



April 5, 2018

Memorandum

To: Members of the Senate Appropriations Committee  
From: Jen Hollar, Director of Policy and Special Projects  
Subject: Rural Economic Development Initiative  
Cc: Gus Seelig, Executive Director  
Ela Chapin, Farm & Forest Viability Program Director

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As you begin your deliberations on the FY19 Budget, we are happy to provide the update on the Rural Economic Development Initiative that you suggested following our testimony on March 23<sup>rd</sup>. REDI was created by the Legislature last year. Your committee added an appropriation of \$75,000 through the Agency of Agriculture, Food & Markets for VHCB to administer the initiative.

The purpose of REDI is to help small towns and businesses in rural areas to apply funding they do not have the capacity to secure on their own. To date, VHCB has helped six rural entities apply for more than \$1 million in federal or philanthropic funding - \$350,000 has been secured with decisions on the other applications due from April to July.

As shown on the enclosed summary, REDI is assisting projects in many parts of the state. The variety of projects include recreational trail development in Pownal, business and incubator space in Hardwick, the expansion of a forest-products business based in Cambridge, equipment and planning to help small towns in Windsor and Windham counties prepare for composting requirements, a recreational path in Newport and an arts and cultural center in Charlotte. Additional projects are in the works.

Based on our experience with the initiative in its first months, we recommended language to strengthen and focus REDI on grant-writing. We appreciate the Senate's support of that language which you approved in S.276, this year's rural economic development bill.

The committee asked whether funding has become available from the secured grants to cover the costs of the program. To confirm Gus' response at the time, the eligible administrative costs do not cover the grant writing services REDI is providing.



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If the Legislature chooses to extend or expand funding for the program, VHCB is happy to continue to the work which is bringing and leveraging much needed investment into our rural communities.

Please let us know what other information would be helpful to the committee and thank you for your consideration.



Vermont Housing &  
Conservation Board

VERMONT FARM & FOREST  
VIABILITY PROGRAM

March 1, 2018



Credit: Kane Architecture

The iconic yellow barn on Route 15 in Hardwick is the centerpiece of a redevelopment project to create a showcase for local businesses in the Northeast Kingdom. REDI is supporting the Town of Hardwick and local partners to study the project's feasibility and apply for federal funding to implement the project.

In 2017, the Legislature created the Rural Economic Development Initiative (REDI) "to promote and facilitate community economic development in the small towns and rural areas of the state and increase access to federal and other funding for such efforts." To date, Viability staff have supported 6 projects to identify grant funding opportunities available and contracted for technical assistance in preparing grant applications. REDI is intended to complement, not replace, the assistance Regional Development Corporations and Regional Planning Commissions already provide. Our team has collaborated with these partners to identify projects.



Credit: Empower Pownal

REDI provides grant writing and other forms of assistance for businesses and municipalities to prepare for and access larger funding opportunities. A local group in Pownal received assistance from REDI to access funding to transform a former Superfund site on the Hoosic River into an outdoor recreation location with trails and parking.

## Rural Economic Development Projects

**Yellow Barn Project, Hardwick** – The Town of Hardwick received support to fundraise for the development of a multi-use business incubator and manufacturing facility from several federal sources including a USDA-Rural Development (RD) Rural Business Development Grant.

**Windham County Solid Waste Management District, Brattleboro and surrounding towns** – REDI supported an application to the USDA-RD Community Facilities Grant Program to acquire equipment for expanding composting infrastructure to meet Act 148 requirements.

**Pownal Trails Association & Empower Pownal Recreation task force** – REDI funds supported a Recreation Trails Program grant application to develop a trail and recreation site on the Hoosic River.

**Runamok Maple, Cambridge** - Funding from REDI assisted Runamok with an application to the USDA-RD Value Added Producer Grant to expand the business and move production from Brattleboro to Fairfax.

**Southern Windsor/Windham and greater Upper Valley Solid Waste Districts** – REDI supported an application to the USDA-RD Solid Waste Management District grant program to implement Act 148 requirements.

**Clemmons Family Farm, Charlotte** – Grant writing support enabled the farm to receive a \$350,000 grant from the nationally competitive ArtPlace America Grant program to establish an arts & cultural center on the farm focused on African American heritage.