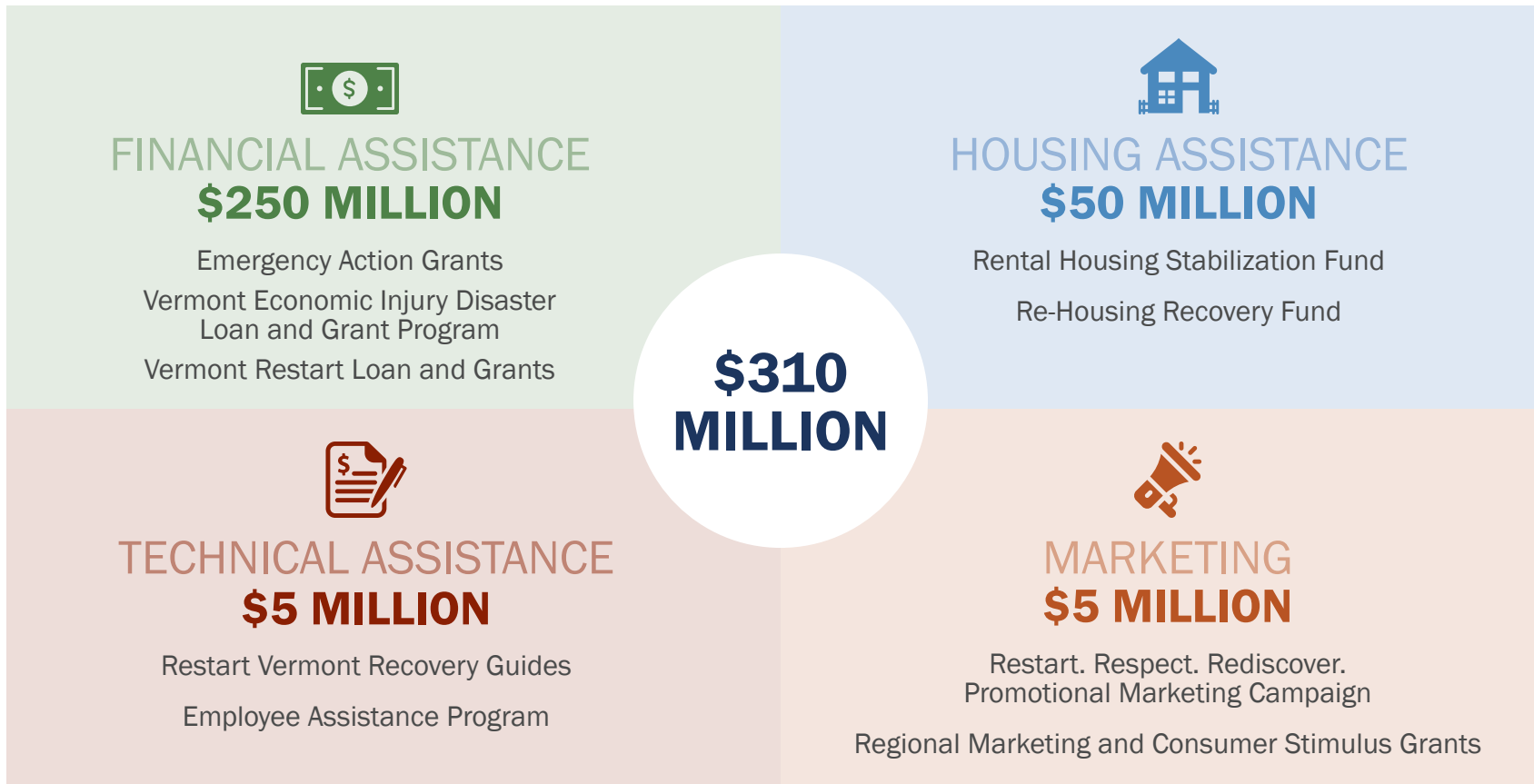


# VERMONT ECONOMIC RECOVERY PACKAGE

## \$400 MILLION

### Phase I: Immediate Relief to Survive



### Phase II: Recovery Investments to Thrive

(ESTIMATED AT \$90 MILLION)

#### FINANCIAL ASSISTANCE

Restart Vermont Loan Guarantee Program

Seed Capital and Technology Commercialization Program

#### HOUSING ASSISTANCE

Vermont Home Forever Fund

#### COMMUNITY RECOVERY

Better Places Community Grants

#### BROADBAND INVESTMENT

RETRAINING AND RESKILLING  
UNEMPLOYED VERMONTERS

PERMITTING MODERNIZATION



## FINANCIAL ASSISTANCE

# \$250 MILLION

Provide immediate financial assistance in the form of grants and loans to the most-impacted businesses that either closed, are primarily closed or have had significantly reduced revenue.

### RESTART VERMONT EMERGENCY ACTION GRANTS

#### **\$150 MILLION**

Emergency assistance grants for fixed cost expenses (rent, mortgage payments, utilities, inventory, and other essential operating expenses). Designed as a cash payment to operators based on a formula utilizing their last three years of revenue.

#### AREA OF NEED:

Food and Accommodation Services, Retail, and Agriculture

**Grant payments to be disbursed by the Department of Taxes and the Agency of Agriculture, Food and Markets.**

### VT ECONOMIC INJURY DISASTER LOAN AND GRANT PROGRAM

#### **\$80 MILLION**

Emergency stimulus grant and low-interest loan fund available to open and closed businesses. Includes advance funds for fixed cost expenses with no repayment. Designed at 0% interest rate and deferred payments for 12 months, with longer term amortization, potentially 20 years. Priority will be given to those businesses not included in the emergency action grants.

#### AREA OF NEED:

All Businesses and Non-profit Organizations

**Grant and loan payments to be disbursed by the Vermont Economic Development Authority (VEDA) and other non-traditional lenders.**

### VERMONT RESTART LOAN AND GRANT PROGRAM

#### **\$20 MILLION**

Funding will be used to backstop loans, provide interest rate buy downs to loans made by non-profit lenders, and provide grants to businesses and non-profits impacted by COVID-19. Businesses and non-profits may apply for loans of up to \$20,000 at zero percent for five years and grants of \$15,000 (or three months of fixed costs, whichever is less) through the non-profit lenders.

AREA OF NEED: Micro and Small Businesses, and Non-profits (revenues <\$1 million) Impacted by COVID-19

**The state's non-profit lenders will administer the program through a decentralized system.**





# HOUSING ASSISTANCE

# \$50 MILLION

Provide immediate financial assistance to stabilize the rental housing industry and prevent families from eviction and homelessness.

## RENTAL HOUSING STABILIZATION FUND **\$42 MILLION**

Up to 3 months of emergency rental assistance and rental arrearage payments to property owners suffering from non-payment of rent, to prevent tenant evictions and prevent an increase in family homelessness. Available to all property owners with a maximum of 20 units assisted per owner.

AREA OF NEED:  
**Landlords and Tenants**

***Payments will be disbursed by housing service provider(s) selected through RFP process.***

## RE-HOUSING RECOVERY FUND **\$8 MILLION**

Emergency housing rehabilitation grants and forgivable loans to make up to 250 units of housing available to re-house homeless families experiencing homelessness during the COVID-19 outbreak.

AREA OF NEED:  
**Homeless Families/Substandard Existing Rental Housing Stock**

***Grant and forgivable loans disbursed by housing service provider(s) selected by RFP process.***



## TECHNICAL ASSISTANCE

# \$5 MILLION

Create a technical assistance network available to all businesses trying to navigate business and financial planning, grant and loan applications, and other various business support structures.

## RESTART VERMONT RECOVERY GUIDES \$4.75 MILLION

Recovery Guides would provide technical assistance, business and financial planning, grant and loan writing support, and business support to help businesses re-emerge from the crisis in a viable way. Regional and statewide technical assistance network will provide access to CPAs, software consultants, turnaround specialists and attorneys to help Vermont businesses work through the myriad issues and claims they face.

### AREA OF NEED:

**All Businesses and Non-profit Organizations**

***Network of business professionals created through Request for Proposals process and funding for existing business and community assistance providers.***

## WELLBEING FOR SMALL BUSINESSES EMPLOYEE ASSISTANCE PROGRAM \$250,000

Immediate access to free, confidential counseling for a wide range of life and mental health issues to promote the health of employees and their household members after returning to work.

### AREA OF NEED:

**Employees and Family Members of Small Businesses**

***The State of Vermont's "Invest EAP Centers for Wellbeing" is an employee assistance program (EAP) based in the Division of Vocational Rehabilitation.***



## MARKETING

# \$5 MILLION

Encourage Vermonters to explore the state and spend locally to jumpstart economic activity and support communities and small businesses in recovery.

### RESTART. RESPECT. REDISCOVER. PROMOTIONAL MARKETING CAMPAIGN

#### **\$1.25 MILLION**

Promotional campaign to unlock economic activity and consumer spending throughout the state to provide an immediate boost to restaurants, downtowns, and tourism properties as they slowly reopen, directly supporting communities and small businesses, and generating tax revenue.

AREA OF NEED:

**All Vermont Communities**

***Department of Tourism and Marketing will manage statewide promotional campaign and provide access to a marketing toolkit of creative assets for communities, organizations and individuals to utilize.***

### REGIONAL MARKETING AND CONSUMER STIMULUS GRANTS

#### **\$3.75 MILLION**

Stimulus grant funding for regional destination marketing organizations, including chambers of commerce and downtown organizations, to encourage consumer spending on the community level to support local small businesses. Designed as a grant payment to one entity per region to be used for promotional marketing activities and consumer stimulus and/or incentive programs.

AREA OF NEED:

**All Vermont Communities**

***Grant funds to be disbursed by the Department of Tourism and Marketing. An RFP process will encourage each region to apply for funding through one organization that works in collaboration with others.***



## FINANCIAL ASSISTANCE: AGRICULTURE

# \$50 MILLION

Provide direct payments to dairy farmers and value-added dairy businesses to support operation and continued food production.

### RESTART VERMONT DAIRY FARM RELIEF PROGRAM **\$40 MILLION**

Grants to Dairy Farmers (cow, goat, and sheep's milk) to cover market losses and extra expenses caused by COVID-19 related business disruptions. The plan is to issue cash payments based on the loss of income and extra costs with maximum grant amounts for 4 size-based tiers: Large Farm Operations, Medium Farm Operations, Certified Small Farms, and Small Farm Operations.

AREA OF NEED:  
Dairy Farmers (cow, goat, and sheep's milk)

*Payments to be disbursed by Agency of  
Agriculture, Food and Markets.*

### RESTART VERMONT DAIRY VALUE ADDED PROCESSING PROGRAM **\$10 MILLION**

Grants to value added dairy processors (i.e. bottled milk, cheese, yogurt, butter, ice cream) to cover market losses and extra expenses caused by COVID-19 related business disruptions. The plan is to issue cash payments based on the loss of sales and extra costs with maximum grant amounts for 6 tiers based on the daily weight of processed milk and a seventh category for frozen desserts.

AREA OF NEED:  
Dairy Processors (i.e. bottled milk, cheese,  
yogurt, butter, ice cream)

*Payments to be disbursed by Agency of  
Agriculture, Food and Markets.*

## FINANCIAL ASSISTANCE

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\$250 MILLION

### Restart Vermont Emergency Action Grants \$150 MM

**Who is in need:** Food and accommodation services, retail and agriculture businesses that were severely impacted by closure or business disruption.

**What will be done:** Provide cash disbursement to individual businesses in the most vulnerable sectors. Funding will be directed to lodging, restaurant, retail and agriculture businesses that have been closed or lost significant revenue and are struggling to meet fixed costs. Funding will help prevent wide-scale foreclosures, bankruptcies and deterioration of the sectors and the communities in which they operate. These vulnerable sectors were among the first to close and may be the last to reopen. They require help to pay fixed costs that existing federal programs and state programs have not addressed. Grant proceeds may be used for rent, mortgage interest payments, utilities, inventory, and other essential operating expenses. Designed as a payment to operators based on a formula utilizing their last three years of revenue.

**How will program be administered:** Businesses will file an online form with the Tax Department demonstrating impact and need. The Tax Department will distribute payments to restaurant, lodging and retail operations based on meals, rooms and retail tax history to businesses with a gross annual revenue of \$2.5 million or less. Businesses that can demonstrate need will be eligible for a grant based on their gross revenue and estimated fixed costs. The Agency of Agriculture will disburse agriculture and value-added food operation payments based on Agency of Agriculture funding distribution plan.

### Vermont Economic Injury Disaster Loan and Grant Program \$80 MM

**Who is in need:** Businesses and non-profit organizations that closed or had significant revenue drops due to COVID-19, including, but not limited to, personal services businesses, manufacturers and creative economy businesses.

**What will be done:** The Vermont Economic Development Authority will utilize funding to provide existing borrowers impacted by COVID-19 with interest and principal relief and create a new loan and grant program designed to help businesses address fixed costs with which existing federal and state programs have been unable to help. VEDA will offer loans of up to \$150,000 amortized up to 20 years with deferred interest for 12 months and a 2 percent interest rate in year two. Applicants will be eligible for a grant that may be used to cover three months of fixed costs incurred during closure or partial shutdown due to COVID-19.

**How will program be administered:** The State will grant VEDA \$80 million. VEDA will use its loan application process to vet and approve applicants.

### **Vermont Restart Loan and Grant Program** **\$20 MM**

**Who is in need:** Sole entrepreneurs, microbusinesses and other small businesses with annual gross revenue of less than \$1 million and fewer than 5 full-time employees impacted by COVID-19 closures or partial shut-downs.

**What will be done:** Funding will be used to backstop loans, provide interest rate buy downs to loans made by non-profit lenders, and provide grants to businesses and non-profits impacted by COVID-19. Businesses and non-profits may apply for loans of up to \$20,000 at zero percent for five years and grants of \$15,000 (or three months of fixed costs, whichever is less) through the non-profit lenders. The grant and loan proceeds may be used for the restart of business operations. Organizations must take a loan to receive a grant.

**How will program be administered:** The state's non-profit and municipal lenders will accept a common loan and grant application. They will utilize approximately \$15 million in existing available capital to make loans. \$5 million of the funding will be granted to the Vermont Community Loan Fund to provide loan loss reserves. \$15 million will be granted to non-profit lenders to enable them to make up to \$15,000 subgrants to businesses and non-profits approved for a loan.



## HOUSING ASSISTANCE

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\$50 MILLION

### Rental Housing Stabilization Fund \$42 MM

**Who is in need:** Landlords and Tenants

Due to COVID-19 response, many tenants have seen the loss or reduction of income and are unable or struggling to pay rent. Consequently, landlords across the state are not receiving full rental payments necessary to cover the costs of building ownership and upkeep.

**What will be done:** Provide direct financial assistance to stabilize the rental housing industry and prevent tenants from experiencing eviction and possible homelessness.

The program will provide up to 3 months of emergency rental assistance and rental arrearage payments to property owners suffering from non-payment of rent to eliminate rental arrearages and ensure tenants maintain their current housing. Payments will be limited to a maximum of 20 rental units per property owner. At proposed funding levels it is anticipated this program can assist approximately 15% of the rental housing stock.

**How will program be administered:** Payments will be disbursed through housing service provider(s) selected through the RFP process with oversight authority through the Department of Housing and Community Development.

### Re-housing Recovery Fund \$8 MM

**Who is in need:** Families and individuals experiencing homelessness and owners of existing, substandard housing stock.

Service providers throughout Vermont have done an incredible job interrupting homelessness and providing non-congregate shelter during the COVID-19 outbreak. To continue this necessary step in maintaining public health, additional units will need to be quickly made available. Simultaneously, there exist numerous potential rental units throughout the state that remain in a substandard condition due to a lack of resources to bring units up to minimal rental housing health code.

**What will be done:** Provide emergency housing rehabilitation grants and forgivable loans to make up to 250 units of housing available to re-house families and individuals experiencing homelessness during the COVID-19 outbreak.

**How the program will be administered:** Grants and forgivable loans will be disbursed by housing service provider(s) selected through an RFP process with oversight authority through the Department of Housing and Community Development.

## TECHNICAL ASSISTANCE

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\$5 MILLION

### Restart Vermont Recovery Guides

\$4.75 MM

**Who is in need:** Those businesses and organizations that have been most damaged by the closures and are at limited capacity upon reopening. In some cases, it will be businesses which have received government assistance and need to understand the best way to utilize the funds.

**What will be done:** Deliver appropriate level of professional assistance to businesses to enable them to re-emerge from the crisis in a viable way.

**How will it work:** ACCD will issue an RFP to service providers who will submit information on their qualifications including but not limited to:

- **Operational expertise:** Their ability to help modernize some of the current operating practices of businesses.
- **Digital Strategy:** How could the retailers establish a more robust and competitive online presence?
- **Architecture:** Physical Space design for optimal flow: How could restaurants adjust their model and space to accommodate more takeout and less seating? Space for meal preparation, assist with food delivery logistics, assist manufacturers who are reconfiguring operations to produce PPE, accommodation of safety measures.
- **Technology or software consultancy:** How could agricultural producers utilize technology to help solve problems? Same for manufacturing and others.
- **Legal and/or Turnaround Experience/Advice:** How to restructure debt for a business. What is the prioritization of their payables? If they need to unwind the business what is the most orderly methodology?

This work is crucial for businesses to survive. Even with government support they will need to shift business models and professional assistance can help them do that. In addition, the Recovery Guides could offer business and financial planning as well as grant and loan writing support.

**Wellbeing for Small Businesses Employee Assistance Program**  
**\$250 K**

**Who is in need:** Vermont employers and their employees.

The State of Vermont’s “Invest EAP Centers for Wellbeing ” is an employee assistance program based in the Division of Vocational Rehabilitation, which provides important services to support the health and wellbeing of the Vermont workforce at over 250 businesses that elect to pay for this service. The EAP provides counseling, resources, and referrals to help employees at these companies with issues such as depression, anxiety, PTSD, workplace issues, family and relationship issues, legal problems, substance issues, elder care, and childcare. For \$250,000, the Wellbeing for Small Businesses Employee Assistance Program (EAP) can extend services to businesses with 50 or fewer employees over three months.

**What will be done: Wellbeing for Small Business**, would be made available to support both small business owners and their employees. EAP services are provided by a team of highly skilled, licensed mental health counselors located throughout the state, all of whom currently provide services through videoconferencing.

The program would offer two access points: one for business owners and the other for their employees. This will enable the EAP’s management consultation staff to receive initial calls from business owners who may have resource questions in addition to seeking counseling support. Employees would be directly referred to counseling staff.

## MARKETING

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\$5 MILLION

**Who is in need:** All Vermont Communities

The tourism and hospitality sector, including lodging, restaurants and cultural attractions, has been one of the hardest hit by COVID-19. With travel restrictions, mandatory closures, bans on large gatherings and uncertainty on when out-of-state visitors will be welcome again, the industry has been brought to a complete halt and will be negatively affected for perhaps the longest of any other sector. Tourism is critical to rebuilding local economies and the fabric of community life Vermont residents enjoy.

**Restart. Respect. Rediscover. Promotional Marketing Campaign**

**\$1.25 MM**

**What will be done:** A promotional marketing campaign, first directed at Vermonters, will encourage in-state travel, recreation and local spending by inviting residents to rediscover Vermont. Consumer spending throughout the state will provide an immediate boost to restaurants, downtowns, and tourism properties, directly support communities and small businesses and generate tax revenue. The campaign would revolve around the themes of respecting each other, renewing our relationship with our community, and rediscovering what our local regions have to offer as the economy reopens.

**How will program be administered:** The Department of Tourism and Marketing will manage the statewide promotional campaign and provide access to a marketing toolkit of creative assets for communities, organizations and individuals to utilize so we can speak with a unified voice.

**Regional Marketing and Consumer Stimulus Grants**

**\$3.75 MM**

**What will be done:** Stimulus grant funding for regional destination marketing organizations, including chambers of commerce and downtown organizations, to encourage consumer spending in local communities. Funding would be made available for marketing or incentive programs to be determined by each region to best fit that area's needs. Each program will encourage Vermonters to direct spending to local businesses, such as through buy-local challenges, loyalty affinity or gift card programs, incentives to local businesses (lodging, restaurants, retail, etc.) to create discounted packages or opportunities for Vermonters, or direct outreach and marketing.

**How will program be administered:** Grant funds to be disbursed by the Department of Tourism and Marketing. Through an RFP process, we would encourage each region to apply for funding through one organization that works in collaboration with others (chambers, downtown organizations, business leaders, etc.).