Karen Freeman explained the protocol for the Zoom Meeting. Neil Mickenberg called the meeting to order at 9:00 am. He called the roll. 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.

Valcour Farm, Morristown – Vermont Land Trust
2020-047-001

Vermont Land Trust has requested $603,000 in VHCB funding. Ethan Parke from VHCB presented the project with Al Karnatz from Vermont Land Trust. Ethan explained the Valcour farm is a former dairy farm that has been farmed by Jesse Hursh for 20 years under a rental agreement with the owners. Jesse and Marlene Hursh will buy the farm at its full-unrestricted appraised value, contingent on the simultaneous sale of development rights. The Hurshes operate a 90-cow dairy farm on rented property about five miles away. They plan to renovate the barn on the Valcour farm and use it for heifers. This is the first farm acquisition for this family. He briefly touched on the fact that this project exceeds the $500,000 VHCB project cap but hits many of the special features specified in VHCB policy that would allow it to exceed the cap as an Outstanding Statewide Agricultural Resource. The farm has high development value, good soils, and views, and the project would facilitate ownership for an established dairy farmer who until now has relied on rented land.

He reported that there has been change in the special conditions regarding a trail easement with Catamount Trail Association. At this time, the Hurshes have asked to work out an agreement with CTA on a shorter-term basis (1 – 5 years). Al explained that they would like to live on the farm for a while to see how the trail use effects the farm. Matt Williams and the Hurshes are meeting shortly and hope to work out an agreement. Al introduced Simone Eisenhardt as the executor of the Valcour Estate. He also introduced Kristen Sharpless from Stowe Land Trust and explained that Stowe Land Trust was helping with fundraising for the project. VLT is grateful for their assistance with fundraising for the project.

Neil asked about the riparian buffer zones on this project. Al explained that there were primarily minor brooks near the farmstead and that there was a wetland protection area, which included the Heron Rookery. Ethan also mentioned working with Nancy on the project. She has met with the Hursh family and explained the wetland protection zone. Billy asked for clarification on the surface water-planning map and also who makes the determination about whether surface waters are intermittent or perennial; there was a brief discussion about the streams on the property.

Brigham II, St. Albans – Vermont Land Trust
2019-032-001

Vermont Land Trust has requested $278,000 in VHCB funding. Nancy Everhart presented the project with Al Karnatz from VLT. Nancy explained the 58-acre parcel of cropland lies across the road from the Brigham family’s conserved home farm, supporting their organic dairy operation. The property is
located just south of St. Albans City, in an area that has experienced significant development pressure over the past couple of decades.

She explained that the Brigham family operated a dairy until 2005, and then sold their herd and starting raising replacement heifers. They resumed milking in 2013, as an organic grass-based dairy, and now have approximately 60 milkers and 60 young stock. Selling the development rights on this parcel will help facilitate an eventual family transfer to the next generation. The younger generation are working on a business and transition plan with the Intervale Center, through VHCB’s Farm & Forest Viability Program. They have started growing vegetables, and producing eggs and chickens, to test the local market; future plans will likely focus on a diversified vegetable and livestock operation.

Al pointed out that the project includes a 5-acre wooded wetland area that will be protected with special easement restrictions. The Brighams are offering a 15% bargain sale and the award is over the VHCB cap.

Diane asked about the right of way wondering whether it runs through the wetland area. Al explained there is a legal right of way with a road that goes to the future farmstead complex; this ROW does not go through the proposed wetland protection zone.

Kingdom Trails II, Lyndon – Vermont Land Trust/Kingdom Trails Association 2020-078-001

Vermont Land Trust and Kingdom Trails Association has requested $250,000 in VHCB funds and VHCB staff have recommended an award of $150,000. Mark Martin from VHCB, Liza Walker from VLT and Abby Long from Kingdom Trails Association presented the project. Mark explained that VLT and KTA are working to purchase a 40 acre parcel of land and conserve a recently purchased 228 acre parcel that are currently part of the 100 mile trail system managed by the Association. The project would allow for the creation of an Activity Zone within the conserved area of 10 acres along the frontage of Darling Hill Road. This zone would give KTA an opportunity to allow public races, fund raising and educational events on their own property. A Network Feasibility and Infrastructure Study is underway to address current needs in these areas. The proposed funding and acquisition would help KTA achieve greater self-sufficiency and resilience in the trail network in the event that current agreements shift or surrounding land use changes. There would be some acres kept in agricultural use

This is the second time the Board would protect land owned by KTA. In 2015, VHCB, VLT, and KTA conserved a 115-acre parcel that included over 6 miles of trail and almost 8,000 ft. of frontage on the West Branch of the Passumpsic River. Mark pointed out that this proposal combines both natural resource conservation and significant rural economic development potential for the region and the state. According to the 2019 Kingdom Trails Community Report, there was nearly $10 million dollars in economic impact and direct spending, with over 130,000 visitors in 2018. Over 80 percent of these users came from out of state, with out of state visitors spending an average of $115 per day and staying an average of 2.75 days.
Abby talked about the beauty of the property and KTA’s excitement at having the ability to host events on their own land. Liza explained that VLT and KTA are about to launch a major fundraising effort which will include a beer produced by Lawson’s Finest Liquids, whose proceeds would go to the fundraising campaign. Diane asked about accessibility of the ag land. Abby explained that there is a farm road that goes through the activity zone that will give the farmer access to hay the ag land. Abby addressed the recent issue of landowners denying access to their land to mountain bikers. The association is promoting a new code of conduct for their riders. It also highlights the importance of this project to the trail system. Tom Yahn asked about e-bike access and Abby explained that they are not permitted on their trail system.

Deer Run Phase II – Green Mountain Conservancy
2019-053-002

Green Mountain Conservancy has requested funds of $200,000 in VHCB funds and VHCB staff have recommended an award of $150,000. Ethan Parke and Mary Ellen Copeland and Sam Farwell from GMC presented the project. Ethan explained that this project features 626 acres of forested and open land along the West River in Newfane and Brookline. It abuts the 287-acre Deer Run I parcel funded by VHCB in 2019 and contains interesting geological and ecological features as well as 2 1/2 miles of river frontage. The Green Mountain Conservancy (GMC) would acquire the parcel from a private landowner and add it to the Conservancy-owned Deer Run I parcel. Public access would be from Deer Run I, along existing trails. Deer Run II is expected to be well used for recreation, especially as GMC is poised to construct new trails and signage and to conduct public outreach as soon as the acquisition is complete. Open fields on Deer Run II would continue to be leased to a farmer for haying and an existing sugar bush would continue to be leased by a sugar-maker. There may be a potential farmland access property with VLT.

Mary Ellen Copeland talked about special features of the property including several unique natural communities of forestland. She pointed out that there is a high incidence of rare and threatened species in this stretch of forest. She provided updates on the fundraising campaign. To date, GMC has received over $110,000 in pledges or grant commitments. GMC hopes that a VHCB commitment will be a catalyst to boost the private fundraising. Ethan explained that GMC reduced its request from $282,500 to $200,000 after learning of VHCB’s funding constraints. With many worthy projects in the pipeline, staff has suggested an even further reduction to $150,000. This means that it will take longer to fill the budget gap with private fundraising, but GMC is hopeful that the seller will be patient.

Tom asked about the trail system and wondered if mountain bike trails might link existing networks in the southern part of the state. Mary Ellen explained that land down by the river would be best suited for those types of trails. They plan to start with walking trails. Diane asked about the ag land access and Mary Ellen explained that there was a ford across the river. Emily Wadhams wondered about the Vermont Electric Power Company (VELCO) power lines and their restrictions. Mary Ellen explained
that there are no restrictions on the property. VELCO needs to keep the lines clear and this has created tremendous views on the property.

**Gile Ridgeline/Woody Adams, Norwich – Upper Valley Land Trust**  
2020-072-001

Upper Valley Land Trust has requested funds of $175,000 in VHCB funds and VHCB staff have recommended an award of $100,000. Bill Dell’Isola from VHCB and Peg Merrens from UVLT presented the project. Bill explained that the Town of Norwich is seeking state funds to acquire the 186 acre Adams Tract located in-between two other town forests to form 290 contiguous town-owned acres and secure public access, including a popular trail network. Norwich proposes to donate a conservation easement across the 290 acres to be co-held by VHCB and UVLT. The project will connect local residents to the environment and support the local economy through the protection of new and existing trails and lands that are regionally sought after for a variety of outdoor reaction uses. The Town maintains multi-use non-motorized trails and a lookout tower, hiking shelter, and parking area on the northern-most parcel that will be permanently protected via the project.

Peg from UVLT talked about their partnership with the Norwich Conservation Fund and their support of the project. She also introduced Grace Adams, the mother of the current owner. The Woody Adams parcel would honor her late husband. This project is a wonderful opportunity to tie several conserved parcels together.

Peg explained the property has been removed from the real estate market for a limited time to allow UVLT and Norwich to raise funds to purchase and conserve it. The partners are currently in the process of inquiring to see if the landowner is amenable to a payment applied extended option agreement due to the uncertainty of state funding. Based on previous discussions, the partners feel the landowner will put the property back on the market if the current option to purchase expires. The original option agreement expires January 2021, and the partners aim to close the project in December 2020. They are looking into options including taking out a bridge loan to help purchase the property to give them additional time to fundraise the balance they need. She did talk about the $50,000 gap between their request and the recommendation, urging the board to reconsider funding the project at the full award. Karen explained that the staff has bumped up the recommendation from $100,000 to $125,000 after conversations since the board mailing went out. Neil asked if UVLT was looking at any other sources of funding to help with the gap. Peg explained that the bridge loan would help them close the project in December. Tom asked about the appraisal report and the real risk of development. Peg explained that there is some risk since the current owner has had it on the market in the past.

**Huntington Community Forest, Huntington – Trust for Public Land**  
2020-069-001

The Trust for Public Land has requested funds of $170,000 in VHCB funds and VHCB staff have recommended an award of $125,000. Karen Freeman from VHCB and Kate Wanner from the Trust for Public Land and Bob Heiser from VLT presented the project. Kate explained that TPL is working
with the Town of Huntington and Vermont Land Trust to protect 245 acres of forestland in Huntington Center, with important wildlife habitat, highly accessible recreational resources, and significant water resources through the creation of the new Huntington Community Forest. The effort to create the Huntington Community Forest is a direct result of demand from residents for an accessible town forest and TPL was successful in garnering a $385,000 Federal Community Forest Program for the project, ranking 2nd in the country for this funding cycle. Karen also noted that Huntington is the first municipality to use the new and innovative Interim Financing for natural infrastructure through the Vermont Clean Water State Revolving Fund.

Kate explained that the Huntington community identified the acquisition of a new town forest, with good public access, as one of the top priorities for the Town in a survey a few years ago. Their existing 100-acre Town Forest does not provide year-round public access. In addition to limited access to the existing Town Forest, the community also concluded there were a lack of public trails near the village, few options for mountain biking, limited access to the Huntington River, and limited opportunities for forest recreation and education in town. This property is located directly in Huntington’s Lower Village, has frontage on the Huntington River, good access and parking opportunities, contains several miles of hiking, snowmobiling and mountain biking trails, and will continue traditional uses of hunting and fishing. The parcel is located close to the elementary school as well. Bob added that the location so close to the school is very exciting.

**Champlain Islands Senior Housing, South Hero – Cathedral Square Corporation**

2020-073-001

Cathedral Square Corporation has requested funds of $750,000 in VHCB funds and $600,000 in HOME funds. Leah Sare from VHCB, Cindy Reid from Cathedral Square Corp and Robin Way from Champlain Islanders Developing Essential Resources (C.I.D.E.R.) presented the project to the board. Leah explained that CSC is developing Champlain Islands Senior Housing, a new construction project in South Hero. This project will create 30 units of service-enriched housing for older adults ages 55 and older. The building will feature twenty-six one-bedroom units, four two-bedroom units, community space and it will also provide office space for C.I.D.E.R, to be purchased as part of the development under a separate condominium.

The location of the proposed Champlain Islands Senior Housing is within the Village Center boundary and will be served by town water. Co-locating C.I.D.E.R’s offices within the housing development will provide residents with additional access to services beyond the SASH programming provided by CSC. SASH services will have an office and wellness nurse space on site. Cindy explained that there is strong community support from South Hero Village. CIDER and CSC have been working together for the past 14 years on this project. Robin explained that CIDER has served the five small island communities for the past 27 years. They support and sponsor many programs for the elderly, as well as, assisting seniors with transportation needs. Cindy said that the project would be located in a smart growth site in the center of the community. They already have 33 names on their waiting list for this housing with many more on their waiting list in adjoining Chittenden County. This will be a mixed income community.
Alison asked if there would be housing for the homeless population with this project. Cindy explained that CSC serves this population throughout their portfolio and they are committed to this population. Kate asked about the connectivity of the village and Cindy explained that the South Hero Land Trust is looking at a potential walking trail in the village. Emily asked if the plan has gone through the design review process and whether the design was compatible with the rest of the village architecture. Cindy explained that they have not gone through the zoning process yet but feel that the design of the building fits with the village plan. There was a brief discussion of the Round Barn Project, which is also located in the area. No updates on the Round Barn were available but there have been discussions about the project with partners including CHT. Neil asked about parking and Cindy explained that they had to cut parking in half in a cost savings move. They have found other options for shared parking in the area.

**Wells River Historic Housing, Wells River – Downstreet Housing & Community Development/Housing Vermont 2020-071-001**

Downstreet Housing & Community Development and Housing Vermont have requested $761,250 in VHCB, $505,813 in HTF, and $497,835 in HOME funds. Gretchen Rittenhouse from VHCB, Samantha Dunn from Housing Vermont and Julie Curtin and Nicola Anderson from Downstreet presented the project. Gretchen explained that Wells River Historic Housing encompasses 29 family apartments and eight street-level commercial spaces in five historic buildings within the Wells River Designated Village Center. The buildings were originally re-developed by Housing Vermont and Wells River Action Program (WRAP), a local community group. Samantha explained that Housing Vermont and Downstreet Housing plan to purchase, rehabilitate, and re-syndicate the properties as one partnership. The properties originally received a moderate rehabilitation and, as family housing, see heavy use; at this point, they have significant capital needs that cannot be met by current reserves. They are applying for VHCB, HOME, and HTF funds to support a re-development plan which includes roof replacement, exterior repairs and painting, energy upgrades throughout the project, comprehensive renovations to some of the larger apartments, increased rental assistance, and re-capitalized operating and replacement reserves. There will be 25 income-restricted units.

As part of the re-development, the Developers received a commitment for seven additional project-based rental subsidies from the Vermont State Housing Authority, which, going forward, will allow them to prioritize these apartments to homeless families and individuals. Downstreet and Housing Vermont will work with the property manager and WRAP to provide referrals and services. This project will also restructure the existing VHCB debt on the properties. Samantha pointed out the properties are in high demand. They are applying for historic and downtown tax credits as part of their funding package. Julie pointed out that they have existing MOUs with area service providers including NECA, Veterans Administration, Capstone, and Community Connections. They are talking with RuralEdge about their SASH program and they may be able to provide services to this property.

**Dalton Drive Condominiums, Colchester – Champlain Housing Trust 2020-084-001**
Champlain Housing Trust has requested $100,000 in VHCB funds. Ariane Kissam from VHCB and Rob Leuchs from CHT presented the project. Ariane explained that the project would assist the condo association at Dalton Drive to make needed capital repairs and improvements. CHT is also requesting that VHCB approve the withdrawal of an additional $100,000 from a second mortgage pool originally capitalized by VHCB and VHFA in the early 1990’s to create affordable units in the association. The association will raise an additional $100,000 from a loan that will be paid off by increased dues on the market (non-resale restricted) owners.

Dalton Drive Condominiums are an existing 77-unit condominium association on the Colchester-Essex town line that was developed in 1993. The units are within 19 buildings that were constructed around 120 years ago as officers’ housing at Fort Ethan Allen. Most of the buildings are constructed of brick. There are currently twenty-eight permanently affordable, resale restricted homeownership units within the association. VHCB and the Preservation Trust of Vermont (PTV) also hold a historic preservation easement on all the buildings within the condo association. Emily also noted that VHCB has an easement on the parade grounds, which has saved it from development. Maura asked about the historic preservation easement and whether there was an amendment to address exterior work. Ariane explained that there was a discussion with Historic Preservation but no changes were made to the existing easement. There was a brief discussion about these easements and their costs.

Consent Agenda
Emily made the motion to approve the Consent Agenda. Maura seconded the motion. Several resolutions had small corrections. Emily amended her motion to reflect the corrections. All voted in favor of the amended motion. Emily and David abstained from the Vermont Marble Museum vote. Diane abstained from the VAAFM project.

There were several corrections to the resolutions including:

2020-087-001
VAAFM Water Quality Grant
Special Condition #2 should have the amount $12,500 (for the first Qtr) (not $10,000), and $37,500 for the remainder of the award (not $40,000)

2009-095-000
Homeownership Stewardship Fund
The award amount in the first paragraph should be $40,000 (not $25k)

Roll Call
Alison – yes
Maura – yes
Billy – yes
David – yes
Emily – yes
Tom – yes
The Consent Agenda consisted of:

1) Farmland Access Program, VLT (2020-082-001)  
2) Water Quality Grant, VAAFM (2020-087-001)  
3) Monument Farm II, Addison (2018-081-001)  
4) Act 250 Mitigation (2020-086-001)  
5) HFI Organizational Development grant (2020-089-001)  
6) VCIL Recapitalization (2020-088-001)  
7) Guidelines for Organizational Risk Pool (2020-081-000)  
8) Tri-Park Project Capacity, Brattleboro (2020-085-001)  
9) VT Marble Museum PTV Loan Modification (2013-048-001)  
10) VLT Associated Costs Contract (2020-090-001)  
11) Homeownership Recapitalization: Homeland (2002-068-000)  
12) Habitat (1990-088-000)  
13) Homeownership Stewardship (2009-095-000)

**Director’s Report**

Gus had updates to written report to the Board. He thanked everyone for their participation on the Zoom meeting. He expressed great gratitude to the staff for their hard work over the past several months. He expected that most staff would continue to work remotely throughout the summer and perhaps into the fall. He had a huge thanks to Martin and the housing staff for their work in gearing up for the Federal Cares Act money helping promote solutions for the homelessness housing situation. This money will provide $23 million to housing partners and shelters around the state. The entire award needs to be spent by December 30th. There will need to be an August board meeting to consider these awards. An additional $9 million package for housing is being considered in the legislature as well.

Jen Hollar reported that there is a great deal of work going on in the legislature right now. Over a billion dollars of CARES funding needs to be out the door by the end of the year. There may be additional funding going to the Ag sector including $192,000 to Farm and Forest Viability Program for their rapid response assistance to farmers. House and Senate are working together on these bills. She also noted that the base VHCB budget for the first quarter of the new fiscal year is being reviewed and may be approved in the next few weeks. This includes 40% of our appropriation for the year. The legislature will need to deal with large budget gaps for the balance of the fiscal year when they come back in August.

The House has done some work on the Act 250 bill and zoning issues but the Senate is still hearing testimony. Billy explained that he is concerned about the work the Senate has done with the Act 250 bill. It seems like it has been quickly pushed through the process without needed testimony on the
impact on the changes. Diane agreed with this concern. Kate did say that there has been vetting done by the House

Neil asked whether there would be rental subsidies included in the new funding. Alison explained that there would be short-term subsidies. Partnerships with the housing authorities would need to be developed for longer-term subsidies in the future. Gus explained that there may be more aid later in the year from the federal government. There was a brief discussion about the housing funding and the process. Martin explained that the board mailing would go out at the end of July with an expected board meeting scheduled the first week in August. Gus noted that Reverend John Nutting passed away last week. He did great work in his community for many years and served on the Vermont Housing & Conservation Board.

**Election of Officers**

Neil explained that there a nominating committee had been set up at the May board meeting. Emily explained that the committee’s main mission was to nominate officers for next year. Neil will be nominated to serve as the chairman for one more year. David will be vice chairman for this year and has expressed a willingness to succeed Neil as chairman.

Billy made a motion to approve the slate of officer. Kate seconded the motion. All voted in favor of the motion.

Chairman Neil Mickenberg  
Vice Chairman David Marvin

**Roll Call**

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

**FY2020 Budget/Financial Report**

Anne had updates to her report. She discussed the proposal to use surplus funds from the FY 2020 funding. There was a brief discussion about the proposal. The Finance Committee recommendation was as follows:

The Board authorizes staff to use up to $201,300 of anticipated FY2020 surplus for the purposes outlined in the Memo to the Board dated 6/2/2020. Any other FY2020 surplus shall be used to increase the FY2021 Project Target.
Diane moved the approval of the motion. Emily 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

**Minutes**  
Maura moved approval of the minutes from the May 15, 2020 board meeting. Alison 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

**Conservation Supplemental Org Grants**
Karen explained that staff been working with our conservation partners in a number of ways since the COVID-19 crisis hit in March. For those conservation groups that regularly bring us projects, there have been ongoing conversations with Executive Directors and other lead staff to assess risks to organizational health as well as small group calls to share strategies for dealing with this new reality. The annual organizational grants funding we provide to our partners is critical in maintaining the strong and effective delivery system for our collective work. They are concerned about diminished conservation funding in the upcoming fiscal year.

Neil asked about federal stimulus support to nonprofit organizations including our housing and conservation partners. Gus explained that he is not aware of that happening at this time in Vermont. The federal awards are very restricted.
Karen recommended the board support a proposal to deploy additional funds for the conservation nonprofits to which VHCB’s awards annual organizational support, with VLT’s in the form of a reservation of funds pending further conversations about capacity. The supplemental awards are to enhance operating support as they manage increased costs in a time of decreased revenue.

Kate moved the organizational grant supplemental award resolution. Alison seconded the motion. Maura asked a question about funding amounts for each award. Karen explained that the awards were based on need and assessed risk to the organizations as well as relative levels of VHCB mission related activity. All voted in favor.

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

Deliberations:

Conservation Projects

<table>
<thead>
<tr>
<th>Project</th>
<th>Code</th>
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<tbody>
<tr>
<td>Valcour Farm</td>
<td>2020-047-001</td>
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<tr>
<td>Brigham II</td>
<td>2019-032-001</td>
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<tr>
<td>Kingdom Trails II</td>
<td>2020-078-001</td>
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<tr>
<td>Deer Run Phase II</td>
<td>2019-053-002</td>
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<tr>
<td>Gile Ridgeline/Woody Adams</td>
<td>2020-072-001</td>
</tr>
<tr>
<td>Huntington Community Forest</td>
<td>2020-069-001</td>
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David made a motion to approve the conservation projects presented today. Kate seconded the motion. There was a brief discussion of potential development threat of the Deer Run Phase II project. Ethan noted that there is not a lot of development pressure with this reflected by the relatively low per acre appraised value. Gus briefly addressed the issue of future committing of funds and not completely funding these projects. There will be more conservation projects this fall. There was a board discussion of Gile Ridgeline project plea for full funding. Gus pointed out that the initial staff proposal was increased from $100,000 to $125,000. Staff feels comfortable with the awards as they stand. All voted in favor of the motion.

Roll Call
Maura made a motion to approve the projects presented today. Alison seconded the motion. Alison wanted to discuss the Champlain Islands Senior Housing project. She was concerned about the need in this community and how the homelessness issue is being addressed in this project. Maura pointed out that the needs assessment cited in the write up has been updated. The need and demand issues were discussed by staff and board members. Gus mentioned the strong community support of this project and the work done to make it a smart growth project. The Round Barn project was also discussed and Maura agrees that the additional condition was helpful. Ariane added language to the Dalton Drive resolution including soft cost expenses. Maura amended her motion to include this change. The amended motion passed.

Roll Call
Alison – yes
Maura – yes
Billy – yes
David – yes
Emily – yes
Tom – yes
Neil – yes
Kate - yes
Abstained from Champlain Islands Senior Housing Project

Policy Issues
The Board discussed VHCB’s statement on Diversity and Inclusion. Neil talked about whether the board could take additional action to deal with racial justice and equity. Gus discussed the staff response to this issue, as well as our partners around the state. Francis Sharpstene, VHCB’s AmeriCorps Director, spoke about the staff’s response into this issue and steps that they wish to take over the next year. There was also a board discussion about the issue and actions that might be taken. Maura asked if there could
be a plan to add people of color on the board in the future. Gus said that would be something that the nominating committee can work on understanding we do not select our board members. Maura offered an edit to the resolution. Kate encouraged the board and staff to share actions that occur after passing the initial resolution. Regular updates to the board would be valuable.

Emily made the motion to approve the amended resolution. Kate seconded the amended motion.

**Edit to Paragraph Two:**
Access to land and housing has been a tool to separate and denigrate persons of color who therefore are more likely to be economically disadvantaged throughout American society, and"

**Roll Call**
Alison – yes
Maura – yes
David – yes
Emily – yes
Tom – yes
Neil – yes
Kate – yes

All voted in favor of the motion.

Emily brought up the issue of climate change as well as we go forward. Kate offered appreciation to staff for all that they are doing for partners right now.

**Other business:**
There was no other business.

The meeting adjourned at 12:58.

Respectfully submitted,
Marcy Christian
Resolutions

Vermont Land Trust
Monument Farms II
#2018-081-001

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 Two Hundred and Thirteen Thousand Dollars ($213,000), including up to $200,000 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 Monument Farms II, located in Weybridge, Addison County and includes approximately 160 acres.

This award is subject to the following conditions:

**VHCB Special Conditions:**

1. This award is contingent on VHCB receiving a minimum of $8.8 million in the Quarter 1 budget of FY2021 state appropriations. In the event that VHCB receives less than $8.8 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, all as reviewed and approved by VHCB staff:
   a. sole discretion farm labor housing right,
   b. standard camp clause
   c. Farmstead complex, generally as depicted on the application.

3. The easement will include the following special protections, all as depicted on the farm plan and reviewed and approved by VHCB staff:
   a. Ecological protection zones of approximately 13 acres;
   b. Archeological protection zones.

4. The easement may include an impervious surface limit greater than 2%, if approved by NRCS.

5. 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.
6. Prior to closing, a survey of the excluded parcel to be enrolled in the Wetlands Reserve Easement Program, 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.

7. 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;

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.

Vermont Agency of Agriculture, Food & Markets
Act 250 9(B) reviews
VHCB# 2020-086-001

Resolution:
To award the Vermont Agency of Agriculture (the “Agency”) a VHCB award of up to One Hundred Fifteen Thousand Dollars ($115,000) for the purpose of funding costs associated with work on issues related to Act 250 9(B). Board also authorizes staff to decommit any remaining balance in the FY20 award (2019-092), if necessary.

The award shall be subject to the following conditions:

1. This award covers the period July 1, 2020 – June 30, 2021.

2. This award is contingent on the availability of mitigation funds that can be used for this purpose.

3. Disbursements will be made based on requests from the Agency providing: a) a narrative describing the Agency’s work associated with Act 250 9(B), including a list of Act 250
applications the Agency is responding to, and b) financial reports documenting the expenses relative to the Act 250 Coordinator’s work on Act 250 9(B) and other eligible expenses.

4. Prior to final disbursement, the Agency will submit a report summarizing the impact of the funds received, a summary of how Act 250 9(B) proceedings are working, and an analysis of how effective the program is, and what steps, if any, are needed to improve the Agency’s role in, and the overall impact of, Act 250 9(B) protection of primary agricultural soils.

Vermont Land Trust Farmland Access Program
FY21 Award 2020-082-001

Resolution:
To award the Vermont Land Trust a grant of up to Eighty Thousand Dollars ($80,000) to support the operations of VLT’s Farmland Access Program. This award is subject to the following conditions:

VHCB Special Conditions:

1. This award of FY2021 VHCB funds has the following contingencies: $20,000 (25%) of this award is contingent upon VHCB receiving a minimum of $8.8 million in state appropriations for the FY2021 Quarter 1 budget; the remainder of this award, $60,000 (75%), is contingent on VHCB receiving a minimum of $14.3 million in FY2021 state appropriations. In the event that VHCB receives less than $14.3 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 funds to VHCB.

2. This award covers the period of July 1, 2020 – June 30, 2021.

3. Prior to first disbursement, VLT will report on the status of staff capacity to develop and bring farmland access projects to VHCB for funding.

4. Prior to final disbursement, VLT will provide a report on the year’s results including such items as number of projects and number of conserved farms’ transitions assisted, as well as broader metrics about the impact of the Farmland Access Program (such as amount of other funding leveraged, total number of transitions assisted, etc.) The report will include information about the impact of dairies going out of production and/or selling, as applicable, on the work of the Farmland Access Program.

Vermont Agency of Agriculture, Food and Markets
Water Quality Stewardship
VHCB#2020-087-001
Resolution:
To award the Vermont Agency of Agriculture, Food and Markets (the “Agency”) up to Fifty Thousand ($50,000) for the purpose of supporting Agency activities related to evaluating the merits of potential farmland conservation projects and improving water quality and farm operator and farmland management compliance with required agricultural practices. This funding will support a portion of multiple Water Quality Specialist FTEs salaries, benefits and associated costs.

VHCB Special Conditions:

1. This award covers the period July 1, 2020 – June 30, 2021.

2. This award (or set aside) of FY2021 VHCB funds has the following contingencies:
   - $12,500 of this award is contingent upon VHCB receiving a minimum of $8.8 million in state appropriations for the FY2021 Quarter 1 budget;
   - The remainder of this award, $37,500, is contingent on VHCB receiving a minimum of $14.3 million in FY2021 state appropriations;
   - In the event that VHCB receives less than $14.3 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 funds to VHCB.

3. The grantee shall provide updates to the Work Plan previously submitted to VHCB should that change during the time period of the grant.

4. Disbursements will be made based on requests from the Agency providing to VHCB: a) quarterly reports describing the Agency’s work associated with this grant, including specific farm inspections completed, b) copies of the inspection reports, and c) a summary invoice for each quarter of the eligible expenses relative to the VHCB water quality work funded through this grant.

Trust for Public Land
Huntington Community Forest
#2020-069-001

Resolution:
To score the application 9 for need, 10 for impact, and 10 for quality, and to award the Trust for Public Land (the "Grantee") a VHCB grant in the amount of up to One Hundred Twenty Five Thousand Dollars ($125,000), all for acquisition. This project involves property known as the Huntington Community Forest, located in Huntington, Chittenden County and includes approximately 245 acres. The primary purposes of the award are water quality protection, natural area protection, sustainable forest management, and public outdoor recreation. This award is subject to the following conditions:
1. This award is contingent on VHCB receiving a minimum of $8.8 million in the Quarter 1 budget of FY2021 state appropriations. In the event that VHCB receives less than $8.8 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.

2. The award is contingent on an updated appraisal supporting the purchase price.

3. Prior to or simultaneous with disbursement, the property shall transfer to the Town of Huntington.

4. The property shall be subject to a standard VHCB conservation easement, to be reviewed and approved by VHCB staff, and co-held by VHCB and the Vermont Land Trust. VLT will be the primary steward and responsible for monitoring and the baseline documentation report.

5. The conservation easement shall include:
   a. 50-foot surface water buffer zones on all river frontage, streams, and wetlands;
   b. wetland protection zones and vernal pool ecological protection zones as determined by further field assessment;
   c. the right to sustainably manage forest resources, subject to a Forest Management Plan, consistent with the Purposes of the conservation easement;
   d. public access for non-commercial, non-motorized recreation.

6. Prior to closing, Grantee shall submit an interim management plan for VHCB staff review and approval. The plan shall list proposed uses of the property and will describe how an appropriate balance between agricultural, silvicultural, and recreational use will be maintained, while protecting natural resources and water quality.

This project is also subject to all applicable Standard VHCB Conditions for Nonprofit and Municipal Conservation Projects.

Gile Ridgeline Forest
Upper Valley Land Trust
#2020-072-001

Resolution:
To score the application 9 for need, 9 for impact, and 10 for quality, and to award Upper Valley Land Trust (the "Grantee") a VHCB grant in the amount of up to One Hundred and Twenty Five Thousand Dollars ($125,000), consisting of up to $125,000 for fee title acquisition. This project involves property known as the Adams Tract, and two town-owned forest parcels located in Norwich, Windsor County, and includes approximately 290 acres. The primary purpose of the award is protection of natural and public access resources of tremendous local significance. This award is subject to the following conditions:
1. This award is contingent on VHCB receiving a minimum of $8.8 million in the Quarter 1 budget of FY2021 state appropriations. In the event that VHCB receives less than $8.8 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.

2. All three parcels (The Adams Tract, and two bordering town-owned parcels) shall be subject to a conservation easement drafted by VHCB and UVLT. The easement(s) will be co-held by VHCB and UVLT, with UVLT as the primary conservation easement steward. Prior to or simultaneous with disbursement, the 186 acre Adams Tract property will be conveyed to the Town of Norwich.

3. The conservation easement shall include:
   a. Riparian and Surface Water Buffers; 50 foot buffers on both sides of perennial streams, and 100 foot buffers surrounding perimeter of vernal pools and seeps, including all vernal pools identified by the Vermont Center for Ecostudies.
   b. The right to sustainably manage forest resources on the Adams Tract and two associated town-owned parcels, subject to a Forest Management Plan, that is approved by a professional forester and consistent with the Purposes of the conservation easement;
   c. The right to maintain existing trails and recreation infrastructure;
   d. New trails subject to VHCB approval;
   e. No building rights; and,
   f. Public access.

4. Prior to disbursement, the conservation easement and all components, including an Interim Management Plan, the Forest Management Plan, riparian and surface water buffer map(s), shall be reviewed and approved by VHCB staff.

5. Prior to disbursement, VHCB shall have reviewed all existing access, trail, and right of way easements associated with the property.

This project is also subject to all applicable Standard VHCB Conditions for Nonprofit and Municipal Conservation Projects.

Deer Run II
Green Mountain Conservancy
#2019-053-002

Resolution:
To score the application 8 for need, 8 for impact, and 9 for quality, and to award the Green Mountain Conservancy (the "Grantee") a VHCB grant in the amount of up to One Hundred Fifty Thousand Dollars ($150,000), consisting of up to $150,000 for acquisition. This project involves property known as Deer
Run II, located in Brookline and Newfane, Windham County and includes approximately 626 acres. The primary purposes of the award are water quality protection, natural area protection, sustainable forest management, low impact agricultural use, and public outdoor recreation. This award is subject to the following conditions:

1. This award is contingent on VHCB receiving a minimum of $8.8 million in the Quarter 1 budget of FY2021 state appropriations. In the event that VHCB receives less than $8.8 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.

2. Prior to or simultaneous with disbursement, the property shall transfer to the Green Mountain Conservancy.

3. The property shall be subject to a standard VHCB conservation easement, to be reviewed and approved by VHCB staff, and co-held by VHCB and the Vermont Land Trust, with VLT as primary steward.

4. The conservation easement shall include:
   a. 50-foot surface water buffer zones on all river frontage, streams, and wetlands;
   b. the right to construct one rustic, seasonal camp no larger than 800 square feet;
   c. the right to sustainably manage forest resources, subject to a Forest Management Plan, consistent with the Purposes of the conservation easement;
   d. public access for non-commercial, non-motorized recreation.

5. Prior to closing, Grantee shall submit an interim management plan for VHCB staff review and approval. The plan shall list proposed uses of the property and will describe how an appropriate balance between agricultural, silvicultural, and recreational use will be maintained, while protecting natural resources and water quality.

This project is also subject to all applicable Standard VHCB Conditions for Nonprofit and Municipal Conservation Projects.

Vermont Land Trust  
Kingdom Trail II  
#2020-078-001

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 One Hundred Fifty Thousand Dollars ($150,000), for fee acquisition of a 40 (forty) acre parcel and to assist in paying off the loan for the recently acquired 228 acre parcel. This project is located in Lyndon, Caledonia County, and includes
approximately 268 acres. The primary purpose of the award is public outdoor recreation. This award is subject to the following conditions:

**VHCB Special Conditions:**

1. This award is contingent on VHCB receiving a minimum of $8.8 million in the Quarter 1 budget of FY2021 state appropriations. In the event that VHCB receives less than $8.8 million, the VHCB Board reserves the right to decommit, retract, and/or reduce the award for this project. The disbursement is subject to the State of Vermont releasing these funds to VHCB.

2. Both properties shall be subject to a conservation easement in a form acceptable to VHCB staff, and co-held by VHCB and the Vermont Land Trust. The easement shall be subject to review and approval of VHCB staff prior to closing.

3. Prior to or simultaneous with disbursement, the 40 acre property will be conveyed to Kingdom Trails Association.

4. The conservation easement shall include provisions to protect streams, wetlands and federally and state listed endangered, threatened and rare species on the properties as depicted on the site plan and reviewed and approved by VHCB staff.

5. The conservation easement shall include an activity zone that will not exceed 10 acres.

6. The conservation easement shall allow the construction of structures to support public outdoor recreation, public natural resource management and/or public outdoor education, provided that such structures, and the number and location of such structures, drives and utilities are consistent with the purposes of this Grant.

7. Prior to disbursement, Grantee shall develop an interim management plan for the property that details, and balances, the various uses and management entities envisioned for the property. VHCB shall review and approve this plan prior to closing.

This project is also subject to all applicable Standard VHCB Conditions for Nonprofit and Municipal Conservation Projects.

**Vermont Land Trust**

**Valcour Farm**

**#2020-047**

**Resolution:**

To score the application 9 for need, 8 for impact, and 8 for quality and to award the Vermont Land Trust (the “Grantee”) a VHCB grant in the amount of up to Six Hundred Three Thousand Dollars ($603,000) consisting of $590,000 for acquisition of development rights, conservation restrictions, and option to
purchase at agricultural value, $4,000 for associated costs, and $9,000 for stewardship. This project involves property known as the Valcour farm, located in Morristown, Lamoille County and includes approximately 173 acres.

This award is subject to the following conditions:

**VHCB Special Conditions:**

1. This award is contingent on VHCB receiving a minimum of $8.8 million in the Quarter 1 budget of FY2021 state appropriations. In the event that VHCB receives less than $8.8 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.

2. Prior to or simultaneously with closing on the development rights, the property shall transfer to Jesse and Marlene Hursh, or to another farmer approved by VHCB.

3. Prior to disbursement, there shall be an appraisal to NRCS specifications that justifies the purchase price of the easement. The appraised acreage shall be based on acreage determined by a recorded or recordable survey if such a survey exists at the time the appraisal is ordered.

4. If a recorded or recordable survey of the easement area does not exist, 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.

5. The easement may exclude three parcels as shown in the application.

6. Prior to closing, Grantee shall explore with the Catamount Trail Association (CTA) and the landowner the possibility of formalizing wintertime non-motorized public access to a trail for cross-country skiing.

7. The easement shall include the following residential and building complex rights:
   a. one building complex bisected by roads, generally as depicted in the application, and containing the existing residence, which shall be the main farmhouse in the easement;
   b. the standard sole discretion farm labor housing paragraph;
   c. the right to construct one seasonal camp, but not on agricultural land or in the RBZ, and not to exceed 600 square feet.

8. The easement shall contain the following special environmental protections:
   a. riparian protection zones generally as depicted in the application;
   b. wetland protection zone generally as depicted in the application.
9. 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.

10. The easement may include an impervious surface limit greater than 2%, if approved by NRCS.

11. 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.

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**Dalton Drive Condominiums ♦ Essex and Colchester, Vermont  
Champlain Housing Trust  
2020-084-001**

**Resolution:**
To score the application “8” for need, “9” for impact and “8” for quality, and to award the Champlain Housing Trust (the "Developers") up to $100,000 in VHCB funds and allow the withdrawal of up to $100,000 from the Dalton Drive second mortgage pool for construction and soft cost expenses. This project involves property located at Dalton Drive in Colchester and Essex and consists of a total of 71 homeownership units, of which 28 units are restricted and perpetually affordable.

This award is subject to the following restrictions and conditions:

**Affordability and Conveyance Restrictions:**
Existing homeowners in Dalton Drive have mortgages with resale restrictions. The existing homeowners of the 28 restricted units shall execute a VHCB Mortgage of perpetual duration, which will be prepared by VHCB counsel and will contain restrictions substantially as follows:

The initial purchaser(s) of the units subsidized shall be an “Eligible Household” as defined below. Upon resale of the restricted units, Developer and the purchaser(s) shall execute a Condominium Housing Subsidy Covenant of perpetual duration (known herein as the “Covenant”). This Covenant will be prepared by Developer’s counsel, reviewed and approved by VHCB counsel, and shall contain restrictions on conveyance. With respect to the restricted units, the Covenant shall include a requirement that whenever an owner intends to sell the unit, the Developer shall have a right to repurchase the unit at a price determined pursuant to a limited appreciation formula approved by VHCB staff. The Covenant shall also restrict resale, whether by the owner or by Developer, so that the unit may only be resold to Eligible Households.

Definitions:
“Eligible Household” shall mean a person or group of persons whose Household Income, at the date of their initial occupancy, is less than or equal to 120% of Median Income, adjusted for family size.

“Household Income” shall mean annual income determined in accordance with Title 24, §813.106, of the Code of Federal Regulations.

“Median Income” shall mean median income for (i) Chittenden County, or (ii) the State of Vermont Nonmetro, whichever is greater, as determined from time to time and published in the Federal Register by the United States Department of Housing and Urban Development.

Special VHCB Conditions:

1. This award is contingent on VHCB receiving a minimum of $8.8 million in the Quarter 1 budget of FY2021 state appropriations. In the event that VHCB receives less than $8.8 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.

2. VHCB, in conjunction with the Preservation Trust of Vermont, will have an opportunity to provide input on the final scope of work for the association and will review and approve the scope prior to the beginning of the work.

3. In the event that financing with more favorable terms than projected becomes available prior to closing, VHCB will reduce the amount of this award to the extent that improved financing terms enable the project to take on additional debt.
4. Prior to closing, Champlain Housing Trust shall obtain construction bids or estimates that demonstrate to the satisfaction of VHCB that projected construction costs are within the approved budget for the project.

5. Prior to closing, Champlain Housing Trust will provide VHCB with a comprehensive analysis of the second mortgage pool that illustrates that CHT will have sufficient funds left to maintain the affordability of the resale restricted units still owned by the original purchasers.

6. This award is conditioned on VHFA’s approval of the withdrawal of $100,000 from the second mortgage pool established by VHFA and VHCB.

7. Prior to closing, VHCB will review and approve Champlain Housing Trust’s plan for ongoing communication with Dalton Drive condominium owners and the association, related to asset management. Champlain Housing Trust will provide ongoing training and support for Dalton Drive condominiums.

8. Prior to the commencement of the rehab work, Champlain Housing Trust and the condominium association will develop a more detailed plan and timeline for the replacement of sewer pipes that VHCB reviews and approves.

This award is also subject to standard conditions for homeownership.

Housing Organization Risk Pool
VHCB #2020-081-000

Resolution
The Board authorizes staff to have the ability to disburse funds in consultation with the Board Chair for awards of up to $75,000 and with the Organizational Grants Committee for awards between $75,000-150,000.

The Board authorizes staff to have the ability to provide assistance from this pool in the form of either a loan or a grant, taking into account the following considerations:

- In the case of organizations facing a cash flow crisis that is the result of a one-time delay in income, such as a development fee that is postponed due to construction, financing or funding delays, and which are reasonably expected to be resolved by a known date, and where a short term bridge financing would resolve the issue, funds would be disbursed in the form of a short term, interest-free loan. The loan would be evidenced by an unsecured Promissory Note setting the terms of repayment to become due and owing upon receipt of the delayed income or 12 months from the date of disbursement of said loan funds, whichever occurs first.
In the case of organizations experiencing losses of income or increased expenses that are:
1) a potential threat to the sustainability of the organization or its key functions or programs,
and 2) ongoing and would not be resolved by short term bridge financing; staff will disburse funds in the form of a grant, provided that in doing so staff believe that the organization is sufficiently stable to ensure ongoing operations or there is a reasonable plan for an orderly transition.

Homeownership Stewardship Fund ♦ Statewide Vermont
2009-095-000
Board meeting date: June 18, 2020

Resolution:
To award a total of Forty Thousand Dollars ($40,000) to add to the statewide site specific homeownership fund to assist homes with previous VHCB investments that are at risk of being lost due to foreclosure or other causes.

This award is subject to the following restrictions and conditions:

Special VHCB Conditions:

1. This award of FY2021 VHCB funds has the following contingencies: $10,000 of this award is contingent upon VHCB receiving a minimum $8.8 million in state appropriations for the FY2021 Quarter 1 budget; the remainder of this award, $30,000, is contingent on VHCB receiving a minimum of $14.3 million in FY2021 state appropriations; in the event that VHCB receives less than $14.3 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 funds to VHCB.

2. Awards from the statewide subsidy pool shall be made by staff to VHCB Grantees of previously funded projects and Homeland resales to assist households with incomes less than or equal to 120% of median income.

3. Awards may be made for the following purposes:
   i. Additional VHCB awards of up to $45,000 for homes that have existing VHCB funds. The total award of VHCB funds for one unit will not exceed $80,000. These grants can be used either by nonprofits to help purchase the units to preserve them, can be used for costs such as realtor’s fees or advertising to help sell units, or can be used to provide additional subsidy to eligible purchasers. These funds will be secured upon resale if the value is sufficient; if the value is not sufficient, a resale subsidy agreement will be signed that will secure the additional funds on any future resale where the value is sufficient. Awards up to $15,000 may be provided unsecured or without a resale subsidy agreement at the discretion of VHCB.
ii. Grants of up to $12,500 to condo associations or homeownership cooperatives for general repairs to the property and grounds in cases where all the units are resale restricted.

**Wells River Historic Housing LP ✦ Newbury, Vermont**

**Downstreet Housing and Community Development and Housing Vermont**

**2020-071-001**

**Resolution:**
To score the application “9” for need, “9” for impact and “8” for quality, and (1) to award Downstreet Housing and Community Development and Housing Vermont (the "Developers") VHCB funds in the amount of up to Seven Hundred Sixty-one Thousand Two Hundred Fifty dollars ($761,250) for acquisition, rehabilitation and related expenses, and HOME funds in the amount of up to Four Hundred Ninety-seven Thousand Eight Hundred Thirty-five dollars ($497,835) for new construction/rehabilitation and related expenses, and HTF funds in the amount of up to Five Hundred Five Thousand Eight Hundred Thirteen dollars ($505,813) for new construction/rehabilitation and related expenses; and (2) re-structure $618,500 in VHCB, HOME, and Lead loans made to the Wells River Housing Limited Partnership (1996-204-001) and $435,586 in VHCB, HOME, and Lead loans made to the Baldwin Block Limited Partnership (2000-068-001), which will be assumed by the new partnership. The restructure will include forgiveness of $695,182.11 in accrued interest on the HOME Loan #1996-204.H; forgiveness of $90,414.31 in accrued interest on the Lead Program Loan #1967-000-005; forgiveness of $232,780.21 in accrued interest on the HOME Loan #2000-068.H; and, forgiveness of $47,043.76 in accrued interest on the Lead Program Loan #1968-000-035. The terms of the existing loans will mirror those of the new loans. This project involves property located at 31 Main Street, 51 Main Street, 11 Center Street, 24 Grove Street, and 28 Grove Street and consists of a total of 29 rental units in 5 building(s). Six (6) units are designated as HOME units. Three (3) units are designated as HTF units.

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-five (25) units, which will be prepared by VHCB general counsel and will contain restrictions substantially as follows:

**VHCB:**
Developer shall lease twenty-five (25) 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 fifteen (15) of these 25 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 three (3) of the 15 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:
Six (6) 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 two (2) fixed one-bedroom units: 28 Grove St #2A; 24 Grove St #1B; the following three (3) fixed two-bedroom units: 31 Main St #7, 51 Main St #3, 11 Center St #3A; and the following one (1) fixed three-bedroom unit: 28 Grove St #1A. 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 four (4) 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.

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. The HTF units shall consist of the following fixed units at 31 Main St: two (2) fixed one-bedroom units: unit #2, unit #4; and one (1) fixed two-bedroom unit: unit #5. 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.

**Special VHCB Conditions:**

1. This award is contingent on VHCB receiving a minimum of $8.8 million in the Quarter 1 budget of FY2021 state appropriations. In the event that VHCB receives less than $8.8 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.

2. Developers will work with VHCB staff to make all reasonable efforts to maximize the energy efficiency scope, while recognizing budget and tenant relocation limitations.

3. Developers will provide the referral and service plans for housing the homeless, as well as any MOUs with service providers, to VHCB staff for review and approval.

4. 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.

5. The existing VHCB loans on these properties will be incorporated into the new VHCB loan for this award with the same terms and maturity date.

6. In addition to standard VHCB design review condition, developer will review with VHCB staff any modifications to the scope of work and objectives resulting from changes in current projected funding sources, prior to entering into the design and construction drawing phase of the project development.

**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. No HOME funds shall be used for costs associated with commercial spaces.

3. The existing HOME loans on these properties will be incorporated into the new HOME loan for this award with the same terms and maturity date.

4. 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.
5. Prior to closing, Developer shall submit documentation that the project complies with Section 504 of the Rehabilitation Act of 1973. For substantial rehabilitation, 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.

6. 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). If, after 18 months of the execution of the HUD HOME agreement, it appears unlikely that the project will meet this deadline, VHCB reserves the right to de-commit the HOME award. Project completion (as defined in 92.2) must be within 4 years of the execution of the HOME Agreement between VHCB and Developer.

7. 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.

**Special HTF Conditions**

1. This award is contingent upon VHCB’s receipt of FFY2020 (National) Housing Trust (HTF) 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 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, Developer shall submit documentation that the project complies with Section 504 of the Rehabilitation Act of 1973. For substantial rehabilitation, 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.
This award is also subject to Standard VHCB Conditions for LIHTC Housing Projects and Standard HOME and HTF Conditions.

2020 Conservation Organizational Grants
Supplemental Awards

Resolution:
The Board authorizes staff to use up to $90,000 to supplement the 2020 Conservation Organizational Grants in the amount of $90,000 as follows:

a. Staff shall amend the 2020 Organizational Grants awarded to Conservation Grantees on December 12, 2019, and increase those awards by a total of up to $90,000, for the purposes of providing Operating Support, as follows:
   i. $5,000 per organization to Catamount Trail Association and Cross Vermont Trail Association;
   ii. $7,500 per organization to Lake Champlain Land Trust, the Trust for Public Land and the Upper Valley Land Trust (for support relating solely to Vermont activities for those organizations);
   iii. $10,000 to the Green Mountain Club;
   iv. $12,500 to The Nature Conservancy and Vermont River Conservancy;
   v. $22,500 is reserved and staff is authorized to award to the Vermont Land Trust pending further assurance of adequate staffing.

b. Special Condition – Grantees shall report as requested by VHCB staff, on costs and activities related to COVID, and how organizational reserves have been and are being used to manage those costs. Grantees shall provide a 24-month cash flow 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.

Housing Foundation Inc. 2020 Organizational Development Start Up Grant
VHCB #2020-089-001

Resolution
To commit the current uncommitted balance of $25,000 in Housing Revenue Bond Interest as follows:

1. Ten Thousand Dollars ($10,000.00) to the Land Bank; and
2. Up to Fifteen Thousand Dollars ($15,000) as a Start Up Organizational Development Grant to The Housing Foundation, Inc.

This recommendation is made subject to the following special conditions. Standard conditions for ongoing organizational grants will not apply to this award.

VHCB Special Conditions:
1. Grantee acknowledges that this award is not a commitment for ongoing organizational support. Future consideration for operating support will be subject to VHCB’s standard application and organizational grant underwriting process.

2. Grantee agrees to participate in organizational monitoring with VHCB staff within the next 12 months, to include a review of financial and other management systems as well as portfolio performance and planning.

3. Grantee agrees to attend, to the extent that it is feasible, trainings and workshops sponsored by VHCB, and will participate in peer groups supporting Vermont’s housing delivery network.

4. Grantee will work with VHCB and other non-profit park owners in evaluating whether its expertise may be beneficial to other non-profit owners through shared services or other opportunities to consolidate and improve service delivery.

5. Prior to initial disbursement, grantees will provide the following documentation to the satisfaction of VHCB staff:
   a. HFI’s By laws and Articles of Association
   b. HFI’s conflict of interest policy

6. Prior to each disbursement, Grantee will provide:
   a. An update on the implementation of HFI’s strategic plan
   b. An update on planning related to HFI’s proposed portfolio review
   c. An update in its proposed development pipeline
   d. Grantee shall report on opportunities to fill its 47 park vacancies and whether or how rentals or a rent to own program might serve its parks.

Habitat/Vocational Building Fund ♦ Statewide Vermont
1990-088-000

Resolution:
To add a total of One Hundred Seventy-Five Thousand Four Hundred dollars ($175,400) to continue operation of a statewide subsidy pool for the construction of single-family homes by Habitat for Humanity affiliates and vocational building programs.

This award is subject to the following restrictions and conditions:

Affordability Restrictions

The initial purchaser(s) of a unit subsidized under this program shall be an "Eligible Household" as defined below. Grantee and the purchaser(s) shall execute a Housing Subsidy Covenant of perpetual duration. This Covenant will be prepared or reviewed by VHCB project counsel and shall contain restrictions on conveyance. With respect to the improvements, the Covenant shall include a requirement
that whenever an owner intends to sell the unit, Grantee shall have a right to repurchase the unit at a price determined pursuant to a limited appreciation formula approved by VHCB staff. The Covenant shall also restrict resale, whether by the owner or by Grantee, so that the improvements may only be resold to Eligible Households. With respect to land owned by a Grantee, any conveyance 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.

Definitions

"Eligible Household" shall mean, at the time of sale from Habitat to the initial Buyer of each of the individual homeownership units, a person or group of persons whose Household Income, at the date of their initial occupancy of the Property, is less than or equal to 80% of Median Income, adjusted for family size. Upon resale, Eligible Household shall mean a person or group of persons whose Household Income, at the date of their initial occupancy of the Property, is less than or equal to 120% of Median Income, adjusted for family size.

"Household Income" shall mean annual income determined in accordance with Title 24, §813.106, of the Code of Federal Regulations.

"Median Income" shall mean median income for (i) the Burlington Metropolitan Statistical Area {County in which the Land is located, if outside the Burlington MSA}, or (ii) the State of Vermont {State of Vermont Nonmetro if outside the Burlington MSA}, whichever is greater, as determined from time to time and published in the Federal Register by the United States Department of Housing and Urban Development.

Special Habitat/Vocational Building Fund Conditions:

1. This award of FY2021 VHCB funds has the following contingencies: $43,850 of this award is contingent upon VHCB receiving a minimum $8.8 million in state appropriations for the FY2021 Quarter 1 budget; the remainder of this award, $131,550, is contingent on VHCB receiving a minimum of $14.3 million in FY2021 state appropriations; in the event that VHCB receives less than $14.3 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 funds to VHCB.

2. The maximum subsidy shall be $35,900 per unit if Habitat meets our current energy standard of 54 HERS; or $39,900 per unit if Habitat meets the high performance standard recommended by Efficiency Vermont. For each award, up to $5,900 can be used as a development fee to pay for staff costs or administrative costs of the buildings of the home. The remaining funds will be used to pay for acquisition, construction costs or soft costs and will be converted to a grant to the eventual homeowner.
3. Proposed buyers of homes developed with this fund must successfully complete a VHCB-approved homebuyer education program prior to purchase.

4. Prior to disbursement, the Grantee shall demonstrate its ability to meet long-term stewardship responsibilities including the adoption of a stewardship plans for the homes they have developed. The plan shall be reviewed and approved by VHCB.

5. Prior to disbursement to a Grantee, the Grantee shall submit a Default and Foreclosure Policy for the review and approval of VHCB. The policy shall include measures to establish early warning indicators, speedy intervention practices, and criteria for the purchasing homes in default.

**Standard Habitat/Vocational Building Fund Conditions:**

1. Grantee shall provide VHCB staff with copies of all documents relevant to the amount and conditions of this award. Any changes in the budget for the project must be reviewed and approved by VHCB staff prior to closing. VHCB reserves the right to reduce or change the terms of this award if other financing terms change or if Grantee receives additional funding for the project that was not included in the budget submitted prior to VHCB Board action, or if total development cost is less than anticipated at the time of VHCB Board action.

2. Prior to commencement of construction, Grantee shall demonstrate to VHCB staff satisfaction that the project as proposed complies with all applicable federal, state and local statutes, codes, ordinances and regulations, including those relating to historic preservation and access by persons with physical disabilities.

3. Grantee shall submit for VHCB staff review the ground lease (if applicable), housing subsidy covenant, and any other documents designed to ensure the perpetual affordability of the units subsidized with these funds. Prior to disbursement of any VHCB funds, any issues involving the legal documents must be resolved to the satisfaction of VHCB staff.

4. Prior to the closing on the sale of each unit subsidized with VHCB funds, Grantee shall submit a preliminary title opinion or title insurance binder and drafts of all legal documents relating to the project for review and approval by VHCB legal counsel. Within thirty (30) days after closing and disbursement of VHCB funds, Grantee shall provide a final, updated title opinion or a title insurance policy reflecting the recording and approved priority of all recorded documents relating to the project.

5. Grantee shall give VHCB staff prior notice of each proposed resale of a unit subsidized with VHCB funds and provide VHCB staff with an affordability worksheet, in a form acceptable to VHCB, for each proposed purchaser. Grantee shall ensure that the homes are resold only to eligible households, either by exercising its option to purchase or by arranging for direct sales to eligible households, unless this requirement is waived by VHCB staff with respect to a
particular transaction. In addition, Grantee shall notify VHCB staff of any pending foreclosure or other legal proceeding affecting any property subsidized with VHCB funds.

6. Any signs erected on the property that list sponsors or funding sources for the project shall include the Vermont Housing and Conservation Board.

7. Requests for approval of individual Habitat/Vocational Education grants shall comply with VHCB’s Homeownership guidelines and policies.

**Champlain Islands Senior Housing ♦ South Hero, Vermont**

Cathedral Square Corporation

2020-073-001

**Resolution:**

To score the application “10” for need, “9” for impact and “9” for quality, and to award Cathedral Square Corporation (the "Developer") VHCB funds in the amount of up to Seven Hundred Fifty Thousand dollars ($750,000) for acquisition, new construction, and related expenses, and HOME funds in the amount of up to Six Hundred Thousand dollars ($600,000) for new construction/rehabilitation and related expenses. This project involves property located at Carter Lane in South Hero and consists of a total of thirty rental units in one building. Eight (8) units are designated as HOME units.

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 thirty (30) units, which will be prepared by VHCB general counsel and will contain restrictions substantially as follows:

**VHCB and/or HRB:**

Developer shall lease five (5) units to persons whose household income, at their date of initial occupancy, is less than or equal to area median income. The annualized rent charged for each such unit shall not exceed 30% of 80% of area median income for a household consisting of one and one half persons per bedroom.

Developer shall lease twenty-five (25) 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 ten (10) of these twenty-five 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 five (5) of the ten 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:**

Eight (8) units on the property shall be designated as HOME units and the following restrictions shall apply during the HOME Program affordability period of twenty (20) years. The HOME units shall consist of the following eight (8) fixed one-bedroom units: #103, 105, 112, 113, 203, 205, 212, and 213. 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 six (6) 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 VHCB Conditions:**

1. This award is contingent on VHCB receiving a minimum of $8.8 million in the Quarter 1 budget of FY2021 state appropriations. In the event that VHCB receives less than $8.8 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.

2. Throughout the development process, and at least 90 days prior closing, CSC will report to VHCB staff satisfaction, on conversations with Housing Vermont and Champlain Housing Trust about potential future involvement of Cathedral Square Corporation in the Round Barn
Apartments and how to ensure that the Round Barn Apartments are in the best position possible to continue serving senior households in Grand Isle.

3. The Developer will keep VHCB staff informed of updates as they relate to the HUD 202 NOFA and application process.

4. 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.

**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. No HOME funds shall be used for costs associated with commercial spaces.

3. 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.

4. Prior to closing, Developer shall submit documentation that the project complies with Section 504 of the Rehabilitation Act of 1973. For new construction, 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.

Fair Housing Act (FHA) design requirements for new construction projects also apply. Prior to closing, Developer shall submit documentation that the project meets FHA accessibility requirements for all 30 units, common spaces, parking, and routes throughout the building and its grounds.

5. 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). If, after 18 months of the execution of the HUD HOME agreement, it appears unlikely that the project will meet this deadline, VHCB reserves the right to de-commit the HOME award. Project completion (as defined in 92.2) must be within 4 years of the execution of the HOME Agreement between VHCB and Developer.

6. 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 VHCB Conditions for LIHTC Housing Projects and Standard HOME Conditions.

Vermont Land Trust
ASSOCIATED COSTS CONTRACT FOR FARM PROJECTS
#2020-090-001

Resolution: Associated Costs Contract
The Board authorizes up to $300,000 in FY2021 conservation funds to fund costs associated with conserving farmland under the Farmland Preservation Program under a performance contract with the Vermont Land Trust. VHCB staff is authorized to decommit any funds not needed for the contract, so that they can be made available for farm projects.

VHCB Special Conditions:

1. This award of FY2021 VHCB funds has the following contingencies: $75,000 (25%) of this award is contingent upon VHCB receiving a minimum of $8.8 million in state appropriations for the FY2021 Quarter 1 budget; the remainder of this award, $225,000 (75%) is contingent on VHCB receiving a minimum of $14.3 million in FY2021 state appropriations. In the event that VHCB receives less than $14.3 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 funds to VHCB.

2. The performance contract will include a number of metrics, including but not limited to: minimum number of preapplications, number of farms resulting in successful applications, leverage from bargain sales, donations, and fundraising, report on farms closed and those pending, number of acres and types of acres protected, prime and statewide soils, and report on farm program total cost and VHCB’s relative contribution to that cost.

3. Prior to executing a contract for associated costs on farm projects, VHCB and VLT staff will meet to discuss progress on fully utilizing available federal funding, and VLT legal and project staff capacity to continue to develop and close farm projects.

4. VLT will provide a summary report on farmer contributions to the stewardship endowment on FY 2021 farms.

5. Payment will be pro-rated if the number of funded farms differs from the number anticipated in the contract.
Resolution:
To add a total of Four Hundred Eleven Thousand Three Hundred Forty-Eight dollars ($411,348) to continue operation of a statewide subsidy pool for the purchase of up to 11 owner-occupied homes.

These funds shall be available to the following organizations: Addison County Community Trust (ACCT), Champlain Housing Trust, Inc. (CHT), Downstreet Housing and Community Development, Inc. (DHCD), Neighborworks of Western Vermont (NWWVT), Twin Pines Housing Trust (TPHT) and Windham & Windham Housing Trust, Inc. (WWHT) (the "Grantee" or "Grantees", as applicable). This award shall be subject to the following restrictions and conditions:

This award is subject to the following restrictions and conditions:

Affordability Restrictions

The initial purchaser(s) of a unit subsidized under this program shall be an "Eligible Household" as defined below. Grantee and the purchaser(s) shall execute a Housing Subsidy Covenant of perpetual duration. This Covenant will be prepared or reviewed by VHCB counsel and shall contain restrictions on conveyance. With respect to the improvements, the Covenant shall include a requirement that whenever an owner intends to sell the unit, Grantee shall have a right to repurchase the unit at a price determined pursuant to a limited appreciation formula approved by VHCB staff. The Covenant shall also restrict resale, whether by the owner or by Grantee, so that the improvements may only be resold to Eligible Households. With respect to land owned by a Grantee, any conveyance 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.

Definitions

"Eligible Household" shall mean a person or group of persons whose Household Income, at the date of their initial occupancy, is less than or equal to 120% of Median Income, adjusted for family size.

"Household Income" shall mean annual income determined in accordance with Title 24, §813.106, of the Code of Federal Regulations.

"Median Income" shall mean median income for (i) the Burlington Metropolitan Statistical Area (County in which the Land is located, if outside the Burlington MSA), or (ii) the State of Vermont (State of Vermont Nonmetro if outside the Burlington MSA), whichever is greater, as determined from time to time and published in the Federal Register by the United States Department of Housing and Urban Development.

VHCB Special Conditions:

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1. This award of FY2021 VHCB funds has the following contingencies: $102,837 of this award is contingent upon VHCB receiving a minimum $8.8 million in state appropriations for the FY2021 Quarter 1 budget; the remainder of this award, $308,511, is contingent on VHCB receiving a minimum of $14.3 million in FY2021 state appropriations; in the event that VHCB receives less than $14.3 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 funds to VHCB.

2. Until November 30, 2020, the following amounts will be reserved for the following organizations: $82,269.60 each for Addison County Community Trust, Downstreet Housing and Community Development, Neighborworks of Western Vermont, Twin Pines Housing Trust and Windham & Windsor Housing Trust.

3. Prior to first disbursement to a Grantee, that organization shall demonstrate appropriate staffing and controls for the program as measured by criteria established by VHCB.

4. Prior to disbursement to a Grantee, that organization shall develop a plan for which markets within its service area are suitable for resale restricted homeownership.

5. For condo purchases, VHCB will review to our satisfaction whether the number of units and scale of association is sufficient to promote the viability of the association. VHCB will also require that any new condo meet Fannie Mae financing requirements and we will require a copy of the resale certificate or equivalent documentation.

6. VHCB Homeland funds shall be available to Grantees to assist eligible households purchase homes. Funding shall be requested on an individual transaction basis up to the following amounts:

   a) Households can receive a grant amount of the lesser of $50,000 or 20% of the purchase price; OR, in cases where there is a leasehold value appraisal, households can receive a grant amount of the lesser of $50,000 or 25% of the purchase price; for a VerMod home purchase, the grant amount shall be capped at $44,000.
   b) The minimum grant is $20,000.
   c) Grantees shall be awarded a development fee of $5,900 per transaction.

7. In its evaluation of requests to approve Homeland funds for individual buyers, VHCB staff shall consider the following factors:

   a) compliance with VHCB guidelines and policies for homeownership programs;
   b) the proposed buyer’s need for Homeland assistance to purchase the home; the proposed buyer’s creditworthiness, and the level of affordability of the home for the proposed buyer;
   c) The quality of the home and its likely future marketability.
8. Grantees are encouraged to combine outside funds with VHCB Homeland subsidies in order to assist additional applicants. The grant amounts listed in special condition #6 are considered maximum and minimum grant amounts. However, to encourage leveraging of other funds, organizations may request a lower subsidy amount and receive a development fee for a transaction if the following conditions are met:

a) grantee must demonstrate a sufficient level of affordability for the initial purchaser and for long-term stewardship of the home;
b) The minimum subsidy amount requested from VHCB is $10,000 but the total subsidy in the project is at least $20,000;
c) VHCB must review and approve the legal and financial security structure for each transaction.

9. VHCB Homeland funds shall be used to subsidize the acquisition of condominium units or detached single family homes.

10. The restrictions and conditions of this award shall apply to all funds remaining in previous awards for the Homeland Program.

**VHCB Standard Homeland Conditions:**

1. Prior to disbursement of any VHCB Homeland funds to a particular grantee, that organization shall submit for VHCB staff review and approval the ground lease, limited equity formula, housing subsidy covenant, and any other documents designed to ensure the perpetual affordability of the units subsidized with these funds. With respect to each Homeland unit, the grantee must obtain an option to purchase providing that whenever an owner intends to sell the unit, the grantee will have a right to repurchase the unit at a price determined in accordance with the limited equity formula approved by VHCB staff. Any changes in this document must be approved by VHCB.

2. Prior to disbursement, the proposed buyers of a home purchased with Homeland funds must have successfully completed a VHCB-approved homebuyer education program.

VHCB Homeland funds, including development fees, shall be disbursed on a per unit basis at the time of acquisition. Prior to disbursement, the grantee shall submit the following items, acceptable in form and content to VHCB staff, to demonstrate the need and creditworthiness of the buyer as well as the quality and marketability of the home:

- an affordability worksheet;
- a Purchase & Sales Contract;
- an appraisal substantiating the purchase price;
- a third party inspection for existing buildings;
for on-site septic systems, documentation regarding the functionality and legality of the septic system; and,
for on-site water systems, documentation regarding the quality and quantity of water.

3. On a limited basis, Grantees are permitted to assist existing homeowners at risk of not being able to afford their homes due to loss of income or other factors. Any requests for this purpose will be reviewed on a case-by-case basis by VHCB staff. However, at a minimum, the grantee must demonstrate that the homeowner is creditworthy, and if assisted, is likely to be able to maintain ownership of the home into the future.

4. At the closing on each unit subsidized with VHCB Homeland funds, the Grantee and the purchaser of the unit shall execute the VHCB approved Housing Subsidy Covenant and VHCB Mortgage, which shall be recorded in the appropriate Land Records.

5. Grantees shall give VHCB staff prior notice of each proposed resale of a unit subsidized with Homeland funds and provide VHCB staff with an affordability worksheet, in a form acceptable to VHCB, for each proposed purchaser. Grantees shall ensure that the homes are resold only to Eligible Households, either by exercising their option to purchase or by arranging for direct sales to Eligible Households, unless this requirement is waived by VHCB staff with respect to a particular transaction. In addition, Grantees shall notify VHCB staff of any pending foreclosure or other legal proceeding affecting any property subsidized with Homeland funds.

7. Prior to disbursement of funds to an individual grantee, the respective organization shall adopt guidelines for the approval of homes considered for purchase through their program. The guidelines shall address property type (single family, condo, and manufactured housing), future marketability, and considerations regarding location and other issues. The guidelines must be shared with participants in the program before they are qualified to identify a home for purchase.

8. Grantees shall require that all homeowners purchasing homes with funds assisted with this award escrow property taxes and home insurance on a monthly basis when that service is offered by the lender.

Home Access Program ♦ Statewide Vermont
Vermont Center for Independent Living
2020-088

Resolution:
To score the application “9” for need, “10” for impact and “9” for quality, and to award the Vermont Center for Independent Living (the "Grantee") a VHCB grant in the amount of up to Four Hundred Forty-Five Thousand dollars ($445,000) for the Home Access Program, as well as authorize the acceptance of a One Hundred Thousand Dollars ($100,000) grant from Department of Disabilities, Aging and Independent Living (“DAIL”) for the Vermont Center for Independent Living’s (“VCIL”) Home Access Program. This award shall cover the period October 1, 2020 until September 30, 2021.
This award is subject to the following special conditions:

**Special VHCB Conditions:**

1. This award of FY2021 VHCB funds has the following contingencies: $111,250 of this award is contingent upon VHCB receiving a minimum of $8.8 million in state appropriations for the FY2021 Quarter 1 budget; the remainder of this award, $333,750, is contingent on VHCB receiving a minimum of $14.3 million in FY2021 state appropriations; in the event that VHCB receives less than $14.3 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 funds to VHCB.

2. Access modification funds shall be used only in cases in which the family or individuals could not inhabit the dwelling or would be housebound if the modifications were not made.

3. At least 33% of the households assisted shall have incomes at or below 50% of area median income (AMI) at the time of the Grantee’s commitment to the household. The remaining households assisted shall have incomes up to, but not to exceed, 80% AMI.

4. At least $30,000 of this award shall be used for accessibility modifications of six rental units owned by nonprofit organizations.

5. There shall be a maximum grant amount of $15,000 per household, which may be exceeded with prior VHCB staff approval.

6. DAIL and VHCB funds may be used for no more than $172,000 in operating costs for the program.

7. VCIL may request grant funds for each project: for traditional bathroom modifications and ramp building, VCIL can request up to 60% of expected project cost at the start of each project and the balance upon completion of the project; for QRamp (modular ramp) projects, VCIL can request the cost of the materials upfront and then request the balance of the project cost upon completion of the installation. Grantee shall submit to VHCB disbursements for their projects each month using a spreadsheet that shows each project in process.

8. VCIL will provide VHCB with full access to all program records as requested for monitoring.

9. In addition to the cost reporting submitted with each disbursement request, Grantee shall submit quarterly and year-to-date statements of income and expenses for the program, with comparisons against program budget. The reports shall include all other sources of funds for the program and shall break down expenses for direct program costs and staff. In addition to the financial information, the reports shall outline the number of households served, household income, type
of accessibility modifications, the non-profit rental units assisted, and other relevant program data. Grantees shall submit reporting based on households rather than projects, and indicate how many projects, and the cost, each household receives.

10. Grantee shall submit quarterly statements quantifying the hours contributed to the program projects by volunteers and estimating the value of those hours.

11. Grantee will undergo a timely audit of the organization’s financial statements and in accordance with OMB 2.CFR.200 (if applicable). Grantee will submit audit reports to VHCB for review, and shall include all auditor communications in regards to internal controls and/or compliance, such as management letters, SAS 115 Communication of Internal Control Related Matters, and reports on compliance.

Tri-Park Mobile Home Park Project Capacity Brattleboro, Vermont
Tri-Park Mobile Home Cooperative
2020-085-001

Resolution:
To score the application “10” for need, “9” for impact and “8” for quality, and to award the Tri-Park Mobile Home Cooperative (the "Developers") UP TO $50,000 in VHCB funds for soft costs. This project involves property located at Village Drive in Brattleboro and consists of a total of 312 mobile home park lots.

This award is subject to the following special conditions:

Special VHCB Conditions:

1. This award is contingent on VHCB receiving a minimum of $8.8 million in the Quarter One budget of FY2021 state appropriations. In the event that VHCB receives less than $8.8 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.

2. VHCB may disburse up to an initial $5,000 to allow Tri-Park to hire a consultant to fully develop a scope of work for the implementation phase and to assist in hiring a consultant for the balance of the project. Prior to disbursement, VHCB will review and approve the scope of work and contract for this consultant.

3. Prior to a second disbursement, VHCB will review and approve the consultants selected for the project capacity work described under this grant and their scope of work. Consultants’ contract shall require quarterly written updates on the project to VHCB.
4. Prior to second disbursement, Grantee will apply for a supplement to its current VCDP planning grant.

5. Prior to second disbursement, Developers shall obtain bids or estimates that demonstrate to the satisfaction of VHCB that projected costs are within the approved budget for the project.

VT Marble Museum
Preservation Trust of Vermont, Inc.

Resolution
Effective June 18, 2020:
To extend the maturity date for the VHCB Loan of $106,000 to the EARLIER of: (i) June 30, 2022 (the "Maturity Date") OR, (ii) when PTV conveys fee simple title to the Property to Vermont Marble Museum, Incorporated (“VMM”) [provided that VMM has received its final 501(c)(3) standing], then at the time of conveyance to VMM, this Note shall be cancelled, deemed paid in full and the Loan shall be converted to a grant, secured with a mortgage deed from VMM to VHCB and PTV.

FY 2021 Budget

Resolution:
The Board authorizes staff to use up to $201,300 of anticipated FY2020 surplus for the purposes outlined in the Memo to the Board dated 6/2/2020. Any other FY2020 surplus shall be used to increase the FY2021 Project Target.

Vermont Land Trust
Brigham II
#2019-032-001

Resolution:
To score the application 9 for need, 8 for impact, and 8 for quality and to award the Vermont Land Trust (the "Grantee") a VHCB grant in the amount of up to Two Hundred and Seventy-Eight Thousand ($278,000) consisting of $265,000 for acquisition of development rights, conservation restrictions, and option to purchase at agricultural value, $4,000 for third party costs, and up to $9,000 for stewardship. This project involves property known as the Brigham II farmland located in St. Albans Town, Franklin County and includes 58 acres.

VHCB Special Conditions:

1. This award is contingent on VHCB receiving a minimum of $8.8 million in the Quarter 1 budget of FY2021 state appropriations. In the event that VHCB receives less than $8.8 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, Grantee will submit a draft business and transition plan for the farm, that shows how the Brigham family plans to transition both the type of agricultural operation as well as the ownership of the business and real estate assets.

3. The easement shall include the following residential and building complex rights, all as reviewed and approved by VHCB staff:
   1. sole discretion farm labor housing right,
   2. Camp right
   3. Farmstead complex, generally as depicted on the application.

4. The easement will include the following special environmental protections, all as depicted on the farm plan and reviewed and approved by VHCB staff:
   1. 5 acre wetland protection zone

5. The easement may include an impervious surface limit greater than 2%, if approved by NRCS.

6. 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.

7. 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 Farms
VHCB’s statement on Diversity and Inclusion

Resolution:
Whereas; The Vermont Housing and Conservation Board has at the core of its mission to promote access to land and housing in an equitable way, and

Whereas; Access to land and housing has been a tool to separate and denigrate persons of color who therefore are more likely to be economically disadvantaged throughout American society, and

Whereas; The combination of a pandemic and recent incidents of police violence have underscored the realities of systemic racism and its disproportionate and deadly impact on communities of color, and

Whereas; Governor Phil Scott and his administration have called upon Vermonters “to reflect on what role each of us can play to end hate, racism and bigotry.”, and

Whereas; The Board’s Executive Director has issued the attached statement on the impact of these overlapping crises and the need for action at all levels of society and government;

Now therefore be it resolved that the members of the Vermont Housing and Conservation Board endorse the Executive Director’s statement and commit ourselves and our staff to undertaking our mission with community partners in a manner that fights racial injustice, promotes diversity, equity inclusion and reconciliation as we and partners pursue and implement our mission.