



Vermont Housing & Conservation Board
Budget Packet
FY2021

Table of Contents:

Introduction to VHCB budget	2
Sources & Uses.....	3
Sources & Uses Chart Explanations	4-6
Detail of All Estimated Revenues.....	7
Program Profile.....	8
Crosswalk/Budget Development Form.....	9
Department Overview.....	10-26
Reconciliation of Executive Budget Summary to VHCB Forms.....	27



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BOARD OF DIRECTORS: Neil Mickenberg, Chair • Emily Wadhams, Vice Chair • Marie Audet • Maura Collins •
Martha Maksym • David R. Marvin • Kate McCarthy • Julie Moore • Anson Tebbetts • Thomas C. Yahn •
EXECUTIVE DIRECTOR: Gustave Seelig

Introduction to VHCB FY2021 Budget

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, recreational lands, 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. Taken together the Board provides capital investment, operating support, and technical assistance for essential community development activities.

VHCB is primarily funded with state and federal funds. By statute, VHCB is to receive 50% of the Property Transfer Tax (PTT) revenue, calculated after various deductions. For FY2021, PTT receipts dedicated to the Board's mission would be, by statute, \$22,393,000. The most significant change in VHCB's budget for FY2021 is the end of the Housing Revenue Bond (HRB). There are no remaining funds from the HRB in FY2021.

The Governor is recommending the following: \$10,804,840 in PTT allocation and \$4,600,000 in Capital Bill appropriations, for total State funding of **\$15,404,840**. This amount is \$6,988,160 less than the statutory formula amount.

VHCB's full budget for FY2021 is comprised of the following resources:

- **\$10.8** million in PTT revenues in the Appropriations Bill (\$12,304,840 from PTT less \$1.5 million for a portion of the HRB debt service), for a FY2021 appropriation of \$10,804,840;
- **\$4.6** million in Capital Bill Appropriations: \$3.5m for housing & conservation core funding, and \$1.1 million restricted to Water Quality Grants for Farmers and Farm Retirements;
- **\$885,722** in miscellaneous other revenues (included in the Appropriations Bill);
- **\$13.1** million in Federal resources;
- **\$5.2** million in Federal resources – Completion of Prior Years' Awards.

SUMMARY OF SOURCES & USES	FY2021 Governor Recommend	FY2020 Budget	% Inc (Dec) from FY2020 Budget	Inc (Dec) from FY2020 Budget
Net Property Transfer Tax to receive (net of \$1.5m Debt Service)	10,804,840	10,804,840	0.0%	-
Legacy Funds (General Fund)	-	500,000	-100.0%	(500,000)
Capital Bill Appropriation request	4,600,000	4,600,000	0.0%	-
Housing Revenue Bond Proceeds	-	6,100,000	-100.0%	(6,100,000)
Other (Loan repayments, interest, mitigation, misc)	885,722	1,095,403	-19.1%	(209,681)
Federal Grants	13,096,913	11,577,176	13.1%	1,519,737
Completion of Prior Years' Federal Awards	5,219,343	7,409,047	-29.6%	(2,189,704)
TOTAL Sources:	34,606,818	42,086,466	-17.8%	(7,479,648)

Vermont Housing & Conservation Board
FY2021 - Budget based on Governor's Recommendation
SOURCES & USES

PROGRAMS/GRANTS:	Housing & Conservation (Trust Fund)	NRCS ALE & RCPP (USDA)	Capital Bond Farm Retirement	Farm & Forest Viability Program	Ameri-Corps	HOME (HUD)	HOPWA (HUD)	NHTF (HUD)	LEAD Hazard Red. (HUD)	FY2021 TOTALS
SOURCES:										
Property Transfer Tax										22,393,000
Less: Contribution to General Fund										(10,088,160)
VHCB share of Debt Service on Housing Rev Bond										(1,500,000)
Net Property Transfer Tax to receive	8,931,975	468,758		820,503	422,882	133,961	26,761			10,804,840
Capital Bond Proceeds - State	3,500,000		400,000	700,000						4,600,000
Housing Revenue Bond Proceeds										-
Loan Repayments	89,264									89,264
Interest on Fund	290,000									290,000
Federal Grants		4,200,000		914,288	393,588	2,955,000	491,180	3,000,000	1,142,857	13,096,913
Housing Mitigation Funds	25,000									25,000
Act 250 & Other Mitigation Funds	250,000									250,000
Other - Foundations, Miscellaneous	5,000			226,458						231,458
Rural Economic Development Initiative				-						-
Subtotal FY2021 Sources	13,091,239	4,668,758	400,000	2,661,249	816,470	3,088,961	517,941	3,000,000	1,142,857	29,387,475
Completion of Prior Years' Federal Awards		868,000				1,934,000		2,417,343		5,219,343
TOTAL Sources:	13,091,239	5,536,758	400,000	2,661,249	816,470	5,022,961	517,941	5,417,343	1,142,857	34,606,818

USES:										
Board Operations	1,868,324	429,758		61,805	28,029	352,961	39,941	276,820	114,286	3,171,924
Direct Program/Project Expense	476,000	39,000	-	1,899,444	788,441	36,000	478,000	15,000	328,571	4,060,456
Project Grant and Loans	10,746,915	4,200,000	400,000	700,000		2,700,000	-	2,708,180	700,000	22,155,095
Project Grant and Loans-Expenditures of Prior Years' Federal Awards		868,000				1,934,000		2,417,343		5,219,343
Total Uses:	13,091,239	5,536,758	400,000	2,661,249	816,470	5,022,961	517,941	5,417,343	1,142,857	34,606,818

VERMONT HOUSING AND CONSERVATION BOARD
SOURCES AND USES Chart - EXPLANATION, FY2021 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 2021.

I. SOURCES OF REVENUE

- **Property Transfer Tax** – The Governor's recommend is \$10,804,840. By statute, VHCB is to receive 50% of the total Property Transfer Tax (PTT) revenues for the year (after other statutory deductions). The statute contains "notwithstanding" language, and therefore the final appropriation directs the amount of PTT deposited to the Housing & Conservation Trust fund for use by VHCB. The Vermont Housing and Conservation Trust Fund (10 V.S.A. §312) was established as a special fund by the General Assembly who chose dedicate PTT revenue as a resource for affordable housing and conservation. This revenue source was chosen because as property transfers increase the cost of housing, important land and farm resources also increases, limiting access for Vermonters. The January 2020 projection of the FY2021 PTT is an all-time high. At statutory funding, VHCB's share of the projected PTT would be \$22,393,000 for FY2021.

In 2017 legislation passed allowing for the issuance of a bond by VHFA of which the proceeds would go to VHCB for affordable housing – the Housing for All Revenue Bond (HRB). Proceeds of the HRB have now been fully committed, creating a significant budget impact for VHCB in FY2021. However, VHCB's appropriation is now reduced by \$1,500,000, which will be used towards debt service on the bond. The Governor's recommendation for FY2021 is \$10,804,840 in Property Transfer Tax revenues (level funding of FY2020; \$12,304,840, less the \$1,500,000 for HRB debt service). The balance of Property Transfer Tax, the difference of \$10,088,160, will go to support the State's FY2021 General Fund.

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 respective column to which they are applicable.

- **Capital Bill Appropriation** – A total of \$4,600,000 million has been recommended for FY2021 as follows:
 - \$1.8 million for housing (consistent with prior year);
 - \$2.8 million through the Clean Water Board section of the Capital Bill (level with FY2019):
 - \$1.7 million for water quality and other conservation projects;
 - \$1.1 million for water quality grants to farmers and farm retirements.
- **Loan Repayments** – This amount represents collections of principal & interest on outstanding loans expected to be received during FY2021. Many of VHCB loans are long-term deferred loans on housing projects in which payment to the 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 FY2021.
- **Federal Programs:**
 - NRCS Agriculture Land Easement Program (ALE) (formerly known as the Federal Farm & Ranch Preservation Program) – This federal award supports the VHCB's Farmland Preservation Program. The 50/50 match required by NRCS in order to utilize these funds is typically met with our PTT and Capital Bill funding.

- NRCS Regional Conservation Partnership Program (RCPP) – The State is to receive a renewed award of RCPP funds, bringing \$10 million to the State for a 5 year period. VHCB anticipates receiving a portion of the funding, and have included \$1 million in the VHCB budget for agriculture and other conservation project easements. VHCB’s use of these funds will require a 50/50 match. VHCB is also helping to provide at least \$2 million in match over the course of the State’s five year \$10,000,000 grant.
- AmeriCorps – This amount represents the third year of a three-year AmeriCorps grant cycle. VHCB has successfully operated a statewide AmeriCorps program since 1998.
- 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.
- 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 four years of HTF funding at the \$3 million level.
- HOPWA (HUD) – This amount represents the FY2021 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 services that are delivered by the Vermont State Housing Authority and several AIDS Service Organizations who provide services and housing to persons with AIDS and their families.
- Healthy & Lead Safe Homes Program - Lead Hazard Control Grant (HUD) – VHCB has been successfully running this program since 1994. The program provides grants and loans to homeowners and multi-family property owners to assist in the remediation of the Lead Paint hazards found in older Vermont homes. VHCB is in the process of rolling out our tenth multi-year grant program.
- **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** – Represent miscellaneous donation income as well as foundation funding expected for the Farm and Forest Viability Program.
- **Rural Economic Development Initiative** – No funding is recommended for this program for FY2021; however, VHCB has received \$75,000 annually for this program beginning in FY2018, made available as grants funding to VHCB through Vermont’s Agency of Agriculture, Food & Market. In the last two years this successful program resulted in generating \$2.34 million in new grant funds to communities and enterprises throughout the state.
- **Completion of Prior Years’ federal awards** – These amounts represent prior year federal awards made for projects that have not been fully disbursed. Federal revenues reflect the disbursement pace of the projects funded with federal funds. FY2021 reflects a decrease in this line item, mainly a result of timing of real estate closings and construction.

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.
- **Direct Program/Project expense** – This amount includes the staffing and other costs of the direct programs VHCB operates (AmeriCorps, Healthy & Lead Safe Homes Program, and Farm & Forest Viability Program), as well as miscellaneous other direct project costs such as farm appraisals and the costs of required 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 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 purchase of an interest in agricultural, natural, historic, forest, or recreational area (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 awards** - (see reference above under Sources section). These are disbursement of prior years’ federal awards in process.

Vermont Housing & Conservation Board - FY2021
 Detail of All Estimated Revenue Sources

Federal Fund		
Federal - FY2021		
HOME Program	2,955,000	
National Housing Trust Fund	3,000,000	
NRCS - ALE	3,200,000	
NRCS RCPP	1,000,000	
Federal Lead Paint Grant	1,142,857	
Federal Grants - misc	1,799,056	
	Total Federal FY2020	\$ 13,096,913
Federal - Completion of prior years' federal grants		
HOME Program	1,934,000	
National Housing Trust Fund	2,417,343	
NRCS - ALE	604,000	
NRCS RCPP - ALE	264,000	
	Total Federal - completion of prior years' federal grants	\$ 5,219,343
Total Federal Fund #90630		\$ 18,316,256

Special Fund		
	Property Transfer Tax	12,304,840
	VHCB share of Housing Revenue Bond Debt Service	(1,500,000)
	Net Property Transfer Tax	\$ 10,804,840
Loan Repayments	89,264	
Housing Mitigation Funds	25,000	
Act 250 Mitigation Funds	250,000	
Other - Includes FFVP Restricted Grants	231,458	
Interest on Fund	290,000	
	Total Other Revenue	\$ 885,722
Total Special Fund #90610		\$ 11,690,562

Other:

Capital Bond		
Capital Bond Funding - housing	1,800,000	
Capital Bond Funding - water quality conservation	1,700,000	
Capital Bond - water quality farm grants & farm retirements	1,100,000	
	Total Capital Bond	\$ 4,600,000

Total Special, Federal, & Capital		\$ 34,606,818
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**FISCAL YEAR 2021
DEPARTMENT PROGRAM PROFILE**

DEPARTMENT: VERMONT HOUSING & CONSERVATION BOARD

Name and brief narrative description of program		Spec Fund \$\$	General Fund \$	Capital Bill Appropriation \$	Housing for All Revenue Bond (HRB) \$\$	Fed Funds \$\$	Expenditure of Prior Years' Federal Awards	Total funds \$\$	Authorized positions
HOUSING GRANTS PROGRAM									
Grants and loans for perpetually affordable housing development and implementation; support of program & delivery system; Includes HRB.									
FY 2019 expenditures		5,506,925		2,712,366	7,306,693	70,000		15,595,985	11.6
FY 2020 estimated expenditures		5,536,996		1,800,000	6,100,000			13,436,996	11.6
FY 2021 budget request		5,300,748		1,800,000	-			7,100,748	10.8
HOME PROGRAM									
Federal grant and loan program for multi-family housing.									
FY 2019 expenditures		32,625				3,505,486	-	3,538,111	2.1
FY 2020 estimated expenditures		109,296				2,955,000	2,237,855	5,302,151	2.8
FY 2021 budget request		133,960				2,955,000	1,934,000	5,022,960	2.7
HUD Housing Trust Fund									
Grant and Loan Program for federal National Housing Trust funds for multi-family housing.									
FY 2019 expenditures						1,463,797	-	1,463,797	2.2
FY 2020 estimated expenditures						3,000,000	3,336,192	6,336,192	1.8
FY 2021 budget request						3,000,000	2,417,343	5,417,343	2.2
USDA-RCPP									
Federal water quality improvement program - qualifying easements in Lake Champlain basin.									
FY 2019 expenditures		-				1,176,500		1,176,500	-
FY 2020 estimated expenditures						300,000	405,000	705,000	
FY 2021 budget request						1,000,000	264,000	1,264,000	
CONSERVATION-Agriculture/FPP									
Development Rights purchase of farmland; associated costs; support of delivery system.									
FY 2019 expenditures		2,921,853		2,882,998		4,294,000	-	10,098,851	5.3
FY 2020 estimated expenditures		2,814,327		1,700,000		3,000,000	1,430,000	8,944,327	6.2
FY 2021 budget request		2,833,272		1,700,000		3,200,000	604,000	8,337,272	5.6
Farm & Forest Viability Program									
Provide assistance to farmers, and ag and forest related entities to enhance viability of Vermont agriculture and the forestry industry.									
FY 2019 expenditures		1,591,112		403,871		460,006	-	2,454,990	4.8
FY 2020 estimated expenditures		1,180,680		700,000		372,127		2,252,807	4.8
FY 2021 budget request		1,046,961		700,000		914,288		2,661,249	4.8
CONSERVATION-NHR									
Grants for conservation of natural areas, recreational lands and historic properties.									
FY 2019 expenditures		1,738,625	500,000	450,000				2,188,625	4.3
FY 2020 estimated expenditures		1,821,062		400,000				2,721,062	3.2
FY 2021 budget request		1,925,979		400,000				2,325,979	4.2
HUD - HOPWA									
Federal Grant for Housing Opportunities for Persons with AIDS .									
FY 2019 expenditures		9,378				559,720		569,098	0.2
FY 2020 estimated expenditures		41,935				478,000		519,935	0.4
FY 2021 budget request		26,760				491,180		517,940	0.3
AmeriCorps									
Federal Grant - Community Stewardship Prog. - Coordinate placement of AmeriCorp Members with non-profit housing & conservation programs.									
FY 2019 expenditures		573,588				369,655		943,243	2.1
FY 2020 estimated expenditures		395,947				395,000		790,947	2.3
FY 2021 budget request		422,882				393,588		816,470	2.3
Healthy & Lead-safe Hsg Program									
Federal Lead-Paint hazard reduction control program serving to eliminate lead poisoning by providing lead-safe housing.									
FY 2019 expenditures		170,394				875,556		1,045,950	3.4
FY 2020 estimated expenditures						1,077,049		1,077,049	4.3
FY 2021 budget request						1,142,857		1,142,857	3.5
Totals									
FY 2019 expenditures		12,544,501	500,000	6,449,235	7,306,693	12,774,720	-	39,075,149	36.0
FY 2020 estimated expenditures		11,900,243		4,600,000	6,100,000	11,577,176	7,409,047	42,086,466	37.4
FY 2021 budget request		11,690,562		4,600,000	-	13,096,913	5,219,343	34,606,818	36.4

FY 2021 Crosswalk/Budget Development Form - Vermont Housing & Conservation Board

	Special Fund \$\$	General Fund \$\$	Capital Bill Bond \$	Federal \$\$	Expenditure of Prior Years' Federal Awards	Housing Revenue Bond Proceeds	Total \$\$
Total FY2020 Appropriations/Funding:	11,900,243	500,000	4,600,000	11,577,176	7,409,047	6,100,000	42,086,466
CHANGES in Projected Resources (Decrease) Increase:							
Property Transfer Tax	0						0
Housing Revenue Bond fully committed in prior years						(6,100,000)	(6,100,000)
General Fund - Conservation Legacy Funds		(500,000)					(500,000)
HOME Program				0	(303,855)		(303,855)
National Housing Trust				0	(918,849)		(918,849)
Capital Bill			0				0
Other Federal Grants:							
HUD HOPWA				0			0
NRCS - ALE Program				200,000	(826,000)		(626,000)
NRCS - RCPP				700,000	(141,000)		559,000
Miscellaneous Federal grants				619,737			619,737
Foundation Grants - FFVP	(47,068)						(47,068)
Loan Repayments	(112,613)						(112,613)
Interest on Fund	(50,000)						(50,000)
Subtotal of increases/decreases	(209,681)	(500,000)	0	1,519,737	(2,189,704)	(6,100,000)	(7,479,648)
FY 2021 Governor Recommend	11,690,562	0	4,600,000	13,096,913	5,219,343	0	34,606,818

VHCB FY 2020 Appropriation/Funding	11,900,243	500,000	4,600,000	11,577,176	7,409,047	6,100,000	42,086,466
TOTAL INCREASES/DECREASES	(209,681)	(500,000)	0	1,519,737	(2,189,704)	(6,100,000)	(7,479,648)
VHCB FY 2021 Governor Recommend	11,690,562	0	4,600,000	13,096,913	5,219,343	0	34,606,818



18,316,256 Total FY2020 Federal appropriation

DEPARTMENT OVERVIEW

Department: 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, important natural areas, recreational lands, and historic properties."

The Board's programs serve low and moderate income Vermonters (families earning below 120% of median income, with an emphasis on very-low income households) and all Vermonters interested in or users of agricultural, natural, and recreational lands, historic properties and affordable housing. The Board makes grants and loans to municipalities, to non-profit organizations, including land trusts and conservation groups, to housing cooperatives, and to qualifying state agencies.

The Board's programs provide communities with a non-regulatory tool that supports Vermont's Land Use Policy of compact settlement surrounded by working landscape.

RESULTS FOR VERMONT

FY19 & FY2020 to date

875 affordable housing units
43 farms; 5,765 acres
25 natural areas; 7,908 acres
2 historic projects
170 farm, forest and food businesses served by the Viability Program
State Investment:
\$31M; \$162M leverage

VHCB, FY1988-December 2019

12,927 homes
746 farms; 164,074 acres
267,820 acres of natural areas projects
70 historic projects
800 farm, forest and food businesses served
State Investment:
\$360M; \$1.6 billion in leverage

VHCB KEY INDICATORS

Housing Revenue Bond:

- 843 homes and apartments created (85.4%) and rehabilitated (14.6%)
- \$37 million investment leveraging \$198 million in public & private funds
- \$172 million in construction activity in 23 towns

Rural Economic Development Initiative:

- \$150,000 appropriation converted to \$2.34 million for rural community development projects in 16 small towns
- Enhancing our downtowns and village centers by investing in key historic buildings and infill development;

Water Quality:

- 57 miles of buffers along streams and rivers
- Farmers continue to work towards water quality goals and in the current reporting period, agriculture represents 97% of the overall watershed phosphorous reduction achievements.
- VHCB includes water quality protections in the easements of all conserved farms with surface waters.

Intergenerational Transfers:

Facilitating 20 farms changing hands to new owners

Downtowns and Rural Communities:

Funding for 70 community-driven projects: housing, historic buildings, farmland conservation, parks, trails & forests in 77 towns

Legacy Conservation:

5,000 acres forestland conserved in Arlington, Stowe, Windham, Londonderry, and Mt. Holly, securing public access and wildlife corridors, protecting water quality, and strengthening Vermont's resilience

Climate Change:

Energy efficient housing & renewable energy: reducing carbon emissions; conserving forestland, wetlands and floodplains: increasing flood resiliency.

Homelessness:

580 apartments made available upon turnover to homeless households and those greatly at risk.

Rural Community Development

The state's investments through VHCB support rural communities in many ways. Investing in housing development contributes to local economies creating jobs for contractors and business for suppliers. Revitalized housing brings historic properties back to life and adds to local grand lists. Capital for agricultural operations and business assistance for farm, food and forestry enterprises boost those economic sectors. Hunters, hikers, cyclists and skiers use trail systems, town and state parks and wildlife management areas, spending on food, lodging, hunting and fishing permits, passes and hard goods, all benefiting local businesses. Examples include: VHCB investments in the historic French Block in Montpelier, the Catamount Community

Forest, a new town forest in Williston, Prospect Mountain in Woodford, technical assistance to a logging business in Fletcher, and the Birds Eye Conservation Area in Poultney, Castleton and Ira.

A Rural Economic Development Initiative (REDI) begun in FY18 and continued in FY19 utilized \$150,000 over two years to help 16 rural enterprises and municipalities apply for and receive \$2.34 million in funding to implement economic development projects from Pownal to Albany.

VHCB is currently working with the Northeast Kingdom communities of Newport and St. Johnsbury as they seek to address critical challenges in the heart of their downtowns. Downtown housing development is underway or recently completed in St. Albans, Springfield, Bennington, Rutland, Montpelier and Brattleboro. Projects are planned for the coming year in Morrisville and Bellows Falls.

Farmland Conservation

VHCB's farmland conservation investments are protecting our state's most valuable agricultural resources while also providing capital for farmers to diversify, expand, reduce debt, acquire additional land, improve water quality, and often facilitate a transfer to the next generation. More than half of all VHCB farm conservation projects involve a transfer of farm real estate within the family or to new farm buyers. Both proceeds from the sale of conservation easements and a water quality grants program can help farmers implement improvements to meet new state regulations and improve water quality.

Federal funds administered by the USDA Natural Resources Conservation Service provide an indispensable source of matching funds for all of VHCB's farmland conservation projects, providing roughly half of the funding for every conserved farm. Business planning assistance and capital investments made through VHCB's Vermont Farm & Forest Viability Program are enhancing net income for farm and forest enterprises, creating new jobs and proprietorships, and helping drive growth in these sectors.

Water Quality

VHCB invests in the protection and enhancement of the quality of Vermont's waters.. In collaboration with many other agencies and organizations, VHCB is a committed partner in the team approach to improving water quality in Vermont. Its investments are helping meet state goals and are part of the Clean Water Investment Program and reporting. Water quality and flood resilience attributes are priorities for the conservation of properties that benefit flood resilience and take affirmative action to improve water quality. Easement restrictions and

management plans focus on compliance with state water rules, on soil health, and on enhancing environmental stewardship.

Highlights of the effort include:

- In FY2019, VHCB's Farm & Forest Viability Water Quality Grants Program used capital bill funds to make investments on farms as they work to meet Required Agricultural Practices. In FY2019, 22 grants have been awarded under this program totaling \$700,000, and leveraging an additional \$5.3 million.
- Over the past two years, 32 farms conserved have easement restrictions (all those with surface waters) related to water quality.
- For the past several years a management plan addressing soil health & water quality prior to closing on a farm easement has been an easement requirement;
- VHCB provided \$5.2 over several years to match a \$16 million federal grant to the state from the Regional Conservation Partnership Program (RCPP) award from NRCS. VHCB is pledging approximately \$2 million match for a recent \$10 million renewal of the award.
- In the past 6 years, the Viability Program has awarded approximately \$1.9 million in Dairy Improvement Grants to farmers, leveraging another \$7.7 million for on-farm construction, equipment and improvement projects aimed at increasing farm viability and milk quality and production. Many of these projects contribute to improved soil health and water quality.
- The Viability Program provides financial planning and technical services related to water quality investments and practices to farmers.
- Conservation projects for recreation and wildlife include protection for headwaters shorelines and riparian buffers.

Conservation of agricultural land and natural areas is a cost-effective strategy in delivering clean water, providing flood resilience and driving down compliance costs.

- Achieving the water quality benefits that currently help the state meet the TMDL, would not be possible without the underlying conservation project.
- In some cases, the funds received by landowners in exchange for restricting the activities on their property allows them to pay for expensive and necessary water quality infrastructure improvements. These projects often result in bringing federal resources such as NRCS EQIP funds to Vermont.
- The protections are forever and do not require more resources to renew.
- The protections do not require additional funding for ongoing operating and maintenance.
- Engaging owners in a conservation project often leads to education and the adoption of better water quality practices than would otherwise have been the case.

- As permanent real property interests, conservation easements are among the most appropriate to be funded by general obligation bond proceeds (capital bill) of all the clean water activities.

The conservation projects VHCB funds also have multiple co-benefits that help advance other state priorities.

- Allowing transfers of agricultural and forest lands to the next generation of owners
- Restoring floodplains and enhancing resilience
- Protecting the landscape on which the outdoor recreation economy depends
- Sequestering carbon in soils and trees
- Avoiding the climate impacts of sprawl and scattered development
- Creating town and community forests in support of the rural economy
- Providing public and affordable access to recreation and healthy living

Housing for All Revenue Bond

VHCB has completely obligated \$37 million in funding for the development and rehabilitation of 843 homes that will be affordable to a wide range of households, from very low- to middle-income. In response to increasing pressure on Vermonters from tight housing markets, Governor Scott and the General Assembly set in motion in 2017 a housing revenue bond initiative. To launch the HRB initiative, VHCB held a series of regional meetings around the state to determine the highest priority housing needs and to solicit development ideas.

HRB funds are matched by state, federal, and private sources leveraging \$198 million. In the past three years VHCB and its partner organizations have developed 36 affordable housing projects in 23 communities in 11 counties, and Home Access and Habitat projects statewide. The Revenue Bond has also accelerated innovation in the affordable housing industry. Four projects, - The Putnam Block in Bennington, Cambrian Rise in Burlington, City Center in South Burlington, and Maiden Lane in St. Albans – are co-developed by for-profit and nonprofit developers, resulting in an additional 300 market rate homes created by the for-profit developers.

Housing for the Homeless

Homelessness is the most vexing and heartbreaking challenge we face. Too many Vermonters are left out in the cold or shuttling from couch to car. VHCB and its partners are housing the homeless in ever greater numbers in emergency, transitional, and permanent housing. More than 17% of the permanently affordable apartments owned by Vermont's network of regional housing nonprofits are now home to those who were homeless. Over the last two years 580 apartments were made available upon turnover to households that were homeless or at great risk of homelessness. VHCB has long been involved in efforts to bring an end to homelessness, largely as a provider of capital for buildings that house Vermont's most vulnerable populations. Since

1990, VHCB has provided approximately \$23 million for 108 properties and more than 1,200 apartments or beds in shelters, transitional and permanent supportive housing. VHCB's AmeriCorps program supports 8 members working at 4 organizations who serve the homeless. This past year, Vermont's homeless service providers provided emergency housing for 3,900 Vermonters.

The state's investment through VHCB is creating new affordable homes across the state. To date, developments funded by the Housing Revenue Bond have added 80 apartments targeted to those experiencing homelessness. Building on a model developed by the Champlain Housing Trust and the recommendations of the Vermont Roadmap to End Homelessness, affordable housing developers are working with housing authorities and service agencies to open permanent supportive housing in central and southern Vermont. Projects funded in Bennington, Rutland, and Brattleboro are scheduled to begin construction this summer and fall. These collaborations bring together the capital, rental subsidies, and supportive services needed by the most vulnerable Vermonters to be successful in their new homes

Homes for Workers

A shortage of housing options makes it difficult for workers to find a place to live and even harder for those without a home to find and hold a job. Among the new homes and neighborhoods created this year with VHCB support were those Market Street in So. Burlington, Old Depot Street in Putney, and Sykes Mountain Road in Hartford. New residents work in the health care, education, services, manufacturing sectors and are self-employed. The state's investment in affordable housing through VHCB over time has created thousands of homes for workers. In the apartments funded by VHCB and equity through the federal Low Income Housing Tax Credit, 77% of all tax credit households that are not headed by a senior or someone with a disability are employed. The Housing Revenue Bond is resulting in hundreds of new homes for low and moderate income workers

Homeownership: Creating Opportunity

VHCB support has enabled a statewide network of nonprofit organizations to develop 1,140 units of permanently affordable, resale-restricted, owner occupied housing (also known as shared equity homes). Many of these homes have resold one or more times, providing an opportunity for an additional 584 households to become homeowners. In addition to the buyer-driven program, where homebuyers use a grant from VHCB to purchase a home on the open market, VHCB has also committed funding to homeownership opportunities to be developed by housing nonprofits. In 2019 these include:

- 8 new condominiums at the East Branch Farms development in Manchester;
- Conversion of 19 rentals to condominiums at Fort Ethan Allen in Essex;
- 19 condominiums in the Cambrian Rise development in Burlington;
- 11 scattered site purchase/rehabs in central Vermont and four in southeast Vermont.

Farm & Forest Viability

VHCB's Farm & Forest Viability Program and its network of advisors supported the development of more than 170 working lands businesses in FY2019 and the first six months of FY2020. In depth, one-on-one business advising results in increased sales, job creation, improved production and profitability as well as the ability to access financing. The Program continues to develop forestland succession services for landowner families that will help ensure large tracts of forestland stay intact and stewarded. The program has prioritized technical assistance and grant funding to meet current and evolving needs. These include support for farmers to make investments to protect surface waters, as well as for loggers challenged by the downturn in wood markets.

Protecting Forests for Their Multiple Public Values

Vermont is losing 1,500 acres of forest every year, reversing a 150-year trend of forest recovery and expansion. Conversion to development is the most significant and immediate threat to our forests, creating concern for wildlife, water quality, carbon sequestration, flood resiliency, and outdoor recreation. From funding town and community forest projects, to adding to state forests and wildlife management areas, state dollars invested by VHCB are helping maintain the integrity and long-term viability of Vermont's forests for wildlife, recreation, timber production, carbon sequestration and watershed protection.

Glebe Mountain - In Londonderry and Windham, The Nature Conservancy is conserving 3,469 acres of middle- and high-elevation land next to the summit of Glebe Mountain. VHCB's contribution of \$500,000 in 2019 was the first of a two-year commitment that will total \$750,000. The Glebe Mountain property was assembled by a private, out-of-state landowner from 26 permitted parcels, and as such it could have been subdivided and developed without Act 250 review. The Nature Conservancy raised over \$1.5 million for its own contribution to the conservation, which reopens public access that had been closed off for 20 years, and protects the quality of Cobb Brook, a West River tributary, while improving flood resilience.

Okemo State Forest - In Mount Holly, the Mount Holly Conservation Trust worked with the Vermont Land Trust and Vermont Forests, Parks and Recreation, using \$200,000 in VHCB funding, to conserve 340 high-elevation acres that link Okemo State Forest with the Green Mountain Forest. This fills a gap and creates a continuous 100-mile wildlife corridor essential for bear and other species. VHCB's award will leverage an additional \$750,000 for the project.

Brownsville Forest - In Stowe, the 750-acre Brownsville Forest on the west side of the Worcester Range was the town's largest remaining privately owned forested tract. To conserve it and add it to the 14,000 C.C. Putnam State Forest, the Stowe Land Trust raised over \$1 million in small to large contributions, to go with a large anonymous grant and \$175,000 in VHCB funding. Public access to this parcel has been reopened.

Arlington Town Forest - VHCB funding will enable Arlington to create a 400-acre town forest on Red Mountain located close to the town's center and local schools. The project will give the public permanent use of 7 miles of trails and improve currently limited access to the resource. As a town forest, Red Mountain is seen by the community as integral to healthy lifestyles for residents and enhancing economic development through tourism and sustainable timber management. Additionally, headwaters of the Batten Kill River and important wildlife corridors will be protected. The VHCB award of \$150,000 is leveraging \$136,000 in other funding.

Public Outdoor Recreation—Integral to Vermont's Economy

Outdoor recreation is an important economic driver—estimated to generate \$2.5 billion annually in economic activity between direct spending at outdoor retailers, service providers, and trip expenditures (meals, gas, hotels etc.). Our forests and waters support all manner of recreational activities, from snowmobiling and mountain-biking, to hunting, fishing, and backcountry skiing. Vermonters and visitors engaging in these pursuits support our rural economy by bringing business to small towns, often eating meals, purchasing equipment, or staying overnight. VHCB's partners are working to protect the land on which these activities take place, to provide public access, and to improve trail systems. VHCB has invested in creating and conserving 10 town forests totaling 3,125 acres over the past three years in the communities of Georgia, Arlington, Newbury, Richmond, Sharon/Strafford, Waitsfield, Westford, Williston and Windsor as recreational and economic development resources.

- The Vermont River Conservancy aims to permanently protect a swimming hole in every town. With the help of a \$33,000 VHCB award, VRC protected the Rainbow Rock Swimming Hole in Chester, a popular swimming hole and fishing spot within walking distance of the village center.
- VHCB awarded \$199,000 for economic and community development in the Northeast Kingdom towards a recreation and bike path that will connect downtown Newport to trails along Lake Memphremagog and on to recreation and biking trails in Quebec. This project is significant for a city that currently has precious little access to Vermont's second largest lake.

- Catamount Community Forest, a new town forest in Williston, will offer 20 miles of managed skiing and mountain biking trails, including 3.5 miles of ADA-accessible trails as well as land for hunting and hiking.
- Prospect Mountain ski area in Woodford, with 30 kilometers of cross-country ski trails, is used for high school and college races and for recreational skiing by multiple generations of locals as well as people traveling from Massachusetts and New York State. VHCB awarded \$285,000 towards acquisition and conservation of the property, an investment that helped to leverage \$663,837 in private and local fundraising to enable a local nonprofit acquire Prospect Mountain Ski Area as a community asset, continuing the economic, social, environmental, and recreational benefits that Prospect Mountain has provided to the region since 1938.

Historic Preservation

In partnership with the Preservation Trust of Vermont and communities across the state, the Board invests every year in the rehabilitation and restoration of historic public buildings that play an important role in community vitality. From performing arts centers to village stores, these projects can become the keystone of community redevelopment efforts and provide economic stimulus.

Rise Up Bakery stands behind Barre’s Old Socialist Labor Hall, a building on the National Register of Historic Places. Originally built by granite workers in 1913, the bakery once turned out hundreds of loaves of bread each week. The Barre Historical Society spearheaded the effort to restore the wood-fired bakehouse. The revitalization project has involved local trades students, businesses, nonprofit organizations and community members. As a bread bakery and a teaching kitchen for local culinary students and the community at large, the initiative is a workforce development program with the added benefit of providing educational opportunities, and community building.

Old North End Community Center – VHCB provided a grant of \$92,500 for restoration and renovation of a significant historic building into a community center serving mostly low-income residents of Burlington’s Old North End. The building will provide a variety of services and activities for youth, seniors and families. The VHCB award leverages more than \$8.8 million dollars from other sources.

Climate and Energy

Since 2008, VHCB has strategically invested in energy efficiency improvements in the state’s portfolio of affordable housing. Measures include air sealing, increasing insulation, and replacing aging boilers with air source heat pumps and biomass boilers. These energy efficiency improvements reduce operating costs, helping to maintain affordability, and also support the goal

of Vermont's Comprehensive Energy Plan to achieve 90% of our total energy needs from renewable sources by 2050.

- In 2017, Vermont's first net-zero apartment building was developed by Cathedral Square Corporation. Certified to the Passive House Standard, Elm Place in Milton provides housing for 30 older adults in a state-of-the-art building located in the center of town. The development won Best Overall Passive Building in the multifamily project category in the 2017 Passive House Institute US Projects Competition.
- At Evergreen Manor, a mobile home park in Hardwick, the Lamoille Housing Partnership used VHCB funding to purchase 14 net-zero-capable modular homes, replacing aging mobile homes and nearly eliminating energy costs for residents while increasing comfort year round.
- New buildings across the state are meeting and exceeding state codes. The statewide non-profit development network has developed 730 new or adaptive reuse units and rehabilitated 2,879 apartments with a total statewide annual savings of 397,000 gallons of fuel. More than 900 Apartments will be heated with modern wood heat. 1,423 apartments utilize photovoltaics for hot water and Vermont's first development utilizing a geothermal system for heating and cooling opened recently in Brattleboro.

Food Access & Affordable Housing Initiative

Vermont prides itself as a leader in the local food movement. However, locally produced and nutritious foods tend to be more expensive and are less accessible for the nearly 13% of low-income Vermonters who experience food insecurity. The Food Access & Affordable Housing Initiative is a VHCB effort started in 2014 that seeks to inspire and improve collaboration between affordable housing stakeholders and food systems organizations.

In 2017, with assistance from the High Meadows Fund of the Vermont Community Foundation, the initiative awarded a total of \$14,988 for five projects ranging from cooking and exercise classes to gardening and edible landscaping. These projects target barriers to eating well, from cost, to familiarity with new foods—and ultimately build a sense of community around healthy, local food.

Disaster Resilience

In addition to providing \$2 million to support the FEMA buyouts of homes damaged by Tropical Storm Irene and restoring floodplain, VHCB's housing and conservation investments are making communities more resilient. In Brattleboro, flooded homes were replaced with new housing at Red Clover Commons. VHCB funding is also enabling the town to acquire and restore a former floodplain parcel on the Whetstone Brook, helping protect a Brattleboro residential neighborhood from future flooding. VHCB investments this past year to conserve river shore floodplain parcels will also help the towns of Guilford, Bethel, New Haven and Hancock be more resilient to extreme weather events. A new park in Northfield opened with flood resilience and phosphorous reduction benefits on the Dog River.

Additional Program Impacts

VHCB's programs and practices have had the following major impacts for Vermonters and Vermont communities:

1. Housing, conservation and historic preservation once viewed as adversarial policy goals, are now viewed as complementary activities that can reinforce each other, focusing housing investment in downtowns, village centers and adjoining neighborhoods while conserving the countryside. This has increased support for affordable housing in several economically exclusive communities (i.e. Stowe, Shelburne, Woodstock, Manchester, Warren, Ludlow, Grand Isle, and Dover) where successful developments have been built.
2. A statewide network of non-profit housing and conservation providers give all communities and landowners statewide access to financial resources and technical assistance to implement housing and conservation strategies appropriate to their communities, This is especially important to the more than 95% of Vermont municipalities without professional community development staff.
3. VHCB provides a non-regulatory approach (with compensation) that assists eligible landowners rather than the state or marketplace dictating and restricting options for landowners through regulation.
4. 62 Federally subsidized at risk housing projects containing more than 2,200 units have been preserved and rehabilitated avoiding displacement or the need to build replacement housing.
5. Farm communities have seen reinvestment, transfer to the next generation and diversification. A total of 746 farms consisting of 164,074 acres have been conserved.
6. The community land trust model of homeownership has been brought to scale - over 1,000 homes and more than 1500 homeowners bringing Vermont worldwide recognition (UN world habitat award), and a recipient of one of six 2016 Renewal Awards from Atlantic Media as a prime example of pragmatic problem solvers within local government, nonprofit groups, small businesses and ordinary citizens.
7. 104 projects have added 193,300 acres to state parks, state forests, and WMAs promoting public access to Vermont's outdoor resources while protecting habitat for natural areas and ecosystems.
8. Service supported housing serving the elderly, disabled, youth at risk, battered women, and offenders has been developed relieving the need for institutional settings (prisons, state hospital, nursing homes, etc.) and the costs related to them.
9. Utilizing \$360 million dollars VHCB's partners have leveraged additional investment of over \$1.6 billion dollars.
10. Approximately 13,000 units of affordable housing have been created or rehabilitated, mostly in downtowns or village center locations and frequently involving the adaptive reuse of buildings such as former schools or mill buildings and the redevelopment of brownfield sites.
11. In addition to the financial leverage VHCB is able to garner for its program, there are additional forms of leverage that enable VHCB and its partners to serve a larger audience. The Freeman Foundation has helped conserve an additional 200 farms in Vermont expending over \$50 million;
12. More than 1,800 homes have been made accessible in partnership with the Vermont Center for Independent Living.

13. The Farm and Forest Viability Program has assisted more than 800 land-based businesses with business plans and technical assistance improving financial acumen, marketing, and other skills. A partnership with Commonwealth Dairy has brought new funding to assist with production improvement. The Program successfully expanded to the forestry sector, enrolling 20 businesses.
14. Water quality and flood resilience are priorities in project selection. Easements on farms conserved with VHCB funds include special protections for surface waters, going beyond Required Agricultural Practices
15. In partnership with the Vermont Land Trust's Farmland Access Program approximately 60 farmers have purchased their first farm.

VHCB and/or its partners have been successful in winning competitive grant awards, from the MacArthur Foundation to federal housing funding through competitive programs such as RD 515, Federal Home Loan Bank and veterans housing, working with human service agencies to focus on residents in need of services. VHCB's Farm and Forest Viability Program won competitive awards from both USDA's RBEG program, the Beginning Farmers and Ranchers Development Program, and the Northern Borders Regional Commission.

Although VHCB only reports on capital leverage, performance partners have attracted hundreds of additional rental assistance units. This means annual operating subsidies worth approximately \$7,000 on average to each household benefiting from it. Because these contracts generally are renewed over 20 -30 year periods the long term economic impact is enormous. Service supported housing that has allowed reductions in prison populations, nursing home beds, motel nights for the homeless, stays at the state psychiatric hospital and closing of the Brandon training school has leveraged significant savings for the Human Service Agency's budget. Finally, as policy advocates VHCB staff and performance partners have taken the opportunity to work with the congressional delegation in expanding federal resources to implement our mission. These include the development of national programs for farm and forestland protection, expansion of the low income housing tax credit by establishing a small state minimum, expanding the Farm Viability program and developing the National Housing Trust Fund.

VHCB PROGRAMS

In working to achieve the Board's statutory goals the Board provides assistance through the following programs:

- Rural Economic Development Initiative (REDI)
- Water Quality Grants
- Farmland Conservation
- Vermont Farm & Forest Viability Program
- Farmland Access
- Forestland, Recreational land and Natural Area Conservation
- Multi-Family Housing Development and Preservation
- Home Ownership
- Home Access
- Vermont Healthy & Lead-Safe Homes
- AmeriCorps
- Community Planning & Technical Assistance
- Historic Preservation
- Housing Opportunities for Persons living with HIV/AIDS

To learn more about any of VHCB's individual programs please visit our website.

<http://www.vhcb.org>

MEASURING PRODUCTIVITY AND EFFECTIVENESS

VHCB is in the process of developing systems to increase its reporting capability, including performance accountability. VHCB is developing a new database to replace an outdated system. In that process we are evaluating those measures that will best reflect and help determine performance to ensure that all the necessary data is available and tracked.

The Board's mission includes three primary constituencies:

- the Vermonters who benefit from the program investments; and
- the communities where VHCB funded projects are located.
- the partner organizations that develop and implement projects on behalf of Vermonters;

Developing programs in the areas of the Board's mission require partnerships and cooperation among a wide variety of interests. As suggested in performance measurement, these partnerships are necessary to achieving real benefit to those we serve. Throughout our 30 year history, the Board's programs have succeeded due, in large part, to the partnerships developed and maintained with other agencies, nonprofits and others that require a coordinated effort to address the varied and complex needs of those we serve.

In the broadest sense, the mission of the Board lends itself to direct performance benefit for Vermonters.

- VHCB structures its investments in a manner that provides benefit to Vermonters not apparent in the simple numbers. For example, developing and preserving approximately 13,000 units of affordable housing is only one aspect of the housing program. Each of those units is designed to be perpetually affordable so that the affordability of that housing stabilizes housing costs for the residents, a benefit that will be passed on to ensuing generations. Previous government programs did not provide for permanent affordability with the public investment. In conservation the investments ensure that the benefit, whether public access and recreation or agriculture land use, is perpetual so that the benefit to the public is preserved with the one-time investment.
- VHCB's housing and conservation funding has focused on strengthening traditional settlement patterns. The Board's housing awards have focused overwhelmingly on downtowns and existing neighborhoods. Conservation projects are developed with the participation of the communities and agency partners with an eye to public access to the resource.
- The Board responded to the charge of building and maintaining capacity by helping to develop and sustain housing development groups and conservation groups serving all areas of the state. The infrastructure was put in place to access VHCB project funds regardless of geographic location. Capacity building has been enhanced by the Farm and Forest Viability Program, supporting more than 800 land-based businesses.
- The Board's process is a voluntary one rather than regulatory. Projects are developed at the local level with knowledge of local needs, leading to a greater likelihood that the end product will serve the needs of the community.

Examples of Measurements

The types of measurements we will build on in the future will be informed by results in a number of our programs, with examples below:

Lead Paint Hazard Reduction Grant

- The blood lead levels in young Vermont children have dropped since the beginning of VHCB's program. While this is a trend nationally, Vermont's drop was ahead of that trend due to the partnerships developed through VHCB's program.

Farm and Forest Viability Program

In 2019, the program assisted a number of businesses to further the mission of enhancing the economic viability of Vermont's farm, food and forest products enterprises

Surveys of participants measuring improved business skills, profitability and job growth.

- 144 farms received business or transfer planning services
- 5 food hub businesses received business assistance
- 12 forest products businesses received business assistance
- 68 loggers attended 3 business management workshops
- 43 family forestland owners and consulting foresters attended 4 succession planning workshops
- 6 forestland-owning families received one-on-one succession planning assistance
- 17 farms received Dairy Improvement Grants
- 29 farms received Water Quality Grants

HOME Program

- VHCB's HOME Program is one of the highest performing jurisdictions in the country according to data collected by the US Department of Housing & Urban Development.
- Over 54% of VHCB's HOME units are occupied by extremely low-income households (serving that population better than the national average of 40%)
- VHCB won two national awards from HUD for outstanding HOME programs, including Best Rural HOME program in the country and best in building non-profit capacity.

AmeriCorps Program

Through the VHCB AmeriCorps Program, 2,377 economically disadvantaged individuals, including homeless, near-homeless and veterans, received housing placement services, such as housing placements; referrals; applications assistance; job placements; back rent and security deposit assistance; home sharing services; home-buying and financial stability services, and more.

- 97 veterans received housing placement services from AmeriCorps Members.
- 369 economically disadvantaged individuals transitioned into safe, healthy, affordable housing as a result of AmeriCorps Member services.
- 3,043 individuals have improved food security through access to food banks, nutrition support, food delivery, and education through Member services.
- 384 older adults and/or individuals with disabilities received services to help allow them to live independently, including food and nutrition support, companionship, transportation services, and volunteer matching.
- 12,116 acres received stewardship measures, including invasive removal; tree plantings; trail and structures damage assessment; ditch repair; lands restoration; boundary marking; and easement monitoring through AmeriCorps service.
- 2,912 acres of land or waterways were stewarded by AmeriCorps Members with an intent to improve water quality.
- 3,784 trees were planted and/or maintained.

- 11,932 individuals received environmental education services from AmeriCorps Members through school programs, public programs, day camps, and service learning projects.
- AmeriCorps Members improved 589 Units of housing or otherwise made them available through landlord negotiation, weatherization, home repairs, vouchers, etc.
- 491 Units of housing have received AmeriCorps services intended to improve energy efficiency and/or reduce carbon emissions.
- 850 volunteers were mobilized by VHCB AmeriCorps Members equating to 7,892 hours of voluntary service.
- \$26,977 worth of In-Kind or cash goods to support projects were raised by AmeriCorps members.

Systems

The Board measures and monitors its productivity through analysis of financial data, project information data, and reports from project grantees as well as a field monitoring program.

Project data is maintained on the VHCB's database. Regular reports are analyzed by both staff and Board to determine if and how the Board's goals are being met and whether grantee performance is satisfactory. These reports are used in determining what types of projects should have priority in the coming years, how closely goals are being met, and in what areas there may be greater need for project development.

The Board produces monthly financial statements using a comprehensive internal fund accounting system. Annually, a financial and federal Single Audit is performed on all the Board's funds by an independent accounting firm. There have been no audit findings. The Board's audited financials are incorporated in the state's annual audit as a component unit.

Monitoring

Project reports are submitted by grantees to ensure compliance with grant conditions. Monitoring of projects and grantees is conducted throughout the year by Board staff. Annually, the Board reviews monitoring activity and evaluates performance of grantees as they consider awards for the coming year.

Monitoring of the Board's awards and the award recipients is an on-going activity of the VHCB. There are two dimensions to the monitoring effort: 1) review of written reports submitted by the Grantees, and 2) visits to the Grantees' offices and project sites. In addition, less formal contact throughout the year often provides information or alerts us to issues outside of the formal monitoring procedures.

The goals of our monitoring effort include:

- 1) assuring compliance with the award conditions;
- 2) reviewing record-keeping and financial systems for VHCB projects;
- 3) using the knowledge gained from past projects and organizational experience to learn to create better projects and program policy in the future;
- 4) discussing with grantees specific problems or needs that grantees might have that are not adequately being addressed. This assists us in both identifying technical assistance needs and offering assistance where appropriate, or identifying workshops or outside assistance;
- 5) receiving feedback from grantees on what VHCB could be doing better.

Projects are monitored in the office by reviewing project reports, and reviewing project status as funds are released. Funds are disbursed at closing only after staff review of grantee compliance with all appropriate conditions. Field monitoring includes a visit to the grantee to go over documentation of grant conditions, and a visit to the project site to see the condition of the project. Board staff conduct periodic reviews of operational systems of grantees and all grantees are required to submit an annual audit conducted by an independent accountant. Every organizational grant has conditions which must be met both prior to disbursement and during the course of the grant period. These are reviewed for compliance. Issues of concern are dealt with in grant conditions, changes in program design, technical assistance activities, and in some instances reduction or elimination of funding.

The Board includes a focus on asset management within the housing portfolio. All projects have capital needs assessments and contributions to capital reserves have been increased to make sure funds are available for needed improvements over time.

In conservation, the Board has a strong focus on stewardship to ensure that the language of the easements is being observed. Properties are monitored regularly and VHCB gets reports on the status of the properties. Landowners must ask for approvals for certain activities to be allowed under the easements, and VHCB staff reviews approximately 60 such requests a year. VHCB receives regular stewardship monitoring reports from organizations with whom we have negotiated a Stewardship Memorandum of Understanding. Easement violations in Vermont are well below the national average. The most prominent type of violation is third party trespass on a conserved property.

FY2021

RECONCILIATION OF BUDGET BOOK TO VHCB BUDGET DOCUMENTS

Vermont Housing & Conservation Board

From FY2021 Executive Budget Budget Summary, page 1176	FY 2019 Actual	FY 2020	FY 2021 Governor Recommend	Diff between FY2021 Gov Rec and FY2020	Percentage Chg: FY2021 Gov Rec and FY2020
Appropriation					
Total	\$ 31,194,073	\$ 30,886,467	\$ 30,006,818		
Fund					
Special Fund - Housing & Conservation Trust Fund	\$ 18,957,701	\$ 11,900,243	\$ 11,690,562	\$ (209,681)	-1.8%
Federal Fund - VHCB	\$ 12,236,372	\$ 18,986,224	\$ 18,316,256	\$ (669,968)	-3.5%
Total	\$ 31,194,073	\$ 30,886,467	\$ 30,006,818	\$ (879,649)	-2.8%

Restated to Include All Resources:

Fund Type:	FY 2019 Actual	FY 2020	FY 2021	Diff between FY2021 and FY2020	Percentage Chg: FY2021 and FY2020
Housing & Conservation Trust Fund	\$ 12,544,501 *	\$ 11,900,243	\$ 11,690,562	\$ (209,681)	-1.8%
Federal Fund - VHCB	\$ 12,774,720 *	\$ 18,986,223	\$ 18,316,256	\$ (669,967)	-3.5%
Capital Bill Appropriation	\$ 6,449,235 *	\$ 4,600,000	\$ 4,600,000	\$ -	0.0%
General Fund - Conservation Legacy		\$ 500,000	\$ -	\$ (500,000)	-100.0%
Housing Revenue Bond (HRB)	\$ 7,306,693 **	\$ 6,100,000 **	\$ - **	\$ (6,100,000)	-100.0%
Total:	\$ 39,075,149	\$ 42,086,466	\$ 34,606,818	\$ (7,479,648)	-17.8%

*

Restatement includes: Capital Bill and General Fund Appropriations; HRB activity separately disclosed from Trust Fund.

*FY2019 - Amounts are restated to reflect actual spending and agree with VHCB audited financial statements.

** HRB: FY2019 presents expenditures; FY2020 present expected commitments; FY2021 no HRB resources