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COMMUNITY & ECONOMIC DEVELOPMENT COMMITTEE
4/3/19 5:30 PM ADJOURNED 6:40 PM

COMMITTEE ATTENDING: LISA RYAN, MATT WHITCOMB,
MATT REVEAL, BILL GILLAM, CHAIRED BY MELINDA
HUMPHREY

OTHERS PRESENT: PRES SHARON DAVIS, ALDERMEN
ERIKI & CLIFFORD, BRENNAN DUFFY (RRA), &
JIM ROTUNDO, TED GILLEN OF DPW.

1. WEST STREET PROJECT UPDATE:

- CITY RECEIVED \$55K DEPT OF TRANSPORTATION
GRANT OVER A YEAR AGO, INTENDED TO BE
MATCHED BY VARIOUS MUNICIPAL \$\$ TO FUND
CROSSWALK BUMPOUTS AT TRANSIT CENTER
& MAIN ST PARK ON WEST ST TO IMPROVE
SAFETY & AESTHETICS AT KEY GATEWAYS.
- FUNDS, \$55 GRANT, \$15K CITY CONTINGENCY, \$10K RRA,
\$5K DRP, \$20K RUTLAND BLOOMS, \$5K IN KIND.
\$20K ALREADY SPENT ON ENGINEERING, LEAVING \$80
LOW BID WAS TALKED DOWN TO \$110K, LEAVING
\$30K GAP IN FUNDS.
- RRA SUBMITTED ZAMIAS APPLICATION FOR \$30K,
ATTACHED.
- BRENNAN NOTED A PLAN B MAY BE TO
ELIMINATE ONE OF THE BUMPOUTS, THOUGH WAS
CONCERNED BECAUSE MATCHING FUNDS WERE COMMITTED
WITH UNDERSTANDING OF TWO LOCATIONS.

- ALDERMAN WHITCOMB MOVED TO RECOMMEND TO THE FULL BOARD TO APPROVE UP TO \$30K FROM THE ZAMIAS FUND TO GO TOWARDS THE "WEST STREET PEDESTRIAN & GATEWAY IMPROVEMENTS PROJECT" AS OUTLINED IN THE ATTACHED APPLICATION. So moved

- ADDITIONAL CONVERSATION INCLUDED CONCERNS THAT TOO MUCH CITY MONEY MAY BE TIED UP IN THIS PROJECT, IS IT THE HIGHEST & BEST USE WITH OTHER MAJOR PROJECTS ON THE HORIZON? ALSO, CONCERNS MENTIONED OF LACK OF TRAFFIC STUDY EVIDENCING LOCATION & IMPROVING SAFETY.

- MOTION PASSED 4-1

2. RRA UPDATE (3 ATTACHMENTS)

- BRENNAN GAVE AN UPDATED RUN THROUGH OF ECONOMIC DEV. PROGRAMS, HIGHLIGHTING TOOLS & INCENTIVES AVAILABLE TO NEW & EXISTING BUSINESSES, NOTING BIAP (TAX REVENUE FROM SOLAR ARRAYS) IS MOST POPULAR & INCLUDES \$5K GRANT, \$10K IN FORGIVABLE LOANS, UP TO \$50K SECURED LOANS W/ HFCU.

- BRENNAN ALSO PROVIDED AN UPDATED MATRIX OF GRANTS & LOANS, ~~PREVIOUS~~ (ATTACHED), CURRENT & APPLIED FOR. WITH THAT, HE INCLUDED OUR 2009 STRATEGIC PLAN & ^{OUTLINED} SUCCESSFUL IMPLEMENTATION OF IT, WHICH BOLSTERED OUR APPLICATION FOR \$15K GRANT TO WORK ON A NEW ONE.

- LASTLY, BRENNAN GAVE BRIEF UPDATES ON;
 - BERWICK HOTEL SITE - OPERATOR & DEVELOPER ARE PAYING HOLDING COSTS ON THE SITE & ARE READY TO GO, WAITING ON FEDERAL NEW MARKET TAX CREDIT NEEDED TO MAKE THE FINANCING WORK. DECISION ON CREDIT WAS DELAYED BY FED GOV'T SHUTDOWN.
 - CST - RRA HAS BEEN IN CONVERSATIONS WITH CST TO HELP DETERMINE & SUPPORT FUTURE PLANS FOR USE OF THE PROPERTY. THE CST PROPERTY IS GRANDFATHERED UNDER ITS CURRENT USE, THOUGH IT IS CURRENTLY ZONED SINGLE FAMILY RESIDENTIAL FOR FUTURE USE. THEIR CAMPBELL RD. APTS WERE SOLD ON 4/1, PUTTING THEM BACK ON THE TAX ROLLS. THERE ARE QUESTIONS ABOUT WHO MAINTAINS THE ^{PROPERTY} BUILDINGS WHEN SCHOOL YEAR ENDS & THEY ARE VACANT - NO DEFINITIVE PLANS YET.
 - HEARTHSIDE 37 N MAIN... NEW DEVELOPER HAS SIGNED LETTER OF INTENT WITH STARBUCKS & WORKING ON TWO OTHER TENANTS. DECONSTRUCTION PLANNED SPRING/SUMMER.

Rutland City Economic Development Programs – Updated 4/3/19

Business Assistance and Incentive Program (BIAP) – Incentive funds created from tax revenue of new solar array facilities developed in the City.

Offers new businesses or expanding businesses assistance through:

- Secured loans of up to \$50,000 through HFCU and subject to their approval
- Forgivable loans of up to \$10,000 administered through RRA
- Grant of up to \$5,000
- Other assistance (ie. infrastructure improvements, training, discounted temporary workspace) available as needed

Recent Recipients – Rutland Integrative Health, Taso Restaurant, Jumping Monkeys Learning Center, True Yoga VT, VNAHSR, Ruff Life Coffee, Rutland Beer Works, Juice Amour, Maple Leaf Gifts, Cavacas Associates, Green Mtn. Insulated Glass, VT Maple Sriracha

Water and Wastewater Rate Reduction Incentive (WWRRI) – Cost savings on allocation and base water rates for new or expanding businesses.

- Complete waiver of the normal \$4/gal allocation fee (min requirement of 1,000 gal per day)
- Discount of base water and wastewater rates at 50% yr 1, 40% yr 2, 30% yr 3, 20% yr 4, 10% yr 5

Recent Recipients – Taso Restaurant, Roots the Restaurant, Jumping Monkeys Learning Center, Rutland Beer Works, Stonehedge Indoor Golf, Vermont Tap House, Southside Steakhouse, Hop/n Moose

Industrial and Commercial Property Tax Stabilization – Cost savings on real and personal municipal tax liability

- Tax Stabilization Agreement (TSA) normally for 5 years on the same discounted rate as the WWRRI.

Recent Recipients – Rutland Beer Works, Green Mtn. Insulated Glass

Vacant Blighted Industrial and Commercial Property Tax Stabilization – Real property tax stabilization for improvement to vacant/blighted industrial property.

Current Recipient – CJ Abatiell Jr./86 Strongs Ave, VFFC (2013)

Downtown Special Benefits District Revolving Loan Fund – Specific to property owners in the SBD

- Loans of up to \$30,000 to be used for renovations/upgrades with emphasis on re-utilization of upper floors.

Downtown Rutland Partnership's Grant Program – Grants of up to \$2,000 through the DRP

- Grant funds can be used for façade improvements, business startups, business expansion

Maples Revolving Loan Fund – Fund created from repayment of Maples Phase 1 in 2016

- Focused on community development activity benefitting Rutland City.
- Loans to non-profit for derelict housing acquisition, downtown façade improvements, loan for other block grant eligible projects.

One current recipient, the Hickory Street Phase 3 project.

Tax Stabilization for Vacant/Blighted Residential Property – Offers discounted municipal property tax liability on real property determined to be blighted prior to investment occurring.

- Must be utilized as a primary dwelling unit by the applicant or re-sold as primary dwelling unit (no income producing property)

Two current recipients, 100 Jackson Ave and 18 East Center Street.

Housing Initiatives

- Northwest Neighborhood Revitalization Project completed, 11 properties acquired and demolished (4) or rehabbed for new ownership (7).
- Currently working on an initiative to update the 2012 City Housing Needs Analysis with a focus on strategies for next steps in neighborhood housing revitalization and improving/developing high quality rental housing stock in the City.

2009 Strategic Plan
Cost: \$22,500

Strategies	Steps '09-'12		Implementation		Public Funds	Steps '13-'16		Implementation		Public Funds							
	Implement Phase I	Wavffinding Signage	Purchase & Install Wavffinding Signs DTF 2010-05	Downtown Gateway Planning MP-2014-Rutland City-00019		Implement Phase II	Wavffinding Signage	Implement Gateway Signs	Purchase & Install Wavffinding Signs DTF 2011-05		Downtown Pedestrian and Gateway Improvements DTF 2015-03						
Entrepreneurship (Investment, Economic Development Strategy)	Conduct traffic and parking management study Downtown Package and promote existing incentives		Downtown Rutland Traffic Study MP-2010-RC-00049 Update RRA website & Trade Show involvement		\$17,358	Implement plan for Evelyn St Acquire management/own Downtown parking structure		Hire consultant for plan plaza/ Evelyn Street PG-2016-RC-000001 Leased MMTTC in 2013		\$36,275 \$107,000							
											Cultivating the Regional Center: Arts, Culture, Catalyst Strategy	Complete improvements to Center Street Marketplace Addition to Rutland Plaza adjacent to Evelyn Street	Improvements Completed '18 DTF 2016-04 (\$62,320) Commissioned Hotel Study at site in Downtown	\$7,475	Create Commerce & Meeting Center Explore Museum, Kids Museum	Working with Developer on NMTTC April 25, 2015 Wonderfeet Kids' Museum Opens Downtown	\$300,000
Partnering City and Farm: Food Strategy	Create Rutland Food Hub Center Expand Downtown Rutland Farmers Food Market	Property purchased 7/2012 Renovations 2009 City closes Evelyn Street for expanding Farmers' MKT	\$659,000 \$0 \$2,100,129	Complete permanent farmers market facility Vermont Farmers' Food Center ends first year in the black/2013	\$0 \$0												

Total Investment \$2,926,566

\$826,437

Application to the Board of Aldermen for Zamias Funds Required Information

Please provide all of the information below. The information should be typed and in as much detail as you feel is necessary. You should re-state each number and title/question with the information you provide.

1. Date of Application – 4/3/19

2. Contact Person – Brennan Duffy

a. Name, Mailing Address, Email and Phone – Brennan Duffy, 1 Strongs Ave., Rutland, VT, duffyrra@rutlandvtbusiness.com , 802-775-2910

3. Organization and/or Project Information - RRA

a. Name and Type of Organization/Project – West Street Pedestrian and Gateway Improvements Project

b. Amount of Funds Requested - \$30,000

4. Project Overview – Previously supported plan to design and construct two enhanced pedestrian crossing areas on West Street. One crossing will be located in proximity with the MVMMC and another in proximity to Court Square.

a. What is the project's estimated date of commencement and completion?

– Assuming full project funding is secured the construction will occur during the summer of 2019.

b. What will be the proposed use of the requested funds?

– The \$30,000 requested through the Zamias Fund would overcome a shortfall in the project's construction budget and allow the project to proceed to construction.

c. Is this project intended to leverage previous investments and/or related projects by another organization (or your own)? If so, please provide an explanation.

– This project will continue to build on numerous past efforts to improve pedestrian safety and access and increase vitality and economic activity in the downtown.

5. Project Benefits

a. Please provide an explanation of how the project will make a significant contribution to the redevelopment and revitalization of the City. Such explanation may include a description of any direct or indirect economic benefits that are predicted to result.

- This project will continue to build on efforts to improve pedestrian safety and access and increase vitality in the downtown.

b. Please provide an explanation of why you feel your project has a high likelihood of long term success and sustainability? Such explanation may include any financial history, financial projections and/or market research.

– Project will build on the successful gateway enhancements constructed on Strongs Avenue and Merchants Row in 2017-18.

6. Funding

a. From which other funding sources have you sought funds for this project? Please indicate the status of such requests and the amount of funds received, if any, including your organization's own contributions to the project.

- Project funding breakdown is as follows:

- Downtown Transportation Fund Grant - \$55,000
- Downtown Rutland Partnership - \$5,000
- Rutland Redevelopment Authority - \$10,000
- Rutland City Mayor's Contingency Fund - \$15,000
- Rutland Blooms - \$20,000
- RRA in kind match - \$5,000

b. Please describe any other past projects for which you were awarded city funds (including Zamias).

– Numerous projects benefiting Rutland City have utilized Zamias funding, most recently Center Street Marketplace Park and the Downtown Pedestrian and Gateway Improvement Project.

7. Measuring Success

a. Please provide ideas about how your organization and the City can market this project together.

– Collaborative support and promotion as with past projects.

b. Please provide a summary of how you propose to measure the project's success.

- Project's success will be indicated with enhanced pedestrian safety and aesthetic improvements along the West Street corridor.

Please feel free to provide any additional information you feel is relevant for consideration.

– This request for additional City funds is necessary due to a significant shortfall in the anticipated construction budget for the West Street Improvement Project. Shortfall is related directly to the complexity of the project area and higher than predicted material and construction costs. Every effort has been made to limit the project costs but there is currently a shortfall of approximately \$30,000 that would be needed in order to proceed to the construction phase.