

October 28, 2024

# **Charlotte's Net-Zero Town Garage is a Pilot for RESP**



VLCT Executive Director Ted Brady attended a news conference at the brand-new Charlotte Town Garage on Monday to celebrate a new \$40 million loan program at the Vermont Bond Bank that will make municipal energy improvement projects more affordable.

**USDA Rural Development is funding the loan program** as part of the Rural Energy Savings Program (RESP). The Vermont Bond Bank, an instrumentality of Vermont state government, will make loans for up to a 10-year duration at just over a two percent interest rate for projects that incorporate renewable energy and energy efficiency improvements. Vermont Bond Bank Executive Director Michael Gaughan described Charlotte's new town garage as a pilot project for future energy investments through the bank.

U.S. Senator Peter Welch (D-Vt.) attended the news conference, along with representatives of U.S. Senator Bernie Sanders (I-Vt.) and U.S. Representative Becca Balint (D-Vt.). Welch noted the importance of municipal energy committees and selectboards in activating the federal programs he fights to create in Washington.



Brady pointed out that this new low-interest loan funding complements other federal and state funding that is designed to help municipalities make climate-friendly investments. The Inflation Reduction Act includes a provision called “direct pay” that allows municipalities to receive a tax credit for renewable energy improvements. Gaughan announced that the Bond Bank has negotiated a favorable price from their accounting firm to help towns take advantage of the tax credit. In addition, the Vermont Department of Buildings and General Services was scheduled to release \$36 million in Municipal Energy Resilience Program grants to towns this week to help them make energy and efficiency investments in municipal buildings.

**The new garage**, which replaced the town's former garage that was lost to fire in 2021, **is net zero and includes solar panels and a geothermal climate system**. The solar panels will provide enough **electricity to power the garage, the town hall, and a majority of the electricity used at the fire and rescue facility**. In June of 2023, Charlotte's then Town Administrator, Dean Bloch, reached out to VLCT's Project & Funding Specialist, Bonnie Waninger, in a [Meet with a Project Pro](#) appointment. For about five months, Waninger continued to assist the town toward successfully pursuing the “direct pay” tax credit for this highly qualified project.

Learn more about the project and RESP at [www.rd.usda.gov/media/file/download/vt-resp-vmdbb-102824.pdf](http://www.rd.usda.gov/media/file/download/vt-resp-vmdbb-102824.pdf).

