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MINUTES, TOWN OF EAST MONTPELIER REVOLVING LOAN ADVISORY COMMITTEE

Meeting of Friday, June 1, 2018 AT THE MUNICIPAL BUILDING

RLAC members present: Gabrielle Malina, Ross Hazel, Ed Deegan, Renee Carpenter (arrived at 6:15)

Others present: Rebecca Schrader

A. CALL TO ORDER; ADDITIONS TO THE AGENDA; PUBLIC COMMENT

Gabrielle called the meeting to order at 5:10. There were no additions to the agenda or public comment. The Minutes of May 17, 2018, were reviewed and approved with no changes.

B. DISCUSSION OF STATUS OF EAST MONTPELIER REVOLVING LOAN

Gabrielle summarized the content of a series of emails and discussions with Cassie Bell of ACCD laying out the current status of East Montpelier's Revolving Loan Fund. ACCD asserts that the town is not in compliance with the terms of the Closeout Agreement and of the general provisions of a Revolving Loan program. The town has not "revolved" the money sufficiently, including that it "has not expended an average annual disbursement to exceed at least 25% of the total balance over a three year period." Additionally, East Montpelier's RLF program lacks a written Policies and Procedures Plan, a robust application form and process, and our sole grant agreement contains insufficient information to properly administer the grant.

The state may initiate recapture provisions for the money in a short timeframe if the town cannot come into compliance. The town can choose to continue administering the loan fund but will have to craft a loan program that revolves the money through the town as is the intention of the program. A banker will likely have to be added to the membership. Small towns, according to Cassie, do not usually have the capacity to administer their own revolving loan funds. The RLAC should also explore turning over the administration of the fund to a Nonprofit Community Development Organization (NCDO).

When RLAC decides on an action plan and a timeframe, ACCD will re-consider their stance on initiating recapture in short order, and will work with the town on a longer timeframe that will allow compliance with the program expectations.

Laura Ranker of CVRPC has been authorized to provide the town with eight hours of technical assistance.

Becca Shrader works for Vermont Community Loan Fund, an NCDO, and she will be appointed to RLAC. She began a preliminary discussion of how NCDOs work.

RLAC considered if and how to update the Selectboard about the status of the program.

The committee agreed that it needed to gather more information about the details and work load of crafting and administering a compliant revolving loan fund program for the town and

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also more details about the costs and benefits of turning over administration to an NCDO. RLAC should then make a recommendation to the Selectboard.

Gabrielle will invite Laura Ranker of CVRPC to the next meeting.

F. FUTURE MEETING PLANNING

The committee will meet again on Tuesday, June 5 at 6 pm at the town offices.

G. OTHER BUSINESS

There was no other business.

H. The meeting adjourned at approximately 6:20 pm