

MISSION:
To help Vermonters improve their quality of life and build strong communities.

The Agency is engaged in activities that generate revenue to the State general fund. Our work with existing and new businesses, downtowns and communities, marketing the state for tourism, preservation of the Vermont brand and what makes us special, is all part of what generates income to state government. We are the income side of the state general ledger. Investments in ACCD are investments in income generating activity.

AGENCY OF COMMERCE AND COMMUNITY DEVELOPMENT

Agency of Commerce and Community Development

SECRETARY
Lindsay Kurrle

DEPUTY SECRETARY
Ted Brady

STAFF: 79 (FY 2021)

FY 2020 Major Department Highlights					
Department of Economic Development STAFF: 21	 \$5.4 M FY 2022 Proposed General Fund Appropriation	 288 New Vermonters (127 new workers; 161 family members)	 93 Business Creations	 52 Business Expansions	 1,240 Vermont Employees Approved for Training
Department of Housing and Community Development STAFF: 32	 \$3.9 M FY 2022 Proposed General Fund Appropriation	 \$18 M Program Dollars Invested	 \$231 M Total Dollars Leveraged	 4,976 Housing Units Created or Preserved	
Department of Tourism and Marketing STAFF: 13	 13.3 M Visitors (includes overnight, day and drive-through visitors)	 \$3.0 B Visitor Spending at Attractions, Lodging and Dining Establishments	 \$373 M Total Tax Revenue Generated by Tourism Activity	 31,336 Jobs in the Tourism Industry	

FY 2022 TOTAL BUDGET
\$49,184,443

- \$12,681,850 Department of Economic Development
- \$29,456,128 Department of Housing and Community Development
- \$3,505,309 Department of Tourism and Marketing (includes Chief Marketing Office)
- \$3,541,156 Administration

FY 2022 PROPOSED GENERAL FUND APPROPRIATION: \$15.9 M

BUDGET		\$49,184,443	
● General Funds	\$15,919,314	● Federal Funds	\$22,575,214
● Special Funds	\$6,575,595	● All Other Funds	\$4,114,320

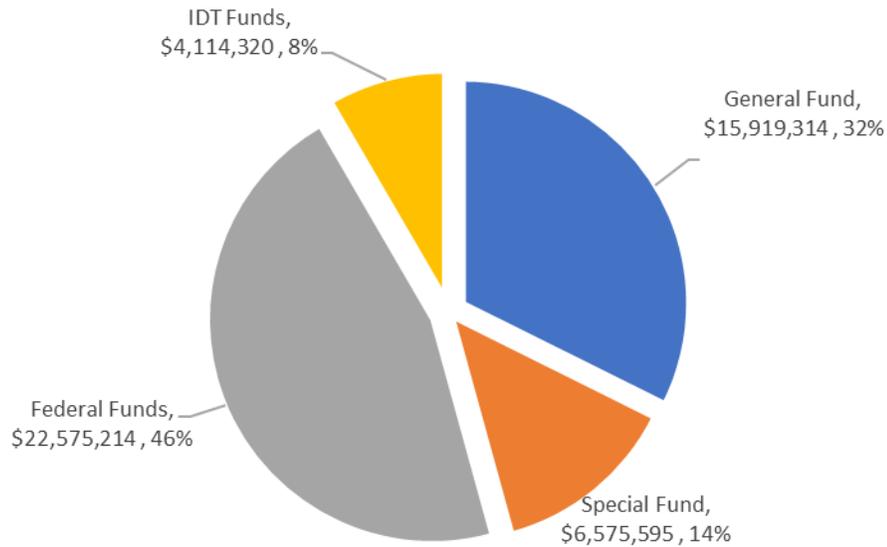
Comprehensive Agency Strategies

- Illuminate the Vibrancy of Vermont**
 Market Vermont effectively to increase the number of people visiting, living, and working here.
- Deploy a 21st Century Workforce**
 Develop a continuum of education and job re/training to enable a robust, modern workforce.
- Ensure Housing for All**
 Increase the availability and affordability of housing for all Vermonters.
- Accelerate Business Growth & Recruitment**
 Grow/scale existing businesses and recruit new businesses via a network of technical assistance, access to capital and increased deal flow.
- Strengthen Vibrant Regional Economies & Ecosystems**
 Focus on place-making to develop and celebrate a shared vision across regional communities and economies, and provide the tools to build and maintain modern infrastructure.

as of 02.05.21

FY 2022 SUMMARY & HIGHLIGHTS

Governor's Recommended Budget FY 2022
 Total \$49.2m



- **Total ACCD Staff:** 79
- **Agency Budget Total:** \$49.2M
- 10.8% Increase in General Fund
- Base General Fund Initiatives:
 - ❖ VT Housing Investment Program **\$1M**
 - ❖ New Worker Grant Program **\$500K**

FY2022 One Time Expenditures

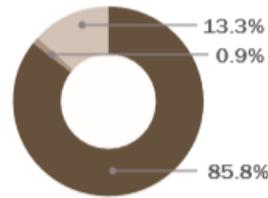
- Economic Development
 - ❖ Technology Based Economic Development/UVM Office of Engagement (**\$1M**)
 Create a climate where technology businesses can thrive through technical assistance and grants.
 - ❖ Brownfields Econ. Development Catalyst (**\$11M**)
 Clean up underutilized properties to spur job creation and housing construction.
 - ❖ Montreal Based Business Attraction Investment Program (**\$300K**)
 Establish recruitment, trade, and tourism office/representation in Quebec.
- Community Investment Package
 - ❖ VT Housing Incentive Program (**\$3M**)
 Provide incentives to private apartment owners and new home buyers to invest in aging and underutilized housing stock.
 - ❖ Better Places Grants Program (**\$5M**)
 Support place-based economic development projects to improve and revitalize public spaces.
 - ❖ Downtown Transportation Fund (**\$5M**)
 Expand eligibility to designated village centers to support local businesses with amenities to boost walking, biking, transit and commerce.
- Vermont Recovery Marketing
 - ❖ Dedicated Tourism and Marketing Funding **\$1M**
 Create a Tourism Marketing Promotion Fund using the R&M tax generated annually that exceeds revenue targets
 - ❖ Buy Local VT Consumer Stimulus Program **\$1M**
 Relaunch program to encourage Vermonters to shop local.
- Vermont 250th Anniversary Commission **\$25K**

TOTAL FY2022 GF One-Time Expenditures: \$27.325M

Agency of Commerce and Community Development

SECRETARY Lindsay Kurrle
DEPUTY SECRETARY Ted Brady

FY22
PROPOSAL COST
\$114,088,000



- \$15,200,000 Recovery
- \$1,000,000 Reemployment
- \$97,888,000 Reinvestment

"Supporting economic growth, strong communities and new housing, especially in the areas that need them most, will help us retain and recruit more families and workers."

– Governor Phil Scott, 2021 Inaugural Address

LEGEND

- Internal Agency (ACCD) One-time Funded Initiative
- External Agency (Non-ACCD) One-time Funded Initiative

Note: Blue tag indicates initiatives administered by external agencies.

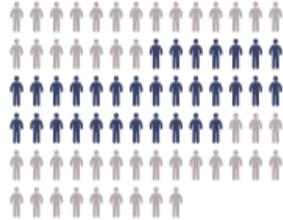
Governor Scott's FY22 Community and Economic Development Proposals						
RECOVERY (\$15,200,000)						
\$10 M (Budget Adjustment) Economic Recovery Grants for New Businesses Provide pandemic-impacted businesses left out of federal and state programs with aid.		\$3.2 M (Budget Adjustment) Vermont Everyone Eats Reallocate FEMA reimbursement to run the program through end of FY21.		\$1 M (\$1M One-time Funding and Ongoing Appropriation) Dedicated Tourism and Marketing Funding from Meals and Rooms Tax Revenue Over Target Create a Tourism Marketing Promotion Fund to supplement the Department of Tourism and Marketing's budget funded by the Meals and Rooms Tax generated annually that exceeds revenue targets.		\$1 M (One-time) Buy Local Vermont Consumer Stimulus Program Relaunch the Buy Local Vermont Consumer Stimulus Program to encourage Vermonters to shop local.
REEMPLOYMENT (\$1,000,000)						
\$500,000 Vermont Relocated Worker Grant Program Provide funding for grants to cover incurred moving costs to people who move to Vermont to work full-time for a Vermont employer.		\$0 (No General Fund) Unemployment Insurance Tax Relief Extend freezes on taxable wage base and on the tax schedule to prevent increased unemployment tax rates during pandemic recovery.		\$500,000 (One-time) Vermont Jobs Campaign Develop and implement a comprehensive and integrated workforce expansion initiative focused on COVID-19 recovery including updating Job Link and CRM tools.		
REINVESTMENT (\$97,888,000)						
Community Investments	\$0 (No General Fund) Place-Based Tax Increment Financing Enable Vermont's rural communities to use municipal and education tax increment from select parcels to fund infrastructure projects.	\$0 (No General Fund) Modernize and Improve Act 250 Encourage development in appropriate locations, improve regulatory processes, strengthen downtowns, while protecting natural resources and communities.	\$5 M (One-time) Better Places Grants Support place-based economic development projects to improve and revitalize public spaces.	\$5 M (One-time) Downtown Transportation Fund Expand eligibility to designated village centers to support local businesses with amenities to boost walking, biking, transit, and commerce.	\$1.75 M Expanded Downtown Tax Credit Expand the program to \$4.75 million to support improvements to income-producing properties and expand eligibility to Neighborhood Development Areas.	\$25 M (One-time) ACCD \$11M ANR \$14M Brownfields Economic Development Catalyst Grant Program Clean up underutilized properties to spur job creation and housing construction.
	\$20 M (One-time) PSD Broadband Infrastructure Deployment Fund To accelerate "last mile" broadband access in Vermont (consumer line-extension subsidies, statewide pole-data harvesting, grants and a revolving loan fund for facilities-based providers.		Housing for All		\$4 M (\$1M Base Funding and \$3M One-time Funding) Vermont Housing Investment Program Provide incentives to private apartment owners and new home buyers to invest in aging and underutilized housing stock.	\$250,000 (Ongoing) Manufactured Home Replacement Tax Credit Increase Increase the Vermont Housing Tax Credit Program to increase the number of manufactured homes being replaced with energy efficient homes.
Accelerate the Business Climate	\$1 M (One-time) Technology Based Economic Development/ UVM Office of Engagement Create a climate where technology-based businesses can thrive through technical assistance and grants.	\$300,000 (One-time) Establish a Business Attraction Investment Program in Montreal Establish recruitment, trade, and tourism office/representation in Quebec.	\$10 M (One-time) ANR Outdoor Economy Investment \$5 million for the Vermont Outdoor Recreation Economic Collaborative Community Grant Program and \$5 million investment in outdoor recreation assets.	\$700,000 (Ongoing) TAX Manufacturing and Machinery Equipment Tax Exemption Expanding current tax exemption to include all machinery and equipment to provide a clearer path for tax compliance, and incentivize businesses to invest in new and upgraded manufacturing equipment.	\$3 M (One-time) AAFM Working Lands Enterprise Fund To offer farmers and processors access to new markets.	
	Operations		\$1 M (One-time) Agency-wide Grant Management System Improvement Expand Salesforce-based system to include all \$33.4 million in grants distributed by ACCD.	\$25,000 (One-time) Vermont 250th Anniversary Commission To enable the state to plan activities related to the 250th anniversary of the American Revolution.	\$863,000 Historic Preservation and Building Communities Increase Capital Bill funding to Building Communities Grants, State Historic Sites Major Maintenance, Roadside Historic Site Markers, Underwater Preserves of Lake Champlain and Unmarked Burial Fund.	

Department of Housing and Community Development

COMMISSIONER

Josh Hanford

STAFF: 32 (FY 2021)



**Summary of
FY 2020 Impacts**

\$18 M
PROGRAM DOLLARS
INVESTED

\$231 M
TOTAL DOLLARS
LEVERAGED

262
COMMUNITIES
ASSISTED

4,976
HOUSING UNITS
CREATED OR
PRESERVED

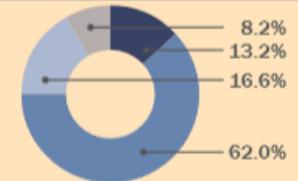
FY 2020 Major Department Highlights

<p>Vermont Community Development Program</p> <p>Administers annual federal allocation of Community Development Block Grants through a statewide competitive grant program addressing local needs in the areas of housing, economic development, public infrastructure and services.</p> <p><i>* Based on 2.2 Persons per Household Assisted</i></p>	<p>\$7.7 M Program Dollars Invested</p>	<p>\$92 M Total Dollars Leveraged</p>	<p>11,849 Low-Income Vermonters Assisted*</p>	<p>143 Housing Units Created</p>
<p>Community Planning and Revitalization</p> <p>Provides training, technical assistance, and funding, and coordinates regional planning efforts, to help communities incent smart growth and working landscapes to bring new vitality to their community centers.</p> <p><i>** Based on Populations of Communities Assisted</i></p>	<p>\$5.9 M Program Dollars Invested</p>	<p>\$82.9 M Total Dollars Leveraged</p>	<p>247,175 Vermonters Reached**</p>	<p>262 Communities Served</p>
<p>Historic Preservation</p> <p>The Division for Historic Preservation (VDHP) is dedicated to identifying, preserving, and interpreting historic resources on behalf of the citizens of the state and promoting them as significant components of our communities.</p>	<p>\$5.2 M Program Dollars Invested</p>	<p>\$18.1 M Total Dollars Leveraged</p>	<p>63,655 Annual Number of Visitors at State-owned Historic Sites</p>	<p>94 Historic Properties Assisted</p>
<p>Housing</p> <p>Coordinates state housing policy through the VT Housing Council and HUD Consolidated Plan. Administers the statutory requirements of the Mobile Home Park Program and administers the VT Charitable Housing Tax Credit.</p>	<p>\$72,000 Program Dollars Invested</p>	<p>\$131,869 Total Dollars Leveraged</p>	<p>10,694 Vermonters Served*</p>	<p>4,861 Housing Units Preserved</p>

FY 2022
PROPOSED GENERAL
FUND APPROPRIATION:
\$3.9 M

BUDGET
\$29,456,128

- General Funds \$3,884,934
- Federal Funds \$18,277,129
- Special Funds \$4,890,245
- All Other Funds \$2,403,820



Department of Housing and Community Development

It is the mission of the Department of Housing and Community Development (DHCD) to support vibrant and resilient communities, promote safe and affordable housing for all, protect the state's historic resources, and improve the quality of life for Vermonters. For the state to grow and thrive, there is a need to carefully integrate growth, environmental protection and economic opportunities into our state, regional and local framework.

Program Focus Areas

- Training, technical assistance and regulatory guidance;
- Funding and incentives;
- Protection of historic and cultural resources; and
- Produce and preserve housing opportunities

Measuring Success

- Housing units preserved and created
- Dollars invested in communities
- Additional housing dollars leveraged

COVID-19 Response

To-date the Department has allocated over \$43 million in new funding to support pandemic recovery for: local community planning & revitalization efforts, small businesses, low-income homeowners, renters and landlords. We have directly assisted more than 21,000 families with emergency housing expenses, stabilized more than 10,000 landlords from total revenue loss, assisted dozens of communities adapt and directly supported more than 150 small businesses.

Fiscal Year 2022 Budget Development Form - Department of Housing and Community Development					
	General \$\$	Special \$\$	Federal \$\$	Interdept'l Transfer \$\$	Total \$\$
Approp #1, Department of Housing & Community Development- FY 2021 Approp	2,791,111	5,398,955	8,164,967	2,876,286	19,231,319
Other Changes: (Please insert changes to your base appropriation that occurred after the passage of the FY21 budget)					-
FY 2021 After Other Changes	-	-	-	-	-
Total Approp. After FY 2021 Other Changes	2,791,111	5,398,955	8,164,967	2,876,286	19,231,319
PERSONAL SERVICES					
Salary Increases	(15,269)	(65)	15,906		582
Fringe Increases	(6,058)	(392)	23,896		17,445
Salary Offset: One-Time CDBG Federal Admin Funding	(224,397)		224,397		-
Fringe Offset: One-Time CDBG Federal Admin Funding	(87,265)		87,265		-
Total Net Salary/Fringe Changes	(332,989)	(447)	351,463	-	18,027
Decision Item: Funding to support a new position for the DOC Transitional Housing Project	100,000				100,000
Temporary Staff (Historic Sites Reduction due to COVID)		(50,800)			(50,800)
Internal Service Fee - Workers Comp	4,980	2,434	6,889		14,303
Other Personal Services - Accounting Fund Correction	141,250	1,500	20,432	(32,000)	131,182
Unemployment Compensation/Catamount Health Assessment/Per Diem	(6,546)				(6,546)
Contracts & 3rd Party Services	(755)	(6,000)		(74,286)	(81,041)
Total Net Other Personal Service Changes	138,929	(52,866)	27,321	(106,286)	7,098
TOTAL PERSONAL SERVICE CHANGES	(94,060)	(53,313)	378,784	(106,286)	125,125
OPERATING					
Historic Sites - Operating at full capacity	312,333	(312,333)			-
Historic Sites - 40% Reduction to get to Level Fund	(125,746)				(125,746)
Internal Service Fee - VISION, ADS, Allocated Fee	(12,797)	(4,433)	2,349		(14,881)
Operating - Miscellaneous increases, Equipment, Mobile Data, Advertising	14,093	1,888	317		16,298
TOTAL OPERATING CHANGES	187,883	(314,878)	2,666	-	(124,329)
GRANTS					
Vermont Housing Investment Program (VHIP)	1,000,000				1,000,000
Downtown Stormwater Project Planning & Better Connections Program (Clean Water Funds)		31,000			31,000
Community Development Block Grant Program, Program Income & HOME Grant			541,309		541,309
Community Development Block Grant - COVID Relief			8,486,191		8,486,191
Community Development Block Grant - Recovery Housing			692,760		692,760
National Park Service (NPS) Grants-in-Aid & Preservation Trust of Vermont			10,452		10,452
Spending Authority Adjustments: Downtown Program; VW Mitigation Program & VHCB Disaster Recovery Buyout Program		(171,519)		(366,180)	(537,699)
TOTAL GRANT CHANGES	1,000,000	(140,519)	9,730,712	(366,180)	10,224,013
Subtotal of Increases/Decreases	1,093,823	(508,710)	10,112,162	(472,466)	10,224,809
FY 2022 Governor Recommend	3,884,934	4,890,245	18,277,129	2,403,820	29,456,128
Department of Housing & Community Development FY 2021 Appropriation	2,791,111	5,398,955	8,164,967	2,876,286	19,231,319
Reductions and Other Changes	-	-	-	-	-
SFY 2021 Total After Reductions and Other Changes	2,791,111	5,398,955	8,164,967	2,876,286	19,231,319
TOTAL INCREASES/DECREASES	1,093,823	(508,710)	10,112,162	(472,466)	10,224,809
Department of Housing & Community Development FY 2022 Governor Recommend	3,884,934	4,890,245	18,277,129	2,403,820	29,456,128

Vermont Housing Investment Program (\$3M)

One-Time Funding

Rental Housing Investment Program: \$3,000,000 Incentivizing private apartment owners to re-invest in rental units that have been closed due to housing quality concerns. By providing more available grants, to be matched with private investments.

- Will continue to allow owners of blighted, vacant and non-code compliant units to make the necessary safety and weatherization improvements to increase the availability of affordable housing.

Vermont Housing Investment Program (\$1M)

Base Funding

Homeowner Purchase & Rehabilitation Investment

A new program that will assist middle income families to purchase and rehabilitate affordable homes currently available in “Opportunity Neighborhoods” throughout Vermont’s slower growing regions.

- **Minority Ownership Set-aside: 25%**

The homeownership rate for Black, Indigenous and People of Color (BIPOC) is disproportionately less than that of white Vermonters. Systemic racism, lack of access to capital and federal housing policies have contributed to these inequities.

Create Better Places Grant Program (\$5M)

One-Time Funding

- Establish a community grant program that strategically coordinates the efforts of several funders supporting economic development projects to improve and revitalize public spaces;
- Creating partnerships between state, nonprofit, and philanthropic organizations, the Better Places proposal utilizes an innovative ‘crowdgranting’ funding model to support community development efforts in Vermont’s downtowns, villages, and neighborhoods.
- Vermont’s downtowns, villages, and neighborhoods increasingly depend on public spaces that are robustly programmed to advance local recovery efforts, rebuild community life, restore our sense of place, strengthen community pride, and attract businesses, jobs, and talent;
- The Better Places proposal will help empower local leaders to play an active role in rebuilding their communities, strengthening the economy, instilling consumer confidence, by creating safe, accessible, and vibrant public spaces needed to restart local businesses and advance community recovery efforts.

Downtown Transportation Fund (\$5M)

One-Time Funding

- Increase funding for the Downtown Transportation Fund and expand eligibility to support state designated village centers that have developed plans to support local businesses with amenities to boost walking, biking, transit, and commerce.
- Additional funding will meet the increasing demand and need from municipalities to create more and safer mobility options, expand access and choice, and make necessary public investments to support recovery efforts, advance equity, and build inclusive, vibrant, and welcoming communities in the future.

Expanded Downtown Tax Credit Program

- Increase the successful Downtown Tax Credit Program by \$1.75M.
- This program is oversubscribed annually and will support improvements to income-producing properties and expand eligibility to Neighborhood Development Areas.
- The program helps small-scale real estate investors, local private and non-profit builders, tenants, community supported enterprises, small businesses and employers.

Manufactured Home Replacement Tax Credit Expansion

- The goal of increasing this successful VT Housing Tax Credit Program is to increase affordability and accessibility of home ownership for young and new Vermont families.
- Will help existing low and middle income Vermont families who want to replace their existing energy inefficient mobile home by purchasing a new Energy Star or Zero Energy Manufactured Home but don't have the financial means to afford the required down payment.