

Vermont Housing & Conservation Board
MINUTES
Tuesday, April 21, 2020
Conference Call

Board Members: David Marvin, Neil Mickenberg, 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 Human Services), Kate McCarthy (All Board Members called in)

VHCB Staff: Bill Dell'Isola, Marcy Christian, Anne Duffy, Nancy Everhart, Kim Foss, Karen Freeman, Martin Hahn, Jen Hollar, Jenny Hyslop, Larry Mires, Amanda Moshinski-Moran, Craig Peltier, Gretchen Rittenhouse, Gus Seelig, Francis Sharpstene, Beth Schwarz, Elizabeth Egan

Others Present: Neil Kamman (Agency of Natural Resources/Dept. of Environmental Conservation)

Neil Mickenberg called the meeting to order at 2:15 pm. He explained because of the COVID-19 crisis, the board and staff are participating by phone. Board votes will be done with a Roll Call voice vote. He welcomed everyone to the meeting from around the state.

Board Roll Call:

Neil Mickenberg - Present
Emily Wadhams - Present
Maura Collins - Present
Billy Coster - Present
Diane Bothfeld - Present
Alison Harte - Present
David Marvin - Present
Tom Yahn – Present
Kate McCarthy - Present

Public Comment

There was no public comment.

Minutes

Emily moved approval of the minutes from the March 19, 2020 board meeting. Maura seconded the motion. There was no discussion. All voted in favor.

Neil Mickenberg - Yes
Emily Wadhams - Yes
Maura Collins - Yes
Billy Coster - Yes

Diane Bothfeld - Yes
Alison Harte - Yes
David Marvin - Yes
Tom Yahn – Yes
Kate McCarthy - Abstained

Consent Agenda

Maura made the motion to approve the Consent Agenda. Diane seconded the motion. All voted in favor of the motion.

The Consent Agenda consisted of:

- 1) Decommittments

Roll Call

Alison – yes
Maura – yes
Billy – yes
David – yes
Emily – yes
Tom – yes
Diane – yes
Neil – yes
Kate - yes

Staff Report:

Gus had updates to his written report. He thanked the staff for their ability to adapt to working remotely and for their efforts during this unprecedented time. They have been reaching out to our partners in the field to offer support. Both our housing and conservation partners are adapting to working remotely whenever possible and coming up with creative solutions to help move their work forward; including showing available apartments virtually, doing emergency maintenance and enhanced cleaning, and working with farmers to help create new pathways for marketing their products.

Gus reported that the legislature is finding their footing working remotely as well. All of the hearings can be viewed on YouTube at any time. There is no news yet on how the current year budget might be modified. Next year's budget may initially just be for the first quarter. Maura and Gus have been involved in many housing discussions including housing for the homeless. He noted that emergency shelters are not equipped to deal with a pandemic and this crisis may give us an opportunity to reinvent this system. He also reported that Farm Viability money may be used to help with short-term business plans rather than longer-range issues at this time. There have also been discussions with the state's federal delegation about possible help coming to Vermont.

Neil Mickenberg asked Diane Bothfeld to report on what is going on right now in the Ag sector. She reported that the industry has been greatly hurt with the loss of restaurant markets region wide. Some farmers have been able to convert over to curbside pickup but this works better for some than others.

Dairy farmers are really struggling with distribution. New and different marketing techniques are helping some sectors.

Neil raised the issue of the possibility that senior staff might become incapacitated during this crisis. Gus' report in planning for continuity of operations indicated that he has designated Jen Hollar to serve for him if the need arises. Neil suggested that the board should formally support and adopt this plan. There was a brief discussion about this issue.

Billy made the motion to approve the resolution. Emily seconded the motion. All voted in favor of the motion.

Roll Call

Alison – yes

Maura – yes

Billy – yes

David – yes

Emily – yes

Tom – yes

Diane – yes

Neil – yes

Kate – yes

David Marvin talked about the forest sector and the difficulties they are having during this time as well. Loggers are shut down, with many going out of the business permanently, logs can't be shipped to Canada for processing and most of the pulp wood market is gone. Neil asked if there is any relief coming from the federal government. Billy explained that there is work with the federal delegation to find help for them.

Neil asked about the nonprofit organizations being able to obtain small business loan/grants through the Payroll Protection Program and Gus reported that many organizations have received assistance through the program.

Impact of Covid on VHCB and partners and proposal to aid nonprofit partners

Gus and Jenny spoke about the impact of Covid on our nonprofit housing partners. Housing staff continue to work closely with housing partners to assess risks to their organizational health as a result of the COVID 19 crisis and to identify opportunities where VHCB can help mitigate those risks. As this crisis has unfolded, VHCB is learning more on a daily basis about some of the challenges our partners are encountering as they house a large number of vulnerable Vermonters who, beyond job loss and little economic reserves, also include a higher proportion of disabled and elderly Vermonters. Martin and Jenny continue to host regular calls with executive directors, CFOs, and senior property management staff, facilitating the sharing of information, identifying emerging trends and developing solutions.

Jenny explained that each housing organization has taken a variety of proactive measures including: calling each of their many hundreds of tenants to discuss safety measures, coordinating with their local departments of health, participating in partnerships to ensure meal deliveries after the closure of

group meal sites, and partnering with their local homeless providers to maximize services to the most vulnerable in their communities. They are also putting significant effort into assisting their tenants in applying for unemployment, helping tenants with subsidies who are experiencing income loss apply for additional assistance, and ensuring that they are aware of all resources available to them.

The resolution before the board asks to supplement the 2020 organizational grant awards for these housing partners using interest earned on the Housing Revenue Bond. There was a board discussion about the resolution. Maura asked about the whether the \$300,000 risk pool could be accessed by more than the original organizational grant partners. She pointed out that Housing Foundation Inc. has a large portfolio of mobile home parks which are quite vulnerable. Gus clarified that this pool would be available to organizations throughout the state and that staff would bring back criteria for the board's review at the May board meeting. Emily asked about the remainder of the money being committed to the Land Bank Pool. Gus explained that if the money is not used in that pool it could be moved at a later date.

Alison made the motion to approve the resolution. Emily seconded the motion. All voted in favor of the motion.

Roll Call

Alison – yes
Maura – yes
Billy – yes
David – yes
Emily – yes
Tom – yes
Diane – yes
Neil – yes
Kate – yes

Alison Harte left the call.

Discussion of VHCB as a water quality provider

Karen and Nancy presented the proposal for VHCB to apply to become a Clean Water Service Provider for the Lake Memphremagog Basin. Billy introduced Neil Kamman, the Director of the Water Investment Division at DEC, and explained that he would be available to answer questions about the program. Karen explained that last year, the Legislature passed Act 76, which created a new framework for the funding of non-regulatory water pollution reduction on a regional basis. Under Act 76, Clean Water Service Providers (CWSP will be determined for each Basin with an EPA mandated phosphorus reduction load). These providers will be responsible for identifying, prioritizing, developing, implementing, and operating and maintaining projects to meet interim phosphorus reduction targets. These practices can range from riparian buffers and floodplain restoration to dam removal and storm water treatment practices. The Department of Environmental Conservation (DEC) put out a Request for Proposals (RFP), due May 8.

Gus noted that VHCB is responding to ANR Secretary Moore's request that we get involved in the new delivery system by applying to be a CWSP. At the same time, staff have been discussing with

Secretary and some of her keystaff, our proposal that ANR consider having VHCB administer another element of Act 76, the Water Quality Enhancement Grant program. This program is designed to protect and improve waters statewide and is well aligned with VHCB's existing natural resources conservation work. Gus talked about the opportunity for partnerships and developing a system that works for all. He emphasized that this program would need to cover its costs and might require adding additional staff. There was a board discussion about the proposal.

Tom asked about whether there is interest from other organizations stepping up into this role. VHCB will be the only applicant for the Lake Memphremagog Basin.. The Northeast Kingdom partners are excited to have us to do the CWSP work. Emily asked about potential conflicts between the two roles we might serve as a CWSP and managing the statewide Enhancements Grants and staffing needs. Gus explained that the details of the enhancement grant program needs to be discussed further as the state has been focused on the CWSP component of the new funding delivery system . He also reassured the board that if it doesn't financially work for us we would not proceed.

Kate, in noting that NVDA has declined to seek being a CWSP, asked about other RPC's. Gus said that in the other Lake Champlain basins the RPC's are interested in playing the CWSP role. She also wondered why ANR wouldn't keep the Enhancements Grant program in-house. Neil Kamman responded that they have their own capacity constraints and that having VHCB have a role in managing these grants might help and ANR is interested in exploring further. Billy said that another benefit of VHCB taking on this role are the existing partnerships VHCB has and seamless process of packaging multiple revenue sources this would provide for partners. Neil also gave more details about the role of the service provider to the region. The regional service provider would be responsible to convene a council for partners in the area. The state would flow funding through the service provider to the Basin Water Quality for individual projects. The CWSP can have contracts with local organizations who will actually do the work.

Neil Mickenberg expressed his concern that if the pollution reduction goals are not met that the CWSP would be responsible. Diane asked if ANR or VHCB would be carrying the risk. Neil Kamman responded that ANR will have a contractual agreement with the CWSP and that ANR is ultimately responsible.

Karen offered updated wording for the resolution:

VHCB staff is authorized to apply to become a Clean Water Service provider for the Lake Memphremagog Basin and seek state Clean Water funds sufficient to cover VHCB's startup and annual costs to operate a Clean Water Service provider program, and to work with ANR on an agreement that results in a meaningful role for VHCB in the Enhancements Grant program.

David made the motion to approve the resolution. Tom seconded the motion. All voted in favor of the motion.

Roll Call

Maura – yes

Billy – Abstained

David – yes

Emily – yes

Tom – yes

Diane – yes

Neil - yes

Kate – yes

Other Business

Neil thanked the staff for the good work they have done under these difficult circumstances.

The meeting adjourned at 3:55.

Respectfully submitted,

Marcy Christian

Resolutions

VHCB Housing Revenue Bond Interest Earnings Awards

Resolution:

The Board authorizes staff to use interest earned from the Housing Revenue Bond for each of the following activities:

1. Supplement the 2020 Housing Organizational Grants in the amount of \$370,000:
 - a. Staff shall amend the 2020 Organizational Grants awarded to Housing Grantees on December 12, 2019, and increase those awards by a total of \$370,000, for the purposes of providing Operating Support, as follows:
 - i. \$45,000 per organization to Addison County Community Trust, Shires Housing, Housing Trust of Rutland County, Cathedral Square Corporation, Twin Pines Housing (for support relating solely to Vermont activities), and Lamoille Housing Partnership;
 - ii. \$25,000 per organization to Gilman Housing Trust dba Rural Edge, Downstreet Housing & Community Development, Windham & Windsor Housing Trust, and Champlain Housing Trust;
 - b. Special Condition – Grantees shall report as requested by VHCB staff, on costs and activities related to COVID, and how organizational and project reserves have been and are being used to manage those costs. Grantees shall provide a 24 month cashflow as requested by VHCB staff, no later than at the time of the initial disbursement of any 2021 Organizational Grant award;
 - c. All other terms and conditions of the 2020 Organizational Grant remained unchanged except as modified by staff under the authority granted by the Board chair on April 8, 2020;
2. Create a Housing Organization Risk Pool with an initial balance of \$300,000, to support housing organizations with imminent and quantifiable risk.
 - a. Staff shall develop criteria for this pool. These criteria will be reviewed and approved by the Board prior to any disbursement of funds from the Risk Pool;
 - b. Awards would be made in consultation with the Board Chair;
 - c. VHCB staff will continue to closely monitor and report on risks to organizational health and will provide regular updates to the Board.
3. Capitalize VHCB's Land Bank fund with the remainder of the HRB earned Interest
 - a. These funds are subject to VHCB's Land Bank Loan Fund Policy.

Authorizations to Seek Clean Water Provider Roles for VHCB

Resolution:

VHCB staff is authorized to apply to become a Clean Water Service provider for the Lake Memphremagog Basin and seek a minimum of \$1.4 million for the startup in state Clean Water funds and to work with ANR on an agreement that results in a meaningful role for VHCB in the Enhancements Grant program.

Decommitments:

Resolution:

The Board votes to decommit award amounts on the above projects, in the total amount of \$26,023.63.

<u>Project #</u>	<u>Project</u>	<u>Grantee</u>	<u>Reason</u>	<u>Funding</u>	<u>Amount</u>
2009-074-000	Farm Labor Housing	VHCB	Funds no longer needed for project	Trust	21,114.63
2014-040-001	Joslyn House	RACDC	Funds no longer needed for project	Trust	4,909.00
				Total	<u>\$26,023.63</u>