

VERMONT ECONOMIC DEVELOPMENT AUTHORITY

Minutes

January 31, 2025

A meeting of the Vermont Economic Development Authority (VEDA) convened at VEDA's Montpelier office on January 31, 2025 beginning at 9:33 a.m. Members of the Authority Present: T. Foster, Chair; A. Eastman (designee for A. Tebbetts); K. Johnson; J. Goldstein (designee for L. Kurrle); K. Hale; P. Elwell; S. Voigt and T. Gallagher. Members present via teleconferencing: D. Marvin. Members joining the meeting later: D. Fitzko, T. Collier and M. Pieciak. Staff Present: C. Polhemus, Chief Executive Officer; T. Richardson, Chief Financial Officer; R. Grzankowski, Chief Operations Officer; S. Buckley, Director of Energy and Broadband Lending; C. Houchens, Director of Human Resources and Compliance; S. Croft, Director of Credit; P. Fitzgerald, Director of Loan Resolutions; S. Isham, Co-Director of Agricultural Lending; A. Wood, Co-Director of Agricultural Lending; Loan Officers: E. Howrigan, E. Denny and D. Russo; S. Heffernan, Credit Analyst and A. Wright, Executive Assistant and Facilities Manager. Staff Present via teleconferencing: P. Samson, Chief Lending Officer. Those Members present constituted a quorum.

Public Comments

None.

Welcome New Member – Kerrick Johnson

T. Foster welcomed VEDA's new Member, Kerrick Johnson. K. Johnson, recently appointed Commissioner of Vermont Department of Public Service, provided a brief introduction. Members and Staff present introduced themselves by name and affiliation.

(At 9:35 a.m. M. Pieciak joined the meeting.)

CEO's Report

C. Polhemus opened her report noting the confusion in the status of various federal funding programs and potential impacts to VEDA.

Next, C. Polhemus provided a staff update, introducing D. Russo, VEDA's newly hired Loan Officer, and congratulated E. Russell on her recent promotion to Senior Closing Officer.

C. Polhemus continued her report with a discussion on employer sponsored housing and offsite housing construction initiatives being discussed at the Statehouse. Discussion ensued regarding the risk, challenges and opportunities. J. Goldstein noted examining subordinate opportunities, multi-family housing and fair housing issues while considering other entities like the Vermont Housing Finance Agency. M. Pieciak noted the housing gaps, and that VEDA can be impactful. T. Gallagher noted the need to be willing to try. A. Eastman noted the concerns for agricultural housing that would need to be brought to current compliance. T. Foster noted the challenges in the permitting process and Act 250.

(At 10:02 a.m. D. Fitzko joined the meeting and T. Collier joined the meeting via teleconference.)

C. Polhemus continued her report indicating that D. Marvin and P. Elwell were appointed by VEDA's Chair to fill vacancies on the 504 Loan Committee and the Nominating Committee. K. Hale was appointed to the ALCO Committee.

C. Polhemus closed her report providing Members with the Loan Approvals & Closing Report.

Member Area Review

J. Goldstein provided a legislative update including a housing bill initiative including "SPARC" a public financing method similar to tax increment financing (TIF); \$2 million to the Brownfields Revitalization Fund; and \$2 million to disaster recovery.

M. Pieciak described an initiative creating a Task Force on Federal Transition that will assist in advising the Treasurer of federal policy and legal changes and the potential challenges they create for the Vermont economy. VEDA Board Member, D. Marvin is a Committee Member of the Task Force. Next, M. Pieciak described an upcoming webinar for Vermont employers to discuss their rights and responsibilities to prepare for a potential worksite visit from Immigration & Customs Enforcement (ICE) will be held February 6.

K. Johnson noted the Solar for All funding program and the potential increase in energy costs due to the new administration implementing additional tariffs on imports.

Consent Agenda

Approval Items:

1. Minutes of October 25, 2024 Annual Meeting
2. Minutes of October 25, 2024 Regular Meeting

Informational Items:

3. Staff Authority – Loan Approval

Name	Town	Program	Loan Amount
City O City Real Estate LLC	Bristol	Subchapter 5	\$437,700

4. Staff Authority – Other Business
5. Staff Authority – Other Affiliate Programs – Loan Approvals

On a motion by S. Voigt, seconded by T. Collier, the Consent Agenda Approval Items were approved by those Members of the Authority present by a vote of 10 to 0 with K. Johnson and the Chair abstaining.

Strategic Plan – 2nd Quarter FY2025

C. Polhemus provided Members with the Strategic Plan quarterly update noting the VACC appropriation did not make the Governor’s budget/

Entity Considerations

R. Grzankowski provided a visual presentation showcasing VEDA’s legislative timeline that began in the 1960’s and the evolution and unintended complexity of VEDA’s four entities. The presentation introduced ideas for potential entity consolidation, which would require statutory changes in future legislative sessions. This opportunity would provide simplification, efficiency and clarity both internally and externally.

Members responded favorably to pursuing the entity consolidation.

Board Financial Summary

T. Richardson presented the financial summary, noting VEDA reported an operating loss for December due to an increase in loan loss reserves related to two large commercial relationships. Financial performance overall remains above budget.

Ratification of Email Approval – Resolution to Borrow \$10 Million from Coalition for Green Capital

T. Richardson thanked Members for approving the Resolution to Borrow a \$10 Million line of credit (LOC) from Coalition for Green Capital by email earlier in January. This email approval allowed processing of the Resolution from the federal government to Green Capital. Upon ratification of the email approval today a closing for Monday is anticipated.

T. Foster requested a formal motion of Members for their ratification of the email dated January 15, 2025 approving VEDA to borrow \$10 Million from Coalition for Green Capital. The approval and Resolution were unanimously approved by Members.

VERMONT ECONOMIC DEVELOPMENT AUTHORITY
Resolution (proposed)

WHEREAS, Vermont Economic Development Authority (“the Authority”) was approved by the Coalition for Green Capital for a \$10,000,000 borrowing to fund eligible energy related projects;

NOW THEREFORE BE IT RESOLVED, the Authority is authorized to incur debt in the amount of \$10,000,000 payable to the Coalition for Green Capital, with repayment over a period of 10 years.

I, Secretary of Vermont Economic Development Authority, do hereby certify that the above is a true and correct copy of a resolution adopted at the meeting of the Board of Directors of Vermont Economic Development Authority on January __, 2025 via a unanimous vote of all Members by electronic mail.

SEAL

Secretary

Executive Session

On a motion by J. Goldstein, seconded by T. Gallagher, the Members of the Authority voted unanimously to enter executive session at 11:28 a.m. in order to consider contractual matters and exempt records related to loan applications and loan delinquencies, premature public knowledge of which would clearly place VEDA or individuals at a substantial disadvantage. See 1 VSA § 313(a). All staff and Members present entered the executive session.

The Members of the Authority exited the executive session at 11:37 a.m.

Credit Risk Classification Report – 2nd Quarter FY2025

On a motion by P. Elwell, seconded by S. Voigt, the quarterly loan loss reserve for the Vermont Jobs Fund in the amount of \$3,740,200 was approved by those Members of the Authority present by a vote of 11 to 0 with the Chair abstaining.

Other Business

There being no other business to properly come before the Authority, on a motion by J. Goldstein, seconded by T. Collier, the meeting adjourned at 11:39 a.m.

ATTEST:

Vermont Economic Development Authority

By: _____
Cassandra F. Polhemus, Chief Executive Officer

Video transcripts of all meetings will be made available here -

<https://www.youtube.com/@VEDAMeetingArchive>

VERMONT AGRICULTURAL CREDIT CORPORATION

Minutes

January 31, 2025

A meeting of the Vermont Agricultural Credit Corporation (VACC) convened at VEDA's Montpelier office on January 31, 2025 beginning at 11:39 a.m. Directors of the Corporation present: T. Foster, Chair; A. Eastman (designee for A. Tebbetts); K. Johnson; D. Fitzko; J. Goldstein (designee for L. Kurrle); K. Hale; P. Elwell; S. Voigt and T. Gallagher. Directors present via teleconference: D. Marvin and T. Collier. Staff Present: C. Polhemus, Chief Executive Officer; T. Richardson, Chief Financial Officer; R. Grzankowski, Chief Operations Officer; S. Buckley, Director of Energy and Broadband Lending; C. Houchens, Director of Human Resources and Compliance; S. Croft, Director of Credit; P. Fitzgerald, Director of Loan Resolutions; S. Isham, Co-Director of Agricultural Lending; A. Wood, Co-Director of Agricultural Lending; Loan Officers: E. Howrigan, E. Denny and D. Russo; S. Heffernan, Credit Analyst and A. Wright, Executive Assistant and Facilities Manager. Staff Present via teleconferencing: P. Samson, Chief Lending Officer. Those Directors present constituted a quorum.

Welcome New Director – Kerrick Johnson

T. Foster opened the meeting by welcoming VACC's new Director, Kerrick Johnson. K. Johnson is the recently appointed Commissioner of the Vermont Department of Public Service.

Consent Agenda

Approval Items:

1. Minutes of October 25, 2024

Informational Items:

2. Staff Authority – Loan Approvals

Name	Town	Loan Amount
Smokey English Farm LLC; Bohonnon, Lacy L. and Flynn, Kyle W.	Royalton	Loan 1: \$150,000 Loan 2: \$30,000

Bissonnette Firewood LLC and Bissonnette, Nickolas O.	Bristol	\$100,000
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3. Staff Authority – Other Business

On a motion by J. Goldstein, seconded by P. Elwell, the Minutes of the October 25, 2024 meeting were approved by those Directors of the Corporation present by a vote of 9 to 0 with K. Johnson and the Chair abstaining.

Agricultural Update

A. Eastman provided an update on the Agency of Agriculture Food and Markets campaign “Milk Matters.” Through data provided by this campaign the campaign has been updated to “Vermont Dairy Delivers.” A. Eastman noted the importance of Vermont dairy, indicating the number of working Vermont dairy farms continues to decline.

D. Marvin noted the changes within the maple industry, with some sugarmakers already tapping. The maple sugar industry is concerned about the threat of potential tariff changes.

D. Fitzko indicated the forestry industry is experiencing a good year due to the continued cold weather. The impact of the potential tariffs are a concern in the lumber industry. D. Fitzko indicated that a former lumber mill has sold and plans to open as a start-up, noting innovation is occurring in this industry.

Executive Session

On a motion by J. Goldstein, seconded by T. Gallagher, the Members of the Authority voted unanimously to enter executive session at 11:48 a.m. to consider contractual matters and exempt records related to loan applications and loan delinquencies, premature public knowledge of which would clearly place VEDA or individuals at a substantial disadvantage. See 1 VSA § 313(a). All staff and Members present entered the executive session.

The Members of the Authority exited the executive session at 11:55 a.m.

Credit Risk Classification Report – 2nd Quarter FY2025

On a motion by P. Elwell, seconded by T. Gallagher, the quarterly loan loss reserve for the Vermont Agricultural Credit Corporation in the amount of \$593,500 was approved by those Directions of the Corporation by a vote of 10 to 0 with the Chair abstaining.

Red Wagon Plants, Inc. – Hinesburg – Line of Credit Increase and Renewal

A request for a five-year renewal and a \$75,000 increase (to \$200,000 from \$125,000) to an existing line of credit to Red Wagon Plants, Inc. for seasonal working capital needs.

On a motion by S. Voigt, seconded by T. Collier, the Red Wagon Plants, Inc. VACC Line of Credit was approved, under the terms and conditions as presented and discussed, by those Directors of the Corporation present by a vote of 10 to 0 with the Chair abstaining.

Other Business

There being no other business to properly come before the Corporation, on a motion by S. Voigt, seconded by T. Gallagher, the meeting adjourned at 11:57 a.m.

ATTEST:

Vermont Agricultural Credit Corporation

By: _____

Sarah C. Isham, Secretary

VERMONT 504 CORPORATION

Minutes

January 31, 2025

A meeting of the Vermont 504 Corporation convened at VEDA's Montpelier office on January 31, 2025 beginning at 11:59 a.m. Directors of the Corporation present: A. Eastman (designee for A. Tebbetts); K. Johnson; D. Fitzko; K. Hale; P. Elwell; S. Voigt, T. Foster and T. Gallagher. Directors present via teleconference: D. Marvin and T. Collier. Staff Present: C. Polhemus, Chief Executive Officer; T. Richardson, Chief Financial Officer; R. Grzankowski, Chief Operations Officer; C. Houchens, Director of Human Resources and Compliance; S. Isham and A. Wood, Co-Directors of Agricultural Lending; S. Croft, Director of Credit; P. Fitzgerald, Director of Loan Resolution; E. Denny and E. Howrigan, Senior Loan Officers; D. Russo, Loan Officer; S. Demars, Credit Analyst and A. Wright, Executive Assistant and Facilities Manager. Staff present via teleconference: P. Samson, Chief Lending Officer. Those Directors present constituted a quorum.

C. Polhemus chaired the meeting.

Welcome New Member – Kerrick Johnson

C. Polhemus welcomed Kerrick Johnson, recently appointed Commissioner of Vermont Department of Public Service, to the Vermont 504 Corporation as a new Director.

Consent Agenda

Approval Item:

1. Minutes of October 25, 2024

Informational Item:

2. Staff Authority – CA Loan Approvals

On a motion by T. Collier, seconded by K. Hale, the Minutes of the October 25, 2024 meeting were approved by those Directors of the Corporation present by a vote of 9 to 0 with K. Johnson abstaining.

Credit Risk Classification Report – 2nd Quarter FY2025

On a motion by T. Collier, seconded by T. Foster, the quarterly loan loss reserve for the Vermont 504 Corporation in the amount of \$191,000 was approved by those Directors of the Corporation present by a vote of 10 to 0.

Other Business

There being no other business to properly come before the Corporation, on a motion by P. Elwell, seconded by T. Gallagher, the meeting adjourned at 12:01 p.m.

ATTEST:

Vermont 504 Corporation

By: _____
Sandra Croft, Secretary

Video transcripts of all meetings will be made available here -
<https://www.youtube.com/@VEDAMeetingArchive>

VERMONT SMALL BUSINESS DEVELOPMENT CORP.

Minutes

January 31, 2025

A meeting of the Vermont Small Business Development Corporation (VSBDC) convened at VEDA's Montpelier office on January 31, 2025 beginning at 12:01 p.m. Directions of the Corporation present: A. Eastman (designee for A. Tebbetts); K. Johnson; D. Fitzko; K. Hale; P. Elwell; S. Voigt, T. Foster and T. Gallagher. Directors present via teleconference: D. Marvin and T. Collier. Staff Present: C. Polhemus, Chief Executive Officer; T. Richardson, Chief Financial Officer; R. Grzankowski, Chief Operations Officer; C. Houchens, Director of Human Resources and Compliance; S. Isham and A. Wood, Co-Directors of Agricultural Lending; S. Croft, Director of Credit; P. Fitzgerald, Director of Loan Resolution; E. Denny and E. Howrigan, Senior Loan Officers; D. Russo, Loan Officer; S. Demars, Credit Analyst and A. Wright, Executive Assistant and Facilities Manager. Staff present via teleconference: P. Samson, Chief Lending Officer. Those Directors present constituted a quorum.

C. Polhemus chaired the meeting.

Welcome New Member – Kerrick Johnson

C. Polhemus welcomed Kerrick Johnson, recently appointed Commissioner of Vermont Department of Public Service, to the Vermont Small Business Development Corp. as a new Director.

Consent Agenda

Approval Item:

1. Minutes of October 25, 2024

Informational Items:

2. Staff Authority – Loan Approvals
3. Staff Authority – Other Business

On a motion by T. Collier, seconded by K. Hale, the Minutes of the October 25, 2024 meeting were approved by those Directors of the Corporation present by a vote of 9 to 0 with K. Johnson abstaining.

Credit Risk Classification Report – 2nd Quarter FY2025

On a motion by T. Collier, seconded by T. Foster, the quarterly loan loss reserve for the Vermont Small Business Development Corp. in the amount of \$1,039,500 was approved by those Directors of the Corporation present by a vote of 10 to 0.

Other Business

There being no other business to properly come before the Corporation, on a motion by T. Foster, seconded by T. Gallagher, the meeting adjourned at 12:02 p.m.

ATTEST:

Vermont Small Business Development Corp.

By: _____
Sandra Croft, Secretary

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