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

APPROVED Meeting Minutes

June 4th, 2025 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 3/11/2027)
Jay Zanleoni – Chair (term expires 3/11/2027)

Members attending in person: Chair Jay Zanleoni

Members attending online/by phone: Michael Gabriele, Frank Klymn and Crystal Pearson

Others attending online/by phone: Erika Hoffman-Kiess, GMEDC Executive Director,

Others present in person: Lori Hirshfield, Town of Hartford Department of Planning and Development Director; Lexi Webster, Town of Hartford Housing and Development Specialist; Mark Condon, GMEDC Executive Assistant; John Haffner, Chair of Hartford Committee of Housing and Homelessness (HCHH); Maggie Burnett, Member of the HCHH

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

Order of the Agenda: Jay asked if there were any changes to the agenda. The only change noted was that under Approval of Minutes, it would be "Notes" for the March 3rd, 2025 meeting in place of "Minutes" as that meeting did not have a quorum.

Public Comments: John Haffner and Maggie Burnett, the Chair and a member of the Hartford Committee on Housing and Homelessness respectively, attended the meeting. Introductions from everyone present were given. John and Maggie would speak on the housing agenda item later in the meeting.

Jay asked if there were any public comments. There were none.

Minutes: Jay asked if there were any changes or comments for the minutes from the December 4, 2024 HBLRF/VCDP RLF Committee meeting. There were none.

Crystal Pearson made a **motion** to approve the minutes from the December 4th, 2024 HBRLF/VCDP Committee Meeting. Frank Klymn seconded the motion and the motion passed unanimously.

Jay asked if there were any changes or comments for the minutes from the March 5th, 2025 HBLRF/VCDP RLF Committee meeting. It was stated that as the March 5th meeting did not have quorum, the document should be retitled to “Meeting Notes,” instead of “Meeting Minutes.” There were no other changes or comments.

Mike Gabriele made a motion to approve the notes from the March 5th, 2025 HBRLF/VCDP RLF Committee Meeting with the title changed to “Notes.” Frank Klymn seconded the motion and the motion passed unanimously.

Executive Session: Review of the Confidential Loan Summary Report for April 2025 and Updates on any Potential Loan Applications

Michael Gabriele made a **motion** to go into Executive Session due to the proprietary nature of the information in the April 2025 Loan Summary Report and to receive an update on any potential loan applications. Crystal Pearson seconded the motion, and the motion passed.

Members of the public left the meeting.

The Committee went into Executive Session at 8:37 a.m.

The Committee exited Executive Session at 8:47 a.m. No actions were taken for either the Hartford Business Revolving Loan Fund or that Hartford 2020 VCDP Revolving Loan Fund.

Members of the public were welcomed back into the meeting.

Discussion of Funding a Potential Housing Program: John Haffner stated that he has wanted the Hartford Committee on Housing and Homelessness (HCHH) to work with the HBRLF for some time. The HCHH is revisiting an idea to leverage existing resources to aid in the planning and development of Accessory Dwelling Units (ADUs) in Hartford. They have recently had informational events on ADUs held at the Hartford Area Career and Technical Center. John said they were looking at having a pilot program with a cohort of people interested in adding an ADU or duplex apartment to their property. Incentives and guidance would be given to move them towards their goal. The Town needs a robust enough housing stock for economic development.

Lori Hirshfield said that the traditional HBRLF could be used to help businesses to provide employee housing. The Hartford 2020 VCDP RLF has a specific call-out from the State for housing and that the Town called that out in the fund’s guidelines.

Jay asked what a typical ADU costs to develop? John said there is a range on the cost and that he had heard $400/sq ft for ones built off-site in a warehouse. He said a lot of people are interested in it conceptually but that they need help to get the ball rolling. The HCHH isn't thinking that the pilot program will get 10 ADUs built, but that there will be 10 people in the cohort that will start to move through the process, including identifying funding resources.

Jay asked what is being asked of the RLFs: Are people looking for loans to build, or grants for planning? Lori said the goal is to bring together multiple resources to get things build-ready.

Jay said that he'd want the money to come back to the fund. He noted that if the funds were used for plans and permitting, there would be no recourse to get the money back if the property owner decided not to go ahead with the project. Lori said the Committee could set its parameters whether it would be no-interest loans, low-interest loans or grants, or it it would be on a case-by-case basis. Jay noted that if you give out one grant and ten loans, the people who got loans will ask why theirs wasn't a grant. Lori said you could set a structure of thresholds to be met so it was not arbitrary. Jay said he'd rather see a project that is ready to go but needs help filling a gap in the capital stack for the build.

Crystal said the average cost for an ADU is $350/sq ft. She noted that there are a lot of grants out there for ADUs, including VHIP 2.0, which can provide a 5-year, forgivable loan that is coordinated through the HAVEN which helps the homeless get housing. A new piece for ADUs is a 10-year forgivable loan and in which you can choose your own tenants. That version is at a market interest rate. Instead of 20% "skin in the game," you only need 10%. Crystal said she could see the RLF helping out with 5% in a low-interest loan, but it really would depend on what other funds, such as grants, are being used. She thought the money has to come back to the Town, especially if someone is receiving a $50K grant from another source on their $100K project.

Jay raised the issue of what an interest rate for housing would be from the RLFs. Current guidelines have a standard loan from the Town's RLFs as not to exceed Wall Street Prime and not to be less than 5%. Jay said he could see a loan for housing projects as less than the 5% as we are trying to drive a housing initiative that will assist businesses in getting and retaining employees. He also noted that the value of the properties would go up with the addition of an ADU, and thus property tax would go up.

Crystal agreed that she would like to see something done with housing to assist businesses with the gap in employees. She thought it might have to be on a case-by-case basis. One thing that will need to be looked at is if the owner is receiving grants, can the 10% required to be put in by the owner be from a loan?

Jay asked what the other HBRLF Committee members thought. Frank said he would need more time to think about it. Mike said he would need more information but could see giving an interest rate of lower than 5% if it was fair.

Erika Hoffman-Kiess said the State Legislature just passed the Community Housing Improvement Program (CHIP). Lori said she was looking into that but that she was not sure Hartford would qualify for it as we already have a TIF district.

Lori asked the Housing Committee members how they see us proceeding from here. John said he would like to see some specific scenarios. Jay stated that he wasn't ready to put pencil to paper on scenarios. He asked if there was an upcoming meeting of the HCHH that could be attended. Crystal volunteered to attend and bring her own experiences of both having created one ADU and planned a second one. She will coordinate with the HCHH to find a date she can attend one of their committee meetings.

Jay suggested the HBRLF/VCDP RLF Committee could hold a Special Meeting to prior to the scheduled September meeting in order to continue this discussion and hear back about Crystal's attendance at the HCHH Committee meeting.

Frank asked if we currently have a policy for housing applications. Jay stated that there is not yet a policy for housing applications, but that the guidelines for the VCDP RLF does list housing as something that the fund can be used for. If an application for a housing project did come in, the Committee could consider it.

Outreach Plan for Both RLFs Development Discussion: Lori stated that the Planning Department has a new Administrative Assistant, Danielle Taylor, who is working on the website. She suggested we could replenish the updated brochure at distribution sites. Lexi Webster suggested that JD Hawks, the Town's Communication and Media Specialist, could put out email blasts about the RLFs. Erika suggested that GMEDC sit down with Lexi to come up with an outreach plan. Lori said they could then execute it without coming back to the Committee and just report on the progress. Erika said they would keep the Committee informed in case someone approaches them about the outreach they have seen.

Approval of the 2025 Schedule of Meetings for the HBRLF Committee and Hartford VCDP Committee: The 2025 schedule of meetings will be the regular schedule of the first Wednesday of March, June, September and December at 8:30 a.m. A formal vote had not previously been taken as the March meeting did not have a quorum.

Micheal Gabriele made a **motion** to approve the schedule of September 3rd and December 3rd as the remaining meetings of the Hartford Business Revolving Loan Fund and Hartford VCDP Revolving Loan Fund Committee in 2025. Crystal Pearson seconded the motion, and the motion passed unanimously.

Other Business

Jay asked if there was any other business. There was not.

Adjournment

Crystal Pearson made a motion to adjourn the meeting, Mike Gabriele seconded the motion, and the motion passed unanimously.

The meeting adjourned at 9:37 a.m.