

Capital Investment Grants (CIG)
ACCD Suggested Program Parameters

PROGRAM

[Suggestion]: Vermont Capital Catalyst Fund?

INTENT

It is the intent of the Capital Investment Grant Program to provide every region in the state with opportunities to attract businesses, retain existing businesses, create jobs, and invest in their communities by encouraging capital investments and economic growth through grants. This is especially pertinent as we emerge from the pandemic in order to diversify the economy, create stability and resilience.

PROGRAM

- The Agency of Commerce and Community Development and the Department of Economic Development shall establish a Capital Investment Grant Program.
- The Agency of Commerce and Community/DED shall utilize an objective data model (REMI) to assess economic impact of proposals; ACCD will put out a notice of funding opportunity to seek grant proposals.
- The Agency of Commerce and Community Development/Department Economic Development shall collaborate with the Regional Development Corporations, Regional Planning Commissions, other impacted state agencies, and community partners to identify potential regional applicants and projects and to ensure regional distribution.
- The Department shall distribute capital investment grants that support for-profit and non-profit business expansion, job creation, regional economic development, business retention and industry diversification.

ELIGIBILITY

The applicant must:

- Be located in the State of Vermont;
- Demonstrate community and regional support for the project
- Be a for-profit business; or
- Be a non-profit/low-profit entity; AND
- Funding from this source will represent less than or equal to 50% of total project cost.
- (*A for-profit business*) must show at least 10% Equity in the project.
- The applicant must demonstrate that funding is needed in order to complete the project and has evidence of leveraging additional state, federal, or local economic development programs and sources of funding.

- The applicant must demonstrate the ability to manage the project with requisite experience and a plan for fiscal viability.

INELIGIBILITY

Entities are ineligible if any of the following apply:

The Entity:

- Is a State or local government-operated business; or a municipality;
- Owns or operates (together with any affiliated business) more than 20 locations, regardless of whether those locations do business under the same or different names or are in different industries;
- Is a Publicly-Traded Company;

AWARD AMOUNT/USE OF FUNDS

- Awards may not exceed the lesser of \$3,000,000, or the estimated economic impact as evidenced by the model.
- Capital Investment Grant funding may be used as collaborative funding with other state agencies, but may not be granted for duplicative uses within the same project.
- Funds may be used for acquisition, construction, renovation, other capita equipment uses.
- Funding is released to a grant award recipient only after the applicant has met all conditions of the program,
- Grantees must establish and execute a grant agreement with the Agency of Commerce and Community Development.

PRIORITIZATION/ SCORING CRITERIA

40 points: Using an objective data model, the Agency will assess the economic impact to the state taking into consideration the following factors:

- Grand list value increase (ed-fund)
- Supply chain improvements
- Jobs impact - number and quality of jobs
- State GDP improvement

Other Factors of Consideration:

Project Readiness: the degree to which local, regional, and state permits are in place.

Regional Impact: this project will impact more than one town or village.

Project Completion: The degree to which this funding acts as a catalyst to completion of project.

Regional Plan Alignment: Project must align with a regional plan.

Capital Investment Grant Criteria	
0-40 points	
Economic Impact Modeling. The project shows a positive economic impact based on established inputs through the REMI modeling system.	Projects chosen will demonstrate an impact on the economic vitality of the region. Inputs would include Grand list value increase, Supply chain improvements, Jobs impact - number and quality of jobs, State GDP impact.
0-15 points each	
Transformational capital improvement project. The project fills a need for acquisition, construction, improvement, fit up, equipment, machinery, infrastructure, clean energy.	Projects that support infrastructure, workforce retention and expansion, innovation/entrepreneurship, workforce attraction, or clean energy are examples.
Project Quality and Collaboration. Project readiness/Budget/Commitment of matching funds/Sustainable project/Capacity of organization to execute work plan/collaboration with other groups and efforts.	Project will score well if it can begin immediately, budget is clearly developed with matching funds identified; project is financially sustainable in the long term, it has clearly identified measurable results/goals, applicant and partners demonstrate capacity to execute project and achieve milestones; project aligns/collaborate with other efforts and partners.
0-10 points	
Workforce. Project will support the creation, retention or attraction of quality jobs; or project will attract talent/workforce to Vermont.	Project that clearly demonstrate commitment to job retention with evidence that jobs will be created or retained as a direct result of the investment; or project that attract new workers to Vermont will score highly.
Regional Priority. The project aligns with an economic development strategy or priority in the regional plan.	Project must clearly align with a regional plan. A project that aligns with more than one strategy or priority in a regional plan will receive higher points.
Support of Stakeholders. Demonstration from stakeholders in region that project is a high priority that would benefit communities throughout the region.	Points will be given if support is demonstrated from regional and municipal leaders and organizations for the promotion of this project as a high priority for the region.

DECISIONS

ACCD will utilize an objective data model to process the economic impact information provided by the applicant. That data model and all other contributing factors of the applications will be reviewed and prioritized by an interagency team similar to the one which has been assembled to review Northern Border Regional Commission grants. Those recommendations for funding will be reviewed by VEPC to ensure regional distribution. Final project and grant decisions, will be made by the Secretary of ACCD.

POST AWARD MONITORING

All grants awarded by the Agency of Commerce and Community Development are subject to standard audit provisions as established by the guidelines set forth in this document.

Grantees must maintain all records pertaining to the use and expenditure of their award. Records include any written or recorded information, regardless of physical form or characteristics, which is produced or acquired by the grantee in the performance of this agreement. Records produced or acquired in a machine-readable electronic format shall be maintained in that format.

The records described shall be made available at reasonable times during the period of the award and for five years thereafter or for any period required by law for inspection by any authorized representatives of the State or Federal Government. If any litigation, claim, or audit is started before the expiration of the five-year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved.

Each applicant must attest, under penalty of perjury, that all information provided on all application forms and uploaded documents is true and accurate. The State of Vermont will rely on this certification as a material representation in making grant award decisions.

Further, applicants must attest to understanding that intentional misrepresentation of information is fraud and may subject the application disqualification from receiving further benefits, administrative penalties, and criminal prosecution.