

**Mount Ascutney  
Regional Commission**

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Minutes of Monday, January 23, 2023  
Location: Martin Memorial Hall, Ascutney, VT  
and via Zoom

**Commissioners Present:** Tom Marsh, Windsor; Kathy Rondeau, Reading; Wayne Wheelock, Baltimore; Terry Carter, Ludlow; Joe Fromberger, Andover; Walter Martone, Springfield; Edwin Johnson, West Windsor (Alt.); Peter Daniels, Weathersfield; and Tom Bock (At Large).

**Staff Present:** Jason Rasmussen, Cynthia Porter, Lisa Comstock, Tom Kennedy and Malia Cordero

**Guest:** John Boulay, RHR Smith, Auditor

Tom Marsh opened the meeting at 12:00 PM.

1. Changes to the Agenda

There were no changes to the agenda

2. Treasurers Report

a. FY 2022 Final Auditor report

John Boulay, from RHR Smith, presented the FY 2022 audit findings. He stated this is the first year RHR Smith performed an audit of MARC. He stated it was a clean audit and they felt it went well. The only finding of note was that there is currently no written procedure for review and signing off of Journal Entries.

Peter Daniels noted that Daniels Construction is mentioned on page 18 in related comments of the report. He asked that it be clearly stated that he was the former owner of the company, and is still on the Board of Directors, but he is retired, and is no longer involved in daily operations, and that the company is now owned by the employees.

Walter Martone stated he was pleased to hear the books were in good order. *He moved to accept the FY 2022 Audit report as presented. Peter Daniels seconded the motion. Edwin Johnson abstained as he was not a member of the Board at the time the Audit was performed, and he had not had a chance to review the Audit report. Motion passed.*

b. Financial report

*Peter Daniels made a motion to accept the financial report as presented. Terry Carter seconded the motion. Edwin Johnson abstained. Motion passed.*

3. Secretary's Report

- a. *Walter Martone made a motion to accept the minutes of the November, 21, 2022 meeting as presented. Terry Carter seconded the motion. Edwin Johnson abstained. Motion passed.*

4. Brownfields

a. Park Street School

Tom Kennedy advised the Board of the status of the project to convert the building on Park Street in Springfield into a technology incubator center. He stated it is at the stage of getting funding together to begin cleanup. SRDC has received a grant of \$1.2 million for cleanup from MARC RLF and will be applying for an additional \$145,000 in a loan and grants from MARC RLF to complete the cleanup.

Tom Kennedy advised there has been contamination found around a garage that is in disrepair on the property. This building may need to be torn down and removed in order to clean up the ground in this area and allow for proper grading. He is requesting the Board approve spending \$10,000 to hire LE Industries to provide an assessment to determine if the building needs to be removed.

Tom Bock asked if there are currently any tenants in the building. Walter Martone states Springfield School district is using a portion of the building, Springfield Recreation Center is using the gymnasium, and there are six to eight start-up companies working out of the building.

Tom Marsh asked if this work went out to bid. Tom Kennedy said it went out to five firms and LE Industries' bid was accepted.

*Peter Daniels made a motion to allocate \$10,000 to have LE Industries complete an assessment plan to test the soil under the garage at the Park Street School site in Springfield. Walter Martone seconded the motion. Motion passed.*

b. St Johnsbury Armory building

Tom Kennedy advised the Board that the Assistant Town Manager of St. Johnsbury had made a presentation to the Brownfield Steering Committee at their meeting on January 13, 2023. The town is moving forward with the project to convert the armory building for Municipal and recreational usage and is requesting \$1.4 million as a 0% interest loan, with a term of between 25 and 30 years, and \$200,000 in subgrants for a total of \$1.6 million, which will be used to cleanup the property. Tom wanted a "temperature check" from the Board on whether to continue pursuing this project.

Tom Marsh asked who would be responsible if the loan was discharged, and who would get the interest, if the loan was offered with interest. Tom Kennedy advised the Assistant Town Manager stated the town has never

defaulted on a loan, and MARC would get the interest, if it was to be charged on the loan. He wanted it noted that the majority of loans MARC had signed have been at 0%.

Tom Bock asked what the advantages of providing money to a town that is not in our jurisdiction are. Tom Kennedy advised that about a half of the new EPA funds must be used for loans. Any money that is given out as a loan frees up the same amount to MARC to be able to use as subgrants in our communities. He advised the Board, approving a loan of \$1.4 m will allow MARC to offer \$1.4 m for projects in MARC towns. Subgrants will be needed for projects in Springfield and Windsor that have run out of funds and need additional money to complete.

Walter Martone asked how the terms will be determined. Tom Kennedy advised MARC's attorney will draw up documents, which will lay out the terms in full. He further advised an amendment will need to be submitted to the EPA to add the property to the list of current loans and to advise the EPA we are opening up loans to all communities in Vermont.

Tom Bock asked how much the legal fees would be. Tom Kennedy advised it would be less than \$10,000 and the EPA RLF will reimburse MARC for this expense.

*Tom Marsh made a motion indicating that MARC should continue to explore a loan of up to \$1.4 million, with terms not to exceed 30 years, and a subgrant of \$200,000, to the town of St Johnsbury pending the due diligence of all sides. Walter Martone seconded the motion. Motion passed.*

#### 5. Building Committee - Potential Sale of Property

- a. Jason Rasmussen advised the Board that the Building Committee had met again with Matt Priestley, in regards to his interest in purchasing the property at 20 and 38 Ascutney Park Road. He has made an offer of \$250,000 to purchase the property, and wants MARC to hold the note until mortgage rates goes down. He will provide a deposit and would like MARC to have a long-term lease agreement to stay in the building. Jason advised the Board that Mr. Priestley wants to begin renovating the space in 20 Ascutney Park Road (the old Post Office). The purchase price offer recognizes the need to make investments in the building, such as painting/clapboard repair, ramps and stairs, paving, windows, roof, solar panel electric, and converting vacant spaces into apartments. While there remains a lot of details to work out, Jason wants to know if the Board is OK with the purchase price of \$250,000.
- b. Jason Rasmussen estimated that the building needs about \$250,000 in repair/renovation based on cost estimates collected over the past couple years.

- c. Tom Bock stated he was worried Mr. Priestley would raise the rent on MARC. Jason stated we would want an agreement of no more than 3% a year in rent increases.
  - d. Tom Bock asked why MARC is not completing the renovation of the building at 20 Ascutney Park Road into an apartment. He said it was his understanding that the rent from that apartment was planned to be used to complete renovations on the other apartment and the upgrades needed to the exterior of the property. He believes it is in MARC's best interest to follow through with this plan.
  - e. Cynthia advised the building account was not large enough to cover the costs of these improvements. She advised we would have to get a second mortgage in order to complete all of the work needed.
  - f. Walter Martone asked how the proposal Mr. Priestley has offered would work. Jason Rasmussen advised MARC and Mr. Priestley's attorneys would draw up a contract with all of the terms clearly disclosed. Walter asked what would happen if the sale fell through. Jason advised that would be stipulated in the contract, and it will most likely include a clause that, if he does not meet a certain time limit established in the contract, the deposit would be returned and MARC would continue owning the property, including any renovations made.
  - g. Tom Bock asked why the property is not being listed with a realtor; he felt MARC would get more money if it was placed on the open market. Jason Rasmussen explained that we were approached by this potential buyer. If we cannot make a deal, we could always put the property on the market. Joe Fromberger stated commercial space is in abundance right now, and the two unfinished areas will be a detriment to a quick sale.
  - h. Jason Rasmussen asked the Board if the discussions with Mr. Priestley were to continue, how much would be a more appropriate asking price for the property. Peter Daniels stated he would like to see closer to \$275,000.
  - i. Tom Marsh stated he does not feel this property would be an easy sell. He advised we continue discussions with Mr. Priestley but we get his intentions in writing.
  - j. Jason advised the Board that the Building Committee would continue discussions with Mr. Priestley and would revisit the proposal at a future meeting.
6. New business
- a. Terry Carter asked about a program called Neighborhood Development Area designation. Jason Rasmussen advised this designation provides ACT 250 exemptions and other benefits to encouraging housing investment in and

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around designated Downtowns and Village Centers. He stated there are certain criteria that must be met. He stated Martha Harrison is looking into what is needed specifically in Ludlow, Springfield and West Windsor currently.

7. Old Business

- a. Jason Rasmussen advised the Board the next Regional Project List will be updated in December 2023.

8. Adjourn

Tom called the meeting adjourned at 1:15 pm

Respectfully submitted,

Lisa Comstock