting applications for grants through the Program.



Application and Review Procedures

Between November 9 and November 14, 2022, DED hosted five live webinars to promote the different tracks of funding available for the CRRP program. DED's website posted the recorded webinars for those that were unable to attend. DED collaborated with community partners to reach as many members as possible of the public, including those in BIPOC and underserved communities throughout Vermont. DED published a special newsletter announcement raising additional awareness for the program. The CRRP website detailed information on the program eligibility requirements, eligible use tracks, and FAQ's. The technical assistance team at DED answered questions via a designated email. Translation services were available for those who requested. On November 29, 2022, DED opened the application portal to the public.

A 30-day priority period was established for organizations that are led by BIPOC individuals or serve BIPOC populations and non-MSA applications. During the 30-day priority period, only applications meeting at least one of these criteria were considered. These applications continue to receive priority review.

Award decisions will be made quarterly or with more frequency depending on the volume. The first round of funding decisions will be announced in the next 30 days.

Review Procedures: Collaboration with Other Agencies and Boards

After an initial eligibility determination, applications for projects that support the creation of affordable housing or childcare slots are sent to the Department of Housing and Community Development (DHCD) or the Department of Children and Families (DCF) respectively. Partners at DHCD and DCF review each application and provide input about the applicant, the specific project (if known), and how likely the applicant is to receive adequate funding for the project through other traditional funding channels.

For municipal applications, Vermont Economic Progress Council (VEPC) staff complete an initial eligibility review and sends the application to the Agency of Natural Resources (ANR) for review and input. VEPC staff then present successful applicants to the VEPC Board at monthly meetings for review and consideration of the nexus of the project to either affordable housing or business development and of the "but for" requirement. Applications approved by the VEPC Board are then sent to DED leadership with a recommendation for approval or denial.

Once approved by DED leadership, projects are forwarded to the Interagency Review Team, made up of cabinet officials from Agency of Administration, Agency of Human Services, Agency of Natural Resources, Agency of Transportation, Department of



Public Safety, Public Service Department, and Agency of Agriculture Food and Markets, to see if there are any conflicts or issues with the intended awardees. Once approved by the Interagency Review Team, a final determination is made by DED leadership, and applicants are simultaneously notified of their successful application.

Program Status:

CRRP Quarter 1: 11/30/22 – 2/1/23

As of February 1, 2023, the Department of Economic Development received 83 complete applications. In addition, 14 applications were received in this period and returned to the applicant for correction or additional information.

The 83 complete applications request \$36,873,332 in funding to assist with project costs totaling \$408,840,497. Of these 83 projects, 31 have been proposed to the Interagency Review Team for round 1 funding, resulting in a proposed award amount of \$9,828,085 which is expected to support \$153,515,054 in total project costs. Upon receiving final approval, these 31 projects proposed for awards will undergo a process to finalize details with CRRP staff prior to awards being obligated.

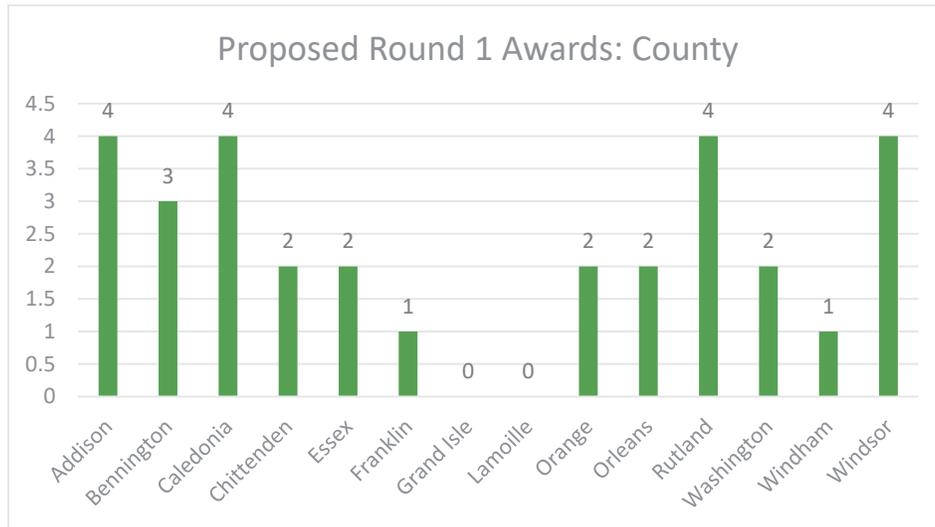
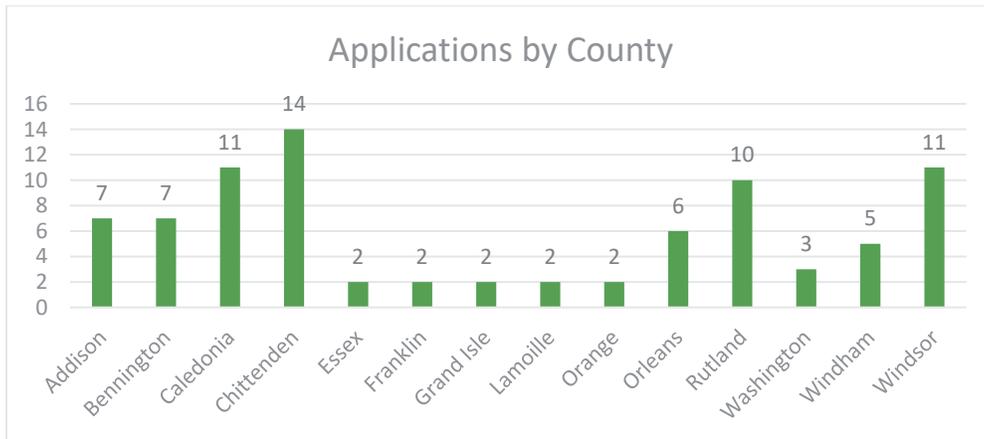
Priorities:

- The 31 projects proposed for CRRP awards will support 354 existing jobs and enable the creation of 205 new jobs.
 - During the first quarter of the program, 7 applicants indicated their organization was BIPOC led, or their project was BIPOC serving. Of these, four applicants are proposed to receive a round 1 award.
 - Of the 83 complete applications, 40 of the projects are in towns with stagnant or declining grand lists. Of those, 16 are proposed for a round 1 award.
-



Applications and Awards by Project County

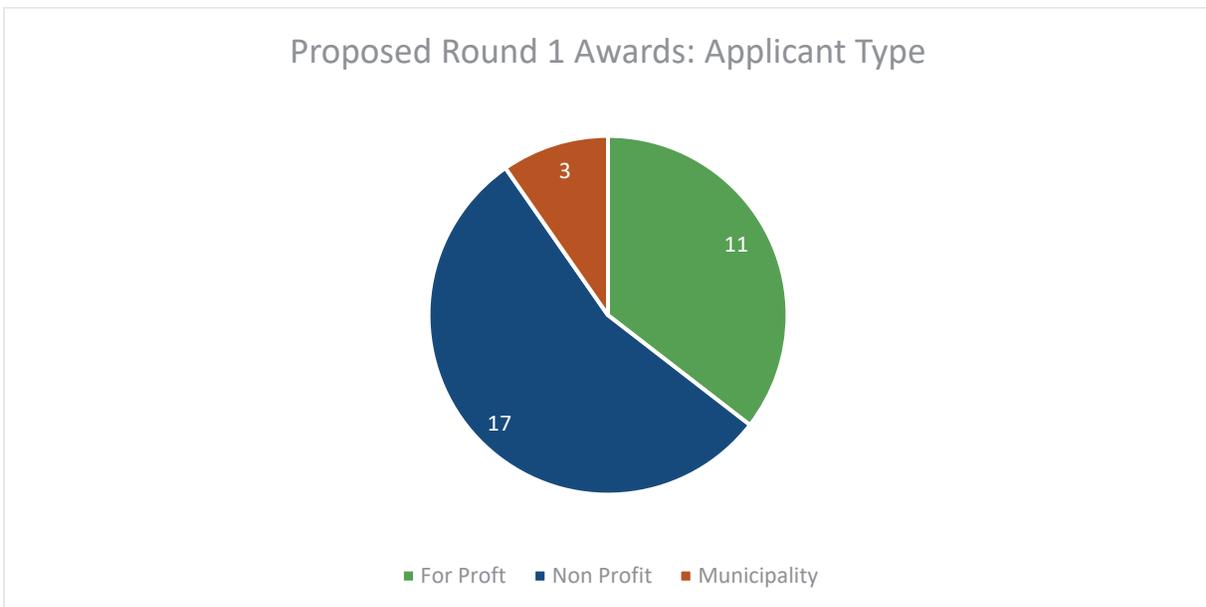
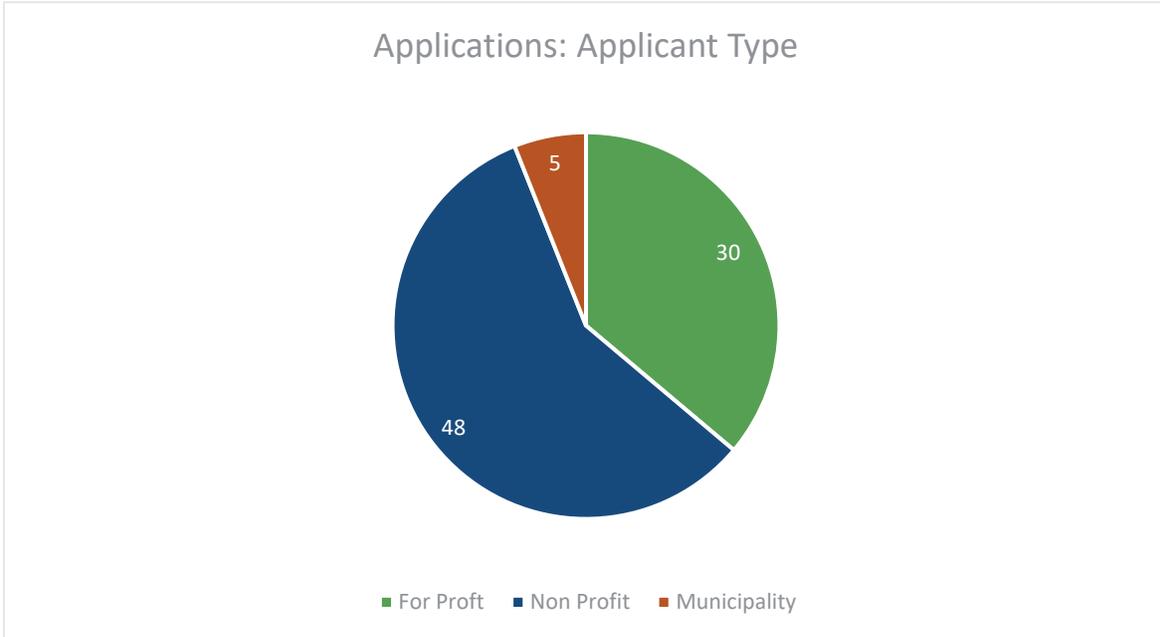
The CRRP program has received applications from all 14 Vermont counties. Round 1 includes prospective awards to applicants in 12 Vermont counties. During round 1, DED prioritized making awards to applicants from non-MSA counties, which excludes Chittenden, Franklin, and Grand Isle counties. The 3 proposed awards in these MSA counties are for projects that demonstrate a high level of priority, including: a large childcare project, a BIPOC serving project in a QCT, and a municipal water/wastewater project on the regional priority list.





Applications and Awards by Applicant Type

The CRRP program has received complete applications from 30 for profit businesses, 48 nonprofit businesses, and 5 municipalities. Round one includes awards to 11 for-profit businesses, 18 non-profit businesses, and 3 municipalities.

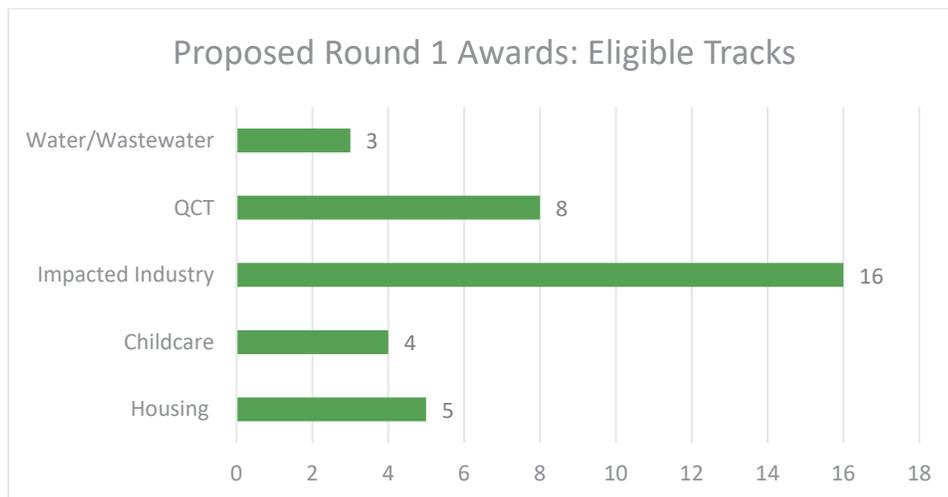
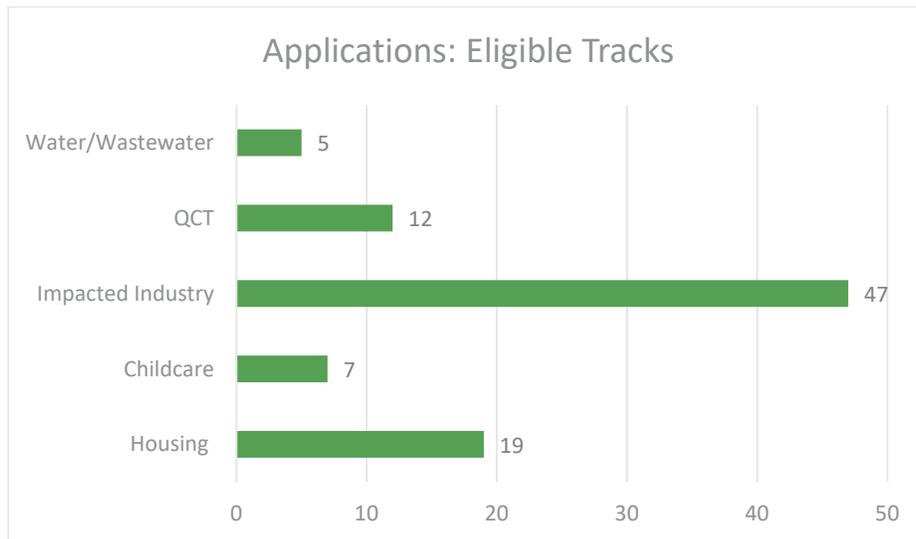




Applications and Awards by Application Track

There are 5 “tracks” to qualify for the CRRP program: housing, childcare, impacted industry, qualified census tract (QCT), and municipal water/wastewater projects. CRRP received applications from 19 housing projects, 7 childcare projects, 47 impacted industry projects, 8 projects located within a QCT, and 5 municipal water/wastewater projects. Round one awards include 5 housing projects estimated to create 79 new affordable units, 4 childcare projects creating 196 new childcare slots for low to moderate income families, 16 impacted industry projects with projects in each eligible industry, 6 projects located within qualified census tracts, and 3 municipal water/wastewater projects.

Note: Some applicants are listed under more than one category (ex: an impacted industry within a QCT)

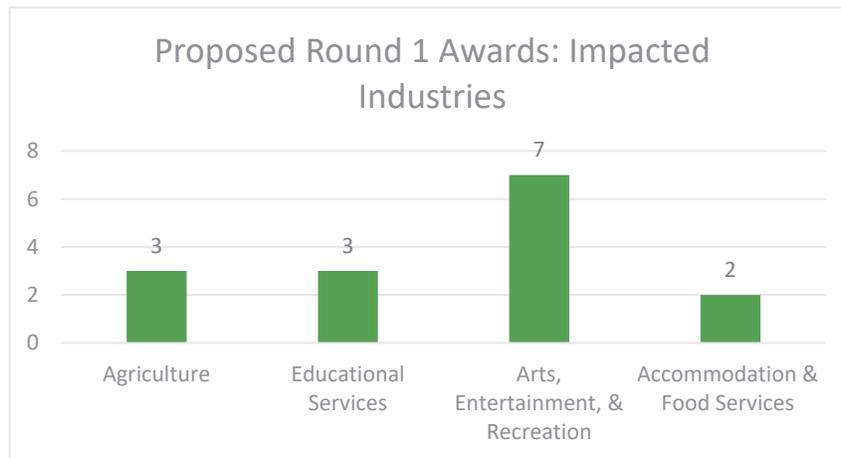
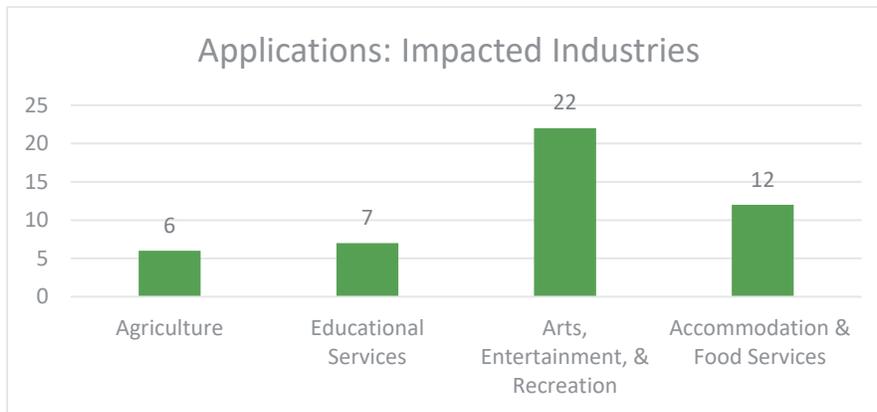




Applications and Awards by Impacted Industry

The Impacted Industry eligibility track targets 4 “Impacted Industries” (which are industries deemed by The U.S. Department of the Treasury to be disproportionately impacted by the COVID 19 Pandemic). CRRP targets four Impacted Industries with North American Industry Classification System (NAICS) codes that start with the following two digits: 11 (Agriculture), 61 (Educational Services), 71 (Arts, Entertainment, & Recreation), 72 (Accommodation & Food Services). Applicants who can also demonstrate that they are dependent on one of these impacted industries may qualify under that industry.

Of the 47 applicants who applied as an impacted industry, 6 are in agriculture; 7 are in educational services; 22 are in arts, entertainment, & recreation; and 12 are in accommodation & food services. Round 1 proposed awards include: 3 projects in agriculture; 3 in educational service; 7 in arts, entertainment, & recreation; and 2 in accommodation and food services.





Appendix: Sample CRRP Application

Due to the application's logic, the questions asked to each applicant vary depending on the applicant type and track the applicant is pursuing. This is a sample application for a nonprofit organization pursuing the impacted industry track.

Community Recovery and Revitalization Grant Application – (nonprofit, impacted industry)

The Community Recovery and Revitalization Grant Program is focused on providing assistance to municipalities, businesses and non-profit organizations who suffered most from the COVID-19 pandemic and who meet the eligibility guidelines for this program.

As part of the State of Vermont's commitment to build on local, state, and national efforts to advance equity, and increase meaningful inclusion representation of BIPOC communities, the Department of Economic Development (DED) will prioritize applications that demonstrate meaningful impact on Vermont's BIPOC population. For the first 30 days of this program, DED will prioritize the review of applications that serve BIPOC (Black, Indigenous, and People of Color) communities and from municipalities and organizations located in Addison, Bennington, Caledonia, Essex, Lamoille, Orange, Orleans, Rutland, Washington, Windham, and Windsor counties. After 30 days, all applications will be reviewed.

Please be aware that if your application is inactive for longer than 15 minutes you will need re-login. If you plan on stepping away from the application for more than 15 minutes, please save your work.

Initial Determination of Project Eligibility

The Community Recovery and Revitalization Grant Program is focused on providing assistance to municipalities, businesses and non-profit organizations who suffered most from the COVID-19 pandemic and who meet the eligibility guidelines for this program. The questions below will help determine whether your organization is eligible for assistance for the project you are considering. If you have questions about the program guidelines, please visit [Community Recovery and Revitalization Program website](#) for more information.



Applicant Type

- For-Profit Business
- Non-Profit Organization
- Municipality

Is your organization domiciled in Vermont, and does it have its primary place of business in Vermont?

- Yes
- No

Does your proposed project support the development of affordable housing?

- Yes
- No

Does your proposed project seek to make improvements to, or involve the new construction of, childcare, daycare and early learning facilities?

- Yes
- No

Organizations operating in industries designated as “Impacted” can qualify for assistance in connection with certain types of projects. These industries include those whose North American Industry Classification System (NAICS) Codes start with 11 (Agriculture), 61 (Educational Services), 71 (Arts, Entertainment & Recreation), 72 (Accommodation & Food Services). Please select your organization’s NAICS code:

Is your proposed project going to support the safe re-opening of your business?

- Yes
- No

Does your proposed project involve a planned expansion or upgrade of facilities where the organization operated prior to the pandemic and where the project was delayed due to the pandemic?

- Yes
- No

Does the proposed project plan to undertake COVID-19 prevention or mitigation tactics, such as physical plant changes to enable greater use of outdoor spaces or the installation of barriers or partitions?



- Yes
- No

Does the proposed project involve the installation of, or improvements to, ventilation systems?

- Yes
- No

Applicant

Legal name of the organization seeking assistance:

Applicant's Contact Information:

Primary Contact

- Name
- Title
- Phone Number
- Email

Secondary Contact

- Name
- Title
- Phone number
- Email

Address Information

- Applicant's Physical Address
- Address Line 1
- Address Line 2
- Town, State, Zip Code, County

Is the applicant's mailing address different from physical address?

Applicant Details

- Applicant's Federal Employer Identification Number



- Fiscal Year End Month
- Date of Incorporation
- To fully describe the Applicant's industry, please enter the last four digits of the Applicant's NAICS Code.

What is the current number of employees in your organization?

As part of the State of Vermont's commitment to build on local, state, and national efforts to advance equity, and increase meaningful inclusion and representation of BIPOC communities, DED will prioritize applicants that affirmatively answer the following:

To be eligible for prioritization, an applicant organization must be; 1) BIPOC owned or led or; 2) be pursuing a project that [principally] serves the BIPOC community. To be BIPOC owned, at least 51% of the organization's ownership interests must be held by BIPOC individuals. To be BIPOC led, the founding or management team or its current governance board must be comprised of at least 51% BIPOC individuals, or the organization is led by a BIPOC executive. "BIPOC" is defined as Black, Indigenous and People of Color. Does your organization meet these prioritization requirements?

- Yes
- No

Will this project primarily serve the BIPOC community? BIPOC is defined as Black, Indigenous and People of Color.

- Yes
- No

Project Details

Project Name:

Anticipated Project Start Date:

Anticipated Project Completion Date:

Project Location:

- Address Line 1
- Address Line 2
- Town, state, Zip code, County



Project Costs

What is the projected total cost of the proposed project?

How much in additional funding is required to proceed with the proposed project?
(Further detail regarding the additional funding needed may be provided here.)

Total amount of CRRP funds being requested?

Project Details

Provide a brief description of the proposed project. (500 words maximum)

Please describe the anticipated impacts that the proposed project will have on the community where the project is located.

Describe the project management team, its capabilities for managing the proposed project and the plan for fiscal viability of the project.

Are there any existing, or anticipated, regulatory issues that will impact your organization, or the proposed project?

How many full-time employees will be added if your organization completes the proposed project?

Describe the current status of your project.

Describe the community and regional support that exists for the proposed project.

Is the project site and/or building complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant?

- Yes
- No

Applicant Need

In making awards from this program, our team will give preference to projects that can demonstrate that they are ready to move forward and that funding from this program will close a gap that would otherwise keep the project from proceeding.



In the absence of grant funding, would your project require more time to complete? If so, how much additional time will be required? Will this delay result in additional costs for the project?

In the absence of CRRP funding, how might the proposed project differ in size?

Please describe the readiness level of the project to proceed.

Permit Navigator Number

CRRP applicants will be required to provide a Permit Navigator Number and summary sheet, if State permits are required. If you have not completed the Permit Navigator, please go to [Vermont Department of Environmental Conservation Permit Navigator](#).

Are permits required, according to the Permit Navigator?

- Yes
- No

Permits

Are any other permits required for your project?

- Yes
- No

If yes:

- Permit type:
- Status:

Sources of Funding

Please complete the following table listing the sources and amounts of funding available, expected or for which you have applied for your project. In addition, please list the expected uses of these funds.

The following is asked for each funding source:

- Type
- Source



- Status
- Amount
- Description

What is the current funding gap for this project, if any?

COVID Relief Funding

Have you applied for or received any COVID relief funds, such as American Rescue Plan Act (ARPA) and Coronavirus Relief Fund (CRF) funds?

- Yes
- No

Please describe the COVID-related impacts that your organization has suffered, if any. In addition, please describe how the proposed project will help your organization, or those that you serve, to recover from these impacts.

Risk Assessment

Please select the type of accounting system used by the organization.

- Automated
- Combination
- Manual

Will this be the first grant award that your organization will have received?

Please present evidence that your organization has adequate and qualified staff to comply with the terms of a grant agreement.

Does the organization maintain policies which include procedures for assuring compliance with the terms of the award?

Does the organization have an accounting system that will allow them to completely and accurately track the receipt and disbursements of funds related to the award?

If staff will be required to track their time associated with the award, does the organization have a system in place that will account for 100% of each employee's time?



Did the organization have one or more audit findings in their last single audit regarding program non-compliance?

Did the Applicant have one or more audit findings in their last single audit regarding significant internal control deficiency?

Required Uploads: Tax Returns

- 2019 Federal Tax Return (Document Type Supported: PDF)
- 2019 State Tax Return (Document Type Supported: PDF)
- 2020 Federal Tax Return (Document Type Supported: PDF)
- 2020 State Tax Return (Document Type Supported: PDF)
- 2021 Federal Tax Return (Document Type Supported: PDF)
- 2021 State Tax Return (Document Type Supported: PDF)

Required Uploads: Balance Sheet

- Balance Sheet for fiscal year 2019 (Document Type Supported: PDF, Excel)
- Balance Sheet for your organization's most recent Fiscal Year (Document Type Supported: PDF, Excel)
- Your organization's Balance Sheet for the most recent month end (Does not need to be professionally prepared) (Document Type Supported: PDF, Excel)

Required Documents: Letter of Support

- Letter of Support from the town in which the project will be located. This should be from a town official, or representative from the town (e.g. Town Manager, Selectboard, Mayor, etc.) (Document Type Supported: PDF)
- Letter of Support from the Regional Planning Commission - indicating that the proposed project is compatible with the Town and regional plans and the project has clear local significance. (Document Type Supported: PDF)
- Letter of support from the Regional Development Corporation indicating the proposed project has a clear local significance. (Document Type Supported: PDF)

Other Documents



- A completed copy of an IRS Form W9 signed within the last 6 months in blue or black ink. (Document Type Supported: PDF)

Attestations

An authorized signatory of the Applicant Organization must attest to the following by checking the box next to the statement:

Attestation 1

I have the authority to request payment from the State of Vermont.

Attestation 2

Applicant, if awarded funds, will report on incurred expenses and/or losses, in a form and at a frequency prescribed by the State of Vermont.

Attestation 3

To the extent that actual expenditures or demonstrated need is less than the total award amount, Applicant agrees to return funds to the State of Vermont.

Attestation 4

Applicant will submit reports as required by the State of Vermont, Agency of Administration, and/or Agency of Commerce and Community Development.

Attestation 5

Applicant must repay the award or portion of the award to the Agency of Commerce and Community Development if any funds received were issued in error; are based on incorrect representations made to the Agency; or any costs forming the basis of an award under this program are covered by other federal funds or federally forgiven loans received by the Applicant. The applicant agrees that the final determination of whether there has been a duplication of benefits and the amount to be repaid, if any, will be made by the Agency of Commerce and Community Development.

Attestation 6

The applicant authorizes the State of Vermont to share data relevant to this award with the U.S. Department of Treasury, including but not limited to previously submitted W-9 data that is related to this award.

Attestation 7



The Agency of Commerce and Community Development may share the information on this award with other Federal and Vermont state agencies, and other Federal and Vermont agencies can share information with the Agency of Commerce and Community Development for the purpose of verifying the applicant's eligibility for this or another award or stimulus payment related to the COVID-19 pandemic.

Attestation 8

Applicant is in good standing with the Vermont Secretary of State.

Attestation 9

As the applicant of CRRP funds, I attest, under penalty of perjury, that all information provided in this application is true and accurate. I understand that the State of Vermont will rely on this certification as a material representation in making this award. Further, I understand that intentional misrepresentation of information is fraud and may subject me or my organization to disqualification from receiving further benefits, administrative penalties, and criminal prosecution. Any person who knowingly presents a false claim for payment to the State is at risk of criminal prosecution including up to five years imprisonment and a fine of up to \$10,000 and may also be liable under the Vermont False Claims Act for up to three times the amount falsely claimed plus a penalty of \$5,500 to \$11,000.

Attestation 10

Applicant understands that, if federal guidance on the regulations of the State Fiscal Recovery Fund change, it may change the terms of this award.

Electronic Signature

Signed by:

Date: