Vermont Housing & Conservation Board
MINUTES
Wednesday, January 26, 2022
ZOOM Conference Call
9:00 am

Board Members:  Neil Mickenberg, David Marvin, Emily Wadhams, Maura Collins, (VHFA), Billy Coster (designee for ANR), Diane Bothfeld (designee for VAAFM), Kate McCarthy, Andrea DeLaBruere (designee for AHS); Ann Fielder, Clarence Davis, Marie Audet (All Board Members called/zoomed in)

VHCB Staff:  Gus Seelig, Jen Hollar, Jenny Hyslop, Elizabeth Egan, Anne Duffy, Marcy Christian, Leah Sare, Larry Mires, Stacy Cibula, Bill Dell’Isola, Karen Freeman, Beth Schwarz, Gretchen Rittenhouse, Julia Anderson, Mark Martin, Laurie Graves, Brenda Riddle, Erin Riley, Ian Jakus, Ginger Nichols, Anna Foltz, Trey Martin, Craig Peltier, Emily Phillips, Bonnie Woodford, Kendall Lambert

Others Present:  Elizabeth Bridgewater, Peter Paggi (Windham & Windsor Housing Trust) Kathy Beyer, Jess Neubelt (Evernorth); Elise Shanbacker, Alix O’Meara (Addison County Community Trust); Stephanie Lane (Shires Housing); David Riegel (Vermont Foundation of Recovery); Isaac Wagner, Tom Getz (Green Mountain Development Group); Zeke Davisson (Summit Group); Amy Demetrowitz, Miranda Lescaze, (Champlain Housing Trust); Patrick Shattuck (Rural Edge); Nathan Dagesse (Dagesse Company); Ralph Bennett (Bennington Turning Point Center); Jess Graff (CVOEO); Jon Binhammer (The Nature Conservancy)

Chair David Marvin called the meeting to order at 9:02 a.m.  He welcomed everyone to the meeting. He thanked the staff for their work in putting this comprehensive board package together. He mentioned that the board reads the materials thoroughly and appreciates having brief presentations on updates and important items the board should focus on at the meeting.

Public Comment
No public comment at this time.

Gus thanked both Marie Audet and Andrea DeLaBruere for their work on the board. It has been a pleasure to get to know Andrea in her role as Executive Director for AHS. Marie has brought both great passion and deep knowledge about agriculture to the VHCB Board. He also welcomed Trey Martin to VHCB as the Director of Planning and Program Development. Trey brings great experience and commitment to our work and will help manage our growing workload.  David also thanked both Marie and Andrea for their contributions.

Project Presentations

Vaughn MHP Water System Rehab, Monkton – Addison County Community Trust
Addison County Community Trust (ACCT) has requested $288,270 in VHCB funds. This application was submitted for water infrastructure improvements at Vaughn Mobile Home Park. The board memo explained that Vaughn’s is a fully occupied 9-lot park located on 7.5 acres in Monkton. ACCT has owned and operated Vaughn since 2007 and they have invested in the wastewater system, and many of the lots have newer homes including three Vermods. They have also recently refinanced the park eliminating the debt on the property.

This project proposes a scope that includes well restoration work, replacement of the existing pump house and water distribution lines, as well as paving the roadway and parking areas to reduce maintenance costs.

Ian Jakus and Elise Shanbacker (ACCT) and Isaac Wagner presented the project. Elise provided the updates on the project. She explained that it is a relatively small project and will be less complicated to complete than their larger mobile home park projects. Elise also thanked VHCB for the one time capacity funding that they were awarded in the fall. With this funding they were able to hire Alix O’Meara as their new Housing Development Coordinator. Having this increased staff capacity will help with these projects going forward.

Maura asked whether ACCT had been able to find other sources of funding for these MHP projects. Ian explained that there may be ARP-A funding for mobile home parks in the future. There was a brief conversation about the ARP Mobile Home funding and ANR’s process for getting this funding online. Emily asked whether this park could be enlarged and Elise explained that geographically it isn’t possible. Neil thanked ACCT for their work with the mobile home portfolio

**Vista Apartments, St. Albans – Champlain Housing Trust**

2022-077-001

Champlain Housing Trust (CHT) has requested $3,600,000 in ARPA-SFR funds. The board memo explained that CHT with support from the Franklin County Continuum of Care (COC), is proposing to provide 15 apartments for people experiencing homelessness through the purchase of an existing property in St. Albans. Establishing supportive housing in Franklin County has been a long term goal, and these organizations have been working to find a site for over a year. Through negotiations with the Cadillac Hotel owners, CHT pursued the idea of purchasing the 15 homes that were being marketed as for-sale condominiums on the site.

The Cadillac Hotel site is a 3.5 acre parcel on the south side of St. Albans just outside the downtown. The owner recently completed construction on 15 condominiums on the northern portion of the property by converting a two-story motel building into 8 condos and constructing a new building with 7 two-story townhouses. There are 11 units with two-bedrooms and 4 with one-bedroom. The units will be ready to be occupied shortly after acquisition.

CHT will own and manage the property with 10 of the units serving as supportive housing with CVOEO as the lead provider of services and 5 units serving as transitional housing under a master-lease arrangement.
Ian and Amy Demetrowitz (CHT) and Jess Graff (CVOEO) presented the project. Kate McCarthy asked about the development fee on the project since it has already been developed. Jenny explained that this project is the culmination of a long search process for suitable projects in the region. She briefly explained the process of negotiating development fees. There were be a further discussion on this issue later in the agenda. The Cadillac Hotel is owned by a private owner and is currently being used as a hotel. The owner’s intention is to convert the property in the future to permanent housing.

There was a brief discussion about the transitional housing units and the plan for use of those units. Andrea asked about security issues, noting that youth will be on site. Amy explained that each unit has a security system and there is a fence around the property. Residents will have services provided.

**Essex Recovery Housing, Essex – Champlain Housing Trust 2020-029-001**

Champlain Housing Trust (CHT) has requested up to $1,071,455 in VHCB One-Time Innovation Funds. The board memo explained that CHT is partnering with the Vermont Foundation of Recovery (VFOR) to renovate and utilize three buildings CHT currently owns in Essex as recovery homes. The buildings are on the National Register of Historic Places and are part of the Fort Ethan Allen Historic District. This is a dual-goal project involving supportive housing and historic preservation. There are 12 two bedroom apartments.

As a result of these changes, in addition to our existing award of $600,000, CHT is now seeking supplemental funds in the amount of $1,071,455. Although we have recently learned that Recovery Residences are an eligible use of ARPA SFR, because this project includes debt reduction we do not believe it to be ARPA eligible for that activity. In the event that we learn that it is ARPA eligible subsequent to Board action, we may swap funds.

Kathleen Kanz and Amy Demetrowitz (CHT) presented the request. This project has been delayed due to the pandemic and is just moving forward now. Previous community opposition has now changed to support. David Riegel from (VFOR) spoke about the project. They are currently occupying 2 of the 3 buildings. They are looking forward to beginning the construction and strengthening the sense of community with common spaces. Andrea asked about whether they have spoken with the Agency of Human Services about the project. David explained that they are currently working on a statewide model and this group includes a representative from AHS. Jenny pointed out that there is a recovery project about to close in Barre which includes housing for families, which will serve as a pilot for meeting the needs of families in recovery.

**Zephyr Place Supplemental Request, Williston – Champlain Housing Trust & Evernorth 2021-121-002**

Champlain Housing Trust and Evernorth have made a Supplemental Request of One Million One Hundred Fifty-Eight Thousand One Hundred Fifty Dollars ($1,158,150) for Zephyr Place in Williston, Vermont. The board memo stated that the developers have the need for supplemental funds for several reasons including a decrease in LIHTC equity dollars due to a reduced Tax Credit Partnership purchase price and increases in the hard costs, reserves and a broker’s fee.
The limited rehab construction work will involve joining hotel rooms in order to create apartments that have full kitchens, and the construction scope is further limited because the buildings and finishes are already in good condition.

Jenny and Miranda Lescaze from CHT presented the project. Jenny explained that this project has been pulled from the consent agenda. There was a question about the high concentration of homelessness units in one of the buildings. Jenny explained that a special condition has been added to address this issue. Miranda Lescaze from CHT spoke to this issue as well. Maura expressed her concern of housing all of the homeless population in one building rather than spread out throughout the project. She encouraged further study of this model from both the perspective of the tenants and managers of these projects. David asked about the definition of economic recovery noting that it seems vague. Jenny explained that one of the indicators for the end of the period of economic recovery will be the number of homeless households being placed in motels through general assistance. Miranda explained that Building A will offer robust services for residents and that it doesn’t mean that Building B won’t serve the homeless as well. Neil asked whether the deconcentration plans are in writing. Jenny explained that a written plan will be required for this project.

**Gage Street Recovery Housing, Bennington – Shires 2022-065-001**

Shires Housing has requested $822,964 in ARPA SFR funds. The board memo explained that Shires Housing is proposing to purchase and renovate a property in Bennington to create two split-level units. The 2-units will be used as recovery housing creating a total of 9 bedrooms for men in recovery from substance use disorder, one of the 9 bedrooms will be reserved for a housing manager in long-term recovery. Shires will enter into a master lease with Turning Point Center who will manage referrals and programming. The goal of this project is to provide a substance-free, peer-led, service-integrated housing option for those in recovery seeking a bridge from treatment facilities to permanent housing solutions. The recovery house will operate on a membership model with participants paying a weekly membership fee of $150, with scholarships available to members for the first two months as they secure employment. The typical length of stay at the residence would be 8-14 months. The proposed site is walkable to downtown and directly across from a Green Mountain Community Network Bus Stop and Bennington Recreation Center at Memorial Park. Residents will have access to employment, amenities, recreation, and overall integration into the broader community which all factor into successful recovery. Construction will begin in April 2022

Erin Riley presented the project with Stephanie Lane from Shires Housing and Ralph Bennett from Bennington Turning Point Center. Ralph expressed his gratitude to the Board and Shires Housing to make this project possible. There is no recovery housing south of Rutland County in Vermont. He explained that people who are working on sobriety are having a very difficult time in the motel program, because they need structure and connection with peers in recovery. There is strong community support for the project and it received a very positive response at a select board meeting in Bennington. Gus commented that it is great to have that local support.

Jenny explained that ARPA funding will be used in this project. David appreciated all their good work on this project. Emily asked about Section 106 Historic review process and Jenny explained
that ARPA projects will still go through VHCB’s advisory historic review process. Andrea asked about whether Shires has consulted with the Agency of Human Services about this project. Stephanie explained that they have been speaking with AHS. David Riegel explained that they have been researching additional funding opportunities to support this work around the state.

O’Brien Farm, South Burlington – Green Mountain Development Group
2022-012-001

Green Mountain Development Group has requested Two Million Two Hundred and Sixteen Thousand and Twelve dollars ($2,216,012) in ARPA-SFR funds. Staff recommends deferring action pending resolution of ARPA LIHTC eligibility issues. The board memo describes the project. Summit at O’Brien Farm (Lot 10) Apartments involves the new construction of 47 units in South Burlington. The project is located within the O’Brien Farm site which is part of master plan for phased development in South Burlington. GMDG has site control over two lots in which it plans to build 2 very similar buildings of 47 units each (totaling 94 rental units). The subject of this application is the Lot 10 Building which will be financed as a 4% LIHTC project. There is very strong demand for affordable housing in this area.

The subject of this application, the Lot 10 building, is a mixed-income multifamily building which will set aside 12 units for homeless individuals who are referred through the Coordinated Entry system. In addition there will be 27 units affordable for residents with incomes at 60% AMI or below, and the remaining 8 units will be unrestricted market rate rental units.

Emily presented the project with Tom Getz from GMDG and Zeke Davisson from Summit Group. Tom explained that this is just one phase of the project, there will be a total 390 units when the project is complete. The development is less than a mile from community services. There is strong support from the city. They were able to be very efficient on soft costs since they are already developing units in the area. Gus explained that the deferral on the project is strictly based on the issue with ARPA eligibility issues and that it is a strong proposal. Kate asked about how the housing will operate as a neighborhood. How will they be connected to the other parts of the project? How accessible is the transportation? Tom explained that they have been working very closely with the city of South Burlington. He will provide the overall master plan to the entire project.

Main & Mansion, Winooski – Green MDG
2022-013-001

Green Mountain Development Group (GMDG) has requested One Million Four Hundred Dollars ($1,400,000) in ARPA-SFR funds. Staff recommends deferring action pending resolution of ARPA LIHTC eligibility issues. The board memo described the project. Main and Mansion Apartments involve the new construction of 54 units in downtown Winooski. The project was initially envisioned by another developer as a condo development; GMDG acquired the plans, site control and permits and now envisions developing as mixed income rental housing using 9% LIHTCs.

The project will set aside 8 units for homeless individuals who are referred through the Coordinated Entry system. In addition there will be 24 units affordable for residents with incomes at 60% AMI or below, and the remaining 22 units will be unrestricted market rate rental units.
Emily presented the project with Tom Getz (GMDG) and Zeke Davisson (Summit Group). Zeke explained the project is construction ready. Maura asked about the project budget and wondered whether they will be pursuing project based vouchers. Zeke explained that they will be doing that although other project funding needs to be in place before pursuing these vouchers. Kate thanked the developers for their intention to make these projects mixed income.

**Alice Holway Drive, Putney – Windham & Windsor Housing Trust**  
2022-067-001

Windham Windsor Housing Trust (WWHT) and Evernorth are requesting VHCB One-Time funds in the amount of up to $2,065,222. Staff also expect to recommend $585,000 in HOME funds at a future board meeting once the FFY2022 Federal budget has passed. The board memo explained that The Alice Holway Drive development will address the urgent and persistent need for new affordable housing units in the Town of Putney. It will increase the supply of smaller family units for 2-3 person households and create options for very low income residents who do not currently have access to rental assistance. When complete, Alice Holway Drive will be the site of a newly constructed, in-fill development that is highly energy efficient and adjacent to the Designated Village Center on what is currently a vacant and underutilized property. It will feature twenty-five apartments and a community gathering space with a full kitchen for residents and the broader Putney community to enjoy. The location provides easy access to shopping, services, arts, performance and social gatherings. The two-building site will feature thirteen one-bedroom and twelve two-bedroom apartments which include five units designated for housing the homeless or at-risk populations. In April 2021, the site received an Environmental Review release from HUD for the acquisition of the property.

Kathleen and Elizabeth Bridgewater and Peter Paggi from WWHT and Kathy Beyer from Evernorth presented the project. Elizabeth explained that the location of the project is very important. They have worked with the community to create an affordable housing project as well as retain the community garden and farmer market site. Peter also pointed out that they worked with Putney planning commission to make zoning changes that were supported by the Select Board. Kathy pointed out that it is a mixed income project. She briefly addressed the rising building and construction costs.

**Cherry Street Accessory, St. Johnsbury – Rural Edge**  
2022-075-001

Rural Edge has requested $1,400,000 in ARPA-SFR funds. The board memo describes the project. The Cherry Street Accessory Buildings is a scattered-site project consisting of two vacant apartment buildings in downtown St. Johnsbury. Rural Edge is proposing to rehabilitate both properties to create 7-units of permanent supportive housing targeted for households experiencing homelessness. The proposed site at 138 Cherry Street experienced recent fire damage but remains structurally sound and will be reconfigured to a 5-unit building. This property is adjacent to the Cherry Street Hotel, currently under construction. Located half-mile away at 759 Railroad Street, the second site will be reconfigured to create one 3-bedroom unit and an ADA compliant studio.
All 7-units will be filled through referrals from Coordinated Entry managed by Northeast Kingdom Community Action (NEKCA). RuralEdge applied for 7 project-based vouchers from Vermont State Housing Authority and anticipate utilizing tenant vouchers if that subsidy is not secured.

Erin Riley from VHCB and Patrick Shattuck from Rural Edge presented the project. Patrick updated the board on the project. This project has strong support of the community. It is just one of several projects that have been funded over the past couple of years in downtown St. Johnsbury. This project will contribute to the overall feel of the neighborhood and addresses an entire street scape in downtown. There was a board conversation about the concentration of housing the homeless in several of the buildings. Patrick explained that one of the buildings will be mixed income. Neil also asked that there be a written plan to deconcentrate these units once the pandemic is over. There was also a question of landscaping on this project. Patrick said that the greenery will be enhanced and the hardscape will be reduced. There will be a community garden and additional green space.

**Consent Agenda**

Neil made the motion to approve the Consent Agenda. Emily seconded the motion. All voted in favor of the motion.

The Consent Agenda consisted of:

1) The Chalet Project Related Capacity, Brattleboro (WWHT)(2021-030-002)
2) Coolidge Hotel Project Related Capacity, WRJ (TPHT)(2022-073-001)
3) Organizational Development Grant & Supplemental Award (Shires)(2022-038-001/2021-143-006)
4) Auclair C (2018-057-003) – correcting minor technical error
5) Egg Mountain (2022-062-001) – correcting minor technical error
6) Rupert Valley Holsteins Supplemental Request, West Rupert (VLT) (2017-091-001)

**Roll Call**

Maura Collins – yes
David Marvin – yes
Emily Wadhams – yes
Neil Mickenberg – yes
Diane Bothfeld – yes
Andrea DeLaBruere – yes
Ann Fielder – yes
Kate McCarthy - Yes
Billy Coster – yes
Clarence Davis – yes
Marie Audet - yes

**Director’s Report & Legislative Update**

Gus gave an update to his staff report. He spoke about the ARPA funding challenges. As he mentioned in his staff report, back in the fall Senator Leahy’s staff arranged a meeting with Treasury officials, VHCB staff and our partners at VHFA and DHCD. Unfortunately, last week Treasury issued a final rule which did not address our concerns. We will continue to work with the congressional delegation about this issue. It may take time to get this challenge worked out.
On a positive note, many communities throughout the state are talking about affordable housing and how it has affected the workforce. Middlebury is one just one community looking at this issue. Businesses in these communities are thinking about innovative ways to provide housing to attract workers to their regions.

He thanked the staff for their hard work in preparing for this board meeting. Also he highlighted the work that Pam Boyd and Mariah Noth have done in creating both the VHCB and Viability Annual Reports. He also noted that this year’s budget is extraordinary. The available funding for our work is amazing. In additional to our housing work, we will be involved in other incentives; including conservation, water quality, viability, and rural economic development work. He also informed the board that we received a gift/investment of $500,000 from an individual who wanted to be supportive of our mission.

Gus again expressed his thanks to both Marie and Andrea. Andrea enjoyed her time on the board and informed the board that Sarah Truckle will be her replacement. Marie also spoke about her experience on the board. She is learned so much about VHCB’s work around the state in so many sectors and this experience enriched her on a personal level as well.

Neil asked about whether our income limits work with workforce incomes. Gus explained that our guidelines go up to 100% of median income on rental projects. The federal dollars are targeted to assist lower income residents. Certainly the pandemic has highlighted how our essential workers are supported around the state. The Administration’s budget recommendations support assisting these workers.

David asked how we will proceed if the ARPA LIHTC discussions don’t work out and Gus explained that some of the budget adjustment act will be general fund money rather than ARPA money. VHCB will continue to look at how we could use ARPA funding for other projects including mobile home parks projects.

**Finance Report**

Anne added a brief update to her memo. Finance staff are now finishing up the six month budget report to the legislature. She noted that we may be using more ARPA funding for administrative costs. Maura asked about $20,000,000 in ARPA commitments and what will we will do if those awards can’t be funded in that manner. Gus responded that we are taking a pause on making any more ARPA commitments to tax credit projects for this meeting, and will be evaluating our plans for future Board meetings. We had been optimistic that we could work this out with Treasury but now need to look at other plans. There was a brief conversation on this issue.

**Housing Contingency Fund (2021-140-000)**

Jenny spoke to the board about the cost increases on projects. She explained that there are several projects already ready to ask for more funding due to increases in construction costs. In order to continue to have a sufficient cushion in this pool, staff is asking the Board to authorize another $1,000,000 be committed to the pool. Kate moved to approve the Housing Contingency fund resolution. Neil seconded the motion. All voted in favor of the motion.
Roll Call:
Neil Mickenberg - Yes
Emily Wadhams - Yes
Maura Collins - Yes
Billy Coster - Yes
David Marvin - Yes
Diane Bothfeld – Yes
Andrea DeLaBruere – Yes
Ann Fielder – Yes
Kate McCarthy – Yes
Marie Audet – Yes
Clarence Davis - Yes

Minutes
Maura moved to approve the minutes of the December 7, 2021 Board. Diane seconded the motion. All voted in favor of the motion.

Roll Call:
Neil Mickenberg - Yes
Emily Wadhams - Yes
Maura Collins - Yes
Billy Coster - Yes
David Marvin - Yes
Diane Bothfeld – Yes
Andrea DeLaBruere – Yes
Ann Fielder – Yes
Kate McCarthy – Yes
Marie Audet – Yes
Clarence Davis – Yes

Updated Interim ARP SFR Guidelines & Procedures
Jenny explained that the ARPA SFR guidance is constantly evolving. She explained that this revised and updated Interim Guidelines and Procedures will broaden eligibility to the extent allowable under Treasury’s Final Rule. Several notable updates include expanded eligibility to serve multi-family rental housing serving households at or below 80% of area median income and expanding eligibility outside of Qualified Census Tracts. Non-congregate emergency housing and transitional housing for individuals and families experiencing homelessness is eligible for this funding, as well. The construction of congregate facilities is not eligible. There will be a public information session on February 7th. There was a brief discussion about the guidelines. Maura hoped that the February 7th information session will take public feedback into consideration. Gus hoped that this policy could be voted on today knowing that further revisions will come to the board in March and May meetings. Billy asked whether the board could receive more information from the February 7th meeting. Emily moved to approve the updated interim ARPA SFR Guidelines & Procedures. Neil seconded the motion. All voted in favor of the motion.
**Roll Call:**
Neil Mickenberg - Yes
Emily Wadhams - Yes
Maura Collins - Yes
Billy Coster - Yes
David Marvin - Yes
Diane Bothfeld – Yes
Andrea DeLaBruere – Yes
Ann Fielder – Yes
Kate McCarthy – Yes
Clarence Davis – Yes
Marie Audet - Yes

**Updated Development Fee Policy**
Jenny presented several modest updates to the development fee policy. Clarence moved to approve the updated Development Fee Policy. Diane seconded the motion. All voted in favor of the motion.

**Roll Call:**
Neil Mickenberg - Yes
Emily Wadhams - Yes
Maura Collins - Yes
Billy Coster - Yes
David Marvin - Yes
Diane Bothfeld – Yes
Andrea DeLaBruere – Yes
Ann Fielder – Yes
Kate McCarthy – Yes
Clarence Davis – Yes
Marie Audet - Yes

**CSH Report**
Jenny discussed the CSH Report. This report explored the challenges and barriers to effective service delivery in publicly funded housing in Vermont. She thanked Maura and VHFA staff for their work on this project. She also noted Margaret Bozik’s work to support vulnerable Vermonters while at CHT, and her significant contributions to the final report before her passing this fall. Neil reflected that the need for services continues to be great.

**Conservation Contingency Funding Process**
Karen explained that we are asking the board to consider proposed guidelines for evaluating additional funding requests. In the last few months, the Board has reviewed and approved 5 additional funding requests for farm projects. Given this trend and the escalating real estate market, staff felt it was prudent to develop a set of guidelines for evaluating and approving these requests for farm and other conservation projects. Similar to what Housing has done, Conservation is recommending a tiered
approach for determining which requests may be vetted internally by staff and which need to be brought to the Board. Ann moved to approve the Conservation Contingency Funding Process resolution. Emily seconded the motion. Emily asked whether this process will be permanent and Karen explained that it could be updated in the future. Kate asked about the farm appraisals and wondered if the $600,000 cap would meet the need. Gus explained that amount was based on 6% of the $10,000,000 one-time conservation appropriation by the legislature in the budget and Karen mentioned that we can adjust if needed. All voted in favor of the motion.

**Roll Call:**
Neil Mickenberg - Yes
Emily Wadhams - Yes
Maura Collins - Yes
Billy Coster - Yes
David Marvin - Yes
Diane Bothfeld – Yes
Andrea DeLaBruere – Yes
Ann Fielder – Yes
Kate McCarthy – Yes
Clarence Davis – Yes
Marie Audet - Yes

**Sub-contract to VHFA for Homeownership Pilot**
Gus talked about this proposed contract. Emily moved to approve the Sub-contract to VHFA for Homeownership Pilot. Neil seconded the motion. All voted in favor of the motion. Maura abstained from the vote.

**Roll Call:**
Neil Mickenberg - Yes
Emily Wadhams - Yes
Maura Collins - Abstained
Billy Coster - Yes
David Marvin - Yes
Diane Bothfeld – Yes
Andrea DeLaBruere – Yes
Ann Fielder – Yes
Kate McCarthy – Yes
Clarence Davis – Yes
Marie Audet - Yes

**Climate Action Plan and VHCB**
Trey presented the plan overview to the board. The Vermont Climate Action Plan has identified five action areas with strategies and pathways in each, all of which implicate the mission and ongoing work of VHCB. Billy thanked Trey for sharing this information and hoped that this is just a start of the conversation about this work. Kate commented that VHCB’s work over the years has been
committed to these concepts. David emphasized the importance of farmers and forestland operators/owners having the resources they need to address climate issues.

**Justice Equity Diversity and Inclusion Update**

Jenny and Karen presented an update. Karen explained that the Vermont Conservation Leaders in Solidarity cohort has met twice as a full group of 40. Their work is being facilitated by the Center for Whole Communities and continues with a full-day retreat this Friday at which participants will identify challenges they are personally grappling with in their work related to equity and/or the intersection of justice and the environment as well as Vermont-centric issues the cohort can work on together. Karen has also been in conversation with leaders and representatives of the four Vermont state recognized tribes, as well as, the Alnôbaiwi nonprofit leading the expansion of the Vermont Indigenous Heritage Center located at the Ethan Allen Homestead in Burlington’s Intervale. A great deal of interest has been expressed from the tribes in how VHCB can help with land acquisition and access as well as capacity building.

Jenny highlighted an initiative to design and implement a statewide racial justice initiative to address racial inequities in housing. The selection committee has selected Abundant Sun to assemble a Steering Committee and work on a speaker series and roundtable discussions on this issue.

**Deliberations:**

**Projects**

**Housing Projects**

**Vaughn MHP Water System Rehab** 2022-066-001

Kate made a motion to approve the resolution. Diane seconded the motion. There was no discussion. All voted in favor of the motion.

**Roll Call:**

Neil Mickenberg - Yes
Emily Wadhams - Yes
Maura Collins - Yes
Billy Coster - Yes
David Marvin - Yes
Diane Bothfeld – Yes
Andrea DeLaBruere – Yes
Ann Fielder – yes
Kate McCarthy – Yes
Clarence Davis – Yes
Marie Audet - Yes

**Vista Apartments** 2022-077-001
**Essex Recovery Housing** 2020-029-001
**Zephyr Housing** 2021-121-001
Emily made a motion to approve the above resolutions as a block. Ann seconded the motion. There was no discussion. All voted in favor of the motion.

**Roll Call:**
Neil Mickenberg - Yes
Emily Wadhams - Yes
Maura Collins - Yes
Billy Coster - Yes
David Marvin - Yes
Diane Bothfeld – Yes
Andrea DeLaBruere – Yes
Ann Fielder – yes
Kate McCarthy – Yes
Clarence Davis – Yes
Marie Audet - Yes

**Gage Street Recovery Housing 2022-065-001**
Ann made a motion to approve the resolution. Clarence seconded the motion. There was no discussion. All voted in favor of the motion.

**Roll Call:**
Neil Mickenberg - Yes
Emily Wadhams - Yes
Maura Collins - Yes
Billy Coster - Yes
David Marvin - Yes
Diane Bothfeld – Yes
Andrea DeLaBruere – Yes
Ann Fielder – yes
Kate McCarthy – Yes
Clarence Davis – Yes
Marie Audet - Yes

**O’Brien Farm 2022-012-001**
**Main & Mansion 2022-013-001**

Ann made a motion to approve the above resolutions as a block. Emily seconded the motion. All voted in favor of the motion. Kate had concerns about community feel of the project and transportation connections. There was a discussion about these issues and staff will pass these concerns along to the developers. Maura is excited about the projects.

**Roll Call:**
Neil Mickenberg - Yes
Emily Wadhams - Yes
Maura Collins - Yes
Billy Coster - Yes
David Marvin - Yes
Diane Bothfeld – Yes
Andrea DeLaBruere – Yes
Ann Fielder – yes
Kate McCarthy – Yes
Clarence Davis – Yes
Marie Audet – Yes

**Alice Holway Drive**  2022-067-001
Neil made a motion to approve the resolution. Ann seconded the motion. There was no discussion. All voted in favor of the motion.

**Roll Call:**
Neil Mickenberg - Yes
Emily Wadhams - Yes
Maura Collins - Yes
Billy Coster - Yes
David Marvin - Yes
Diane Bothfeld – Yes
Andrea DeLaBruere – Yes
Ann Fielder – yes
Kate McCarthy – Yes
Clarence Davis – Yes

**Cherry Street Accessory**  2022-075-001
Emily made a motion to approve the resolution. Neil seconded the motion. There was a suggestion to add a special condition dealing with concentration of homeless units. Emily amended her motion to include this condition. All voted in favor of the amended motion.

13. The requirement to have 7 units set aside for the homeless at this project is in place for the duration of the pandemic and the period of resulting economic recovery. Subsequently it is anticipated that the project will transition to a reduced concentration of designated homeless units. Prior to closing, the developer will provide a written plan including a timeline and benchmarks for achieving this goal, which will be subject to VHCB staff approval.

**Roll Call:**
Neil Mickenberg - Yes
Emily Wadhams - Yes
Maura Collins - Yes
Billy Coster - Yes
David Marvin - Yes
Diane Bothfeld – Yes
Andrea DeLaBruere – Yes
Ann Fielder – yes
Kate McCarthy – Yes
Clarence Davis – Yes
**Other Business**  
Clarence thanked Andrea and Marie for their work on the board. He also thanked the staff for their great work and encouraged everyone to take good care of themselves during this busy and stressful time. He noted that recovery housing is one of the most important things we can do together as a community.

The meeting adjourned at 12:27 pm.

Respectfully submitted,
Marcy Christian
Resolved:
To score the application “9” for need, “8” for impact and “9” for quality, and to award Addison County Community Trust (the "Developer") VHCB funds in the amount of up to Two Hundred Eighty-Eight Thousand Two Hundred Seventy Dollars ($288,270) for rehabilitation and related expenses. This project involves property known as Vaughn Court Mobile Home Park located at Vaughn Court, Monkton, VT and consists of a total of 9 lots.

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 Nine (9) units, which will be prepared by VHCB General Counsel and will contain restrictions substantially as follows:

VHCB:

Park Owner shall (i) lease Six (6) lots on the Property to persons whose Household Income, at their date of initial occupancy, is less than or equal to 80% of Median Income (Low Income Households); and (ii) lease Three (3) lots on the Property to persons whose Household Income, at their date of initial occupancy, is less than or equal to Median Income (Moderate Income Households).

Park Owner shall maintain the mix of Low and Moderate Income households in the Park as required above. Park Owner shall include in the lease agreement, or incorporate by reference, an option to purchase mobile homes in the park at the time of resale. The form of this option shall be approved by VHCB.

Special VHCB Conditions:

1. 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.

2. Prior to closing, provide a site plan certified by licensed designer/engineer (septic system designer) who will evaluate the property and the options, and propose a plan for the connection of the new structure.

This award is also subject to Standard VHCB Conditions for Mobile Home Parks.
Vermont Housing & Conservation Board
Resolution

Vista Apartments ♦ St. Albans, Vermont
Champlain Housing Trust, Inc.
2022-077-001
Board meeting date: January 26, 2022

Resolved:
To score the application “10” for need, “9” for impact and “9” for quality, and to award Champlain Housing Trust, Inc. (the "Developer[s]") VHCB ARPA-SFR funds in the amount of up to Three Million Six Hundred Thousand Dollars ($3,600,000) for acquisition, rehabilitation and related expenses. This project involves property located at 213 South Main Street, St. Albans, VT and consists of a total of 15 rental units in 2 buildings.

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 Fifteen (15) units, which will be prepared by VHCB General Counsel and will contain restrictions substantially as follows:

ARPA-SFR Affordability Restrictions:

Developer shall lease Fifteen (15) 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 Five (5) of these 15 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 lease any Two (2) of the 5 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.

Notwithstanding the aforementioned affordability restrictions, Developer shall designate the fifteen (15) units funded with this award for those who are homeless or at risk of homelessness due to a disruption to their previous housing situation as a result of the COVID 19 public health emergency, and who are referred through the local system of coordinated entry.
Developer shall make every reasonable effort to maintain the initial level of affordability on said units. 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.

**VHCB and ARPA-SFR Special Conditions:**

1. This award may be funded in whole or part with federal ARPA-SFR funds.

2. This award may be funded in whole or part with FY2022 State appropriation to the VHCB. Disbursement of project funds from the FY2022 State appropriation cannot occur until the State of Vermont/AOA has released these funds to VHCB.

3. Federal and State requirements and guidance related to this award, which may contain a combination of funding sources, are evolving. In the event that VHCB staff learn of additional requirements, or changes to existing requirements affecting the funding sources, Developer agrees to provide information as requested to document the project’s compliance.

4. During the course of the pandemic and the subsequent period of economic recovery, fifteen (15) units funded with this award are to be designated for those who are homeless or at risk of homelessness due to a disruption to their previous housing situation as a result of the COVID 19 public health emergency, and who are referred through the local system of coordinated entry. Developer will provide any MOU’s for housing services to homeless populations served by this project to VHCB for its review and approval prior to closing and disbursement. Prior to closing, Developer shall also provide a plan, subject to VHCB staff approval, to deconcentrate this property over time.

5. Developer shall report on incurred expenses, and other relevant information in a form and frequency to be prescribed by VHCB. Upon VHCB’s request, Developer shall submit any other information necessary to document compliance with ARPA-SFR requirements, as well as, compliance with other federal and state laws and regulations.

6. Prior to closing, and where applicable, Developer will provide:
   a. A full appraisal, or, subject to VHCB staff approval, a partial appraisal, demonstrating the reasonableness of acquisition costs.
   b. For projects with ARPA – only funding, a Phase I environmental site assessment, acceptable to VHCB staff. Projects with other funding sources are subject to the environmental provisions of those sources.
   c. Section 106 historic review, unless exempted.
   d. A relocation plan and budget acceptable to VHCB staff.
   e. A final bid or quote for project scope of work acceptable to VHCB staff.
   f. Evidence of commitment of rental subsidy, support services, and commitment of all other funding sources, or documentation of progress satisfactory to VHCB staff.
7. All documents and records related to this award must be retained for a period of at least 5 years from the date of final disbursement of funds.

8. VHCB reserves the right to change the source of the funds provided, not the amount, and will notify Developer.

9. Prior to closing, Developer will provide VHCB staff with an executed State Fiscal Recovery Fund Program Assurances Form.

10. This award may be funded in whole or part with federal ARPA-SFR funds. Awards of ARPA-SFR must comply with all guidance and regulations provided by Treasury. Until Treasury provides further clarification, and in accordance with Treasury FAQ #4.11, ARPA-SFR funds shall be provided in the form of a grant or a non-interest bearing loan that will mature and become due and payable in full on Dec. 31, 2026. If these funds are awarded as loan and it is repaid on or before Dec. 31, 2026, VHCB will discharge the VHCB Mortgage Deed but the perpetual affordability restrictions will remain in place as evidenced and secured by the VHCB Housing Subsidy Covenant. In the event that Treasury provides clarification allowing for deferred loans that mature later than December 31, 2026, VHCB staff has the authority to structure said loans to mature on a date commensurate with the specifics of the project, including, but not limited to, the timeframes traditionally utilized with LIHTC projects.

11. 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.

This award is also subject to Standard VHCB Conditions for Rental Housing Projects.
Vermont Housing & Conservation Board  
Resolution

Recovery Housing • Essex, Vermont  
Champlain Housing Trust, Inc.  
2020-029-001  
Board meeting date: January 26, 2022

Resolved:
The conditions set forth in this resolution supplement and are in addition to the previous conditions set forth in the resolutions approved on March 19, 2020. This award is subject to the following restrictions and conditions:

To score the application “10” for need, “9” for impact and “8” for quality, and to award Champlain Housing Trust, Inc. (the "Developer") a supplemental award of VHCB Innovation Funds in the amount of up to One Million Seventy-One Thousand Four Hundred Fifty-Five Dollars ($1,071,455) for construction and related expenses.

On March 19, 2020 the VHCB Board made an award of VHCB funds in the amount of up to Six Hundred Thousand Dollars ($600,000) for acquisition, rehabilitation and related expenses.

These requests total One Million Seventy-One Thousand Four Hundred Fifty-Five Dollars ($1,071,455) in VHCB Innovation Funds and Six Hundred Thousand Dollars ($600,000) in VHCB funds.

This project involves property located at 1005, 1006 and 1007 Ethan Allen Avenue in Essex, Vermont and will consist of a total of 32 beds in 12 total apartments in 3 buildings.

The conditions set forth in this resolution supersede and replace the previous conditions set forth in the prior resolutions approved on March 19, 2020 and incorporate the following changes:

Adding Special Conditions #2 and #6 below in addition to the original Special Conditions.

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 29 beds, which will be prepared by VHCB general counsel and will contain restrictions substantially as follows:

VHCB:

For as long as the property is operated as a recovery residence the Developer shall ensure that every reasonable effort is made to provide housing to persons whose annual income, at their date of initial occupancy, is less than or equal to 100% of median income for 29 of the beds. The remaining 3 beds will not be restricted by income. Initially, Building 1 of the property shall restrict 12 beds to persons whose annual income, at their date of initial occupancy, is less than or equal to 100% of median income. Initially, Building 2 of the property shall restrict two (2) of the four (4) apartments to persons whose annual income, at their date of initial occupancy, is less than or equal to 100% of median income; and, as the remaining two (2) apartments become available, each remaining apartment upon availability will be restricted to persons whose annual income, at their date of initial occupancy, is less than or equal to 100% of median income. The
remaining beds/apartments located in Building 3 will be restricted to persons whose annual income, at their date of initial occupancy, is less than or equal to 100% of median income.

On an annual basis, the Developer will provide information about the income of those admitted to the residence in the prior 12 months. The rent charged to residents shall be governed by a master lease arrangement between the Developer and the Operator, which is subject to the review and approval of VHCB staff.

If in the future the Developer ceases to operate the property or a portion of the property as recovery housing, the Developer shall enter into a new housing subsidy covenant approved by writing VHCB and containing provisions to ensure that:

a. The property is used to provide affordable housing;
b. Every reasonable effort is made to maintain the income qualifications set forth in the Housing Subsidy Covenant
c. In any event, the property is occupied by persons whose Annual Income, at their date of initial occupancy, is less than or equal to 80% of Median Income.

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

Special VHCB Conditions:

This award is subject to all special and standard conditions previously approved by the Board, and the following additional special conditions:

1. The Developer will enter into an MOU / master lease agreement with VFOR that has an initial duration of not less than 5 years. The agreement will be subject to the review and approval of VHCB staff and will contain:
   a. Provisions for the reporting of data, to include at minimum the sharing demographic information and ADAP data on at least an annual basis to Champlain Housing Trust, as well as, annual reporting on the race, gender, ethnicity and income levels of those admitted in the prior year. CHT will share that data on at least an annual basis with VHCB.

2. Prior to closing on this award, and on an ongoing basis, the Developer, in partnership with VFOR, will provide VHCB with an update on its plans to offer services to families with children. This update will include information about progress in the creation of transition plans for families, as well as information about other partners involved in the planning process, including the Agency of Human Services.

3. For as long as the property is operated as a recovery residence the Developer shall ensure that every reasonable effort is made to provide housing to persons whose annual income, at their date of initial occupancy, is less than or equal to 100% of median income for 29 of the beds. The remaining 3 beds will not be restricted by income. On an annual basis, the Developer will provide information about the income of those admitted to the residence in the prior 12 months.

4. By June 30, 2022, the Developer shall report to VHCB on the status of the use of the remaining units located in building 3. Developer agrees to execute an Amendment to the VHCB Housing Subsidy Covenant to restrict these remaining units as set forth above.
5. If in the future the Developer ceases to operate the property or a portion of the property as recovery housing, the Developer shall enter into a new housing subsidy covenant approved in writing by VHCB and containing provisions to ensure that:
   a. The property is used to provide affordable housing;
   b. Every reasonable effort is made to maintain the income qualifications set forth in the Housing Subsidy Covenant
   c. In any event, the property is occupied by persons whose Annual Income, at their date of initial occupancy, is less than or equal to 80% of Median Income.

6. Prior to closing on this award, the Developer and VFOR will submit a legal opinion, subject to VHCB review and approval, regarding whether single gender housing aligns with fair housing laws and regulations.

This award is also subject to Standard VHCB Conditions for Rental Housing Projects.
Vermont Housing & Conservation Board
Resolution
Zephyr Place ♦ Williston, Vermont
Champlain Housing Trust, Inc. and Evernorth, Inc.
2021-121-002
Board meeting date: January 26, 2022

Resolved:
The conditions set forth in this resolution amend and supplement the previous conditions set forth in the resolution approved on July 8, 2021. This award is subject to the following restrictions and conditions:

To score the application “9” for need, “10” for impact and “9” for quality, and to award Champlain Housing Trust, Inc. and Evernorth, Inc. (the "Developers") a supplemental award of VHCB funds in the amount of up to One Million One Hundred Fifty-Eight Thousand One Hundred Fifty Dollars ($1,158,150) for rehabilitation and related expenses.

On 7/8/2021, the VHCB Board made an award of Six Million One Hundred Eighty-Four Thousand Nine Hundred Forty Dollars ($6,184,940) in ARPA-SFR funds and Seven Million Four Hundred Thirty-Five Thousand Three Hundred Forty-Five Dollars ($7,435,345) in VHCB One-Time Housing funds.

This project involves property located at 66 Zephyr Road in Williston, Vermont and consists of a total of 72 rental units in 2 buildings.

Recommendation:
To score the application “9” for need, “10” for impact and “9” for quality, and to award the Developers (Evernorth, Inc. and the Champlain Housing Trust, Inc.) a Supplemental Request of up to One Million One Hundred Fifty-Eight Thousand One Hundred Fifty Dollars ($1,158,150), and to forgive the existing ARPA SFR loan and $1,158,978 of the existing VHCB loan, and to convert both loans to grants to be secured by VHCB Mortgage Deeds.

This project remains subject to all Prior Special Conditions and Standard Conditions. In addition, the project is subject to the following Additional Special Condition:

1. At or just prior to the LIHTC Closing, the developer will request loan forgiveness for the ARPA-SFR Loan and $1,158,978 of the existing VHCB Loan (which is currently evidenced by a $1,310,345 promissory note) and VHCB will convert both loans to grants to be secured by VHCB Mortgage Deeds.

2. The requirement to have 38 units set aside for the homeless at this project is in place for the duration of the pandemic and the period of resulting economic recovery. Subsequently it is anticipated that the project will transition to a reduced concentration of designated homeless units. Prior to closing, the developer will provide a plan including a timeline and benchmarks for achieving this goal, which will be subject to VHCB staff approval.
Resolved:
To score the application “9” for need, “9” for impact and “8” for quality, and to award Shires Housing (the "Developer") ARPA-SFR funds in the amount of up to Eight Hundred Twenty-Two Thousand Nine Hundred Sixty-Four dollars ($822,964) for acquisition, rehabilitation and related expenses. This project involves property located at 612 Gage Street in Bennington and consists of a total of nine (9) bedrooms in one (1) building.

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 nine (9) bedrooms, which will be prepared by VHCB General Counsel and will contain restrictions substantially as follows:

VHCB/ARPA-SFR:

For as long as the property is operated as a recovery residence, the Developer shall ensure that nine (9) of the bedrooms are restricted to persons whose annual income, at their date of initial occupancy, is less than or equal to 80% of area median income. Developer shall target and make every reasonable effort to ensure that three (3) of the aforementioned nine (9) bedrooms are restricted to persons whose annual income, at their date of initial occupancy, is less than or equal to 50% of median income. Developer shall target and make every reasonable effort to ensure that one (1) of the aforementioned three (3) bedrooms will be restricted to persons whose annual income, at their date of initial occupancy, is less than or equal to 30% of median income. Developer shall make one (1) bedroom available for a housing manager if needed.

On an annual basis, the Developer will provide information about the income of those admitted to the residence in the prior 12 months. The rent charged to residents shall be governed by a master lease arrangement between the Developer and the Operator, which is subject to the review and approval of VHCB staff.

Notwithstanding the aforementioned affordability restrictions, Developer shall designate two (2) bedrooms for those who are homeless or at risk of homelessness due to a disruption to their previous housing situation as a result of the COVID 19 public health emergency.
If in the future the Developer ceases to operate the property or a portion of the property as recovery housing, the Developer shall enter into a new housing subsidy covenant approved by VHCB in writing and containing provisions to ensure that:

a. The property is used to provide affordable housing;
b. Every reasonable effort is made to maintain the income qualifications set forth in the Housing Subsidy Covenant
c. In any event, the property is occupied by persons whose Annual Income, at their date of initial occupancy, is less than or equal to 80% of Median Income.

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

VHCB and ARPA-SFR Special Conditions:

1. This award is approved subject to pending guidance from the Agency of Administration regarding VHCB’s proposed update to the ARPA-SFR Interim Guidelines & Procedures. The Board Chair is authorized to approve changes to the proposed eligibility restrictions – to either increase or decrease restrictions – as needed to comply with guidance and to meet project needs.

2. Thirty days from the date of this award, Developer will provide VHCB with a comprehensive fundraising plan that outlines how the fundraising goal will be met. Developer will provide regular updates to VHCB staff about progress towards the fundraising goal.

3. Thirty days from the date of this award, Developer will submit their plan for proposed scope and energy funding commitments, subject to the finalized 3E audit. This plan is subject to VHCB staff 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. Prior to closing on this award, Developer will provide an update satisfactory to VHCB staff on Turning Point’s capacity to partner in expansion of the Recovery Housing network. The update will include current financial statements, staffing chart, and model’s outcomes to date. This update will also include information about the how Turning Point Center will operate the program, specifically addressing an emergency plan for residents who are asked to leave. This plan will be subject to VHCB review and approval, which must occur prior to closing.
6. Prior to closing on this award, the Developer and Turning Point Center will submit a legal opinion, subject to VHCB review and approval, regarding whether single gender housing aligns with fair housing laws and regulations.

7. The Developer will enter into an MOU / master lease agreement with Turning Point Center that has an initial duration of not less than 5 years. Prior to closing, the Developer shall provide to VHCB staff for their review and approval the aforementioned MOU / master lease agreement. The agreement will contain:
   a. Provisions for the reporting of data, to include at minimum the sharing of ADAP data on at least an annual basis to Shires Housing, as well as annual reporting on the income levels and demographic information, including, but not limited to, race, ethnicity and gender of those admitted in the prior year. Shires Housing will share that data on at least an annual basis with VHCB.

8. If in the future the Developer ceases to operate the property as recovery housing, the Developer shall enter into a new housing subsidy covenant approved in writing by VHCB and containing provisions to ensure that:
   a. The property is used to provide affordable housing;
   b. Every reasonable effort is made to maintain the income qualifications set forth in the Housing Subsidy Covenant
   c. In any event, the property is occupied by persons whose Annual Income, at their date of initial occupancy, is less than or equal to 80% of Median Income.

9. This award may be funded in whole or part with federal ARPA-SFR funds.

10. This award may be funded in whole or part with FY2022 State appropriation to the VHCB. Disbursement of project funds from the FY2022 State appropriation cannot occur until the State of Vermont/AOA has released these funds to VHCB.

11. Federal and State requirements and guidance related to this award, which may contain a combination of funding sources, are evolving. In the event that VHCB staff learn of additional requirements, or changes to existing requirements affecting the funding sources, Developer agrees to provide information as requested to document the project’s compliance.

12. During the course of the pandemic and the subsequent period of economic recovery, two (2) bedrooms funded with this award are to be designated for those who are homeless or at risk of homelessness due to a disruption to their previous housing situation as a result of the COVID 19 public health emergency. After that period, if changes to the affordability and homeless targeting restrictions are required, the Developer may request revisions to the Affordability Restrictions set forth in the VHCB Housing Subsidy Covenant for VHCB’s consideration.

13. Developer shall report on incurred expenses, and other relevant information in a form and at a frequency to be prescribed by VHCB. Upon VHCB’s request, Developer shall
submit any other information necessary to document compliance with ARPA-SFR requirements, as well as, compliance with other federal and state laws and regulations.

14. Prior to closing, and where applicable, Developer will provide:

a. A full appraisal, or, subject to VHCB staff approval, a partial appraisal, demonstrating the reasonableness of acquisition costs.
b. For projects with ARPA – only funding, a Phase I environmental site assessment, acceptable to VHCB staff. Projects with other funding sources are subject to the environmental provisions of those sources.
c. Section 106 historic review, unless exempted.
d. A relocation plan and budget acceptable to VHCB staff.
e. A final bid or quote for project scope of work acceptable to VHCB staff.
f. Evidence of commitment of rental subsidy, support services, and commitment of all other funding sources, or documentation of progress satisfactory to VHCB staff.

15. All documents and records related to this award must be retained for a period of at least 5 years from the date of final disbursement of funds.

16. VHCB reserves the right to change the source of the funds provided, not the amount, and will notify Developer.

17. Prior to closing, Developer will provide VHCB staff with an executed State Fiscal Recovery Fund Program Assurances Form.

18. This award may be funded in whole or part with federal ARPA-SFR funds. Awards of ARPA-SFR must comply with all guidance and regulations provided by Treasury. Until Treasury provides further clarification, and in accordance with Treasury FAQ #4.11, ARPA-SFR funds shall be provided in the form of a grant or a non-interest bearing loan that will mature and become due and payable in full on Dec. 31, 2026. If these funds are awarded as loan and it is repaid on or before Dec. 31, 2026, VHCB will discharge the VHCB Mortgage Deed but the perpetual affordability restrictions will remain in place as evidenced and secured by the VHCB Housing Subsidy Covenant. In the event that Treasury provides clarification allowing for deferred loans that mature later than December 31, 2026, VHCB staff has the authority to structure said loans to mature on a date commensurate with the specifics of the project, including, but not limited to, the timeframes traditionally utilized with LIHTC projects.

This award is also subject to Standard VHCB Conditions for ARPA-SFR Projects.
Resolved:

To defer action pending resolution of ARPA eligibility issues, while advising GMDG that the Board appreciates and values the location and plans for the development and its working relationship with COTs and the coordinated entry system providing access in the development for 12 households who have experienced homelessness.
Resolved:

To defer action pending resolution of ARPA eligibility issues, while advising GMDG that the Board appreciates and values the location and plans for the development and its working relationship with COTs and the coordinated entry system providing access in the development for 8 households who have experienced homelessness.
Resolved:
To score the application “10” for need, “10” for impact and “9” for quality, and to award the Windham Windsor Housing Trust and Evernorth (the "Developers") VHCB funds in the amount of up to Two Million Sixty-Five Thousand Two Hundred Twenty-Two Dollars ($2,065,222) for acquisition, construction, and related expenses. This project involves property located at 8 Alice Holway Drive in Putney, Vermont and consists of a total of twenty-five (25) rental units in two (2) buildings.

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 six (6) 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 nineteen (19) 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 six (6) of these nineteen (19) 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 lease any two (2) of the six (6) 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.
Developer shall make every reasonable effort to maintain the initial level of affordability on said units. 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.

Special VHCB Conditions:

1. By June 1, 2022, if 9% Low Income Housing Tax Credits and/or funds from the Vermont Community Development Program have not been awarded, and it is likely that the project will not be able to begin construction during 2022, the VHCB award may be decommitted and returned to the available pool of funds to be awarded to projects at subsequent VHCB board meetings.

2. VHCB reserves the right to reduce this award and/or decommit a portion of this award if additional sources of funding are awarded to the project and/or VHCB staff determines that the Developer is able to take on more debt without jeopardizing the affordability of the project.

3. Any loans by the Developer to the project will be non-interest bearing loans, the terms and conditions of repayment to be reviewed and approved by VHCB staff.

4. In the event that VHCB receives guidance that enables ARPA-SFR funding to be paired with Low Income Housing Tax Credits, it is VHCB’s intent to swap the funding source in this project from General Funds to ARPA-SFR. In that case, the standard ARPA-SFR conditions will also apply, and ARPA-SFR special conditions will be added as needed.

This award is also subject to the Standard VHCB Conditions for low income housing tax credit projects.
Vermont Housing & Conservation Board
Resolution

Chalet Master Planning • Brattleboro, Vermont
Windham & Windsor Housing Trust
2021-030-002
Board meeting date: January 26, 2022

Resolution:

To score the application “10” for need, “10” for impact, and “9” for quality and to award Windham & Windsor Housing Trust (“Grantee”) a VHCB project-related capacity grant of up to Fifty Thousand Dollars ($50,000) for the Chalet Master Planning project utilizing General Funds.

This grant is made subject to the following conditions:

1. Up to $40,000 of this award will be used for engineering consulting and up to $10,000 of the award for a program assessment consultant to evaluate the current policies, procedures, program design of the current permanent supportive housing model and the effect of the built environment on resident stability and success. Funds will be disbursed on a reimbursement basis for expenses actually incurred during the planning process.
2. Grantee will comply with VHCB’s Procurement Policy. Prior to closing and initial disbursement, Grantee will review the process of procuring the consultants with VHCB staff.
3. Prior to each disbursement, Grantee will provide a progress report to VHCB on the status of program design, recommendations, reports, and outcomes; partner agreements; implementation plans; cost estimates; community outreach and collaboration efforts; and, any obstacles that have been encountered.
4. Grantee will meet with VHCB to report on project outcomes at the end of the planning process.
5. Any printed or electronic materials and resources related to this project which reference sponsors and funding sources shall include VHCB.
6. If expenses need to complete the master plan exceed those available from this project-related capacity grant, the Grantee is strongly encouraged to work with the Town of Brattleboro in securing planning support from DHCD.
Resolution:

To score the application “9” for need, “10” for impact, and “9” for quality and to award Twin Pines Housing Trust (“Grantee”) a VHCB project related capacity grant of up to Fifty Thousand Dollars ($50,000) for the Hotel Coolidge Revitalization project capacity support utilizing general funds.

This grant is made subject to the following conditions:

1. Prior to each disbursement, Grantee will provide a progress report to VHCB on the status of the program design, partner agreements, implementation plans, cost estimates, market analysis, and any additional obstacles that have been encountered.
2. Grantee will meet with VHCB to report on project outcomes at the end of the planning process.
3. Any printed or electronic materials and resources related to this project which reference sponsors and funding sources shall include VHCB.
4. Grantee will cover any pre-development costs above and beyond this award, and will explore appropriate options including a CD Planning Grant.
Resolution:

To award Up To Seventy Two Thousand Dollars ($72,000) in FFY2022 VHCB funds for an Organizational Development Grant to Shires Housing, subject to the following special conditions:

**VHCB Special Conditions**

1. Prior to each disbursement, Grantee shall provide an update on the use of supplemental capacity funds related to award #2021-143-006 and an update on their anticipated real estate development pipeline.

2. Prior to each disbursement, Grantee shall report on a plan to reduce the multi-family portfolio vacancy rate to 5%.

3. Prior to each disbursement, Grantee shall report on a plan to increase the operating reserves to at least 90 days of operation.

4. Prior to each disbursement, Grantee shall report on progress made toward developing a Transition Plan for the Executive Director and efforts to deepen organizational capacity.

5. Prior to last disbursement, Grantee shall report on the progress of training and professional development of Shires staff.

6. Prior to each disbursement, Grantee will update VHCB on the status of its development pipeline.

7. Prior to each disbursement, Grantee will report on the amount of their Line of Credit any activity in the Line of Credit.

8. Prior to each disbursement, Grantee will report on the issues that are causing negative cash flows at the following properties, and the plan to create and maintain positive cash flows at the properties:
   (a.) Applegate Apartments LP;
   (b.) BenSouth Housing LP;
   (c.) Downtown Crossing Housing LP,
   (d.) Lake Paran Village LP;
   (e.) Willows Mobile Home Park;
   (f.) 211-215 Depot Street;
   (g.) 810 Gage Street;
(h.) 136-142 North Street.
(i) The Grantee will also report on the cash flow performance of the two recently redeveloped properties – Manchester Knoll Housing, LP and Woodland Station Housing, LP.

9. Prior to first disbursement, Grantee will provide the consolidated financial statements and Independent Auditor’s Report from Otis Atwell for 2020 and 2021.

10. Prior to first disbursement, Grantee will have a plan in place for Shires staff (other than the Executive Director) to attend a shared equity training with CHT.

11. Prior to each disbursement, Grantee shall report on the progress of its fundraising, including but not limited to, board members’ direct involvement in outreach and fundraising efforts.

12. Prior to each disbursement, Grantee will provide an update on steps the organization is taking to identify and evaluate structural barriers that contribute to racial, ethnic and economic disparities in housing, including homeownership. The update should include actions that have been taken to remove these barriers and increase equity and access, as well as metrics used to monitor progress in reducing these types of disparities. Please note that if the Grantee does not yet have a board-approved action plan to address these issues, such a plan will be required to be submitted with next year’s organizational grant application.

This award is also subject to Standard VHCB Organizational Grant conditions.
Resolution:

To award Shires Housing a Supplemental Organizational Grant in the amount up to Eighty five Thousand dollars ($85,000) to support the creation of additional 1.5 FTE positions, subject to the following grant conditions:

VHCB Grant Conditions

1. Prior to first disbursement, Grantee shall submit a revised budget to VHCB showing how the VHCB award will be used.

2. Prior to all disbursements grantee shall provide a narrative update on programmatic and pipeline activities, including the progress made toward meeting the goals outlined in the grant application.

3. These funds shall be drawn down within 60 days of the end of the grant period. If necessary, Grantee may make a written request for a three-month extension to be approved by VHCB staff.

4. VHCB may request additional reports as deemed appropriate. Within 15 days of a request from VHCB, the Grantee shall demonstrate compliance with any particular term or condition of this Agreement.

5. Grantee must be in compliance with all organizational grant conditions from any open awards.
Vermont Housing & Conservation Board
Resolution

Auclair C ♦ South Burlington, Vermont
Vermont Land Trust
2018-057-003 – Conservation
Board meeting date: January 26, 2022

Resolution:

To ratify the $500 increase to the December 2021 grant award for Auclair C, #2018-057-003, to a total award of $61,500.
To: VHCB Board

From: Mark Martin

Date: January 10, 2022

RE: Egg Mountain Resolution Correction (2022-062-001)

The Board committed $110,000 for the acquisition of the Egg Mountain Archaeological Preserve at the December 7 meeting. The budget identified $88,000 for acquisition, $5000 for stewardship and $17,000 for associated cost. Mistakenly, the approved resolution states $110,000 will be used for acquisition. Staff recommends amending the Resolution as follows:

Revised Resolution:

To amend the Grant Award for the Egg Mountain Archaeological Preserve Project, which was approved by the VHCB Board on December 7, 2021, for funding $88,000 for acquisition, $5000 for Stewardship Endowment, and $17,000 for additional costs.
Resolution:

To amend VHCB Grant Agreement #2017-091-001, VLT, Rupert Valley Holsteins LLC, to increase the award by $30,000, for acquisition of development rights on the 177-acre Rupert Valley Holsteins LLC farmland in West Rupert, Bennington County. The Grantee shall otherwise remain subject to all of the Special and Standard Conditions of Grant Agreement #2017-091-001.
Vermont Housing & Conservation Board
Resolution
Housing Contingency Pool
2021-140-000
Board Meeting Date: January 26, 2022

Resolution:

To authorize staff to further capitalize the Housing Contingency Pool with an additional One Million Dollars ($1,000,000).
Resolved:

To adopt the ARPA-SFR Guidelines and Procedures, effective February 1, 2022, and to further authorize staff to determine the eligibility of homeownership development and assistance to mobile home communities under the U.S. Treasury Department ARPA-SFR Final Rule. Staff shall notify the Vermont Agency of Administration and the Department of Housing and Community Development of the updated Guidelines as required by VHCB’s Grant Agreement with the State of Vermont.
Resolved:

To adopt the Development and Asset Management Fee Guidelines for Affordable Housing Projects, effective February 1, 2022.
Resolution:

To approve the Guidelines for VHCB Conservation Project Contingency Funding thereby authorizing VHCB staff to approve supplemental funding awards in accordance with such guidelines understanding that VHCB staff will report at each Board meeting on the award of contingency funds. Award of contingency funds outside of full Board approval is capped at $600,000 in state funds exclusive of NRCS match without further Board review.
Vermont Housing & Conservation Board
Resolution
Homeownership Pilot Program
Project # 2022-058-001

Resolution:

To authorize staff to enter into a grant agreement, subject to conditions in consultation with the Board Chair, with the Vermont Housing Finance Agency (VHFA) and grant up to Two Million Dollars ($2,000,000) to VHFA to capitalize the Construction Capital Access Program. Funds will be utilized to provide up to 15% of the eligible construction loan amount in guarantees, direct deposits to be held by the lender, or direct draft access of funds for the builders creating program eligible homes.

This award is subject to the following conditions, as well as additional conditions anticipated to be recommended by staff, in consultation with the Board Chair:

1. Grantee will report twice each year to VHCB on its progress in making this program operational and on the results achieved. Reporting will include demographic information, including, but not limited to, race, ethnicity and gender, of homeowners who benefit.

2. Grantee will develop a plan that assures utilization of the program across the state and includes affirmative steps to market homes supported through this program to marginalized communities.

3. Grantee will develop a plan to ensure that developers using these funds will clearly target the development of homes of modest size, with the primary benefit targeting Vermonters at or below 120% of median.

4. If funds are not used by January 31, 2024, or the program is discontinued at some future point, funds shall be returned to VHCB, or Grantee will propose an alternative use of funds that is acceptable to VHCB.
Vermont Housing & Conservation Board
Resolution

St. Johnsbury Accessory Buildings ♦ St. Johnsbury, Vermont
Gilman Housing Trust dba RuralEdge
2022-075-001
Board meeting date: January 26, 2022

Resolved:
To score the application “10” for need, “10” for impact and “8” for quality, and to award Gilman Housing Trust dba RuralEdge (the "Developer") ARPA-SFR funds in the amount of up to One Million Four Hundred Thousand Dollars ($1,400,000) for acquisition, rehabilitation, and related expenses. This project involves property located at 138 Cherry Street and 759 Railroad Street, St. Johnsbury and consists of a total of seven (7) rental units in two (2) buildings.

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 seven (7) units, which will be prepared by VHCB General Counsel and will contain restrictions substantially as follows:

VHCB/ARPA-SFR:

Developer shall lease seven (7) units to persons whose household income, at their date of initial occupancy, is less than or equal to 80% 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 three (3) of the aforementioned seven (7) units to persons whose household income, at their date of initial occupancy, is less than or equal to 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 lease any one (1) of the three (3) 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.

Notwithstanding the aforementioned affordability restrictions, Developer shall designate all seven (7) units for those who are homeless or at risk of homelessness due to a disruption to their previous housing situation as a result of the COVID 19 public health emergency, and who are referred through the local system of coordinated entry.
Developer shall make every reasonable effort to maintain the initial level of affordability on said units. 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.

VHCB and ARPA-SFR Special Conditions:

1. This award may be funded in whole or part with federal ARPA-SFR funds.

2. This award may be funded in whole or part with FY2022 State appropriation to the VHCB. Disbursement of project funds from the FY2022 State appropriation cannot occur until the State of Vermont/AOA has released these funds to VHCB.

3. Federal and State requirements and guidance related to this award, which may contain a combination of funding sources, are evolving. In the event that VHCB staff learn of additional requirements, or changes to existing requirements affecting the funding sources, Developer agrees to provide information as requested to document the project’s compliance.

4. During the course of the pandemic and the subsequent period of economic recovery, the seven (7) units funded with this award are to be designated for those who are homeless or at risk of homelessness due to a disruption to their previous housing situation as a result of the COVID 19 public health emergency, and who are referred through the local system of coordinated entry. After that period, the Developer will make every reasonable effort to increase the income mix of the resident households. If changes to the affordability and homeless targeting restrictions are required, the Developer may request revisions to the Affordability Restrictions set forth in the VHCB Housing Subsidy Covenant for VHCB’s consideration.

5. Developer shall report on incurred expenses, and other relevant information in a form and at a frequency to be prescribed by VHCB. Upon VHCB’s request, Developer shall submit any other information necessary to document compliance with ARPA-SFR requirements, as well as, compliance with other federal and state laws and regulations.

6. Prior to closing, and where applicable, Developer will provide:

   a. A full appraisal, or, subject to VHCB staff approval, a partial appraisal, demonstrating the reasonableness of acquisition costs.
   b. For projects with ARPA – only funding, a Phase I environmental site assessment, acceptable to VHCB staff. Projects with other funding sources are subject to the environmental provisions of those sources.
   c. Section 106 historic review, unless exempted.
   d. A relocation plan and budget acceptable to VHCB staff.
   e. A final bid or quote for project scope of work acceptable to VHCB staff.
f. Evidence of commitment of rental subsidy, support services, and commitment of all other funding sources, or documentation of progress satisfactory to VHCB staff.

7. All documents and records related to this award must be retained for a period of at least 5 years from the date of final disbursement of funds.

8. VHCB reserves the right to change the source of the funds provided, not the amount, and will notify Developer.

9. Prior to closing, Developer will provide VHCB staff with an executed State Fiscal Recovery Fund Program Assurances Form.

10. This award may be funded in whole or part with federal ARPA-SFR funds. Awards of ARPA-SFR must comply with all guidance and regulations provided by Treasury. Until Treasury provides further clarification, and in accordance with Treasury FAQ #4.11, ARPA-SFR funds shall be provided in the form of a grant or a non-interest bearing loan that will mature and become due and payable in full on Dec. 31, 2026. If these funds are awarded as loan and it is repaid on or before Dec. 31, 2026, VHCB will discharge the VHCB Mortgage Deed but the perpetual affordability restrictions will remain in place as evidenced and secured by the VHCB Housing Subsidy Covenant. In the event that Treasury provides clarification allowing for deferred loans that mature later than December 31, 2026, VHCB staff has the authority to structure said loans to mature on a date commensurate with the specifics of the project, including, but not limited to, the timeframes traditionally utilized with LIHTC projects.

11. The Developer will work with VHCB and the Town of St. Johnsbury to pursue ARPA-SFR funding from the Town to the extent feasible, taking into account potential for further increased costs or delays, to VHCB staff satisfaction.

12. Prior to closing, Developer shall obtain construction bids that demonstrate to the satisfaction of VHCB that projected construction costs are within the approved budget for the project.

13. The requirement to have 7 units set aside for the homeless at this project is in place for the duration of the pandemic and the period of resulting economic recovery. Subsequently it is anticipated that the project will transition to a reduced concentration of designated homeless units. Prior to closing, the developer will provide a written plan including a timeline and benchmarks for achieving this goal, which will be subject to VHCB staff approval.

This award is also subject to Standard Housing ARPA-SFR Conditions.