

Special Town Hearing Meeting

April 4, 2024

Present: Doon Hinderyckx, Frank Severy, Pat Harvey (zoom)

Guests: Kristen LaPell, Julie Smith, Nancy Woolley, Vic Ribaldo, Kathryn Schenkman, Lolly Lindsey, Ian Denning, Midge Scanlan, Robert Meagher,

Zoom Guests: Martha Slater, Bill & Deb Matthews, Sarah Martire, Kevin & Paula Dougherty, Sue Ribaldo, Bill Edgerton, Andrew Fersch, Drew Hudson, Jeff Gephart, Mickaela Richardson, Jeanie Levitan,

Doon called the Special Town Hearing meeting to order at 8:00am. The purpose of the meeting was to have a public discussion pertaining to the Community Block Grant and anticipation about a possible positive vote to acquire the high school building.

Kathryn shared her role as the co-chair along with Vic Ribaldo with the Repurpose High School Committee working on behalf of the school district and selectboard to explore the options for the empty Rochester High School building. She has been an active part in the past four years through community engagement. The committee has been through the BRELLA environmental assessment, which is near the end. There will be one more test recently added for arsenic testing. Once there is a certificate of completion for environmental studies, the selectboard will have a town vote for the purchase of the high school building. Kathryn and Vic both wrote an application to Senator Sanders for the Congressionally Spending Grant. He granted the application, and it was passed into law just this past month for \$2,329,000.00. There will be a required town match for that grant and this CDBG grant is part of that. She explained they are applying for \$500,000. She announced we have also received an anonymous donation this past week in the amount of \$270,000. The CDBG grant through ACCD is being submitted upon the selectboards decision today, on April 9. Today is the hearing about that and she welcomed public opinion.

Doon said with this grant and the congressional grant of 2 million lined up and the donation we are already at 3.1 million applied to the high school building. He said the estimated costs for the renovation costs are 3.1 million.

Deb Matthews asked how the project is requesting Recovery Housing Program funding. She wanted to know how the project relates to the Recovery Housing Program. She said the Rochester Hosing Committee has asked several times about the possibility of housing at this site and has been told that it is not suitable for housing. Kathryn said this grant is not for housing at all. She said that they have been told twice housing was not an option. She said its under the USDA Community Facilities account, under the Sanders funding. She said the CDBG is under the facilities rehab account. She said this grant could be used to rehab the existing building. Deb asked if this is federal money or state money. Kathryn said this is not federal money which is why she believes this is important. The congressional spending money is federal but the grant they are applying for is not federal money.

Kevin asked if the VDP & CDS grants would require local matches. He believed the VDP can be used to the local match for the CDS grant. He wanted to know what the match amounts were and what is the intention of where the matches will come from. Kathryn shared they are using the CDBG to match the Congressional Spending grant and they also have the donation that will cover the match. The 3.1 million with 2.3 coming from the Sanders Congressional Grant which leaves 805,000 for the match. This grant we are applying for is \$500,00 and the donation is \$270,000 so that would be all we would need for the required match.

Bill asked the question if under the Grantee Rolls several tasks are added to the Town Clerk and the Assistant Town Clerk. He asked if any time study has been done to see how much more time would be required to do these tasks and will they be compensated from the grant for the extra work. Kathryn said we have Two Rivers Ottawaquechee, who has offered to do the grant administration. They have been operating and plan phases on a grant from CDBG for a planning grant. Sarah Wright from Two Rivers has been gracious to help with invoicing. Kathryn and Vic have both been writing all the reports. She explained under soft costs they have included \$30,000 for grant administration and \$50,000 for project management. Kathryn explained that certainly between the three sources of funding if the town requires some administration money is available.

Bill asked why the town couldn't buy the building from the supervisory union and then worked out to immediately turn it over to the non-profit and have the nonprofit take it over. He was curious why it couldn't be arranged that way. Kathryn

said that is a great question. Vic explained it's a possible eventuality. The funds we are receiving are only available to the municipality. He said if they were to turn it over immediately, they would be walking away from the vast majority of the capital funding for the project. The intention is to have the nonprofit manage the building on behalf of the town during the construction, supervise the project manager, etc.

After a 5-minute brief power interruption, the meeting continued. Bill continued discussion, saying the large funding coming from the congressional funding is awarded to a municipality and not to the nonprofit. Doon concurred and followed up saying the CDBG grant also would be awarded to a municipality as well. Bill asked if the costs for the project are current at 3.1 million. Kathryn said this was the amount stated in the feasibility study conducted in July 2022. She said he did add a 35% inflation factor bringing the amount to 3.1. She said we are in an uncertain economy as we have learned, there will be cost overruns and said there are contingencies with ongoing grant writing. She said if we receive this grant we will at least have the 3.1 to start and would include all the matches. She said this will be an ongoing process.

Deb asked if the town is able to subgrant these grants to the nonprofit? Kathryn said we are not going to subgrant. Vic shared they will be having a meeting today with USDA and will explore that question then.

Deb asked if during the period of renovation construction prior to tenant occupancy, town property tax rates will increase to cover the cost of hearing and powering the building, at a rate of \$60 per \$100,000 of property value. She asked if this building is for the wider valley community (Quintown), then why are the taxpayers of Rochester shouldering this cost? She is curious about how long this period will be as a cost to the taxpayers.

Frank spoke and said if the nonprofit fails the town is still the owner of the building regardless of what happens. He said if we dump a bunch of money into this and it fails, we have a fixed-up building and to him is like the Rutland mall and is obsolete. To put people in there and keep them in there is a Yeomans task. He does not support this project moving forward. He has felt this way since day one. He feels there is a financial risk to this town, and he doesn't want to support it. He said if we don't come up with a better use of the building, we will lose out big time. He feels the money coming from the Congressional Grant come with a caveat. He is very concerned with the way grants work where we have to spend the money first and then be reimbursed through the town and that would require borrowed money and he is not sure if we can borrow to that scale knowing our debt service is equal to our budget yearly and this is why he doesn't feel we can do this. He said the stress moving forward is immense. We have a 50-year-old water system that is going to need addressing down the road, our village is tied up with a septic system that will not handle a whole lot more new growth. On top of that our outside land use has made it so we are not going to have any development here, so we are not going to have an increase in the tax base to support going forward. Kathryn said we have to acquire the building before any of this becomes a reality. She will address the money and how it is allocated. She doesn't see a problem with going forward with the CDBG grant. They all know we have not acquired the building yet. The board won't get together until June to act on the grant. She feels it is silly to turn away our options at this point. She said a lot of work has gone into this project. She said it was good faith on the part of our senator. In Kathryn's opinion she doesn't know if we don't do it, it will take a long time to recover our credibility. She said everybody has a vote.

Nancy asked if there is a due date of when the money must be accepted by. Kathryn said today's meeting will have information to share on that question.

Drew spoke and said it was good news about the grant coming forward. He said a lot of questions will get answered up to the vote. He said he and Mary are very supportive of the project and wanted to speak on now that the project will move forward will the town get stuck holding the bag, he would be interested in renting a space from the building and starting a business that would only be possible if the high school project went forward. The idea he has for a business would be a local demand response company. There are new regulations coming from the state, regional, and federal level that make that kind of business possible to development, which needs a base of operations in Rochester like the Repurpose High School is being described as. He thinks there is an upside to this. He said it's all theoretical until the project is up and moving and until there is an idea there could be a space to rent office space out of and that you could use that for the benefit of the town and business development and job creation not just the idea of a community space with rooms in it to do stuff. He feels as the project moves forward, more people like him will come forward that are interested in using the space in the same way. Kathryn said there are people looking at space currently and writing letters of intent.

Andrew Fersch spoke and said they are new residents in town and has written a letter of intent and supports the project. He is an educator, writer of children's books and a father. He shared during the pandemic he was hired to help the South

Woodby school district on Woodby Island to help create an alternative education program. This opportunity placed him in the South Woodby Community Center, a repurposed high school building that over the course of 5 years of existence became the heart and soul of South Woodby. He said it is similar in area and population to the Rochester area. Both communities have a need for space for nonprofit and community organizations as well as commercial space. When he heard of the Repurpose project it appeared how impactful it could be. South Woodby community center created an affordable opportunity for the locals to create businesses and offer programming that would have never been possible with the very limited and very expensive commercial space downtown. He shared there was a woodworking studio, a rental commercial kitchen to host community events, a greenhouse space with community gardens, a theater, a Roomba studio, a Karate studio, nonprofits, social gathering space for Veterans, artists studios, a gym, alternative education program that he helped start, and a teen center. He said he understands Rochester's needs are different, but he has seen how impactful this has become to a small community that isn't directly related to tourism. He would love to offer low-cost educational enrichment programming to middle and high school students. He said as the husband of a writer, she would love to have a space to offer writing workshops. He said as the father of a three-year-old he would love to see this come to fruition. He voiced his full support for this project.

Doon shared another question from Deb Matthews. She asked if the Rochester Stockbridge School district was going to pay for the use of the building. Doon said they are another potential tenant. He said it was ironic they are selling the building to then turn around and rent a space.

Deb asked if the clerk of the works, engineer, project manager who employs them, who supervises them, if they become town employees does the town have to pay the benefit piece or does the grant cover those costs? Kathryn said there will be an RFP and a 1099 would be issued. It's not a town employee with benefits. These are all contractors hired. The intended role of the nonprofit is to supervise the construction project. The role of the nonprofit would be to act on behalf of the town to get the project renovation done and to manage the facilities, collect the rent and pay the bills. Frank stated it still leaves the town as the ultimate responsible person regardless of the nonprofit and leaves us beholden to it if we start this and will be a tax issue if we will have to continually maintain it. He said in the 50 years the building has been there the town never supported the infrastructure of the building through the school budget. Very little money went back into the building since it was built in the 70's. He shared that building was built during a renaissance period where the growth of the community was huge. Hawk Mountain was developed and three operating mills in the valley and 8 or 10 operating dairy farms, and in 50 years we have seen that all go to the weigh side. He said a building of that size, he doesn't see it as self-sustaining. He said there are so many empty store fronts right now in many larger sized communities. He can't see how our population of a little over 1000 will sustain even with the surrounding smaller communities. He said Rochester will be the main tax burden to support that project. Vic shared with all the grant funding that will bring the building up to current building codes and modernizing it will add value to the town asset well into the future.

Doon said a good question to ask at the meeting today with USDA is when the town can transfer over to the nonprofit. Kathryn said up until the construction is completed then the ownership can be sold and perhaps the town could receive a profit for the sale. Doon wasn't sure if the town can sell for profit. Something that would have to be researched.

Nancy asked if there was an agreement in the acquisition of the high school building a limit of time for that acquisition. Doon felt it was 5 years. Kathryn said we are in the 5th year, but we haven't purchased it yet.

Midge Scanlan positively spoke to the shared information today and how it will be questioned over and over until the vote. She has been a part of the repurposing group over the past few years. She said one of the concerns she keeps hearing is how much of this is going to cost the town. She said Vic and Kathryn have raised the 3.1 million in grant funds. She said they have put in hundreds of hours to move this project with no compensation for their efforts. She said none of this has cost the taxpayers anything at this point. She said we can take this building that is now sitting in the middle of our town deteriorating and been given the opportunity to take this building and completely upgrade it to today's standards. She mentioned a meeting in the hollows where 20 plus families showed up in support of the project because it represented forward thinking for this community. They are committed to staying here and making the community a part of their own. This opportunity makes it all possible. With renovating the building, we are presented with many opportunities to grow into the future. We have an aging community with a book end of young community coming in, who are rather silent right now. As kids grow, parents will expand their interests and involvement. This is their future. She said she has looked at the work done so far and is so conscientious of making sure the grants that are applied for are municipal and take advantage while the school owns it and taking advantage when the town owns it. There is such a thoughtfulness in how to apply for

this money, how to use the money, how to distribute it and how to utilize it for the best interest of the town's ability. All of this has been done without a cost to the town yet. At the very end of the day and we utilize the money for the building the town is left with the prize of a building. We can sell it, rent it, give it away what the needs may be. Right now, our alternative is to tear down the building. To tear it down will also cost the town substantially. That is where the townspeople will have to pay. She voiced her gratitude towards Kathryn and Vic for the efforts that they had made. She feels it was holy underappreciated and underrecognized. She said they have so far put this town in a position where it can actually move forward in the future and take care of the families that are coming up in this community that we so desperately need.

Lolly said Midge raises all the right points and said the two of them have brought 3.1 million to the town and that is huge. Kathryn said we are not quite to the 3.1. Today is about applying for the match to Sander's grant. Lolly said it's an enormous investment brought on by volunteers to a very small community and if they can do that what else are they also capable of.

Deb stated she didn't want to bash all the work people are putting into it. She said it's polarizing and shouldn't have to be that way. She said people need to be able to ask questions, get answers and make decisions. She said to make assumptions to people who are for or against by asking questions is unfortunate.

Midge said she thought the questions were good questions and should be asked many times over. She doesn't want to polarize anyone. She said what she thinks is being asked are legitimate questions. She said the answers need to be repeated so the word gets out. She said that was not the take and she said that was not her intent. She said she is passionate and appreciative of the work of Kathryn and Vic. She said she would hope what people would look at is the track of this committee. She said nobody wants to stick anyone with more taxes. We are all in this together. She said what has been applied for this effort hasn't cost the townspeople. She said this isn't to get the project completed and then stick the taxpayer with a burden.

Robert made a comment that he disagrees with Frank and all his issues, but he very much respects all his concerns which are proper. He referred to Frank being financially responsible for all of this. He asked that the selectboard be more forward thinking in all of this project. He said the consequences are the school which is supported by the community will have to knock the building down or support the heating and such. He asked what the board is doing to move the community forward to build an environment to support young people. He asked if we don't do the project, we will have 60% of the costs to remove the building. He also asks what the board is doing to move forward. He thought it was more the board to pay attention to roads, sidewalks, water and sewer and felt there are more things needed such as leadership in developing and maintaining the community.

Pat said she appreciated the comments that have been shared. She said the purpose of the meeting was to approve the submission of the CDBG grant application as a secondary application. She felt since the town approved the submission of the first grant, we shouldn't hold back the submission of this grant to support the first grant. She said once we go to vote the opinion will be heard when they come out to vote. She felt she moved towards the purpose of the meeting was to approve the submission of this grant. Doon said that will be the topic of the meeting which will start after the hearing. He said this meeting is for input. He said we have gone a long way with the volunteers. He said more commentary and input will help with the upcoming vote. He said let's continue with the hearing. Frank wanted to make a statement about Robert's comment. He said he challenged the committee to look at all options on this. He said he is honored that they have done a tremendous job with all they have done. He feels that to view this as a complete saving of the building doesn't do justification to the community as far as making decisions on how we can financially we can support this project going forward. He said we are still going to be liable for whatever the outcome is either way and to look at this as a complete save of a 35,000 square foot building in this size town and community is not an attainable thing. He feels if the scope were narrowed to what we can afford may have been a better option. He said to present this as a complete save doesn't seem attainable. He said even the Green Mountain people that walked through with them even agreed it was a huge undertaking. He said he gets rose-colored glasses and bleeding hearts to keep this as an active area. He said we need to be respectful of what we can afford to do and not be dependent on the grants to support it. The grants may go away every year and once you start to obtain these grants after a while you don't continually get them. In response to that in affordability and what we can afford. He would love to save the auditorium and two classrooms. He said to save the whole building and have the responsibility of the whole community to him is a bridge too far. Doon asked if anyone else had any comments. Doon moved to close the hearing at 9:04 am. Frank seconded. All in favor. So, agreed.

Respectfully submitted,

Julie Smith