Chair Neil Mickenberg called the meeting to order at 8:46 a.m. Neil welcomed the members of the public and the applicants. He complimented the VHCB staff on the volume and quality of the work preparing for the meeting, which was done in an inordinately compressed timeframe.

Neil mentioned that there were several members of the public that wished to speak during the Public Comment period, and that he had extended the time for comments to 20 minutes. Each person would be given two minutes to address the Board. It was pointed out that all the written comments received from the public had been sent to the Board members in advance and the correspondence had been reviewed by members of the Board.

Public Comment
Six members of the public spoke during the public comment period. All six addressed the project known as ANEW Place in Burlington.

Miro Weinberger, Mayor of Burlington: Mayor Weinberger spoke to the project being a priority for the City of Burlington. South Burlington and Colchester also support of the project. The City now has no low barrier, year-round shelter. Given COVID-19 and the challenges of unauthorized encampments, cities are on the front lines in attempting to provide solutions. He is mindful of the residents’ concerns. He also noted that in similar situations initial fears have often proven unfounded.
There had been a low barrier shelter in the city for five years with no complaints. The Mayor emphasized the need for this type of project and need for shelter for this vulnerable population.

Five community members addressed the Board. They were Linda Fersing, Misty Kaplan, Marissa McDonald, Joan Kemler, and Susie McNamara. They wanted to highlight problems with the project and voice opposition to the current proposal. Their concerns included: the number of people who would be circulating in the neighborhood during the day; the proximity of the project to the school and neighborhood; fear of an increase in crime; the lack of neighborhood involvement or the school community in the planning process, and safety for residents and children. Several speakers recognize the need for low barrier housing, but feel that this process has been rushed, did not consult with the neighborhood affected, that ANEWS plans for operating the shelter had not been well scrutinized and that the location is inappropriate for this number of clients. They would like a clearer picture of how the proposed project would be managed, how it fits into the long-term need for housing in the area, including what happens to the buildings and property post-COVID.

Neil thanked all members of the public who spoke, and those that sent written correspondence. He welcomed members of the public to continue to listen to the meeting, but that those speaking to issues for the rest of the meeting will be limited to Board members, VHCB staff, and applicants.

**Staff Overview of Development of Coronavirus Relief Fund (CRF) program**

Gus and Jen provided an overview of the intent and purpose of the federal CARES Act, the Coronavirus Relief Funds received by Vermont and VHCB’s role. Since the passage of the CARES Act in March, the Legislature and Governor have been hard at work determining how to best utilize $1.25 billion from the CRF for a variety of purposes. The CRF is intended to cover extraordinary and necessary expenses incurred by the State as a result of COVID-19 from March through December of 2020. Legislative leaders approached VHCB early in the process asking for ideas about how to use this one-time funding to meet immediate needs but also to strengthen Vermont’s capacity over the long-term to address the pandemic and related economic fallout. Ultimately, the Legislature passed and the Governor signed into law appropriations to VHCB for two programs as part of the state’s response - $32 million to secure housing and safe shelter for the homeless and $192,000 for rapid response business coaching for farm and food sector enterprises.

Gus thanked the staff for the incredible amount of work standing up a program, inviting proposals, reviewing project applications and developing recommends for the board in a short period of time. The program and CRF appropriation were enacted June 19, just seven weeks ago.

The pandemic exposed vulnerabilities for economically distressed households in a dramatic way. In January, the annual Point in Time counted about 1100 homeless Vermonters. By the end of May, the state was providing motel rooms and shelter for 2084 Vermonters experiencing homelessness the number of known households experiencing homelessness had doubled. VHCB along with its housing partners, homeless service providers, the Vermont Affordable Housing Coalition, the Agency of Human Services as well as VSHA and VHFA stood together in calling for a unified response. They urged rent and mortgage arrearage payments to prevent further homelessness as well as the services and rental supports to help homeless households in motels and shelters into permanent housing, and for the creation of new housing because too many parts of the state lack a sufficient supply of
affordable housing. VHCB’s program is targeted towards the latter – securing and rehabbing units in parts of the state with high #s of homeless in motels and shelters and low #s of available homes. VHCB’s CRF program is also to make improvements to existing emergency shelters to assure compliance with CDC and VDH COVID-19 guidance.

Gus explained that VHCB has been in close coordination with Brad Ferland, Deputy Secretary of the Agency of Administration, and have just received authorization to proceed with awarding funds. The Administration’s CRF consultant had identified the risks associated with using CRF for capital. VHCB modified the program eliminating the highest risk elements such as units that would not come online after December 30 and replacement reserves. VHCB also identified others states including California that are using CRF for capital and built in mechanisms for redirecting the funds if it appears a project cannot proceed or meet the December 30 deadline. We will be closely monitoring project performance, and evaluating risk regularly. VHCB and AoA also are aware that extending the deadline is under active consideration by Congress. With these changes and assurances from legislative leaders that they understand and accept the risk and want the program to go forward, the Agency of Administration cleared the program and asked the Board to be mindful of highest risks in awarding funds.

Board Comments:
Maura expressed her gratitude to VHCB for being able to organize and implement all the pieces that went into bringing these projects before the Board in such a short time frame. Without the gentle persistent advocacy of VHCB, and their facilitation of a coordinated multi-agency response, we would not have these projects before us today.

Kate asked if, given the volume of work in a short period, we needed added capacity to manage the timing of the projects. David asked, additionally, if once a month was often enough to monitor the projects. Craig explained that the projects have to give us a report monthly, but that Craig, Ron, and consultant, Chris Lyon, will be making at least weekly contact with projects to keep track of progress against planned schedule. Gus said that we will be monitoring workload and capacity and include additional help if necessary.

VHCB Guidelines for CRF funding

Act 115 of 2020 requires VHCB to establish guidelines and procedures for administering the CRF housing program.

b) The Board shall adopt guidelines governing the use of the funds to:
   (1) establish application and award procedures for grant recipients;
   (2) establish standards for the amount and eligible use of grant funds; and
   (3) establish procedures to ensure that grant awards comply with the requirements of the CARES Act and that the State maintains adequate records to demonstrate compliance with the Act.

VHCB staff developed guidelines and procedures with input and review from an ad hoc committee of the Board comprising Neil, Alison, Tom and David. The Ad Hoc Committee is recommending approval by the full Board. During the board’s discussion, Maura noted a typo that staff said it would correct. Maura also made a statement emphasizing her strong prefer be for integrating clients, in
mixed income projects, and long-term permanence of the housing. She said she believes that is VHCB’s intent but wondered if stronger language should be added to the priorities in the guidelines. Jen noted the CRF application requires a plan for integrating over time. Gus explained that the scoring criteria includes this factor. Maura agreed that was sufficient. Billy asked about the danger of the federal government “clawing back” the CRF monies and if projects would be ineligible if they were not occupied by the current CRF deadline of December 30. Jen explained that there is no explicit requirement in the CARES Act or Treasury Guidance that they need to be occupied by then. Any expenditure (good or service) to be paid for by CRF funds needs to be incurred by December 30. Even so, the purpose and intent of the program is to bring units online to homeless as quickly as possible and the program priorities reflect that.

Emily moved the recommended resolution; Kate seconded the motion. “To adopt the provisions contained in the document titled “VHCB CRF Guidelines and Procedures and dated July 31, 2020. If technical corrections to the wording of the Guidelines are needed, the Chair is authorized to approve such changes that staff may identify.

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

Staff Presentation of Project Applications

Martin and Jenny presented a slideshow with pictures of the proposed project with new housing units and provided brief descriptions of the project applications.

Recommended for Funding

ANEW Place low barrier shelter, City of Burlington 2021-037-001
The City of Burlington and ANEW Place propose creating a 47-bed low barrier shelter in Burlington. ANEW Place, which provides transitional housing and rehabilitation programs for homeless adults, previously ran a low barrier shelter in the basement of their building on South Winooski Avenue that they had to close due to the pandemic. Currently the City and ANEW are overseeing 40 households camping at North Beach in Burlington. Their plan is to place shipping containers on city-owned land in the South End of Burlington that will have individual small bedrooms and common bathroom and shower areas. The project is not an allowable use under current zoning, but may be addressed by emergency directive.

St. Johnsbury Housing, Rural Edge, 2021-017-001
Rural Edge proposes to create 5 units for homeless households by repairing units in three buildings in its portfolio. These units and buildings are in need of significant capital repairs to improve overall building safety and to be viable living space. The units are located in three different historic
buildings that are located close to downtown. Repairs include interior work needed to make the units livable as well as site and structural repairs.

The Refuge, Samaritan House, 2021-031-001
The Refuge Project is an expansion of Samaritan House’s current shelter, Tim’s House, which has historically served up to 18 individuals. To allow for appropriate spacing at Tim’s, Samaritan House will be reducing the number of beds in the existing shelter to six. There is a companion application from Samaritan House for COVID-related improvements at Tim’s. This reduction in capacity in order to comply with COVID-related safety requirements comes at a time when there has been an increase in individuals and families experiencing homelessness in St. Alban as a result of the pandemic. In order to address the increased need for shelter beds while also complying with CDC guidelines, Samaritan House proposes to acquire a building that will enable them to safely serve another 15 individuals.

Whistlestop Mobile Home Park, Downstreet, 2021-046-001
Whistlestop Mobile Home Park is a small, 12-lot park already in Downstreet Housing & Community Development’s portfolio located in Bradford which currently has three vacant lots. Downstreet proposes purchasing and placing three Zero Energy Modular (ZEM) homes to be owned and operated by Downstreet as rental housing in response to the COVID-19 pandemic for families who are homeless.

Pine Street (Permanent), Rutland Housing Authority, 2021-023-001
Giancola Construction (the Developer), a long-time Rutland developer and property owner, is re-developing three adjacent, dilapidated buildings on Pine Street in downtown Rutland. They will sell the completed buildings at cost to the Rutland Housing Authority for use as rent- and service-supported permanent housing for homeless individuals and families.

Housing Vermont, 2021-029-001
Housing Vermont will acquire a privately owned multi-family housing property in Addison County. The 36 apartments are spread throughout four buildings. 23 of the apartments are one-bedroom flats and the remaining 13 apartments are two-bedroom townhouse style units. The property also has a centrally located community laundry room.

Woodstock Ave. (Bridge), Rutland Housing Authority, 2021-022-001
Rutland Housing Authority (RHA) will purchase and re-purpose a vacant commercial building in Rutland Town as 9 apartments, 8 of which will offer fully-supported bridge housing, where homeless families and individuals can stabilize their lives as they transition to permanent housing.

Champlain Housing Trust, 2021-018-001
Champlain Housing Trust (CHT), in partnership with a domestic violence organization, will purchase an existing 27-suite extended stay hotel, converting it into a COVID-safe 21-apartment shelter for individuals and families that become homeless due to domestic violence. The rehabilitation plan includes new program space for the organization, which will master lease the building.

Applegate, Shires, 2021-026-001
Applegate Apartments is a 104-apartment family housing project located in Bennington that Housing Vermont acquired with VHCB support in the 90’s. Shires became a Co-General Partner
of this project when the property was redeveloped in 2017. At that time, the project underwent a
significant energy upgrade, but not a comprehensive rehab of the apartments. Shires has been
working to address the condition of apartments at turnover, which involves expense that is not
supported by the cashflow of the project. In spite of that, since acquisition, Shires has created a
successful partnership with Sunrise Family Services, already housing 10 families who have
experienced homelessness at the site. About 20 units at Applegate are currently offline, due to their
poor condition. Shires proposes to bring 15 units online to serve those experiencing homelessness,
by conducting rehab of the apartments (including repairing and replacing wastewater pipes,
replacing failing plumbing fixtures, relocating breaker boxes, replacing subfloors and installing
flooring, and addressing moisture issues in basements by installing moisture mitigations systems
including sump pumps, dehumidifier piping, fans, and ventilation), and expanding their service
partnership with Sunrise. The Agency of Human Services has recently provided additional funding
to Sunrise which will support this service expansion.

**Champlain Housing Trust, 2021-024-001**
Champlain Housing Trust (CHT) will purchase an existing 113-room hotel, converting it to 68
service-supported 1-and 2-BR apartments. The apartments will house homeless families and
individuals for the next 2-3 years, then gradually transition to a mixed-income apartment complex,
although about 20 apartments will continue to be targeted to the homeless. The rehabilitation scope
is modest; permanent occupancy will begin in early fall and be complete in December.

**Windham & Windsor Housing Trust, 2021-030-001**
Windham & Windsor Housing Trust (WWHT) proposes to purchase and house homeless
households in a 27-room motel. WWHT will use a loan to pay for the purchase of this piece of the
property. The value of two buildings on the property will be separated out in the appraisal. The
scope of work includes code upgrades, updating room interiors in terms of fixtures, flooring and
paint, regrading parking lots and new windows and doors.

Although WWHT plans to house homeless households in all 27 units during this phase of the
pandemic, they do intend to redevelop the entire site (including the motel) into mixed-income
housing when the pandemic is over and funding for further redevelopment is available.

**Not Recommended for Funding**

**300 Pleasant Street, Shires, 2021-025-001**
In underwriting the project, it became clear it could not be completed in time.

**Lamoille Rises, Lamoille Community House, 2021-027-001**
The organization just received its 501c3 status. They were not able to get an option agreement signed
and did not meet threshold of having site control. AHS also expressed concerns about the locations
convenience to services.

**Other CRF Items Recommended for Funding**

**CRF Pre-Closing Contingency Pool, 2021-048-000**
Resolution:
To create a set-aside pool of up to Six Hundred and Thirty-Four Thousand and Forty-One dollars $972,481 in CRF funds to supplement CRF awards for projects that have revised costs of scope of work, prior to grant closing. This pool may be supplemented up to an amount totaling One Million Dollars ($1,000,000), if CRF project costs decrease after Board awards are made. Supplemental awards up to $150,000 would be made based on a recommendation by VHCB staff to the Executive Director. Any supplemental awards exceeding the amount of $150,000 would require the concurrence of the Board Chair.

CRF Post-Closing Contingency Pool, 2021-049-000
Resolution:
To create a set-aside pool of One Million dollars ($1,000,000) of CRF funds to supplement CRF awards for projects that develop unforeseen construction and rehab costs. This pool will be supplemented by any balance remaining in the CRF Pre-Closing Contingency Pool (#2021-048-000). Supplemental awards up to $150,000 would be made based on a recommendation by VHCB staff to the Executive Director. Any supplemental awards exceeding the amount of $150,000 would require the concurrence of the Board Chair.

CRF Consultant Pool, 2021-050-000
To create a set-aside pool of Thirty Thousand dollars ($30,000) in CRF funds for consultants to assist with CRF project development, such as historic consultation, and construction management and others typically paid for within project budgets but necessary to achieve project completion by the CRF deadline. Staff will have the authority to disburse CRF funds upon receipt of itemized invoices.

Questions and Answer Session for Project Review
Emily asked what happens to the money if we don’t commit all the funds. Gus says that we will speak with the Legislature when they reconvene. They may choose to redirect, but any balance left at December 20 will be swept into the state’s unemployment fund. There are not a lot of options unless Congress extends the deadline.

Neil asked if each of the projects provides for social services. Gus said he believes that all do. All have plans for ongoing financial support. Some organizations will need to step up fundraising in the short-term.

Kate asked if property management capacity at ACCT is sufficient for the Addison County project. Martin said that we are not worried about management on this project. The challenges for ACCT are with the mobile home park portfolio which is associated with housing type and related issues.

Alison asked if ANEW Place could be redesigned to shelter two people per shipping container rather than three to allow them more space. Kevin said that they had not yet discussed this specifically with Beta Tech, the manufacturer, but they are aware of the concern. Kate asked about the timeline associated with the ANEW Place development, and selection of location. Emily asked if they had thought about closing access to the site from the neighborhood. Concern was expressed about the legal issues of zoning and whether a relocation of the project later would be a problem for CRF funding.
Billy asked if Woodstock Avenue in Rutland is subject to Act 250. At nine units it is below the Act 250 threshold. There was significant discussion about The Refuge and its plan for housing the clients with appropriate physical distancing. Prior to closing, the organization, as a condition, is required to supply a floor plan consistent with CDC guidelines. Maura expressed deep concern that this project extends the model of shelters, rather than long-term permanent housing. While she is sympathetic to the immediate need and the time constraints on the funds, the state needs to make a real commitment to adequately provide permanent, quality housing for these clients.

**Deliberations**

Neil asked the Board if they wished to take the projects as a group, or one by one. Billy said he felt all the projects were worthy and necessary, but that he felt the risk of not meeting schedule may be too high in four of the projects. Those four are ANEW Place, St. Johnsbury Housing, Addison County housing, and the Refuge. He would be fine taking the other projects as a group, but wanted the four handled separately.

Maura said she liked seeing condition 5 of CRF Special Conditions on these projects, pushing for integration and mixed-income, but felt that those projects already displaying integration may not need the condition. Gus said the presence of the condition doesn’t negatively affect the goal, and it was agreed the condition would remain in each of the resolutions.

Emily moved the recommended resolutions on:
Whistlestop MHP, Pine Street, Addison County Apartments, Chittenden County Domestic Violence Shelter, Applegate, CHT and WWHT applications, and CRF Pre-Closing Contingency Pool (revised dollar amount of $972,481), CRF Post-Closing Contingency Pool, and CRF Consultant Pool.
Maura seconded the motion.

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

Diane left the meeting.

Neil then asked that they take up the two projects that were not recommended: 300 Pleasant Street in Bennington, and Lamoille Rises in Jeffersonville.

Kate moved the recommended resolutions to deny funding for 300 Pleasant Street in Bennington, and Lamoille Rises in Jeffersonville. Tom seconded the motion.

In both cases, staff review indicated that the CRF deadline could not or was unlikely to be met.
Neil then asked that they focus on the four projects yet to be addressed: ANEW Place, St. Johnsbury Housing, Woodstock Avenue, and the Refuge.

Billy expressed his feeling that these four projects appeared to be at the greatest risk for clawback of federal funds, and that he felt the risk was too great. On St. Johnsbury he is concerned about the timeline and scope of work and the high price; on the Refuge he is concerned about the timeline, but may be able to be convinced that the scope can get done in the allotted time; on Woodstock Avenue he thinks that the planned timeline is already tight, and that the risk of not getting to the finish line is too great; on ANEW place, he thinks there are too many question marks, as raised in the memo and today’s discussion, and that the risk again is too great.

Gus, in response, said that the contractor in the Woodstock Avenue project is ready to go, subs are in place, and they have been partners on many of our projects with good results. In St. Johnsbury, the contractor is on line, and subs are in place, lowering the level of risk. The Refuge has a relatively small scope of work, and staff feel the risk is lower as a result.

Dave mentioned that while there is risk involved with all these projects, the need for these projects is critical, especially with the coming of winter, and there are times that VHCB needs to take risks like these in order to fulfill our mission. He believes that this is one of those times.

Maura requested that we take each of the four remaining projects individually

Maura moved the recommended resolution on St. Johnsbury. Alison seconded the motion.

Roll Call:
David - Yes
Emily - Yes
Maura -Yes
Alison – Yes
Billy – No
Kate - Yes
Tom - Yes
Neil - Yes

Alison moved the recommended resolution on The Refuge. Emily seconded the motion.

Roll Call:
David - Yes
Emily - Yes
Maura - No
Alison – Yes
Billy – Yes
Kate - Yes
Tom - Yes
Neil - Yes

Tom moved the recommended resolution on Woodstock Avenue project. Dave seconded the motion.

Roll Call:
David - Yes
Emily - Yes
Maura - No
Alison – Yes
Billy – No
Kate - Yes
Tom - Yes
Neil - Yes

Emily moved the recommended resolution on ANEW Place project. Kate seconded the motion. There was significant discussion on the project. Kate said there was no single issue that would for her stop the project but that the total number of unresolved issues for her made it too uncomfortable to recommend and support it. These issues include: the legal issue associated with zoning; the size and configuration of the units, safety of neighborhood residents, plans for the ongoing funding and management, interaction with the school community, the lack of public notice and input. Neil said he opposed the project primarily due to the form of shelter. He feels that it is not an adequate space and VHCB shouldn’t be housing folks in this type of housing and engaging the community was important. Alison said she would like to see two units rather than three in each structure. While it is not necessarily the type of project AHS would prefer, there is a significant need for a low barrier shelter. Tom feels that the voice of those that will occupy the unit is missing. Billy indicated that the project is at too great a risk to meet completion on time and had a great potential for claw back.

Roll Call:
David - Yes
Emily - No
Maura - No
Alison – Yes
Billy – No
Kate - No
Tom - Yes
Neil – No

The motion failed, and funding for the project was denied.
Consent Agenda

Billy moved the Consent Agenda. Tom seconded the motion.

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

Staff Report
In the interest of time, Gus referred to his written Staff Report, and said that he would give a more detailed report on longtime staff and partners that are moving on at the September Board meeting.

Minutes
Tom moved approval of the minutes of the June, 2020 Board Meeting. Maura seconded the motion. There was no discussion.

Roll Call:
Neil Mickenberg - Yes
Emily Wadhams - Yes
Maura Collins - Yes
Billy Coster - Yes
Alison Harte - Yes
David Marvin - Yes
Tom Yahn – Yes
Kate McCarthy - Yes

Proposal to Streamline 2021 Organizational Grants Process
Maura moved the recommended resolution to streamline the Organizational Grants Process. Emily seconded the motion.

Roll Call:
Neil Mickenberg - Yes
Emily Wadhams - Yes
Maura Collins - Yes
Billy Coster - Yes
Alison Harte - Yes
David Marvin - Yes
Tom Yahn – Yes
Kate McCarthy - Yes
**Personnel Matter**

Maura moved to enter Executive Session to discuss a personnel matter. Emily seconded the motion.

Roll Call:
Neil Mickenberg - Yes
Emily Wadhams - Yes
Maura Collins - Yes
Billy Coster - Yes
Alison Harte - Yes
David Marvin - Yes
Tom Yahn – Yes
Kate McCarthy - Yes

Emily moved to come out of Executive Session. David seconded the motion.

Roll Call:
Neil Mickenberg - Yes
Emily Wadhams - Yes
Maura Collins - Yes
Billy Coster - Yes
Alison Harte - Yes
David Marvin - Yes
Tom Yahn – Yes
Kate McCarthy – Yes

Emily moved the recommendation discussed in Executive Session. Maura seconded the motion.

Roll Call:
Neil Mickenberg - Yes
Emily Wadhams - Yes
Maura Collins - Yes
Billy Coster - Yes
Alison Harte - Yes
David Marvin - Yes
Tom Yahn – Yes
Kate McCarthy - Yes

The meeting adjourned at 2:30 pm.
Respectfully submitted,
Larry Mires