



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

VHCB FY2023 Budget Packet

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Introduction to VHCB FY2023 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 FY2023: \$11,128,985 in PTT allocation and \$4,000,000 in Capital Bill appropriations for **total State funding of \$15,128,985**. In addition, the Governor is recommending ARPA appropriations of \$50,600,000 to VHCB.

VHCB's full budget for a FY2023 total of \$144,061,424 comprised of the following resources:

- **\$11.13** million in PTT revenues in the Appropriations Bill: \$12,628,985 from PTT less \$1.5 million for a portion of the debt service on the 2017 Housing Revenue Bond, for a new FY2023 appropriation of \$11,128,985;
- **\$4.0** million in Capital Bill Appropriations: \$1.8m for housing & conservation core funding, \$.2 million for farmland retirement/conversion, and \$2.0 million for land conservation projects with water quality components;
- **\$1,344,864** in miscellaneous other revenues (included in the Appropriations Bill);
- **\$25** million in federal resources (not including ARPA);
- **\$51.98** million in federal resources – Completion of Prior Years' Federal Grants;
- **\$50** million in ARPA – Housing;
- **\$600,000** in ARPA – Clean Water Swap: Water Quality Farm Grants.

SUMMARY	FY2023 Governor Recommend	FY2022 Budget	% Inc (Dec) from FY2022 Budget	Inc (Dec) from FY2022 Budget
Net Property Transfer Tax to receive (net of \$1.5m Debt Service)	11,128,985	10,804,840	3%	324,145
One-time Appropriation		80,000,000	-100%	(80,000,000)
Capital Bill Appropriation request	4,000,000	4,000,000	0%	-
Other Miscellaneous Income	1,344,864	565,710	138%	779,154
Federal Grants (not including ARPA)	25,007,486	12,650,337	98%	12,357,149
Completion of Prior Years' Federal Awards	51,980,089	6,786,000	666%	45,194,089
ARPA-Hsg	50,000,000	64,000,000	-22%	(14,000,000)
ARPA-Hsg FY2022 Budget Adj Act - Gov. Rec.		50,000,000	-100%	(50,000,000)
ARPA-Clean Water Swap: WQ Grants to Farmers	600,000	-	100%	600,000
TOTAL Sources:	144,061,424	228,806,887	-37%	(84,745,463)

**Vermont Housing & Conservation Board
FY2023 - Based on Governor's Recommendations**

SOURCES & USES

PROGRAMS/GRANTS:	Housing & Conservation (Trust Fund)	NRCS ALE & RCPP (Fed)	Congressional Directed Spending H&C	Capital Bond Farm Retirement	Clean Water Service Provider	Farm & Forest Viability Program & REDI	Ameri-Corps	HOME (HUD)	HOME ARP \$9.6m	HOPWA (HUD) Yr. 3	NHTF (HUD)	New ARPA-HSG Gov Rec FY23	ARPA \$64m (FY22)*	Healthy & Lead Safe Homes (HUD)	FY2023 TOTALS
SOURCES:															
Net Property Transfer Tax to receive	8,832,299	546,599				1,106,887	568,607	24,128		50,465					11,128,985
Capital Bond Proceeds - State	3,800,000			200,000											4,000,000
ARPA (Gov Rec)						600,000						50,000,000			50,600,000
Federal Grants		4,000,000	2,000,000			588,082	493,727	2,955,000	9,600,000	477,000	3,000,000		750,820	1,142,857	25,007,486
Loan Repayments	233,000														233,000
Interest on Fund	55,000														55,000
Act 250 & Other Mitigation Funds	275,000														275,000
Other Miscellaneous Income	5,000				650,000	100,000									755,000
Misc for CWSP					26,864										26,864
Subtotal FY2023 Recommended Appropriations:	13,200,299	4,546,599	2,000,000	200,000	676,864	2,394,969	1,062,334	2,979,128	9,600,000	527,465	3,000,000	50,000,000	750,820	1,142,857	92,081,335
Completion of Prior Years' federal grants		2,166,000	-					2,560,609	-		2,966,356		44,287,124		51,980,089
Total FY2023	13,200,299	6,712,599	2,000,000	200,000	676,864	2,394,969	1,062,334	5,539,737	9,600,000	527,465	5,966,356	50,000,000	45,037,944	1,142,857	144,061,424
USES:															
Board Operations	1,843,944	510,599	-	-	12,436	85,497	30,510	239,128	194,668	50,465	161,075	-	740,820	44,819	3,913,961
Program Operations	329,000	-	-	-	111,928	769,472	274,586	-	-	-	-	-	-	403,367	1,888,354
Direct Program/Project Expense	184,000	36,000	-	-	-	790,000	757,238	40,000	22,000	477,000	15,000	-	10,000	3,000	2,334,238
Project Grant and Loans	10,843,355	4,000,000	2,000,000	200,000	552,500	750,000		2,700,000	9,383,332	-	2,823,925	50,000,000		691,671	83,944,783
Project Grants & Loans - Completion of Prior Years' Federal grants		2,166,000	-	-	-	-	-	2,560,609	-	-	2,966,356	-	44,287,124	-	51,980,089
TOTAL Uses:	13,200,299	6,712,599	2,000,000	200,000	676,864	2,394,969	1,062,334	5,539,737	9,600,000	527,465	5,966,356	50,000,000	45,037,944	1,142,857	144,061,424

**VERMONT HOUSING AND CONSERVATION BOARD
SOURCES AND USES Chart - EXPLANATION, FY2023 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 2023.

I. SOURCES OF REVENUE

- **Property Transfer Tax (PTT)** – The Governor's recommended amount of PTT for VHCB is \$11,128,985. By statute, VHCB is to receive 50% of the total Property Transfer Tax (PTT) revenues for the year (after other statutory deductions). 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 by design dedicated 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 values also increase, limiting access for Vermonters. The January 2022 projection of the FY2023 PTT is at an all-time high. At statutory funding, VHCB's share of the projected PTT would be \$36,652,000 for FY2023.

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 FY2023 is \$11,128,985 in Property Transfer Tax revenues (\$12,628,985 less the \$1,500,000 for HRB debt service). The balance of Property Transfer Tax will go to support the State's FY2023 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 \$4,000,000 has been recommended for FY2023 as follows:
 - \$1.8 million for housing and conservation;
 - \$2.2 million through the Clean Water Board section of the Capital Bill:
 - \$2 million for water quality and conservation projects;
 - \$.2 million for farmland retirements

The Governor's recommendation moves the prior funding of \$600,000 for Water Quality Farmer Grants to be funded by ARPA as opposed to through the Capital Bill appropriation.
- **ARPA SFR – Governor's Recommendation** – A total of \$50,600,000 is being recommended by the Governor for FY2023: \$50 million for housing to continue the development of affordable housing and solutions for the homeless, and \$600,000 for the ongoing Water Quality Farmer Grants previously funded through the Capital Bill. Through the FY2022 Budget Adjustment Act, the Governor has also recommended \$50 million in FY2022 ARPA funding for housing.

- **Federal Grants (other):**
 - **NRCS** - a total of \$4 million is expected to be administered under the VHCB Easement program as follows:
 - Agriculture Land Easement Program (ALE) \$3.5 million - 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 has renewed its award of RCPP funds, and VHCB anticipates receiving approximately \$500,000 of the funding for agriculture and other conservation project easements. VHCB's use of these funds will require a 50/50 match.
 - **AmeriCorps** – This amount represents the second year 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 will be used to develop permanent rental housing units that serve households experiencing homelessness or who are at-risk of homelessness. Some of the funding will be used to provide operational and capacity building assistance to non-profit groups working on HOME-ARP projects.
 - **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 FY2023 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 that provide 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 3,000 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 rolling out our tenth multi-year grant program.
- **Loan Repayments** – This amount represents collections of principal & interest on outstanding loans expected to be received during FY2023. Many of VHCB loans are 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 FY2023.
- **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, estimated income for the Clean Water Service Provider program, and potential private foundation funding for the Farm and Forest Viability Program.
- **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.
- **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 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 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 - FY2023		
Detail of All Estimated Revenue Sources-Based on Governor's Recommendation		
Federal Fund		
Federal - FY2023		
HOME Program	2,955,000	
HOME ARP	9,600,000	
National Housing Trust Fund	3,000,000	
NRCS - ALE & RCPP	4,000,000	
Congressional Directed Spending (CDS)	2,000,000	
Federal Lead Paint Grant	1,142,857	
Federal Grants - misc	2,309,629	
Total Federal FY2023		\$ 25,007,486
Federal - Completion of prior years' federal grants		
HOME Program	2,560,609	
National Housing Trust Fund	2,966,356	
ARPA-SFR Housing	44,287,124	
NRCS - ALE & RCPP	2,166,000	
Total Federal - completion of prior years' federal grants		\$ 51,980,089
Total Federal Fund #90630		\$ 76,987,575
Special Fund		
Property Transfer Tax by Statute		12,628,985
VHCB share of Housing Revenue Bond Debt Service		(1,500,000)
Net Property Transfer Tax		\$ 11,128,985
Loan Repayments	233,000	
Housing Mitigation Funds	25,000	
Act 250 Mitigation Funds	250,000	
Other - Includes Misc Program Restricted Grants	781,864	
Interest on Fund	55,000	
Total Other Revenue		\$ 1,344,864
Total Special Fund #90610		\$ 12,473,849
Capital Bond		
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	0	
Total Capital Bond		\$ 4,000,000
Governor's Recommendation for ARPA FY2023		
ARPA- housing	50,000,000	
ARPA-water quality farm grants	600,000	
TOTAL ADDITIONAL GOVERNOR'S RECOMMENDATIONS		\$ 50,600,000
Total Recommended Funding		\$ 144,061,424

FISCAL YEAR 2023

DEPARTMENT PROGRAM PROFILE

DEPARTMENT: VERMONT HOUSING & CONSERVATION BOARD

		Special Fund \$\$	Capital Bill Appropriation \$	General Fund \$	ARPA Housing (Appropriated)	Governor's rec for additional ARPA: FY22 BAA & FY23	CRF \$	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											
FY2021 expenditures	affordable housing development and	4,526,559	1,348,498	10,000,000			32,559,570	7,729,356			56,163,982	11.6
FY2022 estimated expenditures	implementation; support of program &	5,003,953	1,400,000	70,000,000							76,403,953	11.8
FY2023 budget request	delivery system; Includes HRB & FY21	5,139,268	900,000								6,039,268	9.8
ARPA - Housing	Substantially increase rate of											
FY2021 expenditures	production of affordable housing &										-	
FY2022 estimated expenditures	enable homelessness transition to				64,000,000	50,000,000					114,000,000	4.5
FY2023 budget request	permanent housing.					50,000,000			750,820	44,287,124	95,037,944	5.9
HOME - ARP	One-time funding from the American											
FY2021 expenditures	Rescue Plan Act to address										-	
FY2022 estimated expenditures	homelessness.										-	
FY2023 budget request									9,600,000		9,600,000	1.5
HOME PROGRAM	Federal grant and loan program for											
FY2021 expenditures	multi-family housing.								2,429,905		2,429,905	2.4
FY2022 estimated expenditures		102,835							2,955,000	2,856,000	5,913,835	2.5
FY2023 budget request		24,128							2,955,000	2,560,609	5,539,737	1.9
HUD Housing Trust Fund	Grant and Loan Program for federal											
FY2021 expenditures	National Housing Trust funds for multi-								4,104,538		4,104,538	2.0
FY2022 estimated expenditures	family housing.								3,000,000	2,242,000	5,242,000	2.0
FY2023 budget request									3,000,000	2,966,356	5,966,356	1.3
Congressional Directed Spending	Applications pending for various											
FY2021 expenditures	projects										-	
FY2022 estimated expenditures											-	
FY2023 budget request									2,000,000	-	2,000,000	-
CONSERVATION-Ag FPP& RCPP	Development Rights purchase of											
FY2021 expenditures	farmland; associated costs; support of	1,453,495	1,734,290						2,288,000		5,475,785	5.9
FY2022 estimated expenditures	delivery system.	2,809,799	1,400,000	4,125,000					4,000,000	1,688,000	14,022,799	6.6
FY2023 budget request		4,120,675	1,900,000						4,000,000	2,166,000	12,186,675	6.7
Farm & Forest Viability Program	Provide assistance to farmers, and ag											
FY2021 expenditures	and forest related entities to enhance	1,381,448	504,051	50,000			192,000		262,250		2,389,750	5.0
FY2022 estimated expenditures	viability of Vermont agriculture and	1,174,871	400,000	1,750,000					627,760		3,952,631	5.8
FY2023 budget request		1,206,887				600,000			588,082		2,394,969	6.7
CONSERVATION-NHR	Grants for conservation of natural											
FY2021 expenditures	areas, recreational lands and historic	1,402,600	1,407,262								2,809,862	4.3
FY2022 estimated expenditures	properties.	1,842,054	800,000	4,125,000							6,767,054	4.2
FY2023 budget request		686,955	1,200,000								1,886,955	4.4
HUD - HOPWA	Federal Grant for Housing											
FY2021 expenditures	Opportunities for Persons with AIDS .								567,170		567,170	0.3
FY2022 estimated expenditures		5,029							506,668		511,697	0.3
FY2023 budget request		50,465							477,000		527,465	0.4
AmeriCorps	Federal Grant - Community											
FY2021 expenditures	Stewardship Prog. - Coordinate	609,741							381,106		990,847	2.4
FY2022 estimated expenditures	placement of AmeriCorp Members	432,009							418,052		850,061	2.4
FY2023 budget request		568,607							493,727		1,062,334	2.4
Clean Water Service Provider	Assist State in implementation of ACT											
FY2021 expenditures	76 by serving as Clean Water Service										-	
FY2022 estimated expenditures	Provider for the Lake Memphremagog										-	0.9
FY2023 budget request	Basin.	676,864									676,864	1.1
Healthy & Lead-safe Hsg Program	Federal Lead-Paint hazard reduction											
FY2021 expenditures	control program serving to eliminate								795,706		795,706	3.5
FY2022 estimated expenditures	lead poisoning by providing lead-safe								1,142,857		1,142,857	3.5
FY2023 budget request									1,142,857		1,142,857	3.6
Totals												
	FY 2021 expenditures	9,373,843	4,994,101	10,050,000	-	-	32,751,570	7,729,356	10,828,676	-	75,727,546	37.4
	FY2022 estimated expenditures	11,370,550	4,000,000	80,000,000	64,000,000	50,000,000	-	-	12,650,337	6,786,000	228,806,887	44.5
	FY2023 budget request	12,473,849	4,000,000	-	-	50,600,000	-	-	25,007,486	51,980,089	144,061,424	45.7

Vermont Housing & Conservation Board								
FY 2023 Crosswalk/Budget Development								
	Special Fund \$\$	Capital Bill Bond \$	Federal \$\$	Expenditure of Prior Years' Federal Grants	General Fund \$\$	ARPA-SFR-Hsg	Governor's Rec. Addt'l ARPA-SFR FY22 BAA & FY23*	Total \$\$
Total FY2022 Appropriations/Funding:	11,370,550	4,000,000	12,650,337	6,786,000	80,000,000	64,000,000	50,000,000	228,806,887
CHANGES in Projected Resources (Decrease) Increase:								
Property Transfer Tax	324,145							324,145
One-time Appropriations - General Fund					(80,000,000)			(80,000,000)
HOME Program			0	(295,391)				(295,391)
HOME-ARP			9,600,000					9,600,000
National Housing Trust			0	724,356				724,356
Congressional Directed Spending - applied for Capital Bill		0	2,000,000					2,000,000
Other Federal Grants:								
ARPA				44,287,124		(64,000,000)	600,000	(19,112,876)
NRCS - ALE Program				598,000				598,000
NRCS - RCPP				(120,000)				(120,000)
Miscellaneous Federal grants			757,149					757,149
Miscellaneous Income	779,154							779,154
Subtotal of increases/decreases	1,103,299	0	12,357,149	45,194,089	(80,000,000)	(64,000,000)	600,000	(84,745,463)
FY 2023 Governor Recommend	12,473,849	4,000,000	25,007,486	51,980,089	0	0	50,600,000	144,061,424
VHCB FY 2022 Appropriation/Funding	11,370,550	4,000,000	12,650,337	6,786,000	80,000,000	64,000,000	50,000,000	228,806,887
TOTAL INCREASES/DECREASES	1,103,299	0	12,357,149	45,194,089	(80,000,000)	(64,000,000)	600,000	(84,745,463)
VHCB FY 2023 Governor Recommend	12,473,849	4,000,000	25,007,486	51,980,089	0	0	50,600,000	144,061,424
* Governor's Recommendation includes:								
			76,987,575	Total FY2023 Federal appropriation (excluding new ARPA)				
FY2022 Bud Adj Act ARPA-Housing	50,000,000							
FY2023 ARPA-Housing	50,000,000							
FY2023 ARPA-Clean Water Swap: WQ grants to Farmers	600,000							
FY2023	50,600,000							

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

FY2021 & FY2022 to date

- 910 homes and apartments
- 12 emergency shelters with 253 beds (CRF)
- 30 farms; 4,636 acres farmland
- 4 historic preservation projects
- 18 projects, 2,616 acres of natural areas, forestland, and public recreation lands
- 186 farm, food, and forest enterprises served with an additional 524 assisted in response to COVID-19 (CRF)
- \$3.35 million in grants secured for 20 small rural communities through REDI

State Investment:

\$48 million invested

\$184 million leveraged

FY1988 to date

- 14,236 homes and apartments
- 12 emergency shelters with 253 beds (CRF)
- 771 farms; 167,572 acres
- 78 historic projects
- 271,105 acres of natural areas, forestland, and public recreation lands
- 850 farm, forest and food enterprises served with an additional 524 assisted in response to COVID-19 (CRF)
- \$7 million in grants secured for 40 small rural communities through REDI since 2017

State Investment:

\$400 million invested;

\$1.9 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

Conservation

- Farmland Conservation and Access
- Forestland, Recreational land and Natural Area Conservation
- Historic Preservation

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

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 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 \$4 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 uses historic preservation easements on Vermont village and downtown landmarks to secure our heritage and culture;
- 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 alone has reduced the rate of Medicare expenditure growth by \$1,277 per enrollee or more than \$6 million.

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

- Using \$10 million in fast-track funding to create housing for homeless in communities with high numbers of households temporarily placed in motels.
- Rapidly standing up housing programs using American Rescue Plan Act and special state funds to double the rate of production of affordable housing and enable households experiencing homelessness transition to permanent housing.
- Facilitating Housing Recovery Working Group of state housing agencies to strategically and efficiently use state and federal housing recovery fund and meet priority needs.
- Deploying Coronavirus Relief Funds (CRF) to secure 247 new homes for households experiencing homelessness and improve the safety and capacity of 12 emergency shelters with more than 200 beds around the state. In coordination with the Agency of Human Services, targeting these new homes to areas of the state with the greatest number of Vermonters temporarily placed in motels.
- Conserving 30 farms with 4,636 acres helping multi-generational farm families and young farmers advance their business and protect important agricultural lands, even though the pandemic.
- Providing grants to farmers for water quality projects and protecting rivers and wetlands through conservation easements to help the agriculture contribute 96% of the total reduction in phosphorus reported across Vermont in the last year.
- Using CRF funds to give farm and food enterprises rapid response business coaching allowing them to adjust to the loss or shifting of markets.
- Initiating a farmworker housing repair program with UVM Extension and the Champlain Housing Trust.
- Securing a \$350,000 grant from the U.S. Economic Development Agency to support the work of VHCB's Farm & Forest Viability Grant program.
- Using \$325,000 for grant writers that secured \$7 million for more than 40 rural towns and enterprises from federal, philanthropic and state sources through VHCB's Rural Economic Development Initiative.
- Placing 36 VHCB AmeriCorps Members with housing providers, homeless shelters, land conservation organizations, and environmental education centers throughout the state to help people find permanent housing, access food and services as well as improving outdoor recreational areas, water quality and natural resources.
- Securing federal funds to provide access to farm ownership through farm conservation projects that have facilitated 21 transfers to next generation owners over the last two fiscal years. Over half of all VHCB farm projects facilitate transfers.
- 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.

- Facilitating collaboration among food hubs and the development of a collective Vermont brand, securing more than \$400,000 for the hubs to expand markets for Vermont producers.
- Providing in-depth succession planning services to forest landowners to reduce or prevent forest fragmentation.
- Protecting water quality through conservation with 57 miles of buffers along rivers and streams permanently protected in the last two fiscal years alone.
- 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. Every \$1 invested in land conservation by the state returns \$9 in economic value in natural goods and services. These investments also support critical industries such as forestry, farming, outdoor recreation and tourism.
- Providing early and critical funding for housing key to downtown revitalization including in a public private partnership in St. Albans, 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 New Town Center in south Burlington and the new neighborhood at Cambrian Rise in Burlington.
- Enhancing Vermont's strategies in dealing with global warming through energy efficient housing that saves \$2.1 million in energy costs annually, reducing greenhouse gas emissions by 8,000 tons annually, protecting wetlands and forestlands, increasing flood resilience.
- Adding new federal resources to the state by administering a \$4 million grant from HUD to help property owners remediate lead paint hazards and \$624,060 of regional NBRC funding to build a regional network and enhance business planning and technical assistance to farm, food and forest enterprises.
- Reducing reliance on expensive institutional settings by providing supportive housing alternatives to prisons, nursing homes, emergency rooms, the state hospital and motels.

FY2023						
RECONCILIATION OF BUDGET BOOK TO VHC B BUDGET DOCUMENTS						
Vermont Housing & Conservation Board						
From FY2023 Executive Budget Budget Summary, page 1188		FY 2021 Actual FY 2022 FY 2023 Governor Recommend			Diff between FY2023 Gov Rec and FY2022	Percentage Chg: FY2023 Gov Rec and FY2022
Appropriation						
	Total	\$ 26,881,478	\$ 30,806,887	\$ 89,461,424		
Fund						
Special Fund - Housing & Conservation Trust Fund		\$ 16,654,562	\$ 11,370,550	\$ 12,473,849	\$ 1,103,299	9.7%
Federal Fund - VHC B		\$ 10,226,916	\$ 19,436,337	\$ 76,987,575	\$ 57,551,238	296.1%
	Total	\$ 26,881,478	\$ 30,806,887	\$ 89,461,424	\$ 58,654,537	190.4%
Restated to Include All Resources:						
Fund Type:		FY 2021 Actual	FY 2022 Estimated	FY 2023 Governor Recommend	Diff between FY2023 and FY2022	Percentage Chg: FY2023 and FY2022
Housing & Conservation Trust Fund		\$ 9,373,843	\$ 11,370,550	\$ 12,473,849	\$ 1,103,299	9.7%
Federal Fund - VHC B		\$ 10,828,676	\$ 19,436,337	\$ 76,987,575	\$ 57,551,238	296.1%
ARPA-SFR-Appropriation		\$ -	\$ 64,000,000	\$ -	\$ (64,000,000)	-100.0%
ARPA-SFR- Governor's Rec. FY22 BAA & FY23			\$ 50,000,000	\$ 50,600,000	\$ 600,000	1.2%
Capital Bill Appropriation		\$ 4,994,101	\$ 4,000,000	\$ 4,000,000	\$ -	0.0%
CRF Appropriation		\$ 32,751,570	\$ -		\$ -	
General Fund - Special One-time		\$ 10,050,000	\$ 80,000,000	\$ -	\$ (80,000,000)	100.0%
Housing Revenue Bond (HRB)		\$ 7,729,356	\$ -	\$ -	\$ -	-100.0%
	Total:	\$ 75,727,546	\$ 228,806,887	\$ 144,061,424	\$ (84,745,463)	-37.0%
*						
Restatement includes: Capital Bill, General Fund, CRF, and ARPA-SFR						
*FY2021 - Amounts are restated to reflect actual spending and agree with VHC B audited financial statements.						