

Vermont Housing & Conservation Board
MINUTES
Friday, May 15, 2020
VHCB Conference Call/Zoom Meeting

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: Gus Seelig, Elizabeth Egan, Anne Duffy, Marcy Christian, Jen Hollar, Mark Martin, Karen Freeman, Beth Schwarz, Martin Hahn, Bill Dell'Isola, Kim Foss, Leah Sare, Ethan Parke, Nancy Everhart, Jenny Hyslop, Ela Chapin, Gretchen Rittenhouse, Larry Mires

Others Present: Britt Haselton, Al Karnatz, Tracy Zschau, Maggie Donin (Vermont Land Trust); Hannah and John Doyle (farmers); Eileen Peltier (Downstreet Housing & Community Development); Rick DeAngelis (Good Samaritan Haven); Sue Minter (Capstone Community Action); Richard Williams (VT State Housing Authority)

Karen Freeman explained the protocol for the Zoom Meeting. Neil Mickenberg called the meeting to order at 12:18 am. He called the roll call. 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.

PROJECT PRESENTATIONS

Neil explained the project presentation process. Staff will introduce each project with applicants giving project updates. Board members may ask questions at any time.

**King Farm Estate, Fletcher – Vermont Land Trust
2019-060-001**

Vermont Land Trust has requested \$363,000 in VHCB funding. Nancy Everhart presented the project with Al Karnatz from Vermont Land Trust and the future owners: Hannah and John Doyle. Nancy explained that this is a Farmland Access Program project. Located in Fletcher, with views to the south of Mount Mansfield, the King farm was a dairy until 2006, and since then has been rented to area farmers for hay and pasture. Hannah and John Doyle are eager to buy the farm, to find a permanent and larger home for their growing farm business. The Doyles have been operating Boneyard Farm on their 10-acre homestead in Bakersfield for the past 5 years. They are working on a business plan with the Intervale Center, through VHCB's Farm & Forest Viability program, to plan for their purchase of the farm and business expansion. They have an executed contract to purchase the farm at this time. Al read a statement from Hannah and John thanking the board for their consideration of this project. They have a strong demand for their products and the transition to the King Farm will be so important for the growth of their business. With the current public health crisis, it is very apparent how important local food businesses are to the economy.

Neil asked about the demand for local produce and Nancy explained that the CSAs are thriving right now. It is one area of the Ag sector that is doing well. Kate asked about the farm stand and fencing business and wanted them to make sure that the local zoning regulations work for these businesses. David commented that it is spectacular spot with beautiful views and would be a benefit to the community to have it actively used and conserved.

**P & S Parent, Sheldon – Vermont Land Trust
2013-042-001**

Vermont Land Trust has requested \$578,000 in VHCB funding. Ethan Parke presented the project with Al Karnatz from VLT. Ethan explained that the project has a history with VHCB. Originally sponsored by the Agriculture Agency, it first came to the Board in 2012. The Board deferred funding, citing unresolved issues. Since then they have been working with Vermont Land Trust to bring a project to the board.

The Parent farm has a small dairy operation on one side of the road and rents its rich river bottom fields on the other side of the road to another farmer. With significant Mississquoi River frontage, the farm is a high priority to conserve, using NRCS RCPP funds that are targeted to this portion of the Lake Champlain watershed. The landowner is also actively participating in NRCS and Ag. Agency programs to implement conservation practices. Ethan explained that there are unresolved issues with both the appraisals and water quality protections. He recommended adding a condition:

Special Condition:

6. Prior to closing, Grantee shall report to VHCB and DEC staff satisfaction on water quality protections, to be sure that they are consistent with VHCB current practice and policy, and the goals of the state's RCPP grant.

Al explained that because of the current COVID health crisis it has been difficult to resolve some issues before this meeting. They have meetings set up address these issues starting on Monday. Emily

asked about the Parents and who is actually farming the land. Al explained that Phil continues work on the farm and is in partnership with a young farmer, Travis Troy, shipping milk from a herd of 30 to 40 cows, as well as, working on several other farm enterprises. David Marvin talked about Phil Parent and his love of farming and the land. Kate McCarthy asked about the river corridor easement and the additional potential funding. Al explained that the farm conservation project is still viable, without the river corridor, but the latter depends on DEC funding d. Billy Coster thanked Ethan and Nancy for adding the additional condition.

Seidman Harrower, Middlesex – Vermont Land Trust 2019-065-001

Vermont Land Trust has requested \$385,070 in VHCB funds and VHCB staff have recommended an award of \$380,070. Bill Dell'Isola from VHCB and Britt Haselton from Vermont Land presented the project. Bill explained that Sarah Seidman and Scott Harrower have owned the 213 acre Pease Farm in Middlesex for almost 40 years and have run a nonprofit offering therapeutic riding experiences to people with disabilities or other challenges, and a small organic farm. They are ready to retire and sell a portion of the farm. Britt explained that this is a Farmland Access Program project and Nicole Dutch was selected amongst a highly competitive suite of candidates due to her extensive background in organic farming in Vermont and New Jersey, and strong business plan.

Britt read a statement from Nicole Dutch. She thanked the VHCB Board for their support and shared her vision of creating a community resource with the farm. Britt updated the board that the conservation commission meeting went well and he thinks that they will be financially supportive of the project. There was a brief discussion about the easement value. The farmland's proximity to Montpelier contributes to the higher value – but this is an excellent location for this type of diversified farm operation, focused on providing local food to the community. The properties proximity to Montpelier also heightens the threat of development of the property. Kate advised that the new owner make sure her plans for the farm, including offering public events, are consistent with local zoning regulations in the town.

Good Samaritan Haven Project Capacity – Good Samaritan Haven 2020-079-001

Good Samaritan Haven has requested funds of Fifty Thousand Dollars for a Project Capacity grant for planning for the re-structure of the system for housing the homeless in Central Vermont. Rick DeAngelis from the Good Samaritan Have, Eileen Peltier of Downstreet Housing & Community Development, and Sue Minter from Capstone Community Action presented the project to the board. Rick explained that this team has formed to “re-imagine” and re-create its shelter-to-permanent housing system. Sue pointed out that the COVID-19 pandemic and the increase in public awareness about the housing needs of the homeless has created opportunity for GSH, in concert with its housing and social service partners. The congregate shelters have been closed and shelter guests are being supported in 120 area motel rooms housing over 160 persons. Eileen pointed out that this grant will enable the team to hire experienced consultants to guide the organization and an Advisory Committee of housing and social service partners will analyze the feasibility of a re-design of the GSH services in support of their mission.

Maura asked about the planning grant and whether they were looking for short or long-term solutions. Rick explained that the team has been looking at both but that this grant will focus on the long-term plan. She suggested that clients be involved in the design process going forward and that it would be important to have their voices at the table. Rick agreed and added that he was a strong advocate of peer support within the system as well. Maura felt that it was important to include a permanent housing advocate on the committee. Tom asked about the larger scope of this work and whether they will be working with other organizations throughout the state. Eileen assured him that they were talking to their peers statewide.

Alison thanked the team for their work in Washington County. She pointed out that this is funding for a plan and that they are very early in the planning process. Kate asked about GSH's plan for housing development and Rick replied that they intention is to work with a development partner for any type of major housing project down the road. There was a discussion about staffing models for these programs and the importance of both peer support and involvement of volunteers.

Consent Agenda

Diane made the motion to approve the Consent Agenda. Emily seconded the motion. All voted in favor of the motion. Leah presented the corrected resolutions for Hopkins Street Housing Supplemental Award to add missing a special condition noting that the funding is contingent on VHCB executing a HTF grant agreement. The new special condition:

1. This award is contingent upon VHCB's receipt of FFY2020 (National) Housing Trust Fund (HTF) funds in the minimum amount of \$3,000,000. Disbursement of federal funds cannot occur until VHCB has executed a grant agreement with the applicable federal agency.

Diane and Emily accepted this modification to the resolution.

Roll Call

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

The Consent Agenda consisted of:

- 1) Authority to receive and expend HOPWA supplemental CARES Act award
- 2) Authority to receive and expend Viability funds
- 3) Technical Assistance Grant HTRC (2020-080-001)
- 4) Hopkins Street Family Housing Supplemental Award (2018-039-001)(HTRC)
- 5) Board delegation to award Decommitment authority to staff
- 6) Bellows Falls Garage (2020-051-001) WWHT

- 7) FFVP Authorizations
- 8) Auclair project supplemental award (2018-057-001)
- 9) Decommittments

Director's Report

Gus had updates to written report to the Board. He and Jen Hollar have been having discussions with house and senate committees, community partners and philanthropic sources. Martin and Karen have been leading regular meetings with partners. The state's response to homelessness and the tremendous disruptions to Vermont's Ag economy has shown the dramatic impact of the Covid-19 crisis on the state. He explained that Jen will give an update on the status of the housing recovery plan and Ela will update the board on the work that the Viability program has been doing to help farmers. There is support in the legislature for both of these issues and there may be some Covid-19 funding available.

Maura asked about the criteria for the Risk pool that was created at the April board meeting. Gus explained that the criteria would be proposed at the June board meeting. She was happy to hear that Housing Foundation Inc. may be supported. Finally, Gus explained that budget talks are just beginning to happen. We anticipate that there will not be an increase and there could be a decrease, which may be offset with one-time funding from the Cares Act.

Billy wondered how far ahead of the budget process staff is thinking about in their recommendations for project funding. Gus said that this is a two-edged sword. Most of our funding allocations are made in the first quarter of the year. We want to convey the high demand to the legislature while also being mindful of the budget constraints.

Financials Report

Anne had updates to her report. At this time, there is approximately a \$300,000 surplus from cost savings. The Finance Committee will discuss the budget at their meeting next week. The auditors are starting next week remotely and the HOME and HOPWA programs have been selected for the Single Audit. The financial statements are through March 31st. There was a brief discussion about funding projects out of FFY 2021 money. Anne pointed out that all of the projects going forward need funding out of FFY 2021. Maura asked the composition of finance committee and Gus said staff would send out a list of the committees to all board members.

Minutes

Maura moved approval of the minutes from the April 21, 2020 board meeting. Kate seconded the motion. There was no discussion. All voted in favor.

Roll Call

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

Neil – yes

Kate - yes

Updates – Water Quality – Nancy & Karen

Karen provided updates on the VHCB proposal to seek Clean Water Service Provider status. She and Nancy had a great meeting with partners in the Lake Memphremagog basin yesterday on the proposal, which included Quebec stakeholders. The group is working on putting together the proposal with area partners and there is a lot of support for the proposal from stakeholders. It is in good shape and will be submitted by the May28th deadline. The upcoming meeting with ANR staff about potential roles for VHCB in the enhancements grants component of Act 76 was also mentioned. Billy thanked staff for doing this work.

Resetting how Vermont serves the homeless – Jen

Jen reported that Covid-19 has really laid bare the needs of the homeless population. There was a tremendous effort to assist this group during the crisis, with an emphasis on moving people from congregate housing to motels. It is a temporary solution and there is a need a transition plan in upcoming weeks. This is both a challenge and opportunity for VHCB. Along with our partners, we have been talking about a comprehensive strategy that may be able to utilize funds coming into the state through the CARES Act. This work is going to need substantial funding including rental subsidies and resident services and is continuing the work from our collective commitment to end homelessness.

Jen explained that the housing staff has been reaching out to our housing partners who are providing housing around the state to hear their needs. VHCB will continue to advocate for funding our partners so they can continue to do their good work. Alison added that it has been great to bring everyone together to work on this issue. The Agency of Human Services is looking for sustainable solutions for this population and they have many competing priorities right now. Maura is very appreciative of VHCB's voice to assist providers during this difficult time for Vermonters. Gus added that he is still hopeful to have some funding for this purpose going forward. There may be some short-term, as well as, long-term solutions. Emily asked about cases of Covid-19 in our homeless population since it has been a problem throughout the country. Alison pointed out that because of aggressive steps by the state and our partners there has only been one case at this time. Neil asked about the number of people left in shelters and she explained that only a very small population are living in shelters with appropriate social distancing.

Deploying Viability and REDI in Vermont's Covid recovery - Ela

Ela provided updates to her report. The Viability Program is well setup to do this work. The Covid 19 crisis has really hit the Ag sector. Some of the Federal Assistance, including PPP loans and unemployment funding has become very important to clients. Service providers are supporting clients in accessing this money. They are also being helped in setting up systems to help get their products to market. This rapid response work is really helping farmers around the state. There are funding options that they will continue to pursue to help with this work. Viability staff anticipate that their work will continue to be targeted to helping with the response to Covid in the months to come. The REDI program has also helped a great deal with the Covid response.

Policy Issues

Neil commented about availability of federal funding and state's expertise to use these funds appropriately. Emily commented about a very productive meeting that took place in March that Karen and Preservation Trust had with the Division of Historic Presentation.

Deliberations:

Housing & Conservation Projects

Good Samaritan Haven Project Capacity

2020-079-001

Conservation Projects

King Farm Estate

2019-060-001

P&S Parent

2013-042-001

Seidman, Harrower

2019-065-001

David made a motion to approve the projects presented today. Diane seconded the motion. Karen mentioned the proposed additional special condition proposed for the Parent Farm. David amended the motion to include that condition and Diane seconded the amendment. Maura asked about the amount of the GSH award. Gus explained that the capacity grant is on the high-end range of such awards. Maura inquired about appearance of a conflict with a former staff member being the executive director and two VHCB staff on the Board of Directors. Gus explained that the undeniable poor quality of the facility leads him to support the project. Staff members on the GSH board did not evaluate the project. Gretchen said that they are mounting a fundraising campaign and they are being very careful with the scope of work. There was a brief discussion about amounts of project capacity grants. There was a brief discussion of the appearance of a conflict and several board members indicated support for the project. Neil pointed out that no Board member had any ties to GSH. Gus added that VHCB has provided funding for almost every shelter in the state – it is not a new thing for us and we will continue to support shelters in the future. The motion passed.

Parent Farm

Special Condition:

6. Prior to closing, Grantee shall report to VHCB and DEC staff satisfaction on water quality protections, to be sure that they are consistent with VHCB current practice and policy, and the goals of the state's RCPP grant.

Roll Call

Alison – yes

Maura – yes

Billy – yes

David – yes

Emily – yes

Tom – yes

Diane – yes

Neil – yes

Kate - yes

Other business:

Neil had an item to discuss. He brought up the idea from last year for there be a nominating committee to receive recommendation for board officers. He asked Emily, David, Tom, and Billy serve on the committee.

The meeting adjourned at 2:37.

Respectfully submitted,
Marcy Christian

Resolutions

Vermont Land Trust Parent Farm #2013-042

Resolution:

To score the application 9 for need, 9 for impact, and 8 for quality, and to award the Vermont Land Trust (the "Grantee") a VHCB grant in the amount of up to Five Hundred Seventy-Eight Thousand Dollars (\$578,000) consisting of \$565,000 for acquisition of development rights, conservation restrictions, and option to purchase at agricultural value, \$4,000 for associated costs, and \$9,000 for stewardship endowment. This project involves property known as the Parent Farm, located in Sheldon, Franklin County and includes approximately 281 acres by GIS mapping.

This award is subject to the following conditions:

1. This award is contingent on VHCB receiving a minimum of \$13.3 million in FY2021 state appropriations. In the event that VHCB receives less than \$13.3 million, the VHCB Board reserves the right to decommit, retract, and/or reduce the award for this project. The disbursement of these funds is subject to the State of Vermont releasing these funds to VHCB. This award is also contingent on the signing of a Grant Agreement or contract between VHCB and NRCS obligating federal NRCS-ALE funds for this project.
2. Prior to closing, a survey of the excluded parcels, or of the property to be protected, will be completed and submitted to VHCB, if required by NRCS. If the survey is of the protected property, VHCB will contribute up to \$3,000 toward the cost, consistent with VHCB's Land Survey Standards for Farm Projects.
3. The VHCB award includes an expected \$9,000 contribution to the stewardship endowment. If this project does not qualify for a waiver from the landowner stewardship contribution at closing, this amount may be reduced by staff, by the amount of the required landowner contribution (1% of easement purchase price). VHCB staff has the authority to decommit any funds remaining in this Grant Agreement after closing.
4. Prior to disbursement, the appraisal shall be updated to an NRCS compliant report and shall have received an approved technical review from a VHCB-contracted reviewer.
5. Prior to closing, Grantee shall update to VHCB staff satisfaction the plan for continued farm operation, including forwarding to VHCB copies of any leases or rental agreements.
6. Prior to closing, Grantee shall report to VHCB and DEC staff satisfaction on water quality protections, to be sure that they are consistent with VHCB current practice and policy, and the goals of the state's RCPP grant.
7. The easement shall contain the following generally as described or depicted in the application:
 - (a) A 22-acre exclusion in Enosburgh, to allow for village growth
 - (b) A 1-acre exclusion in Enosburgh that contains a cell tower

- (c) A 2-acre exclusion on Route 105 in Sheldon; this lot is sandwiched between existing commercial developments
 - (d) A farmstead complex containing two existing houses and the main farm buildings
 - (e) A second farmstead complex on Colton Road, containing a house and heifer facilities
 - (f) A 6.5-acre Wetland Protection Zone north of Route 105
 - (g) A 50-foot no-touch Riparian Buffer Zone along the entire Mississquoi River frontage
 - (h) A 50-foot grass Riparian Buffer Zone along the tributary south of Route 105
 - (i) The sole discretion farm labor house provision
 - (j) One camp right for a camp limited to 600 square feet
8. Since VHCB plans to use federal funds from the Natural Resources Conservation Service (NRCS) Agricultural Conservation Easement Program (ACEP/Agricultural Lands Easement) for a portion of the cost of this project, the following NRCS conditions are included to encourage the sustainable management of soil resources on the farm, to protect water quality, and to comply with NRCS requirements. Prior to disbursement of VHCB funds:
- a. NRCS state office staff will verify that the landowners are eligible to receive ALE funds and are in compliance with Highly Erodible Land and Wetland requirements;
 - b. NRCS state office staff will conduct a hazardous materials review of the project;
 - c. If the project includes contiguous forest that exceeds the greater of 40 acres or 20 percent of the easement area, prior to closing, Grantee will submit documentation that a forest management plan written to the Use Value Appraisal Program's standards or to NRCS standards has been approved by the County Forester or by NRCS.
 - d. The landowners will sign a Grant of Development Rights and Conservation Restrictions which includes the objective of encouraging sustainable management of soil resources on the farm, requires that highly erodible cropland be managed in accordance with an HEL Conservation Plan approved by NRCS and gives the United States certain rights to enforce if VHCB does not.
 - e. Prior to closing, an RCPP planner hired with funding from DEC/NRCS will complete an ALE management plan acceptable to the landowner, which will be signed by both NRCS and the landowner.

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

**Bellows Falls Garage ♦ Bellows Falls, Vermont
Windham & Windsor Housing Trust
2020-051-001**

Resolution:

To score the application "9" for need, "9" for impact and "9" for quality, and to award Windham & Windsor Housing Trust (the "Developer") UP TO \$399,333 in HTF Funds for acquisition, rehabilitation and related expenses.

On January 24, 2020, the VHCB Board made an award of five hundred sixty-two thousand seven hundred eleven dollars (\$562,711) in VHCB funds and one million one hundred forty-four thousand nine hundred sixteen dollars and fifty-seven cents dollars (\$1,144,916.57) in HRB funds, and five hundred forty thousand dollars (\$540,000) in HOME funds.

This project involves property located at 115 Rockingham Street, Bellows Falls and consists of a total of 26 rental units in 1 building. Seven (7) units are designated as HOME units. Three (3) units are designated as HTF units.

The HOME and VHCB affordability restrictions and special conditions are the same ones that the Board approved in January 2020 and are not modified by this award; the HTF special conditions are new. These conditions in total augment the conditions imposed with the Board's January 2020 commitment.

This award is subject to the following restrictions and conditions:

Affordability and Conveyance Restrictions:

Developer shall execute a VHCB Housing Subsidy Covenant of perpetual duration that restricts twenty-six (26) units, which will be prepared by VHCB general counsel and will contain restrictions substantially as follows:

HTF:

Three (3) units on the property shall be designated as HTF units and the following restrictions shall apply during the HTF Program affordability period of thirty (30) years. Initially, the HTF units shall consist of one (1) zero-bedroom unit, and two (2) one-bedroom units, but the designation may float with prior approval from HTF staff to units of equal or greater size in order to maintain HTF compliance. The owner shall lease the HTF units to persons whose initial household income is less than or equal to 30% of the median family income of the geographic area, as determined by HUD with adjustments for smaller and larger families. The rent plus utilities charged for each such unit shall not exceed the greater of 30 percent of the federal poverty line or 30 percent of the income of a family whose annual income equals 30 percent of median income for the area, as determined by HUD, with adjustments for the number of bedrooms in the unit. If the unit receives Federal or State project-based rental subsidy, however, and the tenant pays as a contribution toward rent not more than 30 percent of the tenant's adjusted income, the maximum rent is the rent allowable under the Federal or State project-based rental subsidy program. The owner shall also comply with HTF requirements regarding annual tenant income certifications and over-income tenants.

VHCB and/or HRB:

Developer shall target and make every reasonable effort to lease six (6) units to persons whose household income, at their date of initial occupancy, is between 80% and 120% of area median income. Developers shall lease said units on the Property to persons whose household income, at their date of initial occupancy, is less than or equal to 120% of median income. The annualized rent charged for each such unit shall not be lower than the lesser of 30% of 80% of area median income for a household consisting of one and one-half persons per bedroom, OR, the HUD published Fair Market Rent for the applicable unit size, OR, another measure of project area market rent approved by VHCB staff. The rent may not exceed 30% of 100% of median income for a household consisting of one and one-half persons per bedroom.

Developer shall lease twenty (20) units to persons whose household income, at their date of initial occupancy, is less than or equal to 80% of area median income. The annualized rent charged for each

such unit shall not exceed 30% of 70% of area median income for a household consisting of one and one-half persons per bedroom.

Developer shall target and make every reasonable effort to lease nine (9) of the twenty (20) units to persons whose household income, at their date of initial occupancy, is at or below 50% of area median income. Initially, the annualized rent charged for these units shall not exceed 30% of 50% of area median income for a household consisting of one and one half persons per bedroom. Developer shall make every reasonable effort to maintain the initial level of affordability on said units.

Developer shall make every reasonable effort to lease any two (2) of the nine units to persons whose household income, at their date of initial occupancy, is less than or equal to 30% of area median income, OR, to persons with special needs. In addition, Developer shall make every reasonable effort to ensure that the annualized rents for all units are "affordable" to the occupying households, as described further in section 7 of the VHCB Housing Subsidy Covenant.

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.

HOME:

Seven (7) units on the property shall be designated as HOME units and the following restrictions shall apply during the HOME Program affordability period of fifteen (15) years. The HOME units shall consist of the following six (6) fixed one-bedroom units: #2-3, #2-5, #3-5, #3-6, #4-1, #4-2; and the following one (1) fixed two-bedroom unit: #3-4. The owner shall lease at least two (2) of the HOME units to persons whose household income is less than or equal to 50% of area median income and the annualized rent charged for each such unit shall not exceed the lesser of the applicable HUD fair market rent, or 30% of 50% of area median income for a household consisting of one and one-half persons per bedroom. The owner shall lease the remaining five (5) HOME units to persons whose household income is less than or equal to 60% of area median income and the annualized rent charged for each such unit shall not exceed the lesser of the applicable HUD fair market rent, or 30% of 65% of area median income for a household consisting of one and one-half persons per bedroom. The owner shall also comply with HOME Program requirements regarding calculation of rents, annual tenant income certifications, and payment of additional rent if a tenant's household income increases to more than 80% of area median income.

Special HTF Conditions:

1. This award is contingent upon VHCB's receipt of FFY2020 (National) Housing Trust (HTF) funds in the minimum amount of \$3,000,000. Disbursement of federal funds cannot occur until VHCB has executed a grant agreement with the applicable federal agency.
2. No HTF funds shall be used for costs associated with commercial spaces.
3. This project may limit eligibility and/or give preference to homeless individuals or families in accordance with 93.303(d)(3). Prior to closing, Recipient shall submit documentation to VHCB staff to verify compliance with this part.

4. Prior to closing, Recipient shall submit documentation that the project complies with Section 504 of the Rehabilitation Act of 1973. For substantial rehabilitation with 15 or more units, the project is required to have at minimum two (2) physically accessible units, and at least one (1) additional unit is required to be made accessible to people with sensory impairments.
5. In order to meet HUD's grant-year specific deadlines, the project's legal closing must occur within 24 months of the date VHCB executed a FFY2020 HTF funding agreement with HUD (date TBD). In addition, HTF funds must be fully expended within 5 years of that date. If, after 18 months of the execution of the HTF agreement, it appears unlikely that the project will meet these deadlines, VHCB reserves the right to de-commit the HTF award.
6. Prior to closing, in accordance with 93.303 (b)(9), Recipient shall provide documentation to VHCB staff for review and approval that supportive services are not mandatory for the occupants of HTF units, and that participation in services is not a requirement of tenancy.

Special VHCB Conditions:

1. By June 1, 2020, if 9% Low Income Housing Tax Credits have not been awarded, and it is likely that the project will not be able to begin construction during 2020, the HRB award may be de-committed and returned to the available pool of funds to be awarded to projects at subsequent VHCB Board meetings.
2. Prior to closing, Developers shall obtain construction bids that demonstrate to the satisfaction of VHCB that projected construction costs are within the approved budget for the project.
3. Developer will provide an updated rent study closer to lease up to justify the rents charged for the units affordable to households at 80-120% of median.
4. If the project is awarded project based vouchers, developers shall report to VHCB on the ability to assume debt and to reduce VHCB's award.

Special HOME Conditions:

1. This award is contingent upon Vermont's receipt of FFY2020 HOME funds in the minimum amount of at least \$3,000,000. Disbursement of federal funds cannot occur until VHCB has executed a grant agreement with the applicable funding agency.
2. By June 1, 2020 if 9% Low Income Housing Tax have not been awarded, and it is likely that the project will not be able to begin construction during 2020, the HOME award may be de-committed and returned to the available pool of funds to be awarded to projects at subsequent VHCB board meetings.
3. No HOME funds shall be used for costs associated with commercial spaces.

4. This project will use CHDO Reserve set-aside funds. Prior to closing, Developer shall submit documentation for VHCB staff review and approval that demonstrates the organization qualifies as a “Community Housing Development Organization” as defined in the HOME regulations at 24 CFR 92.2. Developer shall be acting as the sponsor for this project as defined at 92.300(a). The Developer’s CHDO status must be maintained during the project’s HOME period of affordability.
5. This project may limit eligibility and/or give preference to homeless individuals or families in accordance with 92.253(d)(3). Prior to closing, Developer shall submit documentation to VHCB staff to verify compliance with this part.
6. Prior to closing, Developer shall submit documentation that the project complies with Section 504 of the Rehabilitation Act of 1973. For substantial rehabilitation with 15 or more units, the project is required to have at minimum two (2) physically accessible units, and at least one (1) additional unit is required to be made accessible to people with sensory impairments.
7. The project’s legal closing must occur within 24 months of the date HUD executed a FFY2020 HOME funding agreement with the State of Vermont (date TBD). In addition, project completion must be within 4 years of that date. If, after 18 months of the execution of the HOME agreement, it appears unlikely that the project will meet these deadlines, VHCB reserves the right to de-commit the HOME award.
8. Prior to closing, in accordance with 92.253 (b)(9), Developer shall provide documentation to VHCB staff for review and approval that supportive services are not mandatory for the occupants of HOME units, and that participation in services is not a requirement of tenancy.

This award is also subject to Standard HTF Conditions, Standard VHCB Conditions for LIHTC Housing Projects and Standard HOME Conditions.

**Vermont Land Trust
Auclair A Farm
#2018-057-001**

Resolution:

To amend the Grant Agreement for the Auclair A farm project, 2018-057-001, to add \$12,250 of Act 250 mitigation funding to the award, all to be used for the easement purchase.

**Vermont Land Trust
King Estate Farm
#2019-060-001**

Resolution:

To score the application 9 for need, 9 for impact, and 8 for quality, and to award the Vermont Land Trust (the "Grantee") a VHCB grant in the amount of up to Three Hundred and Sixty-Three Thousand Dollars (\$363,000), including up to \$350,000 for acquisition of development rights, conservation

restrictions, and option to purchase at agricultural value, \$4,000 for associated costs, and up to \$9,000 for stewardship endowment. This project involves property known as the King Farm, located in Fletcher, Franklin County and includes approximately 180 acres.

This award is subject to the following conditions:

VHCB Special Conditions:

1. This award is contingent on VHCB receiving a minimum of \$13.3 million in FY2021 state appropriations. In the event that VHCB receives less than \$13.3 million, the VHCB Board reserves the right to decommit, retract, and/or reduce the award for this project. The disbursement of these funds is subject to the State of Vermont releasing these funds to VHCB. This award is also contingent on the signing of a Grant Agreement or contract between VHCB and NRCS obligating federal NRCS-ALE funds for this project.
2. Prior to or simultaneous with closing, the farm will be conveyed to Hannah and John Doyle.
3. The easement shall include the following residential and building complex rights, all as reviewed and approved by VHCB staff:
 - a. sole discretion farm labor housing right,
 - b. right to build one farm labor house up to 2,000 square feet;
 - c. Camp right
 - d. Farmstead complex, generally as depicted on the application, around existing infrastructure, and to provide for future residential and agricultural needs
4. The easement will include the following special environmental protections, all as depicted on the farm plan and reviewed and approved by VHCB staff:
 - a. 50 foot riparian buffer along the perennial streams
5. The easement may include an impervious surface limit greater than 2%, if approved by NRCS.
6. The easement may contain a historic notice provision on the barn, if deemed appropriate by the Division of Historic Preservation.
7. The VHCB award includes an expected \$9,000 contribution to the stewardship endowment. If this project does not qualify for a waiver from the landowner stewardship contribution at closing, this amount may be reduced by staff, by the amount of the required landowner contribution (1% of easement purchase price). VHCB staff has the authority to decommit any funds remaining in this Grant Agreement after closing.
8. Prior to closing, a survey of the excluded parcel or approximately 3.2 acres, or of the property to be protected, will be completed and submitted to VHCB, if required by NRCS. If the survey is of the protected property, VHCB will contribute up to \$3,000 toward the cost, consistent with VHCB's Land Survey Standards for Farm Projects.

9. Since VHCB plans to use federal funds from the Natural Resources Conservation Service (NRCS) Agricultural Conservation Easement Program (ACEP/Agricultural Lands Easement) for a portion of the cost of this project, the following NRCS conditions are included to encourage the sustainable management of soil resources on the farm, to protect water quality, and to comply with NRCS requirements. Prior to disbursement of VHCB funds:
 - a. NRCS state office staff will verify that the landowners are eligible to receive ALE funds and are in compliance with Highly Erodible Land and Wetland requirements;
 - b. NRCS state office staff will conduct a hazardous materials review of the project;
 - c. NRCS staff will write an HEL plan, if required, to be signed by NRCS and the landowner prior to closing;
 - d. The landowners will sign a Grant of Development Rights and Conservation Restrictions which includes the objective of encouraging sustainable management of soil resources on the farm, requires that highly erodible cropland be managed in accordance with an HEL Conservation Plan approved by NRCS and gives the United States certain rights to enforce if VHCB does not.

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

**Executive Transition Project Capacity ♦ Rutland, Vermont
Housing Trust of Rutland County
2020-080-001**

Resolution:

To award the Housing Trust of Rutland County (the "Grantee") VHCB Project Capacity funds in the amount of up to Thirty-five Thousand dollars (\$35,000) to support activities related to an Executive Transition.

VHCB Special Conditions:

1. Prior to each disbursement, Grantee will provide a progress report on progress, decisions, and outcomes related to the organization's Executive Transition process. Such an update will include any changes to the anticipated timeline or scope of the process described in the materials supporting the request.
2. Funds will be disbursed on a reimbursement basis for expenses actually incurred.
3. Any printed or electronic materials and resources related to this project which reference sponsors or funding sources shall include VHCB.
4. By the 15th of each month, HTRC will provide VHCB staff with a balance sheet and a monthly cash flow report showing YTD actual income and expense and projecting monthly cash flow and operating reserve account balances through the end of calendar year 2020.
5. This award is contingent on VHCB receiving a minimum of \$13.3 million in FY2021 state appropriations. In the event that VHCB receives less than \$13.3 million, the VHCB Board

reserves the right to de-commit, retract, and/or reduce the award for this project. The disbursement of these funds is subject to the State of Vermont releasing these funds to VHCB.

Homeless Housing Delivery Project Capacity ♦ Barre/Montpelier, Vermont
Good Samaritan Haven
2020-079-001

Resolution:

To award Good Samaritan Haven (the "Grantee") VHCB Project Capacity funds in the amount of up to Fifty Thousand dollars (\$50,000) for planning for the re-structure of the system for housing the homeless in Central Vermont.

This award is subject to the following conditions:

1. Within one month from the award and prior to any disbursement, Grantee will provide VHCB staff with a timeline for the activities of the Advisory Committee and the consultants, which will include the schedule for applications for additional funds, including a VCDP Planning Grant.
2. Prior to each disbursement, Grantee will provide a report on progress, decisions, and outcomes related to the activities of the Advisory Committee and the consultants. Such an update will include any changes to the anticipated timeline or scope of the activities described in the materials supporting the request.
3. Prior to the second disbursement, but no later than September 1, 2020, Grantee will identify and designate a housing development partner and will propose an ownership structure and asset management plan for the real estate assets.
4. Prior to each disbursement, Grantee will report to VHCB staff regarding progress on new shelter options. Ongoing funding for this effort will be contingent upon evidence that the shelter will be designed for ongoing safety and functionality in the event of a public health crisis, using the current COVID-19 pandemic as a guideline.
5. Funds will be disbursed on a reimbursement basis for expenses actually incurred.
6. Any printed or electronic materials and resources related to this project which reference sponsors or funding sources shall include VHCB.
7. This award is contingent on VHCB receiving a minimum of \$13.3 million in FY2021 state appropriations. In the event that VHCB receives less than \$13.3 million, the VHCB Board reserves the right to de-commit, retract, and/or reduce the award for this project. The disbursement of these funds is subject to the State of Vermont releasing these funds to VHCB.

Farm and Forest Viability Program
Applying for and Accepting Northern Border Regional Commission funds:

Resolution:

Be it resolved that the Vermont Housing and Conservation Board hereby authorizes VHCB staff to apply for and accept up to \$350,000 of funding from the Northern Border Regional Commission for the purposes of providing business assistance (including COVID-19 recovery assistance) to Vermont farm, food and forestry sector enterprises. Staff are authorized to commit these funds as contracts with organizations or consultants, and to use a portion for operations expenses, as outlined in the proposal to NBRC.

Resolution to Accept HOPWA CARES Act Supplemental Funding

Resolution:

To authorize VHCB staff to execute an agreement with the U.S. Department of Housing & Urban Development to accept \$159,851 in supplemental CARES Act funding to be utilized to address the special needs of HOPWA program clients during the COVID-19 pandemic.

Board Delegation of Authority to decommit Project Awards

Resolution:

The Board hereby delegates to the Executive Director the authority to decommit project award balances in cases where the resources are no longer needed to complete the project or the project did not move forward. Prior to decommitment, staff shall concur with the Grantee the amount, and that the funds that are no longer needed. Any disputed decommitment shall be brought to the Board instead of being handled by staff. Staff shall report all project decommitments to the Board at each subsequent Board meeting, including the nature and amount of the decommitments.

**Vermont Land Trust
Seidman-Harrower Farm
#2019-065-001**

Resolution:

To score the application 9 for need, 9 for impact, and 9 for quality, and to award the Vermont Land Trust (the "Grantee") a VHCB grant in the amount of up to Three Hundred and Eighty Thousand and Seventy Dollars (\$380,070), including \$367,070 for acquisition of development rights, conservation restrictions, and option to purchase at agricultural value, \$4,000 for associated costs, and \$9,000 for stewardship endowment. This project involves property known as the Seidman-Harrower Farm, located in Middlesex, Washington County and includes approximately 88 acres.

VHCB Special Conditions:

1. This award is contingent on VHCB receiving a minimum of \$13.3 million in FY2021 state appropriations. In the event that VHCB receives less than \$13.3 million, the VHCB Board reserves the right to decommit, retract, and/or reduce the award for this project. The disbursement of these funds is subject to the State of Vermont releasing these funds to VHCB. This award is also contingent on the signing of a Grant Agreement or contract between VHCB and NRCS obligating federal NRCS- ALE funds for this project.

2. The easement shall include the following residential and building complex rights, and riparian protections:
 - a. sole discretion farm labor housing right;
 - b. one farmstead complex and one barn complex, including the existing farmhouse, agricultural buildings, barn, and right to build a farm labor house;
 - c. one camp right;
 - d. 50-foot riparian buffer along all of the frontage of the tributary of the North Branch of the Winooski River.
3. Prior to or simultaneous with disbursement, the property will either be conveyed to Nicole Duch, or a Purchase and Sales Agreement between the owners and Nicole Duch will be executed, and reviewed and approved by VHCB staff. If necessary, VLT may purchase the farm after the easement is conveyed, and lease it to Nicole Duch until she can secure the financing to purchase it. VHCB will serve as the primary easement steward during any time that the farm is owned by VLT. Until the farm is owned by Nicole Duch, VHCB will retain the stewardship endowment contribution described above in the resolution.
4. The easement may include a historic notice provision on the duplex farm house, and/or barn pending review by the state Division of Historic Preservation.
5. Prior to closing, a survey of the excluded parcel, or of the property to be protected, will be completed and submitted to VHCB, if required by NRCS. If the survey is of the protected property, VHCB will contribute up to \$3,000 toward the cost, consistent with VHCB's Land Survey Standards for Farm Projects. The easement may include an impervious surface limit of up to 6%, if NRCS grants written approval of this limit prior to closing.
6. Since VHCB plans to use federal funds from the Natural Resources Conservation Service (NRCS) Agricultural Conservation Easement Program (ACEP/Agricultural Lands Easement) for a portion of the cost of this project, the following NRCS conditions are included to encourage the sustainable management of soil resources on the farm, to protect water quality, and to comply with NRCS requirements. Prior to disbursement of VHCB funds:
 - a. NRCS state office staff will verify that the landowners are eligible to receive ALE funds and are in compliance with Highly Erodible Land and Wetland requirements;
 - b. NRCS state office staff will conduct a hazardous materials review of the project;
 - c. NRCS staff will write an HEL plan, if required, to be signed by NRCS and the landowner prior to closing;
 - d. The landowners will sign a Grant of Development Rights and Conservation Restrictions which includes the objective of encouraging sustainable management of soil resources on the farm, requires that highly erodible cropland be managed in accordance with an HEL Conservation Plan approved by NRCS and gives the United States certain rights to enforce if VHCB does not.

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

Decommitments

Resolution:

The Board votes to decommit the outstanding award balances on the above projects, in the total amount of \$169,661.00.

Decommitments:

<u>Project #</u>	<u>Name</u>	<u>Grantee</u>	<u>Reason</u>	<u>Funding Source</u>	<u>Amount to Decommit</u>
2016-072-001	Putney Landing	WWHT	Project came in under budget	HRB	140,661.00
2019-097-001	Associated Costs Contract	VLT	Completed contract under budget	Trust 2020	29,000.00
				Total:	\$ 169,661.00