

**HARTFORD BUSINESS REVOLVING LOAN FUND COMMITTEE/
HARTFORD VCDP REVOLVING LOAN FUND COMMITTEE**

Meeting Minutes

December 13, 2023 at 8:30 a.m.

Hartford Town Hall, Room 312

171 Bridge Street, White River Junction, VT

And via Zoom and by Conference Call

This meeting was conducted in compliance with the Vermont Open Meeting Law with electronic participation. The public was able to join the meeting from a computer, tablet or smartphone.

The HBRLF/ VDCP RLF Committee Members:

Crystal Pearson (term expires 6/26/2026)

Frank Klymn (term expires 2/21/2026)

Michael Gabriele (term expires 3/8/2024)

Jay Zanleoni – Chair (term- expires 1/11/2024)

Members attending online/by phone: Jay Zanleoni - Chair, Crystal Pearson, and Frank Klymn

Others attending online/by phone: Erika Hoffman-Kiess, GMEDC Executive Director and Rocket, Hartford Selectboard Representative

Others present in person: Mark Condon, GMEDC Executive Assistant and Lori Hirshfield, Town of Hartford Department of Planning and Development Director.

With quorum met, Committee Chair Jay Zanleoni called the meeting to order at 8:32 a.m.

Jay asked if there were any other changes to the agenda. There were none.

Minutes

Frank Klymn made a **motion** to approve the minutes from the September 6, 2023 HBRLF/VCDP Committee Meeting. Crystal Pearson seconded the motion and the motion passed unanimously.

Executive Session: Review of the Confidential Loan Summary Report for September 2023 and Updates on any Potential Loan Applications

Frank Klymn made a **motion** to go into Executive Session due to the proprietary nature of the information in the September 2023 Loan Summary Report and to receive an update on any potential loan applications. Crystal Pearson seconded the motion, and the motion passed.

The Committee went into Executive Session at 8:34 a.m.

At 9:02 a.m. the meeting came out of Executive Session and the following statement was made:

Jay Zanleoni stated that as an employee of Mascoma Bank, he will be abstaining from discussions and any votes regarding one of the current loan clients that has business with Mascoma Bank.

Committee Membership

The Committee continued its discussion from the last meeting on finding new members. The current opening has been posted by the Town following their new policy on filling committee positions. This includes regular advertising of openings in the newspaper and posted in all the places the Town does their Public Notices. There is a 30-day period on openings prior to someone being appointed. It was noted that it would be good to get a non-banker on the Committee for diversity of backgrounds.

The Committee briefly discussed aspects of the Local Option Tax being looked at by the Charter Committee and how it might affect small businesses in town. Rocket would keep the Committee apprised of any future developments on this matter.

Discussion of Potential Housing Programs

Lori Hirshfield updated the Committee on the housing program she has been working on with the Town-appointed Hartford Committee on Housing and Homelessness. It has been proposed to the Selectboard that \$150K of ARPA funds be put towards such a program. The objective is to help support development of much needed housing in partnership with the private sector to create more diverse types of housing, including ADUs and “missing middle” housing. A proposed structure is to provide up to 10% of project cost with a minimum of \$5,000 and maximum of \$15,000 - \$20,000 given to property owners developing housing projects. Also, this would be similar to the HBRLF Program where funds are used with other financing.

There also was discussion about ARPA funds being restrictive in their use, but some towns such as Rutland have done “swap outs,” in which the ARPA funds are used in a way that frees up other funds to be used in less restrictive manners such as loans (ARPA can’t be a loan). Another piece of the housing program is technical assistance to property owners to evaluate their property or structures to add an ADU or convert a single-family dwelling into a few units. Lori noted that currently there are sufficient funds in her department budget to start a technical assistance program.

Lori suggested a separate housing program didn’t need to be developed for the VCDP RLF and or HBRLF, but rather different funding sources can be used depending on the project.

It was decided that one or more of the HBRLF Committee should attend next week’s Housing & Homelessness Committee meeting to hear first-hand the discussion about a potential housing program.

Discussion of Interest Rates

The Committee continued its discussion from the last meeting on the interest rate for both RLFs. Currently, the Guidelines read as, “Interest rates will start at 3.25% or Wall Street Prime,

whichever is higher, pending an overall risk assessment on the loan.” It was suggested that other options could be considered, such as staggered rates depending on the loan amounts. It was decided to have a Special Meeting in January to continue discussing this matter as well as the potential housing program. Prior to that meeting research will be done to see what other RLFs around the state charge for interest rates.

Other Business

Jay asked if there was any other business. It was noted that normally the schedule of 2024 Committee meetings would be approved at this December meeting. Since it was accidentally left off the agenda, the Committee would approve the schedule at the Special Meeting to be held in January.

It was decided that the Special Meeting would be held on January 24th, 2024 at 8:30 a.m.

Adjournment

Frank Klymn made a motion to adjourn the meeting, Crystal Pearson seconded the motion and the motion passed unanimously.

The meeting was adjourned at 9:55 a.m.

DRAFT