

Vermont Housing & Conservation Board
Monday, October 12, 2020 & Tuesday, October 13, 2020
Board Retreat
ZOOM Conference

Board Members Attending Retreat: Neil Mickenberg, David Marvin, Emily Wadhams, Maura Collins (Executive Director of VHFA, Billy Coster (designee of Julie Moore; Secretary of ANR), Tom Yahn, Diane Bothfeld (designee of Anson Tebbetts, Secretary of VAAFM), Alison Harte (designee of Mike Smith; Secretary of the Agency of Human Services), Kate McCarthy, Marie Audet (All Board Members called/zoomed in)

VHCB Staff: Gus Seelig, Jen Hollar, Martin Hahn, Craig Peltier, Beth Schwarz, Ariane Kissam, Ian Jakus, Elizabeth Egan, Anne Duffy, Larry Mires, Kim Foss, Karen Freeman, Bill Dell'Isola; Leah Sare, Erin Riley, Francis Sharpstene, Pam Boyd, Ela Chapin, Gretchen Rittenhouse

The VHCB Board Retreat took place remotely on Monday, October 12th and Tuesday, October 13th via Zoom. This was a meeting to share ideas, and hear from partner organizations and speakers on subjects of interest to VHCB staff and Board. At the end of the two days of discussion there was a brief business meeting at which Board action was taken, and those business minutes follow this summary of the retreat itself.

The retreat began Monday morning with an overview of the year. Gus, Jen, Karen, Larry and Martin highlighted, in a slide presentation, several projects and programs from the year, including the significant infusion of Covid Relief Funds. The next session was a look at Conservation and Agriculture Pre- and Post-Pandemic. This was structured as small group sessions, with facilitators: The Future of Agriculture – Designee Board member, Diane Bothfeld; Recreation and Access: Vermont's Rural Economy and Quality of life – Karen Freeman and Bill Dell'Isola; and the Role of REDI in Small Town Community Development – Liz Gleason. After the small group sessions the larger group had a broad discussion on how we can propel forward VHCB's conservation and historic preservation mission.

The mid-morning sessions focused on how some of VHCB's partners have responded to the challenges of the need for diversity, inclusion, and empowerment in and across housing and conservation. Participants included Michael Monte from Champlain Housing Trust, Elizabeth Bridgewater of Windham & Windsor Housing Trust, Gil Livingston, former President of the Vermont Land Trust, and Rep. Hal Colston, Founder, Good News Garage. The participants' shared their experiences including efforts not successful to overcome barriers. Rep. Colston advised that the first step is to educate oneself about the privileges most of us take for granted and are not afforded to persons of color. After hearing from the panelists, there was a general discussion focusing on what role VHCB can play as a funder in accelerating efforts to make Vermont a more inclusive and welcoming place.

Monday afternoon there was a series of small group discussions related to housing, with facilitators: discussion of various Homelessness Case Study – Tom Yahn, and Josh Davis and Rhianna Kendrick (Groundworks Collaborative); Sustaining Vermont's mobile home parks – Jen Hollar; and Organizational Health and Metrics – Jenny Hyslop and Leah Sare. These small sessions were

followed by a group discussion focused on moving VHCB's housing and historic preservation mission forward.

In the last session of the day, Nancy Everhart and Brenda Torpy reflected on their decades of good work and highlighted important lessons learned over the year's including the value of permanently protecting resources. Nancy relayed a story of how the Brenneman farm, a very early VHCB project, might not qualify today but that it had great value for several owners and operators in the years since conservation, Brenda was asked how shared appreciation fit into or was at odds with helping persons of color build assets. She responded that nationally the Community Land Trust movement was focused on supporting communities of color and the model had shown itself to be effective both in preserving community and helping build assets.

The Board and staff thanked both of them for their incredible contributions to affordable housing and land conservation over the years.

Tuesday morning there was a discussion of the needs of communities across Vermont in response to the pandemic. Outlining this topic and posing questions to the VHCB Board were Paul Costello (VCRD) and Sarah Waring (VCF). Both Paul and Sarah work with communities on a daily basis and provided an overview of issues facing Vermont's communities and how VHCB might help. No actions were taken during the retreat sessions.

A thrust of both their comments was that Covid provided the opportunity to have a transformational moment that should not be wasted. Paul noted the need for a new war on poverty and Sarah spoke of VCF's strategy to close the "opportunity gap". Both emphasized the value of Vermont's landscape as a bread basket, dairy basket and its value in combating climate change.

There was an Executive Session at 10:30 on Tuesday, October 13th. Emily Wadhams moved to go into Executive Session to discuss a personnel matter. Alison seconded the motion. It passed with a roll call vote.

Roll Call Vote

David - Yes
Emily - Yes
Maura -Yes
Alison – Yes
Billy – Yes
Diane - Yes
Kate - Yes
Tom - Yes
Neil – Yes
Marie – Yes

Kate McCarthy moved to leave Executive Session. Emily seconded the motion. It passed with a roll call vote.

Roll Call Vote

David - Yes
Emily - Yes
Maura -Yes
Alison – Yes
Billy – Yes
Diane - Yes
Kate - Yes
Tom - Yes
Neil – Yes
Marie – Yes

There was no action to be taken as a result of the Executive Session

As the last item on the retreat agenda, the nine newest members of the VHCB staff introduced themselves with some personal reflections on how and why they sought work with VHCB. Board members then introduced themselves, and gave their own brief histories.

Business Meeting
Tuesday, October 13, 2020
ZOOM Conference

Board Members: Neil Mickenberg, David Marvin, Emily Wadhams, Maura Collins (Executive Director of VHFA, Billy Coster (designee of Julie Moore; Secretary of ANR), Tom Yahn, Diane Bothfeld (designee of Anson Tebbetts, Secretary of VAAF), Alison Harte (designee of Mike Smith; Secretary of the Agency of Human Services), Kate McCarthy, Marie Audet (All Board Members called/zoomed in)

VHCB Staff: Gus Seelig, Jen Hollar, Martin Hahn, Craig Peltier, Beth Schwarz, Ariane Kissam, Ian Jakus, Elizabeth Egan, Anne Duffy, Larry Mires, Kim Foss, Karen Freeman, Bill Dell'Isola; Leah Sare, Erin Riley, Francis Sharpstene, Pam Boyd, Ela Chapin, Gretchen Rittenhouse

Others Present: Cindy Reid (Cathedral Square Corporation); Kevin Pound, Heather Bush, David McKay (ANEW Place) Luke McGowan, Grace Ciffo (Burlington CEDO)

Chair Neil Mickenberg called the business meeting to order at 1:05 pm. Neil welcomed the applicants.

Project Presentation:

Champlain Inn, ANEW Place 2021-052-001

Kevin Pound from an ANEW Place presented the project. He introduced Heather Bush, a staff member, and David McKay, an ANEW Place board member, as well as, Luke McGowan and Grace Ciffo from the City of Burlington. He explained that they have been searching for a facility in Burlington to house individuals experiencing homelessness who do not have other transitional housing options. He gave a brief history of their organization

Luke explained that permanent accommodation that will provide lodging for the homeless and that would also meet the need for shelter during the pandemic is a high priority for the City. They have

been struggling with illegal camping throughout the City and want to have a safe place for the households when the North Beach Campground is closed for the season.

ANEW now proposes to purchase and operate a motel, the Champlain Inn, as short-term accommodations for up to 50 people in rooms with private bathrooms (although some rooms will be shared). Each motel unit also provides a mini fridge and microwave in the bedroom/living area. There is access to the bus line is directly in front of the facility, and the motel is located within one mile of grocery stores, Safe Harbor clinic (homeless healthcare), the Social Security office, Howard Center's Pine Street Counseling Center, and the Turning Point Center (sober supports). Luke thanked the board for their support and expressed the City's confidence with ANEW's ability to make this project successful.

ANEW is being assisted by Cathedral Square Corporation in their plan for the purchase and rehabilitation of the motel. Cindy Reid, the director of development for Cathedral Square, explained that they are working with an architect and contractor who are familiar with affordable housing projects: Bob Duncan and Wright and Morrissey. In addition, CSC and ANEW have agreed to a 5 year mentoring contract in which CSC will support and mentor ANEW in managing this asset.

Kevin pointed out that ANEW Place offered two zoom meetings on the first weekend of October for neighbors to discuss the project and ask questions. One neighbor attended the first session; ten attended the second session, and ANEW reports that there was overwhelmingly positive feedback. ANEW Place has received a Determination of Non-Applicability from the zoning office of the City, which states that a zoning permit is not required for them to operate the Champlain Inn as a motel providing temporary lodging for individuals experiencing homelessness. There is a 15-day appeal period, which will end on October 22nd. Unlike the project proposed on Sears Lane, they are not yet aware of any opposition.

The motel currently has about 22 occupants. Kevin and his staff are committed to relocating these residents to suitable housing if the project is approved. They have already started working with this group. The current residents do have monthly incomes so there are options for them in the area.

Billy asked whether there would be challenges with another transitional housing project down the street. Kevin reported that the surrounding neighbors have been supportive of this project and he was not aware of any concerns. Alison Harte thanked ANEW and the City for coming back to the board with this project. There is a very strong need for a low barrier shelter in Burlington. There was a brief discussion about how low barrier shelters operate. Maura pointed out that doing the CNAs after the fact is a bit risky but she did appreciate the changes in this project vs the August project. She also explained that she cannot support expanding shelter capacity as she believes those experiencing homelessness should be offered permanent housing. Gus thanked the City of Burlington for their support. Neil appreciated the participants coming back with this project.

Deliberations:

Champlain Inn – 2021-052-001

David Marvin moved the recommended resolution for the Champlain Inn project. Kate seconded the motion. Alison asked that Special Condition #6 language to be changed to reflect that MOU with

ANew Place is with the Department of Children and Families. Nine voted in favor of the motion and one opposed. The motion passed with a roll call vote.

Roll Call Vote:

David - Yes

Emily - Yes

Maura -No

Alison – Yes

Billy – Yes

Diane - Yes

Kate - Yes

Tom - Yes

Neil – Yes

Marie - Yes

The business meeting adjourned at 1:37 pm.

Respectfully submitted,
Marcy Christian

Resolution

Champlain Inn ♦ Burlington, Vermont
ANew Place
2021-052-001

Resolved:

Whereas the number of people experiencing homelessness and requiring assistance has increased and the capacity and safety of Vermont's emergency shelters and facilities has decreased due to the COVID-19 pandemic;

Whereas people experiencing homelessness have been placed in motels and other temporary locations to allow for social distancing and following public health guidelines;

Whereas it is necessary to help people experiencing homelessness transition to permanent housing and there is a demonstrated lack of housing that is affordable and available in the project area; and,

Whereas VHCB was appropriated Coronavirus Relief Funds for housing and facilities necessary to provide safe shelter and assistance for persons who are, or at risk of, experiencing homelessness, in order to mitigate COVID-19 effects and enable compliance with COVID-19 public health precautions,

Resolution:

To score the application "9" for need, "8" for impact and "8" for quality, and to grant ANew Place (the "Grantee") Coronavirus Relief Funds in the amount of up to two million five hundred thousand dollars (\$2,500,000) for acquisition, rehabilitation and related expenses. \$213,080 of this award will be funded from the Post-Closing Contingency Pool unless previously committed project funds become available as a result of decommitment.

This project involves property located at 165 Shelburne Road in Burlington and consists of a total of 33 rental units in 1 building.

This award will be made in the form of a grant, and will be secured with a non-recourse mortgage deed.

This award is subject to the following restrictions and conditions:

Affordability and Conveyance Restrictions:

Grantee shall execute a VHCB Housing Subsidy Covenant of perpetual duration that restricts thirty-three (33) units, which will be prepared by VHCB General Counsel and will contain restrictions substantially as follows:

For as long as the Property is operated as a motel that particularly serves very low-income individuals without a home, and specifically during the course of the pandemic and the resulting economic recovery, Grantee shall ensure that the rooms on the Property shall be set aside specifically for those individuals that are homeless or at risk of homelessness due to a disruption to their previous housing situation as a result of the COVID-19 public health emergency, and/or referred through the local system of coordinated entry to housing.

If the Property ceases to be operated as temporary lodging for those individuals that are homeless or at risk of homelessness due to a disruption to their previous housing situation as a result of the COVID-19 public health emergency, for as long as the Property is operated as a motel that particularly serves very low-income individuals without a home, Grantee shall ensure that: (i) every reasonable effort is made to provide housing to persons whose annual income, at their date of initial occupancy, is less than or equal to 30% of Median Income; (ii) except in instances where individuals and families are fleeing violence and/or dangerous situations, the rooms will be primarily occupied by or available to persons whose annual income, at their date of initial occupancy, is less than or equal to 50% of Median Income; and, (iii) some number of the rooms may be available to the general public as transient lodging.

If Grantee ceases to operate the Property as a motel that particularly serves very low-income individuals without a home as described above, Grantee shall enter into a new housing subsidy covenant approved in writing by VHCB staff, prepared by VHCB General Counsel, and containing provisions to ensure that: (i) the Property is used to provide affordable housing; and, (ii) the Property is occupied by persons whose Annual Income, at their date of initial occupancy, is less than or equal to 80% of Median Income.

Any conveyance of the property shall require the prior written consent of VHCB, which consent shall not be unreasonably withheld if the proposed transferee is an eligible applicant to receive funds from VHCB.

CRF Special Conditions:

1. VHCB staff will review and approve the scope of work and budget for the project prior to closing.
2. VHCB staff will review the asset management agreement, which will be executed prior to closing, between ANEW Place and Cathedral Square Corporation to VHCB's staff's satisfaction.
3. VHCB will review and approve a detailed relocation plan prior to closing.
4. VHCB will not close or disburse funds until the appeal period for the Determination of Non-Applicability from the zoning office has expired and no appeal has been filed.

5. Prior to closing ANEW Place will provide a plan to create accessible units at the Champlain Inn satisfactory to VHCB staff.
6. Prior to closing ANEW Place and the Vermont Department of Children and Families will sign a memorandum of understanding about future funding of this project to VHCB staff's satisfaction.
7. This award is contingent upon VHCB's receipt of CRF from the State of Vermont in combined amount of \$34.25 million.
8. This award is contingent upon VHCB's satisfactory review of the CRF Risk Assessment Questionnaire and supporting materials.
9. If at any time subsequent to this commitment VHCB staff determine that the project as proposed is unable to proceed on the timeline required by Federal and State guidelines and requirements, VHCB reserves the right to decommit the award.
10. Prior to closing, the Grantee will be required, if applicable, to provide an alternative plan, satisfactory to VHCB staff, for funding necessary reserves from a non-CRF source in the event this is determined to be an ineligible use of CRF funds.
11. Federal and State requirements and guidance related to CRF funding are evolving. In the event that VHCB staff learn of additional requirements, or changes to existing requirements affecting CRF funding, the Grantee agrees to provide information as requested to document the project's compliance with CRF requirements and/or VHCB funding.
12. All contracts entered into for expenses applicable to this award must document that all work will be completed and all expenses incurred no later than December 20, 2020.
13. During the course of the pandemic and the subsequent period of economic recovery, the units funded with this award are to be designated for the homeless. After that period, the Grantee will make every reasonable effort to increase the income mix of the resident households. If changes to the affordability restrictions are required, the Grantee may request revisions to the Covenant for VHCB's consideration.
14. The Grantee shall submit reports to the Vermont Housing and Conservation Board on the 1st of every month from date of closing until project is fully occupied, and within one year of the completion of the project, and as requested, in subsequent years. The reports shall include the following:
 - a. A report which includes:
 - i. documentation of all eligible expenses incurred to date, and,
 - ii. progress on meeting milestones in the development timeline.
 - b. An occupancy report including all the units in the project. The report shall include, if applicable, the following information for each unit:
 - i. the number of households and/or individuals who are currently residing in said units who were homeless or at risk of homelessness due to a disruption to their previous housing situation as a result of the COVID-19 public health emergency;

- ii. and/or referred through the local system of coordinated entry to housing; and, the unit number, the gross rent charged for the unit, the household size of the resident, the household income of the resident, and the amount of rental assistance provided, if any.
 - c. A final sources and uses statement for the project demonstrating that expenses incurred and paid for, as well as, the proposed uses, meet the requirements of section 601(d) of the Social Security Act, as added by section 5001 of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act).
 - d. Any other information necessary to document compliance with CRF requirements.
- 15. Within six months of the completion of the Grantee's fiscal year, the Grantee shall provide to VHCB an independent financial audit of the Grantee's legal entity, covering the period(s) in which CRF funds were expended and in compliance with Section XIV B of this Grant agreement;
- 16. Prior to closing, and where applicable, Grantee will provide:
 - a. A full or partial appraisal demonstrating the reasonableness of acquisition costs.
 - b. A phase 1 environmental site assessment, acceptable to VHCB staff.
 - c. A Section 106 historic review, unless exempted.
 - d. A relocation plan and budget acceptable to VHCB staff.
 - e. A final bid or quote for project scope of work acceptable to VHCB staff.
 - f. Evidence of commitment of rental subsidy, support services, and commitment of all other funding sources, or documentation of progress satisfactory to VHCB staff.
- 17. All documents and records related to this CRF award must be retained for a period of at least 5 years from the date of final disbursement of funds.

This award is also subject to Standard VHCB Conditions for CRF Projects.