



Vermont Housing & Conservation Board

House Corrections and Institutions Committee

February 17, 2017



VHCB Results: FY 2016 and FY 2017

What we accomplished

VHCB, PPT and Capital Funds

State Investment:

\$18.3M; \$125M Leveraged

840 Affordable Homes and Apartments

49 Farms; 6,303 Acres

18 Natural Areas; 7,200 Acres

Capital Bill Funds

State Investment:

\$7.25M Bond Funds; \$42M Leveraged

322 Affordable Homes and Apartments

25 Farms; 3,855 Acres

9 Natural Areas; 6,200 Acres

What was achieved:

VHCB Farmland Conservation Investments, FY 16 – FY17

FY16:

- 24 farms (includes 2 retroactive OPAVs and 1 sugarbush)
- 3,443 acres
- 21 include water quality easement protections
- 4.25 miles riparian buffers
- 13 transfers: 7 to new farmers; 1 intergenerational, 5 to existing farmers

FY17:

- 25 farms (including 3 retroactive OPAVs)
- 2,860 acres
- 22 include water quality easement protections
- Almost 9 miles of riparian buffers
- 16 transfers: 6 to new farmers; 3 intergenerational, 7 to existing farmers



In Ira and Poultney, The Conservation Fund protected 2,874 acres to be transferred to the Vermont Fish and Wildlife Department for addition to the Bird Mountain Wildlife Management Area. The acquisition protects a large unbroken tract for wildlife habitat, hunting, fishing and hiking in the Taconic Mountains and protects the headwaters of the Castleton, Poultney and Clarendon Rivers.



John G. Van Hoesen photo



The Trust for Public Land worked with the town of West Windsor, the Upper Valley Land Trust, and a local trail group to conserve 468 acres of the former Ascutney Mountain Resort for addition to the existing 1,112-acre West Windsor Town Forest. A conservation easement protects the entire 1,580 acres, securing a 30-mile trail network, a public drinking water source, the prominent backdrop of the village of Brownsville, and a defining feature of West Windsor's history and economy.

Housing for Medically Vulnerable, Homeless Individuals

62% Savings in Medical Costs over 12 months



Beacon Apartments in South Burlington, developed by the Champlain Housing Trust in partnership with UVM Medical Center, provides 20 homes with support services for homeless individuals with chronic health issues. The United Way reports that for a similar group of 32 individuals, over a 12-month period, hospital visits dropped by 34% and costs dropped by more than 62%:

| | |
|--|-------------------------|
| in the 12 months prior to permanent housing: | 1,224 visits; \$736,826 |
| in the 12 months after permanent housing: | 802 visits; \$278,075 |



New Neighborhoods

Building renovations and new developments will be possible like Hickory Street, a redevelopment of public housing units in Rutland.

BURLINGTON COLLEGE LAND CAMBRIAN RISE HOUSING MASTER PLAN



Architect's illustration of proposed housing – a mixed income development with 700 new homes composed of family rental, senior housing and homeownership condominiums.



Housing as a Community Catalyst

Investing in downtown buildings
as an economic development strategy

Redevelopment with housing above the movie theater following a fire in Springfield, infill development of housing above the new food co-op in Brattleboro, and rehabilitated senior housing in Lyndonville are examples of how VHCB investments help revitalize downtowns.



Applegate Apartments

VHCB invested in energy, accessibility, and code improvements to 104 multifamily apartments in 24 buildings at Applegate Apartments in Bennington. New windows, doors, siding, roofs and exterior insulation will be installed and 29 oil boilers throughout the buildings will be removed and replaced with one, centrally-located biomass heating system.



This historic block, now known as Union Square, was poorly managed and had a high vacancy rate. The town asked the local nonprofit to redevelop the property. The Windsor & Windham Housing Trust now manages the 58 apartments here. On-site services are provided and there is a new playground.



Net zero energy capable modular home manufactured in Wilder by Vermod High Performance Homes. 34 homes have been placed across Vermont and 2 mobile home parks, one in Waltham and one in Hardwick, are replacing older mobile homes with Vermods with VHCB support.



VHCB and Water Quality Since 2012

- Adopted Water Quality and Flood Resilience Guidelines and revised Conservation of Agricultural Lands policy to incorporate water quality/flood resilience attributes;
- Management plans address soil health and water quality;
- Special easement language protects surface waters;
- Pledged over \$5 million match to the state's \$16 million Regional Conservation Partnership Program (RCPP) award from NRCS: \$700,000 in state funds leveraging \$600,000 in private funds and \$1.3 million in federal funds for 10 RCPP farm projects
- The VHCB Farm & Forest Viability Program has awarded \$796,500 in Dairy Improvement Grants to 32 farmers; 17 of the grants were for water quality improvements.



The VHCB Viability program made a grant to Machia & Sons Dairy in Sheldon to help them purchase equipment to extract phosphorus and solids from manure, enabling export of phosphorus off their farm and possibly out of the Lake Champlain basin. The farm produces 21M lbs of milk per year with 725 milking cows and crops 2,100 acres on several conserved farms. They have a plan to convert to 100% no till over the next 10 years, and in 2016 were cropping 400 acres no till, which also improves water quality.



Berthiaume - Blodgett Farm, Fairfax

- Project facilitated farm purchase, helping Dawn and James Blodgett who had been dairying on leased land in Brookfield.
- The Berthiaumes donated an easement on 125 acres of woods.
- The Blodgetts enrolled in the Viability program to receive business planning help during the transition.
- Easement includes surface water protections; funded with water quality bond funds.

Marquis Farm, Newport

90-COW ORGANIC DAIRY ON ROUTE 100 IN MISSISQUOI WATERSHED



- Fields identified as potential source areas for phosphorous loading
- Buffers on all ditches and wet meadows are specified in the easement
- FY16 RCPP project – VHCB committed RCPP & WQ Bond funds for easement on 120 acres of cropland purchased to support organic dairy operation. The 126-acre home farm is a potential RCPP project in 2017.
- Farmers working with NRCS through EQIP on new manure pit, paved barnyard and fencing on home farm; will further improve water quality.
- Conservation reduces debt and covers EQIP cost share.

Regional Conservation Partnership Program (RCPP)

Matching federal funds focused on Water Quality



Randall farm, Lowell

- organic, grass-based dairy
 - extensive Missisquoi River frontage
 - 212 acres conserved in 2016, with the Vermont Land Trust
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- Easement includes riparian buffer on nearly a mile and a half of Missisquoi River frontage
 - Special protection of 30 acres of diverse wetlands, with open water, marshland, forested wetlands, and swamps.

North Williston Cattle Company, Essex Junction and Williston



- The Whitcombs milk 240 Holsteins at their home farm in Williston and raise heifers and crops at their Essex Junction farm, where their land helps the village manage stormwater runoff.
- They conserved 271 acres in Essex Junction in 2014 with VHCB, NRCS, town funding and a bargain sale of the easement. They plan to protect another 140 acres in 2017.
- Altogether, over 2.5 miles of Winooski River frontage will be forever protected.
- They used a grant from the Viability Program to purchase a no-till planter to reduce soil erosion, keeping more nutrients in the soil and out of surface water.



Jim Jeffords State Forest
Mendon and Shrewsbury

- The Trust for Public Land and the Vermont Department of Forests, Parks and Recreation protected 1,346 acres, creating a new state forest located within a mile of the Long Trail and the Appalachian Trail.
- Conservation of the land increases flood resiliency upstream of Rutland; protects 190 acres of riparian area, 18 acres of wetlands and 6 miles of streams
- Protects native brook trout habitat along the Cold River.
- Offers opportunities to snowmobile, fish, hunt, hike, and cross-country ski.
- Conserves an essential wildlife corridor between Coolidge and Aitken State Forests for black bear, moose, fisher, and bobcat.

Need for Housing

- Vermont Futures Project of the Vermont Chamber of Commerce has set a growth target of 5,000 new and improved housing units annually.
- *Roadmap to End Homelessness* calls for 180 new units for permanent supportive housing and 1,251 new homes affordable at 30% of median or below.
- 2015 statewide housing needs assessment by Bowen National Research found the largest gaps in housing affordable to households below 30% of median and between 85% and 120%, although need was across the income spectrum.

Housing Bond Proposal

- Governor Scott is proposing a revenue bond that would produce approximately **\$35 million** as the main element of a *Housing for All Initiative*.
- VHCB's annual state appropriation comes mainly from Property Transfer Tax receipts as directed by statute. The Governor recommends \$12,304,840 for VHCB from the PTT and an additional \$4,000,000 from the Capital Bill. This represents a \$1 million increase from FY17.
- VHCB will administer the proceeds and \$2.5 million in transfer tax revenue will be dedicated to paying debt service on the bond through 2038. Revenue bonds are payable from and secured only by a specific source of revenue and are not a general obligation of the state.
- The proposal does not affect Capital Bill bonding under the Debt Affordability Cap.

Housing Bond Proposal

- The proposed repayment source is revenue from the property transfer tax.
- The administration proposes the dedication of \$2.5 million to the payment of the bond through 2038, which will require a statutory change.
- Bond to be issued by VHFA or State Treasurer for maximum yield and leverage.

Housing Bond Proposal

Targeting:

- At least 25% of the housing will be targeted to middle-income Vermonters (households between 80 and 120% of median income).
- At least 25% of the housing will be targeted to very low-income Vermonters (households below 50% of median income).

Median Incomes

- Statewide median income for a household of four is \$70,200.
- 120% of median for a household of four is \$84,240
- 80% of median for a household of four is \$56,160
- 50% of median for a household of four is \$35,100
- Varies by county

Public-Private Partnership

NEW TOWN CENTER in SOUTH BURLINGTON





Community Challenges and Opportunities

Efforts to redevelop the historic Woolson Block in Springfield depend upon funding becoming available.





Community Challenges and Opportunities

Cornerstone building in St. Johnsbury has vacant commercial space on the street level and many apartments in very poor condition above making redevelopment a top priority for the community.

With a \$20,000 grant from VHCB, the City of Newport has begun planning for the redevelopment of the vacant block in the heart of its downtown.

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