Draft

Vermont Housing & Conservation Board
MINUTES
Friday, May 13, 2022
ZOOM Conference Call
8.45 am

Board Members: Neil Mickenberg, David Marvin, Emily Wadhams, Maura Collins, (VHFA), Billy Coster (designee for ANR), Diane Bothfeld (designee for VAAFM), Kate McCarthy, Sarah Truckle (designee for AHS); Ann Fielder (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, Mark Martin, Laurie Graves, Brenda Riddle, Erin Riley, Anna Foltz, Trey Martin, Emily Phillips, Bonnie Woodford, Kendall Lambert; Ariane Kissam; Ron Rupp; Betsy McGavisk

Others Present: Britt Haselton, Tracy Zschau, Jennifer Garrett, Donna Foster (Vermont Land Trust); Miranda Lescaze, Javier Garcia (Champlain Housing Trust); Liz Nickerson; Jess Neubelt, Tyler Labrie (Evernorth); Pat Shields, Libby Mills (Putney Mountain Association); Nicole Gratton (Town of Lyndonville); Tom Getz, Zeke Davison (Summit Properties); Madison Kremer (Shires Housing); Cindy Reid (Cathedral Square Corporation); Nicola Anderson (Downstreet Housing & Community Development); David Riegel (Vermont Foundation of Recovery); Michael Redmond (Upper Valley Haven); Elise Shanbacker (Addison County Community Trust); Julie Iffland (Randolph Area Community Development Corp); David Pride; Avaloy Lanning (NewStory Center);

Chair David Marvin called the meeting to order at 8:45 a.m. David welcomed all to the meeting. Gus thanked everyone for the great work being done by community partners and staff to prepare for these meetings.

Public Comment
No public comment at this time.

Project Presentations

McLaren/Brickey Farm, Plainfield – Vermont Land Trust
2021-132-001

Vermont Land Trust has requested $412,000 in VHCB funds. The board memo explained that this farm was owned by Steve MacLaren and had been run as a conventional dairy by Steve and his father for many years. Steve’s three nephews—Cody, Shane, and Brad Brickey--grew up working on the farm for their uncle. Unfortunately Steve passed away suddenly this past winter. The Brickey brothers are now the fourth generation in this family to run a dairy farm at this site. Ethan Parke and Britt Haselton from VLT presented the project to the board. Ethan updated the board that there is an additional special condition that encourages the landowner to enroll in the Viability program. Business planning assistance will help them identify funding to address some issues around manure handling. The farm has been inspected by the Ag Agency and they are in good standing. Britt
highlighted the struggle of small dairy farms. With Steve dying suddenly his nephews have stepped up to run the farm. They need this conservation easement to afford the transfer. He also pointed out that this conservation process is starting a whole suite of practices for this farm dealing with water quality and manure handling. He also reported that the Plainfield planning commission has strong support for the project.

Laroche, Franklin – Vermont Land Trust
2021-055-001

Vermont Land Trust has requested $418,000 in VHCB funds. The board memo explained that this is a 127.5-acre bare land farm parcel that serves as cropland for the Laroche Dairy Farm, a medium-sized conventional operation a few miles to the south in Highgate. Stacy Cibula presented the project to the board. She explained that the Laroches milk about 200 cows and have another 200 as replacements. The farm is operated by third generation farmer, Matt Laroche, whose grandfather bought the land in the 1940s. In 1999, Matt’s parents conserved the 220-acre home farm which Matt has since acquired along with the subject parcel. Matt hopes to conserve another 101 acres to the south of the home farm in the future. Matt’s teenaged son and daughter work on the farm. Kate commented that this is a strong project. It is an important to buffer the Rock River.

Hinton Woods, Putney – Putney Mountain Association
2022-109-001

Putney Mountain Association has requested $225,000 in VHCB funds. The board memo explained that for over 25 years VHCB has worked with Putney Mountain Association (PMA) and the Windmill Hill Pinnacle Association (WHPA) whose original vision was to protect 1,000 acres and build a 10 mile hiking trail that has now become a 3,300 acre network of conserved lands including and 26 mile trail stretching across five towns.

Bill Dell’Isola and Pat Shields from PMA presented the project to the board. Bill explained that PMA seeks to acquire the 142-acre Hinton Parcel, and convey a co-held Conservation Easement to Vermont Land Trust (VLT) and VHCB with VLT as the primary steward. This network of conserved lands sees use by over 6,000 people per year and are a regionally popular destination for outdoor recreation and education and includes significant natural resources. The conservation of the Hinton Woods parcel will enhance all of these prior investments.

Pat Shields talked about the process of working with the Hinton family for the past 25 years. The family wants it conserved permanently. The six co-owners of the Hinton Family have agreed to a purchase and sale agreement with a closing date on or before December 31, 2022. She explained that this is one of the most well-loved trail sections in Windham County. Biking trails will be open to the public once the project closes. PMA is waiting to hear from several other funders and the public fundraising campaign is ready to go. David thanked Pat for their organization’s work. Ann Fielder expressed her happiness that this project is going forward since this project is so important to the region. Pat said that VHCB has been there every step of the way.

Sanborn Covered Bridge, Lyndonville – Lyndonville, Preservation Trust of VT and Vermont River Conservancy
The Town of Lyndonville requested $100,000 in VHCB funds. Preservation Trust of Vermont and the Vermont River Conservancy have respectively requested an additional stewardship grants of $5,250 and $13,000. The board memo explained that The Town of Lyndon is bringing an iconic and underutilized historic resource back into public use, with the restored bridge the centerpiece of a small riverfront park to be created along the Passumpsic River. Karen Freeman and Nicole Gratton from the Town of Lyndonville presented the project. Nicole explained that the property is seen by the town as a gateway and connector to local, regional and statewide water and land recreation activities. The nationally significant bridge will be restored and provide access across the river linking the downtown with these recreation networks. Karen explained that this project will meet many VHCB goals: historic preservation, land conservation, natural area protection, flood resiliency, water quality protection, public outdoor recreation and the site is a neighbor to several Rural Edge affordable housing projects.

Nicole explained that the town purchased the 1.5-acre property, including the bridge, in March. Predevelopment work on the Sanborn Bridge will start this fall, the bulk of the yearlong restoration/reconstruction work is scheduled to begin in May of 2023, and the site development for trails and river access is slated to be completed in 2024. Nicole thanked the board for considering this project. Emily thanked the town for doing this project and saving this historic bridge. Neil asked about Congressionally Directed Spending (CDS) funds and Nicole said that they have spoken to Senator Leahy’s office but there are no firm commitments yet. Nicole explained that as the funding commitments firm up there will be phasing to the project. Nicole confirmed that the Select board understands the conditions of the award from VHCB include an historic preservation easement on the bridge and a conservation easement on the land.

**Bay Ridge, Shelburne – Champlain Housing Trust and Evernorth**

Champlain Housing Trust and Evernorth have requested VHCB ARPA-SFR funding in the amount of up to $7,076,452; and National Housing Trust Fund (HTF) funding in the amount of up to $1,156,152. The board memo explained The Bay Ridge New Construction development in Shelburne is a collaboration between the Champlain Housing Trust and Evernorth. Kathleen Kanz and Miranda Lescaze from CHT, Jess Neubelt from Evernorth and Liz Nickerson presented the project. Kathleen explained that this site was formerly known as Harbor Place which VHCB originally funded in 2014 and has since been used to support CHT’s partnership with the Agency of Human Services to serve those experiencing homelessness with short term stays. The site is now being redeveloped, in multiple phases. The first phase involved rehabilitation of an existing building on the site, as well as demolition of some older buildings that could not be rehabilitated. That demolition has paved the way for the construction of two new energy efficient buildings that will provide a total of forty-eight apartments to be added to the affordable housing stock of Shelburne. The location is convenient to the village, the buildings are designed to meet Vermont’s High Performance Building standards and the site plan calls for the future development of twenty units of home-ownership.

Miranda talked briefly about the project and emphasized the fact that there will be several larger apartments. She also explained that the site plan will be reviewed by Shelburne’s review board next week and that the Developers are also working on the state permits. Liz thanked the team for working
together to advance this project forward. Gus thanked Miranda and her staff for working together to work this project out. David asked about the convenience to the village and Miranda explained that the development is on a very active bus line. Emily asked about the Shelburne Review Board and Miranda expressed her belief that Shelburne is in support of the project. Kate McCarthy was excited about the compact site design and the creation of a new neighborhood. Neil Mickenberg thanked CHT for designing large units for families which will support those with larger families, including new Americans, in Chittenden County.

**Kelley’s Field II, Hinesburg – Cathedral Square Corporation and Evernorth**

2014-086-002

Cathedral Square Corporation (CSC) and Evernorth have requested up to $4,564,140 in ARPA-SFR funds for construction and related expenses. The board memo explained that the first phase of Kelley’s Field was funded by VHCB in 2014, and involved the rehabilitation and preservation of a 24 unit senior housing property in two buildings that abuts the Hinesburg village center boundary. Ian Jakus and Cindy Reid from CSC and Tyler Labrie from Evernorth presented the project. Ian explained that this proposal is for a new building on the existing site with 24 new units and additional communal facilities and site improvements for the whole development. The building will be two-stories on the north side, with nine units on the first floor, 11 units on the second floor, and using topography, four units on a lower, south facing level. The housing will be mixed income and includes 5 units for people experiencing homelessness.

Cindy explained that one piece of this project will be enhancing the amenities for all residents from both phases of Kelley’s Field. There is a lounge near the entrance to wait for transportation, a community room and a telehealth room. They have met with residents to hear their needs. Tyler updated that the permit process is underway and they don’t anticipate any issues. There is strong community support for the project. Cindy talked about the large waiting list for housing in this area. The project is ideally located in downtown Hinesburg, an area that is zoned for increased density, with water and sewer, and is walkable to stores and services.

Maura Collins pointed out that several of these projects originally had come to VHFA as 9% deals and through work with VHCB staff they have been able to get them to 4% deals. The VHFA Board will consider applications and make tax credit awards at its meeting in June.

**Granite City Apartments, Barre – Downstreet Housing & Community Development and Evernorth**

2020-070-001

Downstreet Housing & Community Development and Evernorth have requested up to $757,990 in VHCB Trust funds; up to $788,928 in ARPA-SFR funds; and up to $240,000 of HOME funds for construction, acquisition, and related expenses. The board memo stated Granite City Apartments is a scattered site project consisting of three building on two sites in Barre with a total of 27 units. Ron Rupp of VHCB and Nicola Anderson from Downstreet and Tyler Labrie from Evernorth presented the project to the board. Ron explained that the project will result in 9 new rental units affordable to very low and extremely low income households through the rehabilitation of the Ward 5 School on Humbert Street; and will extend the life of 18 existing affordable units on Bromur Street. The Barre
Housing Authority currently owns the Ward 5 school building and will transfer title of the property to DHCD at no cost. The Bromur Street property consists of 18 occupied units in 2 buildings that are currently part of Downstreet’s portfolio.

Nicola explained that three of the new units will be made available to households experiencing homelessness, with support services provided by a combination of Good Samaritan Haven, Family Center of Washington County, and Circle. The Barre Housing Authority (BHA) has provided a letter of interest regarding this project which states BHA’s intent to provide project-based vouchers. Construction is expected to start this fall and expected to last a year.

David asked about composition of the waiting list and Nicola explained that it is made up of local residents either looking for housing or upgrading their current situation. Gus thanked Nicola for her good work over the past year. There was a brief discussion about the challenges all over the state with the Park Service regarding projects with historic elements. Emily explained that National Park Service is coming to Vermont at the end of the month to talk about these questions and issues.

**Upper Valley Haven Shelter Expansion & Day Station – Upper Valley Haven**

Upper Valley Haven has requested $1,000,000 in VHCB funds. The board memo explained the Upper Valley Haven provides temporary shelter and wraparound services to individuals experiencing homelessness in the Upper Valley region. Ian Jakus of VHCB and Michael Redmond for Upper Valley Haven Shelter presented the project. Ian explained that this project proposes to expand the UVH campus in White River Junction. The Saint Paul’s Church property which abuts the UVH campus has been subdivided in order to facilitate the shelter expansion into a former parking area. The new two-story building will provide 25 low barrier year-round beds and a day station/resource center. The shelter will be accessible with an elevator, bathrooms, showers, an area for eating and socialization, a kitchen for heating meals and space for storage of personal belongings.

Michael explained that this project addresses the growing demand for services and need for temporary shelter spaces in one of Vermont’s most stressed housing markets. The Haven operated a winter season low barrier shelter with 15 beds which were often full. They have also operated a family and adult shelter for many years. Prior to the pandemic these shelters were typically full with a census of 20 adults and 8 families. This need has only been exacerbated by the pandemic. A recent report from our partners at the Agency of Human Services indicates that as of April 6th there were 107 adults being sheltered in motels in the Hartford area, indicating that there is a continued and significant unmet need for shelter beds. Haven will provide supported services for the potential TPHT project as well.

Neil asked about the definition of low barrier. Michael explained that they don’t check backgrounds and that guest may arrive under the influence of substances, but that rules of behavior must be followed. He explained that they have team of service coordinators to provide housing options and transitions and also work closely with TPHT. Maura talked about her conflicted feelings about shelter expansion vs permanent housing. While acknowledging the short term need for shelter capacity, she prefers to only fund permanent housing as the best solution and ultimate goal. Gus asked about the
town’s support for the project and Michael explained that there is both opposition and support in the community. They are on the planning commission and zoning board schedules for next week.

**Firehouse Supplemental, Bristol – Addison County Community Trust and Evernorth 2021-109-001**

Addison County Community Trust has requested an additional award of up to $1,304,981 in ARPA-SFR funds for acquisition, construction and related expenses. The board memo explained that Addison County Community Trust and Evernorth, Inc. are asking the Board to consider a supplemental award to Firehouse Apartments, 20-units of new construction in the Town of Bristol. Erin Riley and Elise Shanbacker from Addison County Community Trust and Tyler Labrie from Evernorth presented the project. The award is necessary to address substantial escalation in construction costs over the past 12 months since this project was initially presented to VHCB. Their goal is to start construction in June. Elise explained that there is strong demand for the housing that this project will provide and Bristol has been an underserved community.

Erin explained that Firehouse Apartments’ application to VHCB in March 2021 relied on a schematic design cost estimate prepared by Naylor & Breen Builders (NBB). While an updated cost estimate based on design drawings was submitted in December 2021 there was an increase of 20% compared to the initial estimates. The project received final bids in March 2022 and hard construction costs increased 38% compared to the initial estimates.

In consultation with VHCB staff, the design team explored value engineering options and were able to comfortably reduce the cost by $84,000 primarily by downgrading from standing seam to asphalt shingle roofs, downgrading from paved to gravel drive, and concrete to paved paths. The Developers determined there was very little else that could be done without reducing scope and adversely impacting overall quality of the project. The increase of material prices in the construction industry is the main driver of the cost overruns at Firehouse Apartments; projections indicate that prices will continue to rise. Kate talked about the national price increases across the market. Jenny pointed out that this was one of the first ARPA awarded projects and it is now catching up in terms of costs, with other projects that have been awarded more recently. David asked whether supply chain delays delay these projects. Tyler said that they have had issues with the supply chain delays in other projects. Gus added this project is in line with the Putney project in timing and scale. Interest rates increases will also pay a role and will impact projects going forward. Sarah Truckle asked if we should expect to see more of these supplemental requests going forward. Jenny explained that there will be a need to increase the funds in the contingency pool and that request will come to the June board meeting.

**Salisbury Square, Randolph – Randolph Area Community Development Corp 2022-011-001**

Randolph Area Community Development Corp seeks $525,093 in VHCB/ARPA funds and $570,000 in HOME funds. The board memo explained that RACDC proposes to create twelve (12) new rental units in downtown Randolph as part of the second phase of development for a project called Salisbury Square. Ariane Kissam and Julie Iffland from RACDC and David Pride presented the project. Ariane explained that RACDC purchased a large site located off Salisbury Street in Randolph in 2006. The site was classified as a brownfield when RACDC purchased it. RACDC remediated the site and
VHCB supported their building of 14 new units of rental housing in 2012 as Phase I of their planned development of the site.

Julie explained that these twelve new units are proposed to be net zero. RACDC will also receive a Congressionally Directed Spending (CDS) grant of $750,000 for development of a microgrid to support all housing on this site. A microgrid will provide added resiliency and reliability to the all-electric housing on this site as well as substantial benefits to grid reliability from congestion, peak loading and storm related service interruptions.

RACDC also requested VHCB funds for the homeownership portion of the development but withdrew their application after feedback from the staff regarding the readiness of that application. RACDC may reapply to VHCB with a revised plan for the homeownership units at a later date for the third and final phase of the project with eight homes.

David thanked Julie for her work on this project. Kate commented that this project is very innovative and that is exciting during this time. Neil asked about project based vouchers and whether three would be enough. Julie said that both the vouchers and the microgrid efficiencies will help to make these units more affordable.

O’Brien Lots 10 & 11 – Green Mountain Development Group, Inc.
2022-012-001 & 2022-012-002

The Green Mountain Development Group, Inc. (GMDG) is requesting ARPA-SFR funds in the amount of up to Four Million One Hundred and Fifty Thousand dollars ($4,150,000) for acquisition, rehabilitation and related expenses of Lot 10 and ARPA-SFR funds in the amount of up to Seven Hundred Thousand dollars ($700,000) for acquisition, rehabilitation and related expenses of Lot 11. The board memo explains that GMDG is bringing this project before the Board to consider an expanded project that brings the total new homes to 94 (71 homes under VHCB Housing Subsidy Covenant) which would include both the Lot 10 and Lot 11 buildings combined under one 4 financing and ownership structure. Emily Phillips and Tom Getz and Zeke Davisson from Summit Properties presented the project.

Emily explained that the project is located 1.5 miles from the South Burlington Town Center, and within the South Burlington Transit Overlay District. A bus stop is located on Kennedy Drive about a 1000 feet (0.2 mile) walk along the new sidewalk and street that connects to the Lot 10 and Lot 11 buildings. There will be a new road and walking path intersecting Kennedy Drive at a signalized intersection. It will be easy and relatively safe to bike from the O’Brien Farms site to the Library, City Hall, shops and the Elementary and High Schools via the bike path network. She provided updates to the project. There will be 20 units for the formerly homeless and a MOU with the coordinated entry system.

Tom and Zeke also addressed some of the concerns from the previous board meeting. They are excited to combine the projects to get 94 units of housing up and running. The scale helps a lot with costs, as does the O’Brien Brothers’ work on the site to expand infrastructure. They have received all of their local permits and are working on the Act 250 review. Several other funding meetings are coming up soon as well. They are hoping for a September closing if all goes well. Neil expressed
concern about the tension between affordability and positive return for the developer. Tom explained that they do have experience with mixed income neighborhoods as well as long-term affordability and they have worked successfully. Maura noted that VHFA has worked with them on several projects and Summit has done a wonderful job. They have a long time partnership with VHFA. David asked about the costs of larger units and there was a short discussion about this issue.

Squire House, Bennington – Shires
2022-064-001

Shires Housing has requested $810,000 in VHCB ARPA-SFR funding. Erin Riley and Madison Kremer from Shires and David Riegel from VFOR presented the project. The board memo explained that Shires Housing (Shires) is acquiring and renovating the historic Squire House located in downtown Bennington. Erin explained that staff supports this project but is recommending an award of $600,000 in ARPA-SFR funding, an investment of $100,000 per bed. Shires is partnering with Vermont Foundation of Recovery (VFOR) to repurpose the building as a recovery residence for women experiencing substance use disorder. Squire House, which has previously been utilized as an office, will be reconfigured to create 3 units: one 4-bedroom with communal and programming space; two 1-bedroom units each equipped with a kitchen and bathroom. Shires will enter into a master lease arrangement with VFOR who will manage referrals and recovery programming. The site offers ample parking, a large lawn, is walkable to many downtown amenities, and 0.1 miles from a Green Mountain Community Network bus stop.

David Riegel explained that VFOR currently operates two homes for women in Vermont and a transitional apartment for a total of 13 beds, none of which are located in Bennington County. As presented in previous memos on recovery residences, the program model leverages individual goals of recovery with shared living space to allow for peer mentorship and accountability. VFOR’s model is adaptable and their goal is to serve 6 – 8 households with the 2 apartments providing flexibility to accommodate adults and their dependent children in the future. Currently, local zoning laws and finalization of a VHCB approved emergency plan caps the number of individuals Squire House can serve at 6. This project is being evaluated as 6 bedrooms/units. Madison updated the board on the project explained that once funds have been secured they can start work. Shires closed on the building last week and they hope for an end of summer construction start. David asked about the historic elements of the building and Madison explained that they will be retained.

Conservation Stewardship Report

Mark Martin presented his stewardship report to the board. He spoke in broad terms about stewardship over the past year. There was a heightened awareness in the state about the need to increase conservation of agricultural, natural areas and outdoor recreation lands to reach a number of critical goals for water quality, climate change and land based economic development objectives. There has been continued growth in our portfolio, and those of our partners, and effective stewardship is very important piece to overall success of the program. This past year several of our partners have had turnover with stewardship staff. Management plans need to be created and updated and lack of staff and funding have created a backlog. There is a strong need for more resources to be directed in this area. There was a board discussion about the importance of this work to the success of the overall Conservation program. Emily thanked Mark for his work and his terrific memo. Neil voiced his support to increased resources in this area. Billy thanked Mark for his work as well. Kate asked
about how this funding might work. Mark said that funding could support smaller land trusts with management planning, help bring new stewardship partners to the table and expand VHCB’s stewardship capacity. Gus explained that Conservation funding has been flat up till now and there are also limits to what we can spend through our statute on stewardship. Karen mentioned that VHCB technical assistance awards have helped partners with stewardship components but more will be needed in the future. David mentioned the connection of stewardship with VHCB’s justice, equity, diversity and inclusion work. Maura asked about how the Land Access & Opportunity Board might impact stewardship and Mark responded that stewardship is about relationships building, inviting in new stewards and having a sense of ownership. Mark was thanked again for his work during his time at VHCB by Karen and the board.

**New VHCB Farm Retirement Guidelines**
Stacy presented the new VHCB Farm Retirement Guidelines to the board. She briefly explained the concept of Farm Retirement to the board. Water quality protection is a main component of this plan. Diane said that the Ag Agency is in strong support of this policy.

Diane made the motion to approve the new Farm Retirement Guidelines. Billy seconded the motion. There was a brief discussion. Billy and Kate thanked the staff for working on this updated policy. All voted in favor of the motion.

**Roll Call**
Maura Collins – Yes
David Marvin – Yes
Emily Wadhams – Yes
Neil Mickenberg – Yes
Diane Bothfeld – Yes
Sarah Truckle – Yes
Ann Fielder – Yes
Kate McCarthy – Yes
Billy Coster - Yes

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

The Consent Agenda consisted of:
1) Zephyr Place (CHT)(2021-121-001)
2) Feasibility Policy Update
3) Chaput V, Newport (VLT)(2021-129-001)
4) Beidler Retro OPAV, Randolph Center (VLT) (1993-112-002)
5) Christ Church Capacity Grant, Montpelier (DHCD) (2022-107-001)
6) New Story Campus Expansion, Rutland (New Story Ctr) (2022-104-001)
7) Vermont Marble Museum, Rutland (PTV) (2013-048-001)
8) Authorization for VFFVP to apply for REDI Funds

**Roll Call**
Maura Collins – Yes
David Marvin – Yes  abstained from VT Marble Museum
Emily Wadhams – Yes  abstained from VT Marble Museum
Neil Mickenberg – Yes
Diane Bothfeld – Yes
Sarah Truckle – Yes
Ann Fielder - Yes
Kate McCarthy – Yes
Billy Coster - Yes

**Director’s Report & Legislative Update**

Gus turned the floor over to Jen Hollar to discuss the legislative session. She gave updates with the legislature adjourning for the year last night. VHCB had a very solid session with both housing and conservation issues being addressed. In general the housing issues proceeded well. The fate of conservation bills is uncertain and may face a gubernatorial veto. The FY23 budget provides an increase to VHCB from the property transfer tax revenue up to $21 million. This base funding hasn’t gone up since 2013. There have also been the special appropriations for housing. She reported that the Act 250 bill will probably not go forward at this time. There will be some housing provisions from this bill that have been forwarded separately and are expected to pass. VHCB has also been appropriated $15 million from the Education Fund to support Career and Technical Education Centers and residential construction training. VHCB has also been asked to provide staff support for a newly created Land Access and Opportunity Board. Now that nearly all of the federal recovery funding has been allocated, the state will move into an implementation and accountability phase over the next couple of years. There will also be many transitions in state government, including legislative leaders and amongst our partners. Jen thanked Trey for his work with the legislature this session. Jen also expressed her appreciation to everyone for their steady during her time at VHCB. David thanked her for her tremendous work over her career at VHCB. Billy thanked Jen for her work at the statehouse and really modeled civility and composure. Neil added that she has made a huge contribution to affordable housing in the state. He hoped she would enjoy retirement! Maura thanked her for her knowledge and wise counsel. Gus expressed his gratitude to both Mark and Jen for their tremendous work at VHCB. He also thanked Maura for the coordination with VHFA with the housing projects on the agenda. Finance and Organizational Grant Board Committees will meet by the end of the month.

**Finance Report**

Anne added a brief update to her memo. She is working on a revision of FY 23 budget which will reflect staffing changes and COLA increases. Auditors will do some work next week. ARPA and NRCS will be the chosen programs. That revised budget will go to the Finance committee in May and the board in June.

**Minutes**

Neil moved to approve the minutes of the March 16, 2022 Board meeting. Ann seconded the motion. All voted in favor of the motion.

**Roll Call:**

Neil Mickenberg - Yes
Emily Wadhams - Yes
Policy Discussion:
There was a short policy discussion about VHCB’s approach of requiring projects to carry a reserve amount of $50 per unit and how that relates to current price increases. This is an issue that needs to be reviewed and discussed further. This could be a discussion topic at an upcoming meeting. Neil also appreciated staff commitment to thorough and comprehensive review in the underwriting process during this time of high volume and demand of our resources.

Deliberations:

Projects

Conservation Projects – Farms Projects

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<td>Brickey Brothers</td>
<td>2021-132-001</td>
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<td>Laroche</td>
<td>2021-155-001</td>
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<td>Hinton Woods</td>
<td>2022-109-001</td>
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<td>Sanborn Covered Bridge</td>
<td>2022-110-001, 2022-110-002, 2022-110-003</td>
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Emily made a motion to approve the resolutions as a block. Diane seconded the motion. There was no discussion. All voted in favor of the motion. Emily and David abstained on the Sanborn Covered Bridge project.

Roll Call:

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<td>Neil Mickenberg</td>
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Neil made a motion to approve the resolutions as a block. Kate seconded the motion. Emily added the below Special Condition for the Bay Ridge project. Kate briefly commented on the O’Brien Farm project and her concerns about the smart growth issues. There was a discussion of the site design of the O’Brien project. Neil asked about Green Mountain Development Group/Summit Group and long term affordability issues. Elizabeth Egan explained that the affordability of the units in the covenant is in perpetuity. Maura expressed that they have a long track record in affordable housing and have been excellent partners. Maura voiced her wish to have a long term housing conversation in reference to the Haven project. Sarah hoped in the future for much shorter stays but there will probably always be a need for the housing in crisis piece. There was a brief discussion about this issue. Sarah also mentioned the Kelly’s Field project and the number of homeless units. Gus talked about the unfortunate reality is that affordable housing would be in a different place right now if we had had the funding over the past 10 years. There will be requests to fund more affordable units in the Upper Valley at upcoming board meetings. All voted in favor of the motion. Maura voted no on the Haven shelter project.

Bay Ridge Special Condition addition:

14. Prior to closing, the developers will provide VHCB staff with an update on Shelburne’s plans to enhance pedestrian connections to the Bay Ridge site.

Roll Call:
Neil Mickenberg - Yes
Emily Wadhams - Yes
Billy Coster – Yes
David Marvin - Yes
Diane Bothfeld – Yes
Sarah Truckle – Yes
Ann Fielder – Yes
Kate McCarthy – Yes
Billy Coster – Yes
Maura Collins – Yes  voted no for Haven Project

Other Business
David informed the board that we will meet on Zoom in June. Emily thanked Gus and the amazing staff for their great work. Gus thanked the board as well.

The meeting adjourned at 1:10 pm.

Respectfully submitted,
Marcy Christian
Resolutions

Vermont Land Trust
Maclaren/Brickey Farm
#2021-132-001

Recommended Resolution:

To score the application 9 for need, 9 for impact, and 7 for quality and to award the Vermont Land Trust (the “Grantee”) a VHCB grant in the amount of up to Four Hundred and Twelve Thousand Dollars ($412,000) consisting of $399,000 for acquisition of development rights, conservation restrictions, and option to purchase at agricultural value, $4,000 for associated costs, and $9,000 for stewardship. This project involves property known as the MacLaren/Brickey Farm in Plainfield, Washington County and includes 162 acres.

This award is subject to the following conditions:

Special Conditions:

1. This award is contingent on the signing of a Grant Agreement or contract between VHCB and NRCS obligating federal NRCS-ALE funds for this project.

2. Prior to or simultaneously with closing, the property will transfer to Cody, Shane, and Brad Brickey, dba Valley View Farm, LLP.

3. The easement shall include the following terms, with any minor revisions to be reviewed and approved by VHCB staff prior to closing:
   a. A farmstead complex of approximately 11 acres containing the existing house and barns.
   b. Two designated farm labor housing rights.
   c. The sole discretion farm labor housing right.
   d. One exclusion area of approximately 2 acres as depicted on the project map (to be surveyed prior to closing).
   e. Two wetland protection zones generally as depicted in the application.
   f. A 50-foot riparian buffer zone along the Great Brook.

4. Grantee shall encourage the operator of the farm to enroll in a business planning program through the Vermont Farm and Forest Viability Program and shall also encourage the farm operator to apply for NRCS/EQIP and/or VAAFM/BMP funding to make infrastructure and manure management improvements that protect surface waters. Prior to closing, Grantee shall report to VHCB staff satisfaction on progress the farm has made toward business planning and EQIP and/or BMP funding.

5. Since VHCB plans to use federal funds from the Natural Resources Conservation Service (NRCS) Agricultural Conservation Easement Program (ACEP/Agricultural Lands Easement) for a portion of the cost of this project, the following NRCS conditions are included to encourage the sustainable management of soil resources on the farm, to protect water quality, and to comply with NRCS requirements. Prior to disbursement of VHCB funds:
   a. NRCS state office staff will verify that the landowners are eligible to receive ALE funds and are in compliance with Highly Erodible Land and Wetland requirements;
   b. NRCS state office staff will conduct a hazardous materials review of the project;
c. NRCS staff will write an HEL plan, if required, to be signed by NRCS and the landowner prior to closing;

d. The landowners will sign a Grant of Development Rights and Conservation Restrictions which includes the objective of encouraging sustainable management of soil resources on the farm, requires that highly erodible cropland be managed in accordance with an HEL Conservation Plan approved by NRCS and gives the United States certain rights to enforce if VHCB does not.

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

Matthew Laroche Farm ♦ Franklin, Vermont
Vermont Land Trust
2021-055-001 - Conservation
Board meeting date: May 13, 2022

Recommended Resolution:
To score the application 9 for need, 9 for impact, and 9 for quality, and to award the Vermont Land Trust (the "Grantee") a VHCB grant in the amount of up to Four Hundred Eighteen Thousand Dollars ($418,000), including up to $405,000 for acquisition of development rights, conservation restrictions, and option to purchase at agricultural value, up to $4,000 for associated costs, and up to $9,000 for stewardship endowment. This project involves property known as the Matthew Laroche Farm located in Franklin, Franklin County and includes approximately 127.5 acres.

This award is subject to the following conditions:

Special Conditions:
1. This award is contingent on the signing of a Grant Agreement or contract between VHCB and NRCS obligating federal NRCS-ALE funds for this project.

2. The easement shall include the following terms, with any minor revisions to such terms to be reviewed and approved by VHCB staff prior to closing:
   a. The standard sole discretion farm labor housing right.
   b. The standard camp right, with size to not to exceed 600 square feet.
   c. Riparian buffer zone, generally as depicted in the application.
   d. Impervious surface allowance of up to 7%, if approved by NRCS.

3. Prior to closing and following an inspection by VAAFM, Grantee shall report to VHCB as to whether Required Agricultural Practices are being met for the drainage ditch on the property.

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

Standard Conditions: This award is also subject to VHCB Standard Conditions for Farm Projects.
Resolution:
To score the application “9” for need, “9” for impact, and “10” for quality, and to award Putney Mountain Association Conservancy (the "Grantee") a VHCB grant in the amount of up to Two Hundred Twenty-Five Thousand Dollars ($225,000), including $200,000 for acquisition, and $20,000 for associated costs, and $5,000 for stewardship. This project involves property known as the Hinton Woods located in Putney and Brookline, Windham County, and includes approximately 142.5 acres. The primary purposes of the award are natural area protection, including water quality and climate mitigation, and public access. This award is subject to the following conditions:

Special Conditions

1. Prior to or simultaneous with disbursement, the property shall transfer to Putney Mountain Association.

2. The property shall be subject to a conservation easement drafted by VHCB in consultation with VLT. The easement will be co-held by VHCB and Vermont Land Trust (VLT) with VLT as the primary conservation easement steward. VLT and Putney Mountain Association will be responsible for preparation of the baseline documentation report, and interim management plan, and full management plan.

3. Prior to disbursement, the interim management plan and baseline documentation report must be drafted by VLT and Putney Mountain Association and shall be reviewed and approved by VHCB staff. The plan shall list proposed uses of the property and will describe how an appropriate balance between water natural resource protection and public access will be maintained.

4. The conservation easement shall include the following:
   a. Public access for non-commercial and non-motorized recreation;
   b. No residential building rights;
   c. The right to maintain existing trails;
   d. Surface water protection zones around all perennial streams, wetlands, and vernal pools on the property.

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

To score this project "9" for need, "9" for impact, and "9" for quality and to award the Town of Lyndon a grant of up to One Hundred Thousand Dollars ($100,000) towards restoration and rehabilitation for the Sanborn Covered Bridge in Lyndon, Caledonia County. The primary purposes of the award are historic preservation, natural resource conservation and public outdoor recreation.

This award is subject to the following restrictions and conditions:

Special Conditions:

1. Prior to disbursement of VHCB funds, Grantee shall execute and record in the Town Land Records a historic preservation easement co-held by VHCB and the Preservation Trust of Vermont. The historic preservation easement will cover the significant exterior and interior features of the bridge.

2. Prior to disbursement of VHCB funds, Grantee shall execute and record in the Town Land Records a conservation easement on the Property prepared by VHCB staff, to be co-held by the Vermont River Conservancy and VHCB. The purposes of the conservation easement are to protect natural resource, water quality and open space values on the Property while providing the public with access for outdoor recreational activities.

3. Prior to disbursement of VHCB funds the Grantee will demonstrate to VHCB staff satisfaction that the Town will be able to raise sufficient funds to cover the restoration work and meet other project goals, including improved public access.

4. Prior to disbursement of VHCB funds Prior to closing, Grantee shall submit an interim management plan for the property for review by VHCB staff that balances natural resource and shoreline protection with public access. The components of the interim management plan shall include, but not be limited to, surface water protection, mitigation of shoreline erosion, protection of flora and fauna on the property, guidelines for public access to the shoreline area, waste management, access for persons with disabilities and parking.

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

To award the Preservation Trust of Vermont a grant of Five Thousand Two Hundred Fifty Dollars ($5,250), consisting of $3,750 for historic preservation easement stewardship endowment and $1,500 for preparation of the baseline documentation report for the Sanford Covered Bridge in Lyndon, Caledonia County. The primary purpose of the award is historic preservation.

This award is subject to all applicable Standard VHCB Conditions for Historic Preservation Projects.
Resolution:

To award the Vermont River Conservancy a grant of up to Thirteen Thousand Dollars ($13,000), consisting of $8,000 for conservation easement stewardship endowment and $5,000 for costs relating to preparation of a baseline documentation report and interim management plan for the land associated with the Sanford Covered Bridge property in Lyndon, Caledonia County. The primary purposes of the award are natural resource conservation and public outdoor recreation.

This award is subject to all applicable Standard VHCB Conditions for Nonprofit and Municipal Conservation Projects.
Resolved:
To score the application “10” for need, “10” for impact and “9” for quality, and to award Champlain Housing Trust, Inc. and Evernorth, Inc. (the "Developers") ARPA SFR funds in the amount of up to Seven Million Seventy-Six Thousand Four Hundred Fifty-Two dollars ($7,076,452) for acquisition, new construction, and related expenses and HTF funds in the amount of up to One Million One Hundred Fifty-Six Thousand Four Hundred Fifty-Two dollars ($1,156,152) for new construction and related expenses. This project involves property located 3164 Shelburne Road in Shelburne, Vermont and consists of a total of forty-eight (48) rental units in two (2) buildings. Five (5) units are designated as HTF units.

This award is subject to the following restrictions and conditions:

Affordability and Conveyance Restrictions:

Developer shall execute a VHCB Housing Subsidy Covenant of perpetual duration that restricts Forty-eight (48) units, which will be prepared by VHCB general counsel and will contain restrictions substantially as follows:

VHCB/ARPA-SFR:

Developer shall lease Forty-Eight (48) 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 Sixteen (16) of the aforementioned 48 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 Five (5) of the aforementioned 16 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 ten (10) units funded with this award for those who are homeless or at risk of homelessness 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.

HTF:
Five (5) units on the property shall be designated as HTF units and the following restrictions shall apply during the HTF Program affordability period of thirty (30) years. Initially, the HTF units shall consist of one (1) one-bedroom unit, two (2) two-bedroom units, and two (2) three-bedroom units but the designation may float with prior approval from HTF staff to units of equal or greater size in order to maintain HTF compliance. The owner shall lease the HTF units to persons whose initial household income is less than or equal to 30% of the median family income of the geographic area, as determined by HUD with adjustments for smaller and larger families. The rent plus utilities charged for each such unit shall not exceed the greater of 30 percent of the federal poverty line or 30 percent of the income of a family whose annual income equals 30 percent of median income for the area, as determined by HUD, with adjustments for the number of bedrooms in the unit. If the unit receives Federal or State project-based rental subsidy, however, and the tenant pays as a contribution toward rent not more than 30 percent of the tenant’s adjusted income, the maximum rent is the rent allowable under the Federal or State project-based rental subsidy program. The owner shall also comply with HTF requirements regarding annual tenant income certifications and over-income tenants.

Special Housing ARPA-SFR Conditions:

1. This award may be funded in whole or part with federal ARPA-SFR funds. Awards of ARPA-SFR are contingent upon the execution of a grant agreement between the State of Vermont and VHCB. Disbursement of ARPA-SFR funds cannot occur until the State of Vermont/AOA has released these funds to VHCB.

2. This award may be funded in whole or part with FY22023 State appropriation to the VHCB. Disbursement of project funds from the FY2023 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. Ten (10) units are to be designated for those who are homeless or at risk of homelessness and who are referred through the local system of coordinated entry. Prior to closing and disbursement, Developer will comply with this requirement by entering into a memorandum of understanding (“MOU”) with an agency that provides housing services to homeless populations. Developer will provide the draft MOU to VHCB for its review.
and approval prior to closing and disbursement. 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. In compliance with the guidelines presently provided by Treasury pursuant to the Final Rule with regards to deferred loans that mature later than December 31, 2026, VHCB staff has the authority to structure said loans to comply with the present Treasury guidance, including, but not limited to, the maturity timeframes traditionally utilized with LIHTC projects.

11. Developer shall work with VHCB staff to foster and assist communication between VHCB, the construction lender, and other relevant parties regarding construction inspection services. The goal of this communication is to allow, if possible, VHCB to rely on construction inspections already being performed and avoid unnecessary additional costs.
12. Prior to closing, the Developers will work with VHCB staff to fully resolve, to VHCB staff satisfaction, any issues raised by the use of 4% Low Income Housing Tax Credits in this project, which include, but are not limited to, concerns regarding true debt, minimum gain, 50% test, and LP Capital Accounts.

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

14. Prior to closing, the developers will provide VHCB staff with an update on Shelburne’s plans to enhance pedestrian connections to the Bay Ridge site.

**Special HTF Conditions**

1. This award is contingent upon VHCB’s receipt of FFY2022 (National) Housing Trust (HTF) funds in the minimum amount of $3,000,000. Disbursement of project funds cannot occur until VHCB has executed a grant agreement with the applicable federal agency.

2. This project may limit eligibility and/or give preference to formerly homeless households in accordance with 93.303(d)(3). Prior to closing, Recipient shall submit documentation to VHCB staff to verify compliance with this part.

3. Prior to closing, Recipient shall submit documentation that the project complies with Section 504 of the Rehabilitation Act of 1973. For new construction, the project is required to have at minimum three (3) physically accessible units, and at least one (1) additional unit is required to be made accessible to people with sensory impairments.

4. Fair Housing Act (FHA) design requirements for new construction projects also apply. Prior to closing, Recipient shall submit documentation that the project meets FHA accessibility requirements for all 48 units, common spaces, parking, and routes throughout the building and its grounds.

5. In order to meet HUD’s grant-year specific deadlines, the project’s legal closing must occur within 24 months of the date VHCB executed a FFY2022 HTF funding agreement with HUD (date TBD). In addition, HTF funds must be fully expended within 5 years of that date. If, after 18 months of the execution of the HTF agreement, it appears unlikely that the project will meet these deadlines, VHCB reserves the right to de-commit the HTF award.

6. Prior to closing, in accordance with 93.303 (b)(9), Recipient shall provide documentation to VHCB staff for review and approval that supportive services are not mandatory for the occupants of HTF units, and that participation in services is not a requirement of tenancy.

This award is also subject to Standard Housing ARPA-SFR Conditions and Standard HTF Conditions.
Vermont Housing & Conservation Board
Resolution

Kelley’s Field II ♦ Hinesburg, Vermont
Cathedral Square Corporation and Evernorth, Inc.
2014-086-002
Board meeting date: May 13, 2022

Resolved:
To score the application “10” for need, “8” for impact and “9” for quality, and to award Cathedral Square Corporation and Evernorth, Inc. (the "Developer") ARPA-SFR funds in the amount of up to Four Million Five Hundred Sixty-Four Thousand One Hundred Forty dollars ($4,564,140) for acquisition, rehabilitation and related expenses. This project involves property located at 87 Kelley’s Field Road in Hinesburg, VT and consists of a total of 24 rental units in 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 Twenty-Four (24) units, which will be prepared by VHCB general counsel and will contain restrictions substantially as follows:

VHCB/ARPA-SFR:

Developer shall lease twenty-four (24) 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 Eight (8) of the aforementioned 24 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 Three (3) of the aforementioned 8 units to persons whose household income, at their date of initial occupancy, is less than or equal to 30% of area median income, OR, to persons with special needs. In addition, Developers 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.
Notwithstanding the aforementioned affordability restrictions, Developers shall designate five (5) individual units for those who are homeless or at risk of homelessness and who are referred through the local system of coordinated entry.

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 Housing ARPA-SFR Conditions:**

1. This award may be funded in whole or part with federal ARPA-SFR funds. Awards of ARPA-SFR are contingent upon the execution of a grant agreement between the State of Vermont and VHCB. Disbursement of ARPA-SFR funds cannot occur until the State of Vermont/AOA has released these funds to VHCB.

2. This award may be funded in whole or part with FY2023 State appropriation to the VHCB. Disbursement of project funds from the FY2023 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. Five (5) units funded with this award are to be designated for those who are homeless or at risk of homelessness and who are referred through the local system of coordinated entry. Prior to closing and disbursement, Developer will comply with this requirement by entering into a memorandum of understanding (“MOU”) with an agency that provides housing services to homeless populations. Developer will provide the draft MOU to VHCB for its review and approval prior to closing and disbursement. 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. In compliance with the guidelines presently provided by Treasury pursuant to the Final Rule with regards to deferred loans that mature later than December 31, 2026, VHCB staff has the authority to structure said loans to comply with the present Treasury guidance, including, but not limited to, the maturity timeframes traditionally utilized with LIHTC projects.

11. Developer shall work with VHCB staff to foster and assist communication between VHCB, the construction lender, and other relevant parties regarding construction inspection services. The goal of this communication is to allow, if possible, VHCB to rely on construction inspections already being performed and avoid unnecessary additional costs.

12. Prior to closing, the Developers will work with VHCB staff to fully resolve, to VHCB staff satisfaction, any issues raised by the use of 4% Low Income Housing Tax Credits in this project, which include, but are not limited to, concerns regarding true debt, minimum gain, 50% test, and LP Capital Accounts.

This award is also subject to Standard VHCB Conditions for ARPA-SFR Projects.
Vermont Housing & Conservation Board
Resolution
Granite City Apartments • Barre, Vermont
Downstreet Housing & Community Development & Evernorth
2020-070-001
Board meeting date: May 13, 2022

Resolved:
To score the application “9” for need, “9” for impact and “9” for quality, and to award Downstreet Housing and Community Development (the "Developer") VHCB funds in the amount of up to Seven Hundred Fifty-Seven Thousand Nine Hundred Ninety dollars ($757,990) for acquisition, rehabilitation and related expenses; ARPA-SFR funds in the amount of up to Seven Hundred Eighty-Eight Thousand Nine Hundred Twenty-Eight dollars ($788,928) for acquisition, rehabilitation and related expenses; and, HOME funds in the amount of up to Two Hundred Forty Thousand dollars ($240,000) for acquisition, rehabilitation and related expenses. This project involves property located at 4 Humbert Street, 1 Bromur Street, and 2 Bromur Street in Barre and consists of a total of 27 rental units in 3 building(s). Three (3) units are designated as HOME units.

This award is subject to the following restrictions and conditions:

Affordability and Conveyance Restrictions:

Developer shall execute a VHCB Housing Subsidy Covenant of perpetual duration that restricts Twenty-Seven (27) units, which will be prepared by VHCB general counsel and will contain restrictions substantially as follows:

VHCB:

Developer shall lease Three (3) 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 Seven (7) units to persons whose household income, at their date of initial occupancy, is less than or equal to 60% of area median income. The annualized rent charged for each such unit shall not exceed 30% of 60% 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 Eleven (11) 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 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.

Notwithstanding the aforementioned affordability restrictions, Developer shall designate three (3) units at 4 Humbert Street for those who are homeless or at risk of homelessness 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.

HOME:
Three (3) units on the property shall be designated as HOME units and the following restrictions shall apply during the HOME Program affordability period of Fifteen (15) years. Initially, the HOME units shall consist of Two (2) one-bedroom units and One (1) two-bedroom unit, but the designation may float with prior approval from HOME staff to units of equal or greater size in order to maintain HOME compliance. The owner shall lease the Three (3) HOME units to persons whose household income is less than or equal to 60% of area median income and the annualized rent charged for each such unit shall not exceed the lesser of the applicable HUD fair market rent, or 30% of 65% of area median income for a household consisting of one and one-half persons per bedroom. The owner shall also comply with HOME Program requirements regarding calculation of rents, annual tenant income certifications, and payment of additional rent if a tenant's household income increases to more than 80% of area median income.

Special Housing ARPA-SFR Conditions:

1. This award may be funded in whole or part with federal ARPA-SFR funds. Awards of ARPA-SFR are contingent upon the execution of a grant agreement between the State of Vermont and VHCB. Disbursement of ARPA-SFR funds cannot occur until the State of Vermont/AOA has released these funds to VHCB.

2. This award may be funded in whole or part with FY2023 State appropriation to the VHCB. Disbursement of project funds from the FY2023 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. Three (3) units funded with this award and located at 4 Humbert Street are to be designated for those who are homeless or at risk of homelessness and who are referred through the local
system of coordinated entry. Prior to closing and disbursement, Developer will comply with this requirement by entering into a memorandum of understanding ("MOU") with an agency that provides housing services to homeless populations. Developer will provide the draft MOU to VHCB for its review and approval prior to closing and disbursement. 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. In compliance with the guidelines presently provided by Treasury pursuant to the Final Rule with regards to deferred loans that mature later than December 31, 2026, VHCB staff has the authority to structure said loans to comply with the present Treasury guidance, including, but not limited to, the maturity timeframes traditionally utilized with LIHTC projects.

11. Developer shall work with VHCB staff to foster and assist communication between VHCB, the construction lender, and other relevant parties regarding construction inspection services.
The goal of this communication is to allow, if possible, VHCB to rely on construction inspections already being performed and avoid unnecessary additional costs.

12. Prior to closing, the Developers will work with VHCB staff to fully resolve, to VHCB staff satisfaction, any issues raised by the use of 4% Low Income Housing Tax Credits in this project, which include, but are not limited to, concerns regarding true debt, minimum gain, 50% test, and LP Capital Accounts.

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 the Developers shall provide VHCB with an as-built appraisal for review and to be used in the true debt analysis to support the request to convert the full $450,000 in existing VHCB funds, the full $127,900 in existing HOME funds, and $22,100 of the existing ARRA SEP funds from grants to loans from the existing Bromur Street Apartments project.

3. With respect to VHCB converting existing grants to loans from the existing Bromur Street Apartments project, VHCB will convert the following grants to loans: the full $450,000 in existing VHCB funds, the full $127,900 in existing HOME funds, and $22,100 of the existing ARRA SEP funds as long as these amounts are supported by the as-built appraisal. VHCB staff shall have the authority to reduce the amount of existing grants to be converted to loans should the true debt analysis require that. Upon re-syndication into a new tax credit project as described above, the existing grant mortgages will be discharged and these funds will be loaned to the project.

Special HOME Conditions:

1. This award is contingent upon Vermont’s receipt of FFY2022 HOME funds in the minimum amount of at least $3,000,000. Disbursement of project funds cannot occur until VHCB has executed a grant agreement with the applicable funding agency.

2. The existing HOME loan on this property will be incorporated into the new HOME loan for this award with the same terms and maturity date. [Previous (expired) HOME award #1994-049-001].

3. This project may limit eligibility and/or give preference to formerly homeless households in accordance with 92.253(d)(3). Prior to closing, Developer shall submit documentation to VHCB staff to verify compliance with this part.

4. Prior to closing, Developer shall submit documentation that the project complies with Section 504 of the Rehabilitation Act of 1973. For substantial rehabilitation, the project is
required to have at minimum two (2) physically accessible units, and at least one (1) additional unit is required to be made accessible to people with sensory impairments.

5. The project’s legal closing must occur within 24 months of the date HUD executed a FFY2022 HOME funding agreement with the State of Vermont (date TBD). If, after 18 months of the execution of the HUD HOME agreement, it appears unlikely that the project will meet this deadline, VHCB reserves the right to de-commit the HOME award. Project completion (as defined in 92.2) must be within 4 years of the execution of the HOME Agreement between VHCB and Developer. (See HOME Standard Condition #37).

6. Prior to closing, in accordance with 92.253 (b)(9), Developer shall provide documentation to VHCB staff for review and approval that supportive services are not mandatory for the occupants of HOME units, and that participation in services is not a requirement of tenancy.

This award is also subject to Standard VHCB Conditions for ARPA-SFR Projects, Standard VHCB conditions for LIHTC Projects, and Standard HOME Conditions.
Vermont Housing & Conservation Board
Resolution
Upper Valley Haven Shelter Expansion ♦ White River Junction, Vermont
Upper Valley Haven, Inc.
2022-076-001
Board meeting date: May 13, 2022

Resolved:

Whereas the number of homeless individuals and families requiring assistance has increased and the capacity and safety of Vermont’s emergency shelters and facilities has decreased due to the COVID-19 pandemic;

Whereas there is a demonstrated need to provide safe shelter for the homeless in this area;

Whereas this shelter proposes to expand its shelter space in response to the COVID-19 pandemic.

VHCB staff recommend:

To score the application “10” for need, “9” for impact and “9” for quality, and to grant Upper Valley Haven, Inc. (the “Grantees”) ARPA-SFR Funds in the amount of up to One Million Dollars ($1,000,000) for acquisition, construction and related expenses. This project involves property located at 749 Hartford Ave. White River Junction, VT and consists of a total of 25 beds in 1 building.

This award is subject to the following restrictions and conditions:

Affordability and Conveyance Restrictions:

Grantee shall execute a VHCB Housing Subsidy Covenant of perpetual duration that restricts twenty-five (25) beds, which will be prepared by VHCB general counsel and will contain restrictions substantially as follows:

(a) For as long as the Property is operated as a shelter, the Grantee shall ensure that:

(i) 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 30% of Median Income;

(ii) except in instances where individuals and families are fleeing violence and/or other dangerous situations, all shelter beds will be primarily occupied by or available to persons whose annual income, at their date of initial occupancy, is less than or equal to 50% of Median Income; and,
(iii) if applicable, one (1) bedroom may be reserved for overnight staff but will be used for shelter residents as needed.

(b) If the Grantee ceases to operate the Property as a shelter, the Grantee shall enter into a new housing subsidy covenant approved by VHCB in writing and containing provisions to ensure that:

(i) the Property is used to provide affordable housing;

(ii) every reasonable effort is made to maintain the income qualifications set forth in subsection (a) above; and,

(iii) 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.

This award will be made in the form of a grant, and will be secured with a non-recourse mortgage deed.

VHCB/ARPA-SFR Special Conditions:

1. This award may be funded in whole or part with federal ARPA-SFR funds. Awards of ARPA-SFR are contingent upon the execution of a grant agreement between the State of Vermont and VHCB. Disbursement of ARPA-SFR funds cannot occur until the State of Vermont/AOA has released these funds to VHCB.

2. This award may be funded in whole or part with FY2023 State appropriation to the VHCB. Disbursement of project funds from the FY2023 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. 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.

5. 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.

6. 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.

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

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

9. 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. In compliance with the guidelines presently provided by Treasury pursuant to the Final Rule with regards to deferred loans that mature later than December 31, 2026, VHCB staff has the authority to structure said loans to comply with the present Treasury guidance, including, but not limited to, the maturity timeframes traditionally utilized with LIHTC projects.

10. Developer shall work with VHCB staff to foster and assist communication between VHCB, the construction lender, and other relevant parties regarding construction inspection services. The goal of this communication is to allow, if possible, VHCB to rely on construction inspections already being performed and avoid unnecessary additional costs.

11. Developers will provide VHCB staff with timely information regarding design progress and changes, especially those related to energy-efficiency concerns.

12. The Developer will set up a meeting with VHCB staff, the Property Manager, and other entities as needed within 30 days of the award to review compliance requirements and project ownership structure, including its long-term financial capabilities. Within two weeks of that meeting, and before closing or disbursement of VHCB funds, Owner and Property Manager will provide a plan for meeting compliance requirements on an ongoing basis to VHCB staff for review and approval.

13. Developer will obtain to VHCB’s satisfaction additional project management capacity through a private consultant or from another development organization to act as an owner’s representative in helping to manage the day-to-day project responsibilities.

**This award is also subject to Standard VHCB Conditions for ARPA-SFR Projects.**
Resolved:
The conditions set forth in this resolution are in addition to the previous conditions set forth in the resolution approved on May 7, 2021. To score the application “9” for need, “9” for impact and “9” for quality, and to award Addison County Community Trust & Evernorth, Inc. (the "Developers") a supplemental award of ARPA-SFR funds in the amount of up to One Million Three Hundred Four Thousand Nine Hundred Eighty-One dollars ($1,304,981) for acquisition, new construction, and related expenses.

On May 7, 2021, the VHCB Board made an award of Nine Hundred Five Thousand dollars ($905,000) in VHCB funds, One Hundred Ninety-Five Thousand dollars ($195,000) in HRB funds, Five Hundred Twenty Thousand dollars ($520,000) in HOME funds.

These requests total One Million Three Hundred Four Thousand Nine Hundred Eighty-One dollars ($1,304,981) ARPA-SFR funds, Nine Hundred Five Thousand dollars ($905,000) in VHCB funds, One Hundred Ninety-Five Thousand dollars ($195,000) in HRB funds, Five Hundred Twenty Thousand dollars ($520,000) in HOME funds.

This project involves property located at Firehouse Drive in the Town of Bristol, County of Addison and State of Vermont. It consists of a total of twenty (20) rental units in three (3) buildings. Six (6) units are designated as HOME units.

The conditions set forth in this resolution are in addition to the previous conditions set forth in the prior resolution approved on May 7, 2021 and incorporate the following changes:

- Addition of ARPA-SFR Special Conditions, outlined below.

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

**VHCB/HRB/ARPA-SFR:**

Developers shall target and make every reasonable effort to lease three (3) units to persons whose household income, at their date of initial occupancy, is between 80% and 120% of area median income. Developers shall lease said units on the Property to persons whose household income, at their date of initial occupancy, is less than or equal to 120% of median income. The
The annualized rent charged for each such unit shall not be lower than the lesser of 30% of 80% of area median income for a household consisting of one and one-half persons per bedroom, OR, the HUD published Fair Market Rent for the applicable unit size, OR, another measure of project area market rent approved by VHCB staff. The rent may not exceed 30% of 100% of median income for a household consisting of one and one-half persons per bedroom.

Developers shall lease two (2) 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.

Developers 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.

Developers shall target and make every reasonable effort to lease five (5) of the fifteen (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. Developers shall make every reasonable effort to maintain the initial level of affordability on said units.

Developers shall make every reasonable effort to lease any two (2) of the five (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. In addition, Developers 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.

Notwithstanding the aforementioned affordability restrictions, Developers shall designate four (4) individual units for those who are homeless or at risk of homelessness and who are referred through the local system of coordinated entry.

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

HOME:
Six (6) units on the property shall be designated as HOME units and the following restrictions shall apply during the HOME Program affordability period of twenty (20) years. The HOME units shall consist of the following fixed units: three (3) one-bedroom units, Rowhouse units 106, 109, 205; two (2) two-bedroom units, units Rowhouse 110 and Duplex B #202; and one (1) three-bedroom unit, Duplex B #101. Addresses to be updated once E911 addresses are established. The owner shall lease at least two (2) of the HOME units to persons whose household income is less than or equal to 50% of area median income and the annualized rent charged for each such unit shall not
exceed the lesser of the applicable HUD fair market rent, or 30% of 50% of area median income for a household consisting of one and one-half persons per bedroom. The owner shall lease the remaining four (4) HOME units to persons whose household income is less than or equal to 60% of area median income and the annualized rent charged for each such unit shall not exceed the lesser of the applicable HUD fair market rent, or 30% of 65% of area median income for a household consisting of one and one-half persons per bedroom. The owner shall also comply with HOME Program requirements regarding calculation of rents, annual tenant income certifications, and payment of additional rent if a tenant's household income increases to more than 80% of area median income.

**Special VHCB Conditions:**

1. This award is contingent on VHCB receiving an updated appraisal confirming the assumption of $360,000 for the 20-units.

2. This award is contingent on VHCB receiving a minimum of $34.8 million in FY2022 State appropriations. In the event that VHCB receives less than $34.8 million, the VHCB Board reserves the right to de-commit, retract, and/or reduce the award for this project. Disbursement of project funds cannot occur until the State of Vermont has released these funds to VHCB.

3. By June 2022, if 9% Low Income Housing Tax Credits have not been awarded, and it is likely that the project will not be able to begin construction during 2022, the HRB award may be de-committed and returned to the available pool of funds to be awarded to projects at subsequent VHCB Board meetings.

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

**Special HOME Conditions:**

1. By June 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 HOME award may be de-committed and returned to the available pool of funds to be awarded to projects at subsequent VHCB board meetings.

2. This project may limit eligibility and/or give preference to homeless individuals or families in accordance with 92.253(d)(3). Prior to closing, Developer shall submit documentation to VHCB staff to verify compliance with this part.

3. Prior to closing, Developer shall submit documentation that the project complies with Section 504 of the Rehabilitation Act of 1973. For new construction, the project is required to have at minimum one (1) physically accessible unit, and at least one (1) additional unit is required to be made accessible to people with sensory impairments.
Fair Housing Act (FHA) design requirements for new construction projects also apply. Prior to closing, Developer shall submit documentation that the project meets FHA accessibility requirements for all ground floor units, common spaces, parking, and routes throughout the building and its grounds.

4. The project’s legal closing must occur within 24 months of the date HUD executed a FFY2021 HOME funding agreement with the State of Vermont (8/25/21). If, after 18 months of the execution of the HUD HOME agreement, it appears unlikely that the project will meet this deadline, VHCB reserves the right to de-commit the HOME award. Project completion (as defined in 92.2) must be within 4 years of the execution of the HOME Agreement between VHCB and Developer. (See HOME Standard Condition #37).

5. Prior to closing, in accordance with 92.253 (b)(9), Developer shall provide documentation to VHCB staff for review and approval that supportive services are not mandatory for the occupants of HOME units, and that participation in services is not a requirement of tenancy.

ARPA-SFR Special Conditions:

1. This award may be funded in whole or part with federal ARPA-SFR funds. Awards of ARPA-SFR are contingent upon the execution of a grant agreement between the State of Vermont and VHCB. Disbursement of ARPA-SFR funds cannot occur until the State of Vermont/AOA has released these funds to VHCB.

2. This award may be funded in whole or part with FY2023 State appropriation to the VHCB. Disbursement of project funds from the FY2023 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, Developers agrees to provide information as requested to document the project’s compliance.

4. Four (4) units funded with this award are to be designated for those who are homeless or at risk of homelessness, and who are referred through the local system of coordinated entry. Prior to closing and disbursement, Developers will comply with this requirement by entering into a memorandum of understanding ("MOU") with an agency that provides housing services to homeless populations. Developers will provide the draft MOU to VHCB for its review and approval prior to closing and disbursements. If changes to the affordability and homeless targeting restrictions are required, the Developers may request revisions to the Affordability Restrictions set forth in the VHCB Housing Subsidy Covenant for VHCB's consideration.

5. Developers 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, Developers 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, Developers 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 Developers.

9. Prior to closing, Developers 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. In
compliance with the guidelines presently provided by Treasury pursuant to the Final Rule
with regards to deferred loans that mature later than December 31, 2026, VHCB staff has
the authority to structure said loans to comply with the present Treasury guidance,
including, but not limited to, the maturity timeframes traditionally utilized with LIHTC
projects.

11. Developers shall work with VHCB staff to foster and assist communication between
VHCB, the construction lender, and other relevant parties regarding construction
inspection services. The goal of this communication is to allow, if possible, VHCB to
rely on construction inspections already being performed and avoid unnecessary
additional costs.

12. Prior to closing, the Developers will work with VHCB staff to fully resolve, to VHCB
staff satisfaction, any issues raised by the use of 9% Low Income Housing Tax Credits in
this project, which include, but are not limited to, concerns regarding true debt, minimum
gain, 50% test, and LP Capital Accounts.

This award is also subject to Standard VHCB, ARPA-SFR Conditions and Standard HOME
Conditions.
Resolved:
To score the application "9" for need, "9" for impact and "9" for quality, and to award Randolph Area Community Development Corporation (the "Developer") ARPA-SFR funds in the amount of up to Five Hundred and Twenty-Five Thousand Ninety-Three dollars ($525,093) for acquisition, rehabilitation and related expenses, and HOME funds in the amount of up to Five Hundred and Seventy Thousand dollars ($570,000) for new construction/rehabilitation and related expenses. This project involves property located at 25 Salisbury Street in Randolph, Vermont and consists of a total of 12 rental units in 3 buildings. Eleven (11) units are restricted in perpetuity by a VHCB Housing Subsidy Covenant. Seven (7) units are designated as HOME units.

This award is subject to the following restrictions and conditions:

Affordability and Conveyance Restrictions:

Developer shall execute a VHCB Housing Subsidy Covenant of perpetual duration that restricts Eleven (11) units, which will be prepared by VHCB general counsel and will contain restrictions substantially as follows:

VHCB/ARPA-SFR Affordability Restrictions:

Developer shall lease Eleven (11) 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 Four (4) of the aforementioned 11 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 One (1) of the aforementioned 4 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 Three (3) units funded with this award for those who are homeless or at risk of homelessness, and who are referred through the local system of coordinated entry.

HOME:
Seven (7) units on the property shall be designated as HOME units and the following restrictions shall apply during the HOME Program affordability period of twenty (20) years. Initially, the HOME units shall consist of four (4) one-bedroom units, and three (3) two-bedroom units, but the designation may float with prior approval from HOME staff to units of equal or greater size in order to maintain HOME compliance. The owner shall lease at least two (2) of the HOME units to persons whose household income is less than or equal to 50% of area median income and the annualized rent charged for each such unit shall not exceed the lesser of the applicable HUD fair market rent, or 30% of 50% of area median income for a household consisting of one and one-half persons per bedroom.

If the 50% unit receives Federal or State project-based rental subsidy, however, and the tenant pays as a contribution toward rent not more than 30 percent of the tenant’s adjusted income, the maximum rent is the rent allowable under the Federal or State project-based rental subsidy program.

The owner shall lease the remaining five (5) HOME units to persons whose household income is less than or equal to 60% of area median income and the annualized rent charged for each such unit shall not exceed the lesser of the applicable HUD fair market rent, or 30% of 65% of area median income for a household consisting of one and one-half persons per bedroom. The owner shall also comply with HOME Program requirements regarding calculation of rents, annual tenant income certifications, and payment of additional rent if a tenant's household income increases to more than 80% of area median income.

Special Housing ARPA-SFR Conditions:

1. This award may be funded in whole or part with federal ARPA-SFR funds. Awards of ARPA-SFR are contingent upon the execution of a grant agreement between the State of Vermont and VHCB. Disbursement of ARPA-SFR funds cannot occur until the State of Vermont/AOA has released these funds to VHCB.

2. 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.

3. Three (3) units funded with this award are to be designated for those who are homeless or at risk of homelessness, and who are referred through the local system of coordinated entry. Prior to closing and disbursement, Developer will comply with this requirement by entering into a memorandum of understanding (“MOU”) with an agency that provides housing services to homeless populations. Developer will provide the draft MOU to

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VHCB for its review and approval prior to closing and disbursement. 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.

4. 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.

5. 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.

6. 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.

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

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

9. 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. In compliance with the guidelines presently provided by Treasury pursuant to the Final Rule with regards to deferred loans that mature later than December 31, 2026, VHCB staff has the authority to structure said loans to comply with the present Treasury guidance, including, but not limited to, the maturity timeframes traditionally utilized with LIHTC projects.

10. Developer shall work with VHCB staff to foster and assist communication between VHCB, the construction lender, and other relevant parties regarding construction inspection services. The goal of this communication is to allow, if possible, VHCB to rely on construction inspections already being performed and avoid unnecessary additional costs.
11. Developers will provide VHCB staff with timely information regarding design progress and changes, especially those related to energy-efficiency concerns.

12. Prior to closing, the Developers will work with VHCB staff to fully resolve, to VHCB staff satisfaction, any issues raised by the use of 4% Low Income Housing Tax Credits in this project, which include, but are not limited to, concerns regarding true debt, minimum gain, 50% test, and LP Capital Accounts.

13. Prior to closing if the Developer has not achieved the goal (established by Executive Order No. 3-73) of having 15% of its permanent rental apartments occupied by formerly homeless households at the time of its most recent progress (HART) report required by the State the Developer will provide a plan for making progress toward or achieving that goal.

14. 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.

15. Prior to closing, Developer will submit a plan for construction management, subject to VHCB staff approval.

16. Within 30 days of VHCB’s funding commitment, the Developer will explore with the Northern Borders Commission the feasibility of adding those funds to the tax credit basis and will report on the outcome of those discussions to VHCB staff.

Special HOME Conditions:

1. This award is contingent upon Vermont’s receipt of FFY2022 HOME funds in the minimum amount of at least $3,000,000. Disbursement of project funds cannot occur until VHCB has executed a grant agreement with the applicable funding agency.

2. This project may limit eligibility and/or give preference to formerly homeless households in accordance with 92.253(d)(3). Prior to closing, Developer shall submit documentation to VHCB staff to verify compliance with this part.

3. Prior to closing, Developer shall submit documentation that the project complies with Section 504 of the Rehabilitation Act of 1973. For new construction, the project is required to have at minimum one (1) physically accessible units, and at least one (1) additional unit is required to be made accessible to people with sensory impairments.

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

5. The project’s legal closing must occur within 24 months of the date HUD executed a FFY2022 HOME funding agreement with the State of Vermont (date TBD). If, after 18
months of the execution of the HUD HOME agreement, it appears unlikely that the project will meet this deadline, VHCB reserves the right to de-commit the HOME award. Project completion (as defined in 92.2) must be within 4 years of the execution of the HOME Agreement between VHCB and Developer. (See HOME Standard Condition #37).

6. Prior to closing, in accordance with 92.253 (b)(9), Developer shall provide documentation to VHCB staff for review and approval that supportive services are not mandatory for the occupants of HOME units, and that participation in services is not a requirement of tenancy.

This award is also subject to Standard ARPA-SFR Conditions for LIHTC Rental Housing Projects and Standard HOME Conditions.
Vermont Housing & Conservation Board
Resolution

O’Brien Lot 10 4% ♦ South Burlington, Vermont
Green Mountain Development Group, Inc.
2022-012-001
Board meeting date: May 13, 2022

Resolved:
To score the application “9” for need, “10” for impact and “9” for quality, and to award Green Mountain Development Group, Inc. (the "Developer") ARPA-SFR funds in the amount of up to Four Million One Hundred and Fifty Thousand dollars ($4,150,000) for acquisition, rehabilitation and related expenses. This project involves property located at O’Brien Farms Road in South Burlington and consists of a total of 47 rental units in 1 building. Thirty-nine (39) units are restricted in perpetuity by a VHCB Housing Subsidy Covenant.

This award is subject to the following restrictions and conditions:

Affordability and Conveyance Restrictions:

Developer shall execute a VHCB Housing Subsidy Covenant of perpetual duration that restricts Thirty-nine (39) units, which will be prepared by VHCB general counsel and will contain restrictions substantially as follows:

VHCB/ARPA-SFR Affordability Restrictions:

Developer shall lease Thirty-Nine (39) units to persons whose household income, at their date of initial occupancy, is less than or equal to 60% of area median income. The annualized rent charged for each such unit shall not exceed 30% of 60% 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 Twelve (12) of these 39 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 Four (4) of the aforementioned 12 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 twelve (12) units for those who are homeless or at risk of homelessness, and who are referred through the local system of coordinated entry.
Special Housing ARPA-SFR Conditions:

1. This award may be funded in whole or part with federal ARPA-SFR funds. Awards of ARPA-SFR are contingent upon the execution of a grant agreement between the State of Vermont and VHCB. Disbursement of ARPA-SFR funds cannot occur until the State of Vermont/AOA has released these funds to VHCB.

2. This award may be funded in whole or part with FY2023 State appropriation to the VHCB. Disbursement of project funds from the FY2023 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. Twelve (12) units at Lot 10 funded with the 2022-012-001 award are to be designated for those who are homeless or at risk of homelessness and who are referred through the local system of coordinated entry. Prior to closing and disbursement, Developer will comply with this requirement by entering into a memorandum of understanding (“MOU”) with an agency that provides housing services to homeless populations. Developer will provide the draft MOU to VHCB for its review and approval prior to closing and disbursement. 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. The Grantee is a related party to the Construction Manager. In accordance with Federal Procurement rules 2 CFR 2 CFR §200.319 the Construction Manager will be bidding out all subcontracts.

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 or at 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. In compliance with the guidelines presently provided by Treasury pursuant to the Final Rule with regards to deferred loans that mature later than December 31, 2026, VHCB staff has the authority to structure said loans to comply with the present Treasury guidance, including, but not limited to, the maturity timeframes traditionally utilized with LIHTC projects.

11. Developer shall work with VHCB staff to foster and assist communication between VHCB, the construction lender, and other relevant parties regarding construction inspection services. The goal of this communication is to allow, if possible, VHCB to rely on construction inspections already being performed and avoid unnecessary additional costs.

12. Developers will provide VHCB staff with timely information regarding design progress and changes, especially those related to energy-efficiency concerns.

13. Prior to closing, the Developers will work with VHCB staff to fully resolve, to VHCB staff satisfaction, any issues raised by the use of 4% Low Income Housing Tax Credits in this project, which include, but are not limited to, concerns regarding true debt, minimum gain, 50% test, and LP Capital Accounts.

14. The Developer will set up a meeting with VHCB staff, the Property Manager, and other entities as needed within 30 days of the award to review compliance requirements and project ownership structure, including its long-term financial capabilities. Within two weeks of that meeting, and before closing or disbursement of VHCB funds, Owner and Property Manager will provide a plan for meeting compliance requirements on an ongoing basis to VHCB staff for review and approval.

15. Developer will enter into a VHCB Covenant requiring permanent affordability of all VHCB-Restricted residential units.

16. Prior to closing, VHCB will prepare legal documents that shall include Developer granting a Right of Refusal and Option Agreement to VHCB to purchase the project at the end of the tax credit compliance period.

This award is also subject to Standard VHCB Conditions for ARPA-SFR Projects.
Resolved: To score the application “9” for need, “10” for impact and “9” for quality, and to award Green Mountain Development Group, Inc. (the "Developer") ARPA-SFR funds in the amount of up to Seven Hundred Thousand dollars ($700,000) for acquisition, rehabilitation and related expenses. This project involves property located at O’Brien Farms Road in South Burlington and consists of a total of 47 rental units in 1 building. Thirty-two (32) units are restricted in perpetuity by a VHCB Housing Subsidy Covenant.

This award is subject to the following restrictions and conditions:

Affordability and Conveyance Restrictions:

Developer shall execute a VHCB Housing Subsidy Covenant of perpetual duration that restricts Thirty-two (32) units, which will be prepared by VHCB general counsel and will contain restrictions substantially as follows:

VHCB/ARPA-SFR Affordability Restrictions:

Developer shall lease Thirty-Two (32) units to persons whose household income, at their date of initial occupancy, is less than or equal to 60% of area median income. The annualized rent charged for each such unit shall not exceed 30% of 60% 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 Eight (8) of these 32 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 Three (3) of the aforementioned 8 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 Eight (8) units for those who are homeless or at risk of homelessness, and who are referred through the local system of coordinated entry.
Special Housing ARPA-SFR Conditions:

1. This award may be funded in whole or part with federal ARPA-SFR funds. Awards of ARPA-SFR are contingent upon the execution of a grant agreement between the State of Vermont and VHCB. Disbursement of ARPA-SFR funds cannot occur until the State of Vermont/AOA has released these funds to VHCB.

2. This award may be funded in whole or part with FY2023 State appropriation to the VHCB. Disbursement of project funds from the FY2023 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. Eight (8) units at Lot 11 funded with the 2022-012-002 award are to be designated for those who are homeless or at risk of homelessness, and who are referred through the local system of coordinated entry. Prior to closing and disbursement, Developer will comply with this requirement by entering into a memorandum of understanding (“MOU”) with an agency that provides housing services to homeless populations. Developer will provide the draft MOU to VHCB for its review and approval prior to closing and disbursement. 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. The Grantee is a related party to the Construction Manager. In accordance with Federal Procurement rules 2 CFR 2 CFR §200.319 the Construction Manager will be bidding out all subcontracts.

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 or at 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. In compliance with the guidelines presently provided by Treasury pursuant to the Final Rule with regards to deferred loans that mature later than December 31, 2026, VHCB staff has the authority to structure said loans to comply with the present Treasury guidance, including, but not limited to, the maturity timeframes traditionally utilized with LIHTC projects.

11. Developer shall work with VHCB staff to foster and assist communication between VHCB, the construction lender, and other relevant parties regarding construction inspection services. The goal of this communication is to allow, if possible, VHCB to rely on construction inspections already being performed and avoid unnecessary additional costs.

12. Developers will provide VHCB staff with timely information regarding design progress and changes, especially those related to energy-efficiency concerns.

13. Prior to closing, the Developers will work with VHCB staff to fully resolve, to VHCB staff satisfaction, any issues raised by the use of 9% Low Income Housing Tax Credits in this project, which include, but are not limited to, concerns regarding true debt, minimum gain, 50% test, and LP Capital Accounts.

14. The Developer will set up a meeting with VHCB staff, the Property Manager, and other entities as needed within 30 days of the award to review compliance requirements and project ownership structure, including its long-term financial capabilities. Within two weeks of that meeting, and before closing or disbursement of VHCB funds, Owner and Property Manager will provide a plan for meeting compliance requirements on an ongoing basis to VHCB staff for review and approval.

15. Developer will enter into a VHCB Covenant requiring permanent affordability of all VHCB-Restricted residential units.

16. Prior to closing, VHCB will prepare legal documents that shall include Developer granting a Right of Refusal and Option Agreement to VHCB to purchase the project at the end of the tax credit compliance period.

This award is also subject to Standard VHCB Conditions for ARPA-SFR Housing Projects.
Resolved:
To score the application "10" 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 Six Hundred Thousand dollars ($600,000) for rehabilitation and related expenses. This project involves property located at 185 North Street in Bennington and consists of a total of six (6) 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 six (6) 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 operates as a recovery residence, the Developer shall ensure that six (6) bedrooms are restricted to persons whose household 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 two (2) of the aforementioned six (6) bedrooms are restricted to person 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 two (2) 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.

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 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.

**Special Housing ARPA-SFR Conditions:**

1. This award may be funded in whole or part with federal ARPA-SFR funds. Awards of ARPA-SFR are contingent upon the execution of a grant agreement between the State of Vermont and VHCB. Disbursement of ARPA-SFR funds cannot occur until the State of Vermont/AOA has released these funds to VHCB.

2. This award may be funded in whole or part with FY2023 State appropriation to the VHCB. Disbursement of project funds from the FY2023 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. 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.

5. 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.

6. 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.

7. VHCB reserves the right to change the source of the funds provided, not the amount, and will notify Developer.
8. Prior to closing, Developer will provide VHCB staff with an executed State Fiscal Recovery Fund Program Assurances Form.

9. 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. In compliance with the guidelines presently provided by Treasury pursuant to the Final Rule with regards to deferred loans that mature later than December 31, 2026, VHCB staff has the authority to structure said loans to comply with the present Treasury guidance, including, but not limited to, the maturity timeframes traditionally utilized with LIHTC projects.

10. Developer shall work with VHCB staff to foster and assist communication between VHCB, the construction lender, and other relevant parties regarding construction inspection services. The goal of this communication is to allow, if possible, VHCB to rely on construction inspections already being performed and avoid unnecessary additional costs.

11. Prior to closing VFOR will provide an update on how they plan to work with housing advocates to reach an appropriate compromise on the application of landlord tenant law that would open up other funding opportunities.

12. 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 Agency of Human Services. Prior to closing, VHCB staff must receive satisfactory assurance that transition plans for families are adequate to ensure that those households exiting the program will not be made homeless as a result of their failure to complete the program.

13. 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.

14. Prior to closing on this award, Developer will provide an update satisfactory to VHCB staff on VFOR's capacity to partner in expansion of the Recovery Housing network. Update will include current financial statements, staffing chart, and model's outcomes to date. This update will also include information about the how VFOR 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.
15. The Developer will enter into an MOU / master lease agreement with VFOR that has an initial duration of not less than 5 years. The MOU/master lease will be subject to VHCB review and approval. 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 of those admitted in the prior year. Shires Housing will share that data on at least an annual basis with VHCB.

16. 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.

17. Developer and design team partners will work with VHCB staff during design phase of project to maximize energy efficiency scope options provided by 3E thermal audit within the context of historic nature of the property. Final design plans will be subject to VHCB staff approval.

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

VHCB Farmland Retirement Program Guidelines
Board meeting date: May 13, 2022

**Recommended Resolution:**

To adopt the Guidelines on Funding Farmland Retirement Projects (April 2022) as presented to the Board on May 13, 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, and the resolution approved on January 26, 2022. 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 allow the Developer to repay a portion of the existing VHCB Loan of $6,125,000, and then permit VHCB to re-loan the same amount of the repayment, namely the amount of $2,250,000; and to permit VHCB to convert the remaining balance of the $151,367 of proceeds from the existing VHCB Loan of $1,310,345 to a long term note.

The VHCB will re-loan the $2,250,000 funds through the VHCB Loan pursuant to VHCB #2021-121-002, which is comprised of the following three underlying sources:
- $1,158,150 from the 1/26/2022 Supplemental Award;
- $2,250,000 from the repayment of a portion of the $6,125,000 loan; and,
- $151,367 of remaining undisbursed funds from the 7/8/2021 VHCB One-Time Housing funds award of $7,435,345, which was evidenced by the $6,125,000 Note and the $1,310,345 Note.

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.

On 1/26/2022, the VHCB Board made 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.

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 allow the Developer to repay a portion of the existing VHCB Loan of $6,125,000, and then permit VHCB to re-loan the same amount of the repayment, namely the amount of $2,250,000; and to permit VHCB to convert the remaining balance of the $151,367 of proceeds from the existing VHCB Loan of $1,310,345 to a long term note.
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 the LIHTC Closing, the developer will repay $2,250,000 of the existing VHCB Loan of $6,125,000.
Vermont Housing & Conservation Board
Resolution
Modification to VHCB Feasibility Funding Guidelines
Board meeting date: May 13, 2022

Resolution:
To adopt the Project Feasibility Fund Guidelines May 2022, effective May 13, 2022.
Vermont Housing & Conservation Board  
Resolution  

Chaput Family Farms V ♦ Newport, Vermont  
Vermont Land Trust  
2021-129-001 - Conservation  
Board meeting date: May 13, 2022  

Recommended Resolution:  
To score the application 9 for need, 10 for impact, and 9 for quality, and to award the Vermont Land Trust (the "Grantee") a VHCB grant in the amount of up to Two Hundred and Eight Thousand Dollars ($208,000), including up to $195,000 for acquisition of development rights, conservation restrictions, and option to purchase at agricultural value, up to $4,000 for associated costs, and up to $9,000 for stewardship endowment. This project involves property known as the Chaput Family Farms V located in Newport, Orleans County and includes approximately 79.7 acres.  

This award is subject to the following conditions:  

Special Conditions:  
1. This award is contingent on the signing of a Grant Agreement or contract between VHCB and NRCS obligating federal NRCS-ALE funds for this project.  

2. The easement shall include the following terms, with any minor revisions to such terms to be reviewed and approved by VHCB staff prior to closing:  
   a. The standard sole discretion farm labor housing right.  
   b. The standard camp right, with size to not to exceed 600 square feet.  
   c. Riparian buffer zone, generally as depicted in the application.  
   d. Wetland protection zone, generally as depicted in the application.  
   e. Impervious surface allowance of up to 7%, if approved by NRCS.  

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

Standard Conditions: This award is also subject to VHCB Standard Conditions for Farm Projects
Resolution:
To score the application 9 for need, 8 for impact and 8 for quality, and to award the Vermont Land Trust (the “Grantee”) a VHCB grant in the amount of up to Two Hundred and Forty Thousand Dollars ($240,000) consisting of $235,000 for the acquisition of an Option to Purchase at Agricultural Value and $5,000 for associated costs. The primary purpose of the award is to purchase an OPAV on the Beidler (Lake) Farm and to facilitate the transfer in ownership of the 153 acre parcel to Katie Steele and Ben Aalvik. This award is subject to the following conditions:

Special Conditions:

1. Simultaneous with disbursement, the easement shall be amended to replace the Right of First Refusal with an Option to Purchase at Agricultural Value, with VHCB and VLT being co-holders of the OPAV. VHCB shall review and approve the amended conservation restrictions prior to closing.

2. A 50 ft. riparian buffer will be placed along Penny Brook and the associated tributary.

This award is also subject to VHCB Standard Conditions for Retroactive OPAV Purchase Projects
Resolution:

To score the application “9” for need, “9” for impact, and “9” for quality and to award Downstreet Housing and Community Development (“Grantee”) a VHCB grant of up to Forty Thousand Dollars ($40,000) of general funds for project capacity support to determine the feasibility of converting the parish house behind Christ Church in Montpelier into affordable housing.

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.
Vermont Housing & Conservation Board
Resolution

NewStory Center Campus Expansion • Rutland, Vermont
NewStory Center, Inc.
2022-104-001
Board meeting date: May 13, 2022

Resolved:
To score the application “10” for need, “9” for impact and “8” for quality, and to award NewStory Center, Inc. (the "Grantee") ARPA-SFR funds in the amount of up to Seven Hundred Fifty Thousand dollars ($750,000) for rehabilitation and related expenses. This project involves property located at 101 Grove Street in Rutland and consists of a total of seven shelter beds in one building.

This award is subject to the following restrictions and conditions:

Affordability and Conveyance Restrictions:

Grantee 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:

All seven (7) units funded with this award are to be designated for the homeless.

a) For as long as the Property is operated as a shelter for victims of domestic violence by NewStory Center, the Grantee shall ensure that:
   i) priority for occupancy shall be for households with the lowest household income; and
   ii) 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 30% of median income.

b) If the Property ceases to be operated as a shelter for victims of domestic violence, the Grantee shall enter into a new housing subsidy covenant approved by VHCB staff and prepared by VHCB General Counsel and containing provisions to ensure that the Property is used to provide affordable housing.

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.

Housing ARPA-SFR Special Conditions:
1. This award may be funded in whole or part with federal ARPA-SFR funds. Awards of ARPA-SFR are contingent upon the execution of a grant agreement between the State of Vermont and VHCB. Disbursement of ARPA-SFR funds cannot occur until the State of Vermont/AOA has released these funds to VHCB.

2. This award may be funded in whole or part with FY2023 State appropriation to the VHCB. Disbursement of project funds from the FY2023 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, Grantee agrees to provide information as requested to document the project’s compliance.

4. Grantee 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, Grantee 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.

5. Prior to closing, and where applicable, Grantee 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.

6. 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.

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

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

9. 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.
compliance with the guidelines presently provided by Treasury pursuant to the Final Rule with regards to deferred loans that mature later than December 31, 2026, VHCB staff has the authority to structure said loans to comply with the present Treasury guidance, including, but not limited to, the maturity timeframes traditionally utilized with LIHTC projects.

10. Grantee shall work with VHCB staff to foster and assist communication between VHCB, the construction lender, and other relevant parties regarding construction inspection services. The goal of this communication is to allow, if possible, VHCB to rely on construction inspections already being performed and avoid unnecessary additional costs.

11. Prior to closing and disbursement, Grantee will provide independently prepared audits of NSC’s financial performance in FY2021 and 2022 to VHCB staff for review and approval.

12. Prior to closing and disbursement, Grantee will provide VHCB staff with an engagement letter for an independent audit of NSC’s financial performance in FY2023 indicating completion of said audit within 6 months of the end of NSC’s fiscal year.

13. Grantee will comply with federal audit requirements as outlined in 2 CFR 200.501 (Audit requirements) with regard to ARPA-SFR funds.

14. Prior to closing, Grantee will provide an update on the results of the Capital Campaign and outline plans for completion.

This award is also subject to Standard VHCB Conditions for ARPA-SFR Projects.
Vermont Housing & Conservation Board
Resolution
Vermont Marble Museum • Proctor, Vermont
Preservation Trust of Vermont
2013-048-001
Board meeting date: May 13, 2022

Resolution:
To approve the sale of 52 Main Street/VT Marble Museum Property in Proctor from the Preservation Trust of Vermont to Zion Growers, LLC.

This award is subject to the following restrictions and conditions:

Special Conditions:

1. As per the Historic Preservation Easement any successive conveyance, transfer, disposal of or further encumbrance of the Protected Property (52 Main Street), requires written consent of VHCB and PTV.

2. Prior to a sale of 52 Main Street, the Preservation Trust of Vermont will submit the purchase and sales agreement with Zion Growers, LLC for VHCB staff review and approval. That document will guarantee perpetual and accessible public access as approved by VHCB staff.

3. Prior to, or simultaneous with, a transfer of the property to Zion Growers, PTV will be added to the Historic Preservation Easement as a co-holder.

4. Prior to a sale of 52 Main Street, the Preservation Trust of Vermont will submit the lease with VMM for VHCB staff review and approval, the terms of which will include transfer to another nonprofit entity during the 99-year lease period.

5. Prior to, or simultaneous with, a transfer of the property to Zion Growers, PTV will obtain a right of first refusal if the property is to be sold in the future.

6. The Preservation Trust of Vermont (“PTV”) shall perform all necessary stewardship monitoring on the structure.
MEMORANDUM

To: Vermont Housing and Conservation Board
From: Liz Gleason
Date: April 28, 2022

Re: Delegation of Authority to Apply for Funds for Rural Economic Development Initiative

USDA Community Facilities Technical Assistance Funds:
USDA holds an annual Request for Proposals to provide technical assistance and/or training with respect to essential community facilities programs. The funds are designed to assist communities to identify and plan for community facility needs that exist in their area. This program is a great match for VHCB’s Rural Economic Development Initiative (REDI), a successful small-but-mighty program that we are intending to grow. REDI would use these funds to expand, growing from assisting 10-20 communities a year to 40 communities per year, to help those communities access critical funding for economic development projects.

RECOMMENDED RESOLUTION:

Applying for and Accepting Community Facilities Funds:
Be it resolved that the Vermont Housing and Conservation Board hereby authorizes VHCB staff to apply for and accept up to $150,000 in funding from USDA-RD Community Facilities for the purposes of providing grant writing assistance to eligible communities through VHCB’s Rural Economic Development Initiative. Staff are authorized, with the advice and consent of the VHCB Board Chair or a Board committee appointed by the VHCB Board Chair, to commit these funds as grants or contracts with organizations or consultants, as described in our proposal to USDA.