



We're working to ensure affordable housing, farmland, jobs, and recreational assets for every generation of Vermonters

VHCb FY2024 Budget Packet

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Introduction to VHCB FY2024 Budget

Mission: The Vermont Housing & Conservation Board is a public instrumentality of the State of Vermont, established in 1987 (10 V.S.A. Chapter 15) to improve the economic vitality and quality of life for Vermonters by implementing the dual goals of creating "affordable housing for Vermonters, and conserving and protecting Vermont's agricultural land, forestland, important natural areas, recreationallands, and historic properties."

The Board carries out its mission primarily by making grants and loans to undertake affordable housing rehabilitation or development, and conservation transactions that include both fee purchases of land and purchase of conservation easements. The Board also operates federal, state and privately funded programs that enhance community capacity to implement the Board's mission and the viability of the rural enterprises that support working lands. Taken together, the Board provides capital investment, operating support, and technical assistance for essential community development activities.

Budget Summary: The Governor is making the following budget recommendation for VHCB in FY2024: \$11,462,855 in PTT allocation, \$4,600,000 in Capital Bill and \$10,000,000 in General Fund (for housing) appropriations for **total State funding of \$26,062,855.**

VHCB's FY2024 full budget, reflective of all projected resources, is a total of \$96,119,068, comprised of the following:

- **\$11.46 million** in PTT revenues in the Appropriations Bill: \$12,962,855 from PTT less \$1.5 million for a portion of the debt service on the 2017 Housing Revenue Bond, for a net FY2024 appropriation of \$11,462,855;
- **\$4.6 million** in Capital Bill Appropriations: \$1.8m for housing & conservation core funding, \$2.0 million for land conservation projects with water quality components; \$.2 million for farmland retirement/conversion, and \$.6 million for water quality improvement grants to farmers.
- **\$10 million** in General Fund to support the production of affordable housing;
- **\$3.09 million** in miscellaneous other revenues (included in the Appropriations Bill);
- **\$18.67 million** in new federal resources (not including ARPA);
- **\$43.3 million** in Completion of Prior Years' Federal Grants;
- **\$5 million** in Education Funds appropriated in FY2023 to administer the Career Technical Education program.

SUMMARY	FY2024 Governor Recommend	FY2023 Final Appropriations	% Inc (Dec) from FY23 Budget	Inc (Dec) from FY2023 Budget
Net Property Transfer Tax to receive (net of \$1.5m Debt Service)	11,462,855	21,128,985	-46%	(9,666,130)
One-time Appropriation	10,000,000	10,000,000	0%	-
Capital Bill Appropriation request	4,600,000	4,000,000	15%	600,000
Other Miscellaneous Income	3,090,000	1,344,864	130%	1,745,136
Federal Grants (not including ARPA)	18,666,213	25,007,486	-25%	(6,341,273)
Completion of Prior Years' Federal Awards	43,300,000	51,980,089	-17%	(8,680,089)
ARPA-SLFR - Housing & Water Quality Grants	-	30,600,000	-100%	(30,600,000)
Career Tech Ed RLF - Ed Fund (disb FY23 approp)	5,000,000	15,000,000	-67%	(10,000,000)
Land Access Opportunity Board - GF	-	200,000	-100%	(200,000)
TOTAL Sources:	96,119,068	159,261,424	-40%	(63,142,356)

Vermont Housing & Conservation Board - SOURCES & USES FY2024 Based on Governor's Recommendation																
PROGRAMS/GRANTS:	Housing & Conservation (Trust Fund)	NRCS ALE & RCPP (USDA)	One -Time General Fund - Housing	Congressional Directed Spending H&C	Capital Bill Farm Retirmt	Water Quality Programs	Farm & Forest Viability Program & REDI	Ameri-Corps	HOME (HUD)	HOME ARP C/O	HOPWA (HUD)	NHTF (HUD)	ARPA	Healthy & Lead Safe Homes (HUD)	Career Tech Ed (CTE) RLF - Yr 2	FY2024 TOTALS
SOURCES:																
Property Transfer Tax VHCB share of Debt Service on HRB																12,962,855 (1,500,000)
Net Property Transfer Tax to receive	8,252,124	593,087					2,000,000	566,717			50,927		-			11,462,855
Capital Bond Proceeds - State	3,800,000				200,000		600,000									4,600,000
One-time General Fund - Housing			10,000,000													10,000,000
Federal Grants		3,000,000		3,000,000			389,000	495,000	3,014,298	3,101,312	535,000	3,000,000	750,298	1,381,305		18,666,213
Loan Repayments	175,000															175,000
Interest on Fund	35,000															35,000
Housing Mitigation Funds	25,000															25,000
Act 250 & Other Mitigation Funds	250,000															250,000
Other Misc. grants, donations	5,000					2,500,000	100,000									2,605,000
Administer FY23 CTE appropriation	-														5,000,000	5,000,000
Subtotal FY2024 Recommended Appropriations	12,542,124	3,593,087	10,000,000	3,000,000	200,000	2,500,000	3,089,000	1,061,717	3,014,298	3,101,312	585,927	3,000,000	750,298	1,381,305	5,000,000	52,819,068
Completion of Prior Years' federal grants	-	1,500,000	-	2,800,000	-	-	-	-	2,300,000		-	2,700,000	34,000,000	-	-	43,300,000
TOTAL Sources:	12,542,124	5,093,087	10,000,000	5,800,000	200,000	2,500,000	3,089,000	1,061,717	5,314,298	3,101,312	585,927	5,700,000	34,750,298	1,381,305	5,000,000	96,119,068
USES:																
Board Operations	2,425,740	557,087		49,626		24,080	93,940	31,285	286,298	79,312	50,927	215,675	740,298	49,749	33,039	4,637,054
Direct Program/Project Expense	566,000	36,000		-	-	221,497	2,395,060	1,030,432	28,000	22,000	535,000	15,000	10,000	631,557	-	5,490,547
Project Grant and Loans - FY2024	9,550,384	3,000,000	10,000,000	2,950,374	200,000	2,254,423	600,000		2,700,000	3,000,000	-	2,769,325	-	700,000	4,966,961	42,691,467
Project Grants & Loans-Completion of Prior Years' Federal Grants	-	1,500,000	-	2,800,000		-	-	-	2,300,000		-	2,700,000	34,000,000	-	-	43,300,000
TOTAL Uses:	12,542,124	5,093,087	10,000,000	5,800,000	200,000	2,500,000	3,089,000	1,061,717	5,314,298	3,101,312	585,927	5,700,000	34,750,298	1,381,305	5,000,000	96,119,068

**VERMONT HOUSING AND CONSERVATION BOARD
SOURCES AND USES Chart - EXPLANATION, FY2024 BUDGET**

VHCB’s Sources & Uses Chart presents all of the projected revenue sources of the Board and the planned uses of those resources for the Fiscal Year 2024.

I. SOURCES OF REVENUE

State Funding

- **Property Transfer Tax (PTT)** – The Governor’s recommended amount of PTT for VHCB is \$11,462,855. This amount is the net, after the bond debt service payment (described below). By statute, VHCB is to receive 50% of the total Property Transfer Tax (PTT) revenues for the year (after other statutory deductions). Based on the January 2023 economic projections, VHCB’s FY2024 statutory share of the PTT would be \$27,851,000 – at an appropriation of \$11,462,855, the unfunded amount of PTT to VHCB is \$16,388,145.

The Vermont Housing and Conservation Trust Fund (10 V.S.A. §312) was established as a special fund by the General Assembly, who by design dedicated PTT revenue as a resource for affordable housing and conservation. The PTT revenue source was chosen as the funding vehicle because, as property transfers increase, the cost of housing, important land, and farm values also increase, limiting access for Vermonters.

In 2017, legislation passed allowing for the issuance of a bond by VHFA with the proceeds to go to VHCB for affordable housing for the three ensuing years – the Housing for All Revenue Bond (HRB). Proceeds of the HRB have been fully committed and almost entirely disbursed. However, VHCB’s appropriation is now annually reduced by \$1,500,000, to be used towards debt service on the bond. The Governor’s recommendation for FY2024 of \$11,462,855 in PTT represents the net amount after deduction for the debt service (\$12,962,855 less the \$1,500,000 for HRB debt service).

The Property Transfer Tax revenues are primarily used by VHCB in funding the housing and conservation projects that further our mission. Portions of these resources are used to support several related programs and federal grants that VHCB operates. These projected amounts are reported across the Sources & Uses chart in the columns to which they are applicable.

- **Capital Bill Appropriation** – A total of \$4,600,000 has been recommended for FY2024 as follows:
 - For Base funding:
 - \$1.8 million for housing and conservation;
 - \$2.0 million for water quality and conservation projects; through the Clean Water Board section of the Capital Bill
 - For Special Programs, also from the Clean Water Board section of the Capital Bill:
 - \$.2 million for farmland retirements
 - \$.6 million for water quality improvement grants to farmers
- **One-time General Fund** - the Governor’s recommendation includes \$10 million in General Fund for housing, to continue the development of affordable housing and solutions for the homeless.

Federal Grants - as complement to our State funding, VHCB administers a wide variety of Federal awards in all areas of our work.

- **NRCS** - NRCS (USDA) provides two separate streams of federal funding for easement programs: the Agriculture Land Easement Program (ALE) program s), and the State's award of NRCS Regional Conservation Partnership Program (RCPP). Use of both of these programs require a 50/50 match, typically met with our PTT and Capital Bill funding. A reduction in ALE funding in the current year has caused us to also lower our expectations for FY2024, budgeting \$3 million for the ALE program. The State's NRCS RCPP program was renewed several years ago, bringing additional funding of \$10 million to the State for a 5 year period, though currently we don't expect to receive any of those funds in FY2024. VHCB has historically provided the State with match for the RCPP award.
- **Congressional Directed Spending (CDS)** – Over the last two years, VHCB has received several awards through the CDS process which will provide complement funding for housing as well as several of our Viability program initiatives. Several of these awards are still pending.
- **Farm & Forest Viability Federal resources** – the Viability program has historically used a variety of federal funding awards to support the program. These have included USDA Rural Business Development grants and Northern Border Regional Development Commission awards.
- **AmeriCorps** – This amount represents the last of a three-year AmeriCorps grant cycle, placing 36 AmeriCorps Members with housing organizations, homeless service providers, and conservation organizations across Vermont. VHCB has operated a statewide AmeriCorps program since 1998, placing more than 600 AmeriCorps members in 11-month terms of service.
- **HOME Program** – These HUD funds are administered by the VHCB on behalf of the State of Vermont and are used to acquire and rehabilitate multi-family rental housing. Administrative funds provided by this annual grant are shared between the Department of Housing and Community Development and VHCB.
- **HOME-ARP** - These funds are being used to develop permanent rental housing units that serve households experiencing homelessness or who are at-risk of homelessness.
- **National Housing Trust Fund** – (HTF) - VHCB is the designated entity to administer this federal program that is designed to create and preserve affordable rental housing for extremely low-income households. HTF requires much deeper income targets, focusing on extremely low income Vermonters (below 30% of median income). VHCB has administered this HUD grant since 2016, consistently funded at the \$3 million level.
- **HOPWA (HUD)** – This amount represents the FY2024 portion of a three-year award, federal grant Housing Opportunities for Persons with AIDS. VHCB has administered this HUD grant since 1996. The grant supports statewide services that are delivered by the Vermont State Housing Authority and several AIDS Service Organizations providing services and housing to persons with AIDS and their families.
- **Healthy & Lead-Safe Homes Program** – This is a Lead Hazard Control Grant (HUD) that VHCB has been running since 1994, remediating lead in more than 2,800 homes. The program provides grants and loans to homeowners and multi-family property owners to assist in the remediation of lead paint hazards found in older Vermont homes and apartment buildings. VHCB is in the process of transitioning to our eleventh multi-year grant program.

Other Sources

- **Loan Repayments** – This amount represents collections of principal & interest on outstanding loans expected to be received during FY2024. The majority of VHCB loans are now long-term deferred loans on housing projects for which payment to VHCB occurs after primary project debt is retired.
- **Interest on Fund** – This is an estimate of interest that will be earned on the VHCB Trust Fund account in the upcoming fiscal year.

- **ACT 250 Mitigation Funds (Housing & Ag)** – These funds come to VHCB as a result of ACT 250 mitigation agreements. Our Ag Mitigation funds are received from commercial developers and are used by VHCB to supplement funding of the farm easement program; Housing mitigation funds typically are a result of development by ski area owners and are targeted to the geographic areas to which they relate. Amounts are estimated; funds are normally paid to VHCB during stages of development.
- **Other Miscellaneous Income** – Represents miscellaneous private foundation or state grants VHCB may receive, as well as small donations. This category also includes a projected \$2.5 million to invest in water quality outcomes, made up of \$1.8 million in FY2024 from the Great Lakes Fishery Commission, and \$700,000 from the state (DEC) as a Clean Water Service Provider for the Lake Memphremagog region of the State.
- **Completion of Prior Years’ federal grants** – These amounts represent prior year federal awards made for projects that have not been fully disbursed. Federal resources follow the disbursement pace of the projects funded with federal funds.

II. USES OF FUNDS

- **Operations** –this is the portion of the budget for conducting the operations of organization, spread across the Sources & Uses chart relative to program/grant. VHCB works efficiently and effectively to manage the resources we administer, while ensuring compliance with statutory and regulatory requirements.
- **Direct Program/Project expense** – This amount includes the staffing and other costs of the direct programs VHCB operates (AmeriCorps, Healthy & Lead-Safe Homes, and Farm & Forest Viability/REDI programs), as well as miscellaneous direct project costs such as farm appraisals, construction inspections, and the costs of required environmental, historic, and archeological evaluations on particular projects.
- **Project Grants and Loans** –The great majority of the Board’s funds are used to provide grants and/or loans to eligible applicants and projects. In housing activities the Board generally provides funds for the acquisition, rehabilitation, and development of multi-family housing properties and single-family home ownership. The Board’s conservation activities focus on providing grants that support the acquisition and/or purchase of an easement in agricultural and recreational land, natural areas, forestland, and historic properties. (an easement or purchase of land in fee). In the case of federal programs, those awards also carry regulatory restrictions.
- **Project Grants and Loans – expenditure of prior years’ federal grants** - (see reference above under Sources section). These are the disbursement of prior years’ federal grants still in process.

Vermont Housing & Conservation Board - FY2024

Detail of All Estimated Revenue Sources-Based on Governor's Recommendation

Federal Fund		
Federal - new funding FY2024		
HOME Program	3,014,298	
HOME ARP	3,101,312	
National Housing Trust Fund	3,000,000	
ARPA SLFR Hsg (Admin)	750,298	
NRCS - ALE & RCPP	3,000,000	
Congressional Directed Spending (CDS)	3,000,000	
Healthy & Lead Safe Homes	1,381,305	
Federal Grants - misc	1,419,000	
Total Federal FY2024		\$ 18,666,213
Federal - Completion of prior years' federal grants		
HOME Program	2,300,000	
National Housing Trust Fund	2,700,000	
Congressional Directed Spending (CDS)	2,800,000	
ARPA-SFR Housing	34,000,000	
NRCS - ALE & RCPP	1,500,000	
Total Federal - completion of prior years' federal grants		\$ 43,300,000
Total Federal Fund #90630		\$ 61,966,213
Special Fund (VT Housing & Conservation Trust)		
Property Transfer Tax by Statute		12,962,855
VHCB share of Housing Revenue Bond Debt Service		(1,500,000)
Net Property Transfer Tax		\$ 11,462,855
Loan Repayments	175,000	
Housing Mitigation Funds	25,000	
Act 250 Mitigation Funds	250,000	
Other - Includes Misc Program Restricted Grants	105,000	
Great Lakes Fisheries & CWSP - Water Quality Program grants	2,500,000	
Interest on Fund	35,000	
Total Other Revenue		\$ 3,090,000
Total Special Fund #90610		\$ 14,552,855
Capital Bill		
Capital Bond Funding - housing & conservation	1,800,000	
Capital Bond Funding - water quality conservation	2,000,000	
Capital Bond - farm retirements	200,000	
Capital Bond - water quality farm grants	600,000	
Total Capital Bond		\$ 4,600,000
General Fund		
One-time General Fund for Housing	10,000,000	
		\$ 10,000,000
Other -		
Career Tech Ed (FY2023 Ed Fund appropriation of \$15,000,000)	5,000,000	
		\$ 5,000,000
Total Recommended Funding		\$ 96,119,068

VERMONT HOUSING & CONSERVATION BOARD - FY2024 - PROGRAM PROFILE													
		Special Fund	Capital Bill Appropriation	General Fund	ARPA -SLFR Approp.	CRF	Career Tech Education Prog. (Ed Fund)	HFA Revenue Bond	Land Access Opportunity Board (GF)	Fed Funds	Expenditure of Prior Years' Federal Awards	Total Funds	FTE's
HOUSING GRANTS PROGRAM	Grants and loans for perpetually affordable housing development and implementation; support of program & delivery system; close of HRB & CRF.												
FY2022 expenditures		7,522,489	1,130,373	19,023,447		364,998		4,361,602				32,402,909	10.1
FY2023 estimated expenditures		10,139,268	900,000	10,000,000								21,039,268	9.7
FY2024 budget request		4,802,159	900,000	10,000,000								15,702,159	10.9
ARPA-SLFR - Housing	Substantially increase rate of production of affordable housing & enable homelessness transition to permanent housing.												
FY2022 expenditures					17,869,948							17,869,948	5.2
FY2023 estimated expenditures					30,000,000					750,820	44,287,124	75,037,944	6.2
FY2024 budget request										750,298	34,000,000	34,750,298	5.5
HOME - ARP	One-time funding from the American Rescue Plan Act to address homelessness.												
FY2022 expenditures													
FY2023 estimated expenditures									9,600,000			9,600,000	1.6
FY2024 budget request									3,101,312			3,101,312	0.6
HOME PROGRAM	Federal grant and loan program for multi-family housing.												
FY2022 expenditures									2,330,164			2,330,164	2.3
FY2023 estimated expenditures		24,128							2,955,000	2,560,609	5,539,737	5,539,737	1.9
FY2024 budget request									3,014,298	2,300,000	5,314,298	5,314,298	2.1
HUD Housing Trust Fund	Grant and Loan Program for federal National Housing Trust funds for multi-family housing.												
FY2022 expenditures									2,266,599			2,266,599	1.3
FY2023 estimated expenditures									3,000,000	2,966,356	5,966,356	5,966,356	1.3
FY2024 budget request									3,000,000	2,700,000	5,700,000	5,700,000	1.6
Congressional Directed Spending	Awards received or applications pending for various projects.												
FY2022 expenditures													
FY2023 estimated expenditures									2,000,000			2,000,000	0.2
FY2024 budget request									3,000,000	2,800,000	5,800,000	5,800,000	0.4
CONSERVATION-Ag FPP& RCPP	Development Rights purchase of farmland; associated costs; support of delivery system.												
FY2022 expenditures		2,631,878	1,503,189						3,288,250			7,423,317	4.9
FY2023 estimated expenditures		6,620,675	1,900,000						4,000,000	2,166,000	14,686,675	14,686,675	6.6
FY2024 budget request		3,546,429	1,450,000						3,000,000	1,500,000	9,496,429	9,496,429	6.7
Farm & Forest Viability & REDI	Assistance to farmers, ag, and forest related entities to enhance viability of those Vermont industries. Includes the Rural Economic Development Initiative.												
FY2022 expenditures		1,385,071	577,597						491,150			2,453,818	5.6
FY2023 estimated expenditures		1,206,887			600,000				588,082			2,394,969	7.2
FY2024 budget request		2,100,000	600,000						389,000			3,089,000	6.8
CONSERVATION-NHR	Grants for conservation of natural areas, recreational lands and historic properties.												
FY2022 expenditures		1,527,206	614,772									2,141,978	4.2
FY2023 estimated expenditures		3,186,955	1,200,000									4,386,955	4.4
FY2024 budget request		986,623	1,650,000									2,636,623	5.8
HUD - HOPWA	Federal Grant for Housing Opportunities for Persons with AIDS.												
FY2022 expenditures									423,797			423,797	0.2
FY2023 estimated expenditures		50,465							477,000			527,465	0.4
FY2024 budget request		50,927							535,000			585,927	0.4
AmeriCorps	Community Stewardship Prog. Coordinate placement of AmeriCorp Members with non-profit housing & conservation programs.												
FY2022 expenditures		470,620							344,369			814,989	2.4
FY2023 estimated expenditures		568,607							493,727			1,062,334	2.6
FY2024 budget request		566,717							495,000			1,061,717	2.3
Water Quality Programs	Assist State in implementation of ACT 76 and other clean water initiatives in the Memphremagog Basin.												
FY2022 expenditures		80,662										80,662	0.3
FY2023 estimated expenditures		676,864										676,864	1.8
FY2024 budget request		2,500,000										2,500,000	1.8
Healthy & Lead-safe Hsg Program	Federal Lead-Paint hazard reduction control program serving to eliminate lead poisoning by providing lead-safe housing.												
FY2022 expenditures									945,609			945,609	3.7
FY2023 estimated expenditures									1,142,857			1,142,857	3.7
FY2024 budget request									1,381,305			1,381,305	3.7
Career Tech Ed RLF	A revolving loan fund program to support the production of homes & community facilities by students enrolled in Continuing Technical Education.												
FY2022 expenditures													
FY2023 estimated expenditures							15,000,000					15,000,000	0.5
FY2024 budget request							5,000,000					5,000,000	-
Land Access Opportunity Board	Provide admin. support during the establishment of the LAOB which seeks to address barriers to access to resources for historically marginalized populations.												
FY2022 expenditures													
FY2023 estimated expenditures									200,000			200,000	0.5
FY2024 budget request													
Totals	FY2022 Expenditures	13,617,926	3,825,931	19,023,447	17,869,948	364,998		4,361,602	-	10,089,938	-	69,153,790	40.2
	FY2023 Estimated expenditures	22,473,849	4,000,000	10,000,000	30,600,000	-	15,000,000	-	200,000	25,007,486	51,980,089	159,261,424	48.6
	FY2024 Budget request	14,552,855	4,600,000	10,000,000	-	-	5,000,000	-	-	18,666,213	43,300,000	96,119,068	48.6

DEPARTMENT OVERVIEW

Organization: VERMONT HOUSING AND CONSERVATION BOARD

MISSION

The Vermont Housing and Conservation Board (VHCB) is a public instrumentality established in 1987 (10 V.S.A. Chapter 15) with the purpose of improving both the economic vitality and the quality of life for Vermonters by implementing the dual goals of creating "affordable housing for Vermonters, and conserving and protecting Vermont's agricultural land, forestland, important natural areas, recreational lands, and historic properties."

The Board's housing programs serve low- and moderate-income Vermonters [families earning below 100% of median income for rental and 120% of median income for homeownership], with an emphasis on very low-income households). Conservation programs serve all Vermonters interested in or using agricultural and recreational land, natural areas, forestland, and historic public properties. The Board makes grants and loans to municipalities, non-profit organizations including land trusts and conservation groups, housing cooperatives, and qualifying state agencies.

RESULTS FOR VERMONT

FY2022 & FY2023 to date

- 1,218 homes and apartments
- 24 farms; 4,176 acres farmland
- 4 historic preservation projects
- 20 projects, 4,500 acres of natural areas, forestland, and public recreation lands
- 154 farm, food, and forest enterprises were provided business planning and technical assistance
- \$3.1 million in grants secured for 27 small rural communities through REDI

State Investment:

\$56.6 million invested

\$352.7 million leveraged

FY1988 to date

- 15,000 homes and apartments
- 789 farms; 170,918 acres
- 81 historic projects
- 275,699 acres of natural areas, forestland, and public recreation lands
- 900 farm, forest and food enterprises were provided business planning and technical assistance
- \$10 million in grants secured for 67 small rural communities through REDI since 2017

State Investment:

\$420 million invested;

\$2.1 billion leveraged

VHCB PROGRAMS

To meet its statutory goals, the Board uses state funding to leverage federal and other resources to provide assistance through the following programs. Information on each is available at <http://www.vhcb.org>

Housing

- Multi-Family Housing Development and Preservation
- Home Ownership
- Home Accessibility
- Housing Opportunities for Persons living with HIV/AIDS
- Vermont Healthy & Lead-Safe Homes
- Farmworker Housing
- Manufactured Home Communities
- CTE Experiential Learning Program

Conservation

- Farmland Conservation and Access
- Forestland, Recreational land and Natural Area Conservation
- Historic Preservation
- Clean Water Service Provider – Lake Memphremagog

Vermont Farm & Forest Viability

- Business Advising, Financial and Succession Planning
- Water Quality Grants to Farmers
- Rural Economic Development Initiative (REDI)

VHCB AmeriCorps

- Increases the capacity of Vermont's non-profit network to provide direct service to renters, homebuyers, offer environmental education, build trails, and steward conserved lands

Capacity Building, Feasibility Support and Technical Assistance

The Board's awards support community-based projects that preserve, rehabilitate and create affordable apartments and homes or conserve and protect agricultural lands, forestlands, natural and recreational land and historic public properties. The Board's investments provide public benefit in perpetuity, securing resources for future generations with today's dollars through conservation easements and housing subsidy covenants entered in the land records. The Board's work results in reinvestment in downtowns and surrounding neighborhoods while preserving the rural working landscape. The state's investments through VHCB support rural community development in all corners of Vermont. In 2012, the Legislature added protection of the state's surface waters and forestlands as statutory goals. VHCB projects and policies also help protect water quality and mitigate and prepare for the effects of climate change.

VHCB provides the state a proven entity for addressing priority and emergent issues. In recent years, it has been asked by the Administration and Legislature to manage a housing revenue bond, support water quality through its existing programs and serve as a clean water service provider, invest in the rural economy through the REDI initiative, and support outdoor recreation and investment in downtowns across Vermont. In addition to the programs listed above, VHCB provides administrative support to the Land Access and Opportunity Board and is working to establish the CTE Construction and Rehabilitation Experiential

Learning Program and Revolving Loan Fund in partnership with the Vermont Community Loan Fund. In 2020, VHCB helped individuals and businesses recover from the COVID-19 public health emergency by using Coronavirus Relief Funds to secure housing for the homeless and assist farm, food and forest enterprises. The Board's work to help Vermonters and their communities continues as it administers substantial funding from the American Rescue Plan Act to address the state's housing and homelessness crisis. The Board has met and exceeded expectations in these areas while also addressing the challenges of Vermont's aging demographic and the need to mitigate the impacts of a changing climate.

VHCB contributes to Vermont's economy in many ways:

- 1) VHCB investments leverage more than \$3 in other resources for every \$1 appropriated;
- 2) Affordable housing is critical to the state's recovery from the pandemic as well as to economic growth and attracting future employees;
- 3) The working landscape is among Vermont's primary economic assets - investment in conservation supports travel, tourism and recreation; investment in agriculture promotes inter-generational transfers, expansion, efficiency and diversification;
- 4) Agriculture, forest products and food industries are increasing Vermont's employment base, building the Vermont brand, and generating revenue for working lands businesses;
- 5) VHCB works in public-private partnerships to provide early and critical funding for housing key to downtown revitalization;
- 6) VHCB invests in rehabilitation, revitalization and preservation of Vermont village and downtown landmarks to support economic and community vitality;
- 7) Creating supportive services in affordable housing avoids the cost of institutional settings (i.e., state hospitals, nursing homes, prisons, motels); and
- 8) Programs like SASH, Lead Paint Hazard Reduction and HealthyHomes contribute to Vermont health care goals. As an example, national research found that SASH reduced the rate of Medicare expenditure growth by \$1,450 per person per year and reduced the rate of growth in Medicaid spending by \$400 per person per year.

Housing and conservation investments support Vermont's multi-decade policy of compact settlement, surrounded by the working landscape. Both types of investment mitigate the impacts of climate change by achieving energy efficiency in the built environment and by maintaining the natural benefits of carbon sequestration in forest and farmland, all the while helping to mitigate against the impact of severe flooding.

RECENT HIGHLIGHTS IN ADDRESSING STATE PRIORITIES AND NEEDS

- Helping to secure \$10 million in grants for 67 small rural communities and enterprises through the Rural Economic Development Initiative since 2017.
- Facilitating the Housing Recovery Working Group of state housing agencies to strategically and efficiently use state and federal housing recovery fund and meet priority needs.
- Investing \$229.8 in COVID-response funds in the production of rental housing and shelter beds, affordable homeownership, home accessibility and other housing initiatives to support Vermonter's access to housing and shelter since 2020. These funds helped to:
 - Create or improve over 1,700 rental homes in over 35 communities.
 - Expand shelter capacity by 190 beds and improve 306 shelter beds in 19 shelters statewide.
 - Support Vermont Center for Independent Living's Home Access program resulting in accessibility improvements for 175 disabled Vermont households and 181 Home Access Grant Awards in 72 communities.
 - Create 562 homes for Vermonters experiencing homelessness since 2020.
 - Invest in 4 recovery projects creating 57 beds for Vermonters recovering from substance use disorder.
 - Support transitional housing in VHCB-funded projects for 94 refugee households.
 - Initiating a farmworker housing repair program with Champlain Housing Trust in partnership with UVM Extension which thus far is supporting 100 farm workers on 15 farms across the state in its first phase.
 - Helping 192 households become homeowners through its Shared Equity Program in 50 communities
- Reducing health care expenditures both through the SASH program and as Vermonters who have experienced homelessness move into housing.
- Recently conserving 24 farms totaling 4,176 acres of farmland helping multi-generational farm families and young farmers advance their business and protect important agricultural lands.
- Providing in-depth succession planning services to forest landowners to reduce or prevent forest fragmentation
- Providing grants to famers for water quality projects and protecting rivers and wetlands through conservation easements to help the working lands enterprises contribute significantly to the state's clean water goals, including phosphorus reduction, and climate resilience. Responding to the state's request for VHCB to help implement Act 76 by becoming the Clean Water Service Provider for the Lake Memphremagog Basin.
- Supporting Vermont's recreation industry and outdoor resources enhancing trail systems, access to water, land for hunting and fishing, hiking and snowmobiling, which supports Vermonters' health and the state economy.

- Enhancing Vermont’s strategies in dealing with global warming through energy efficient housing and reducing greenhouse gas emissions through protecting wetlands and forestlands, and increasing flood resilience.
- Providing early and critical funding for housing key to downtown revitalization initiatives including New Avenue Apartments in St. Johnsbury, the Putnam Block in Bennington, the Transit Center in Montpelier and the Woolson Block in Springfield, while also supporting the rebuilding of a key block in the heart of downtown Burlington.
- Partnering with private-developers to expand affordable housing development in St. Albans, Bradford, South Burlington, Brattleboro, and Hartford.
- Supporting the economic vitality of Vermont’s rural communities through investments in rental housing, shared equity homeownership, community enterprises, and recreational assets and working lands enterprises.
- Partnering with Vermont’s Congressional Delegation to secure \$17.6 million in congressionally directed spending over the past two federal fiscal years.
- Reducing reliance on expensive institutional settings by providing supportive housing alternatives to prisons, nursing homes, emergency rooms, the state hospital and motels.

FY2024

RECONCILIATION OF BUDGET BOOK TO VHCB BUDGET DOCUMENTS

Vermont Housing & Conservation Board

From FY2024 Executive Budget Budget Summary, page 1261		FY 2024 Governor's Recommend			Diff between FY2024 Gov Rec and FY2023	Percentage Chg: FY2024 Gov Rec and FY2023
		FY 2022 Actual	FY 2023			
Fund Type						
Housing & Conservation Trust Fund		\$ 13,508,524	\$ 22,473,849	\$ 14,552,855	\$ (7,920,994)	-35.2%
Federal Fund - VHCB		\$ 8,660,120	\$ 76,987,575	\$ 61,966,213	\$ (15,021,362)	-19.5%
Total		\$ 22,168,644	\$ 99,461,424	\$ 76,519,068	\$ (22,942,356)	-23.1%

Restated to Include All Resources:		FY 2024 Governor's Recommend & All Projected Sources			Diff between FY2024 and FY2023	Percentage Chg: FY2024 and FY2023
		FY 2022 Actual	FY 2023 Appropriations			
Fund Type:						
Housing & Conservation Trust Fund		\$ 13,617,926	\$ 22,473,849	\$ 14,552,855	\$ (7,920,994)	-35.2%
Federal Fund - VHCB		\$ 10,089,938	\$ 76,987,575	\$ 61,966,213	\$ (15,021,362)	-19.5%
ARPA-SFR-Appropriation		\$ 17,869,948	\$ 30,600,000	\$ -	\$ (30,600,000)	-100.0%
Capital Bill Appropriation		\$ 3,825,931	\$ 4,000,000	\$ 4,600,000	\$ 600,000	15.0%
CRF Appropriation		\$ 364,998	\$ -	\$ -	\$ -	
General Fund - Special One-time		\$ 19,023,447	\$ 10,000,000	\$ 10,000,000	\$ -	0.0%
Ed Fund - Career Tech Ed Program-RLF		\$ -	\$ 15,000,000	\$ 5,000,000	\$ (10,000,000)	-66.7%
General Fund - Land Access Opportunity Bd			\$ 200,000	\$ -	\$ (200,000)	-100.0%
Housing Revenue Bond (HRB)		\$ 4,361,602	\$ -	\$ -	\$ -	
Total:		\$ 69,153,790	\$ 159,261,424	\$ 96,119,068	\$ (63,142,356)	-39.6%

*

Restatement includes: Capital Bill, General Fund, CRF, and ARPA-SFR

*FY2022 - Amounts are restated to reflect actual spending and agree with VHCB audited financial statements.