



Vermont Housing & Conservation Board  
Budget Packet  
FY2022

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## Introduction to VHCB FY2022 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 FY2022, PTT receipts dedicated to the Board's mission would be, by statute, \$29,302,000.

The Governor is recommending the following: \$10,804,840 in PTT allocation, \$4,000,000 in Capital Bill appropriations, and one-time funding of \$20,000,000 for **total State funding of \$34,804,840**.

VHCB's full budget for FY2022 totals \$54,806,887 and comprises 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 debt service on the 2017 Housing Revenue Bond), for a FY2022 appropriation of \$10,804,840;
- **\$4.0** million in Capital Bill Appropriations: \$1.8m for housing & conservation core funding, \$.9 million for Water Quality Grants for Farmers and Farm Retirements, and \$1.3 million for land conservation water quality projects;
- **\$20** million in a One-time Appropriation;
- **\$565,710** in miscellaneous other revenues (included in the Appropriations Bill);
- **\$12.6** million in Federal resources;
- **\$6.7** million in Federal resources – Completion of Prior Years' Awards.

SUMMARY	FY2022 Governor Recommend	FY2021 Budget	% Inc (Dec) from FY2021 Budget	Inc (Dec) from FY2021 Budget
Net Property Transfer Tax to receive (net of \$1.5m Debt Service)	10,804,840	10,580,695	2.1%	224,145
One-time Appropriation	20,000,000	-	100.0%	20,000,000
Capital Bill Appropriation request	4,000,000	6,600,000	-39.4%	(2,600,000)
CRF Resources	-	33,091,499	-100.0%	(33,091,499)
Other (Loan repayments, interest, mitigation, misc)	565,710	885,722	-36.1%	(320,012)
Federal Grants	12,650,337	13,096,913	-3.4%	(446,576)
Completion of Prior Years' Federal Awards	6,786,000	5,219,343	30.0%	1,566,657
<b>TOTAL Sources:</b>	<b>54,806,887</b>	<b>69,474,172</b>	<b>-21.1%</b>	<b>(14,667,285)</b>

**Vermont Housing & Conservation Board**  
**FY2022 - Budget based on Governor's Recommendation**  
**SOURCES & USES**

<b>PROGRAMS/GRANTS:</b>	<b>Housing &amp; Conservation (Trust Fund)</b>	<b>NRCS ALE &amp; RCPP (USDA)</b>	<b>Capital Bond Farm Retirement</b>	<b>Farm &amp; Forest Viability Program</b>	<b>Ameri-Corps</b>	<b>HOME (HUD)</b>	<b>HOPWA (HUD)</b>	<b>NHTF (HUD)</b>	<b>LEAD Hazard Red. (HUD)</b>	<b>FY2022 TOTALS</b>
<b>SOURCES:</b>										
Net Property Transfer Tax to receive	8,732,367	519,439	-	1,003,161	432,009	102,835	15,029	-	-	10,804,840
Capital Bill - State	3,100,000	-	300,000	600,000	-	-	-	-	-	4,000,000
One Time - General Fund	18,750,000	-	-	1,250,000	-	-	-	-	-	20,000,000
Loan Repayments	54,000	-	-	-	-	-	-	-	-	54,000
Interest on Fund	60,000	-	-	-	-	-	-	-	-	60,000
Federal Grants	-	4,000,000	-	627,760	418,052	2,955,000	506,668	3,000,000	1,142,857	12,650,337
Housing Mitigation Funds	25,000	-	-	-	-	-	-	-	-	25,000
Act 250 & Other Mitigation Funds	250,000	-	-	-	-	-	-	-	-	250,000
Other - Foundations, Miscellaneous	5,000	-	-	171,710	-	-	-	-	-	176,710
<b>Subtotal FY2022 Sources</b>	<b>30,976,367</b>	<b>4,519,439</b>	<b>300,000</b>	<b>3,652,631</b>	<b>850,061</b>	<b>3,057,835</b>	<b>521,697</b>	<b>3,000,000</b>	<b>1,142,857</b>	<b>48,020,887</b>
Completion of Prior Years' Federal Awards		1,688,000				2,856,000		2,242,000		6,786,000
<b>TOTAL Sources:</b>	<b>30,976,367</b>	<b>6,207,439</b>	<b>300,000</b>	<b>3,652,631</b>	<b>850,061</b>	<b>5,913,835</b>	<b>521,697</b>	<b>5,242,000</b>	<b>1,142,857</b>	<b>54,806,887</b>

<b>USES:</b>										
Board Operations	2,057,296	480,439	-	65,592	29,174	321,835	43,697	263,140	114,286	3,375,458
Direct Program/Project Expense	598,820	39,000	-	1,737,039	820,887	36,000	478,000	16,000	338,010	4,063,757
Project Grant and Loans	28,320,251	4,000,000	300,000	1,850,000	-	2,700,000	-	2,720,860	690,561	40,581,672
Project Grant and Loans-Expenditures of Prior Years' Federal Awards		1,688,000				2,856,000		2,242,000		6,786,000
<b>Total Uses:</b>	<b>30,976,367</b>	<b>6,207,439</b>	<b>300,000</b>	<b>3,652,631</b>	<b>850,061</b>	<b>5,913,835</b>	<b>521,697</b>	<b>5,242,000</b>	<b>1,142,857</b>	<b>54,806,887</b>

**VERMONT HOUSING AND CONSERVATION BOARD  
SOURCES AND USES Chart - EXPLANATION, FY2022 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 2022.

**I. SOURCES OF REVENUE**

- **Property Transfer Tax (PTT)** – The Governor's recommended amount of PTT for VHCB 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 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 2021 projection of the FY2022 PTT is an all-time high. At statutory funding, VHCB's share of the projected PTT would be \$29,302,000 for FY2022.

In 2017 legislation passed allowing for the issuance of a bond by VHFA of which the proceeds would go to VHCB for affordable housing for the three ensuing years – the Housing for All Revenue Bond (HRB). Proceeds of the HRB have now been fully committed, and almost entirely disbursed. However, VHCB's appropriation is now annually reduced by \$1,500,000, which will be used towards debt service on the bond. The Governor's recommendation for FY2022 is \$10,804,840 in Property Transfer Tax revenues (\$12,304,840, less the \$1,500,000 for HRB debt service). The balance of Property Transfer Tax will go to support the State's FY2022 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 million (a reduction of \$2.6 million) has been recommended for FY2022 as follows:
  - \$1.8 million for housing and conservation;
  - \$2.2 million through the Clean Water Board section of the Capital Bill:
    - \$1.3 million for water quality and conservation projects;
    - \$.9 million for water quality grants to farmers and farm retirements.
- **One-time Appropriation** - the Governor's budget recommends a \$20 million one-time General Funds appropriation.
- **Loan Repayments** – This amount represents collections of principal & interest on outstanding loans expected to be received during FY2022. 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 FY2022.

- **Federal Grants:**
  - NRCS –
    - Agriculture Land Easement Program (ALE) - 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 has included \$.5 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 will provide \$2 million in match for the State Grant over the term of the 10 million grant.
  - AmeriCorps – This amount represents the first year of a three-year AmeriCorps grant cycle providing 32 Americorps volunteers to housing, homeless service and conservation organizations across Vermont. 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 five years of HTF funding at the \$3 million level.
  - HOPWA (HUD) – This amount represents the FY2022 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.
- **Completion of Prior Years’ federal awards** – 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 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 - FY2022  
 Detail of All Estimated Revenue Sources-Based on Governor's Recommend

<b>Federal Fund</b>	
<b>Federal - FY2022</b>	
HOME Program	2,955,000
National Housing Trust Fund	3,000,000
NRCS - ALE	3,500,000
NRCS RCPP	500,000
Federal Lead Paint Grant	1,142,857
Federal Grants - misc	1,552,480
<b>Total Federal FY2022</b>	<b>\$ 12,650,337</b>
<b>Federal - Completion of prior years' federal grants</b>	
HOME Program	2,856,000
National Housing Trust Fund	2,242,000
NRCS - ALE	1,568,000
NRCS RCPP - ALE	120,000
<b>Total Federal - completion of prior years' federal grants</b>	<b>\$ 6,786,000</b>
<b>Total Federal Fund #90630</b>	<b>\$ 19,436,337</b>

<b>Special Fund</b>	
<b>Property Transfer Tax</b>	12,304,840
<b>VHCB share of Housing Revenue Bond Debt Service</b>	(1,500,000)
<b>Net Property Transfer Tax</b>	<b>\$ 10,804,840</b>
Loan Repayments	54,000
Housing Mitigation Funds	25,000
Act 250 Mitigation Funds	250,000
Other - Includes FFVP Restricted Grants	176,710
Interest on Fund	60,000
<b>Total Other Revenue</b>	<b>\$ 565,710</b>
<b>Total Special Fund #90610</b>	<b>\$ 11,370,550</b>

<b>General Fund</b>	
<b>One-time Appropriation - General Fund</b>	<b>\$ 20,000,000</b>

<b>Capital Bond</b>	
Capital Bond Funding - housing & conservation	1,800,000
Capital Bond Funding - water quality conservation	1,300,000
Capital Bond - water quality farm grants & farm retirements	900,000
<b>Total Capital Bond</b>	<b>\$ 4,000,000</b>

<b>Total Federal, Special, General, &amp; Capital Bill</b>	<b>\$ 54,806,887</b>
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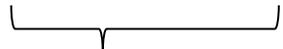
**FISCAL YEAR 2022  
DEPARTMENT PROGRAM PROFILE**

**DEPARTMENT: VERMONT HOUSING & CONSERVATION BOARD**

		Spec Fund \$\$	Capital Bill Appropriation \$	General Fund \$	CRF \$	Housing for All Revenue Bond (HRB) \$\$	Fed Funds \$\$	Expenditure of Prior Years' Federal Awards	Total funds \$\$	Authorized positions
<b>HOUSING GRANTS PROGRAM</b>	Grants and loans for perpetually affordable housing development and implementation; support of program & delivery system; Includes HRB & FY21 CRF									
FY2020 expenditures		4,449,833	984,721			12,682,388			18,116,942	11.2
FY2021 estimated expenditures		5,170,744	3,190,000		32,899,499	-			41,260,243	11.4
FY2022 budget request		5,003,953	1,400,000	15,500,000					21,903,953	11.7
<b>HOME PROGRAM</b>	Federal grant and loan program for multi-family housing.									
FY2020 expenditures							2,620,069		2,620,069	2.1
FY2021 estimated expenditures		133,960					2,955,000	1,934,000	5,022,960	2.3
FY2022 budget request		102,835					2,955,000	2,856,000	5,913,835	2.5
<b>HUD Housing Trust Fund</b>	Grant and Loan Program for federal National Housing Trust funds for multi-family housing.									
FY2020 expenditures							3,138,081		3,138,081	1.9
FY2021 estimated expenditures							3,000,000	2,417,343	5,417,343	2.0
FY2022 budget request							3,000,000	2,242,000	5,242,000	2.1
<b>USDA-RCPP</b>	Federal water quality improvement program - qualifying easements in Lake Champlain basin.									
FY2020 expenditures							590,000		590,000	
FY2021 estimated expenditures							1,000,000	264,000	1,264,000	
FY2022 budget request							500,000	120,000	620,000	
<b>CONSERVATION-Agriculture/FPP</b>	Development Rights purchase of farmland; associated costs; support of delivery system.									
FY2020 expenditures		3,206,636	1,133,314				2,224,000		6,563,950	5.0
FY2021 estimated expenditures		2,739,131	1,755,600				3,200,000	604,000	8,298,731	5.6
FY2022 budget request		2,809,799	1,400,000	1,750,000			3,500,000	1,568,000	11,027,799	6.2
<b>Farm &amp; Forest Viability Program</b>	Provide assistance to farmers, and ag and forest related entities to enhance viability of Vermont agriculture and the forestry									
FY2020 expenditures		1,440,142	637,863				471,338		2,549,342	5.3
FY2021 estimated expenditures		1,046,961	700,000		192,000		914,288		2,853,249	4.8
FY2022 budget request		1,174,871	400,000	1,250,000			627,760		3,452,631	5.0
<b>CONSERVATION-NHR</b>	Grants for conservation of natural areas, recreational lands and historic properties.									
FY2020 expenditures		1,580,352	757,750						2,338,102	4.2
FY2021 estimated expenditures		1,925,979	954,400						2,880,379	4.2
FY2022 budget request		1,842,054	800,000	1,500,000					4,142,054	5.1
<b>HUD - HOPWA</b>	Federal Grant for Housing Opportunities for Persons with AIDS .									
FY2020 expenditures		39,777					453,020		492,797	0.3
FY2021 estimated expenditures		26,760					491,180		517,940	0.3
FY2022 budget request		5,029					506,668		511,697	0.3
<b>AmeriCorps</b>	Federal Grant - Community Stewardship Prog. - Coordinate placement of AmeriCorp Members with non-profit									
FY2020 expenditures		587,679					340,473		928,152	2.3
FY2021 estimated expenditures		422,882					393,588		816,470	2.3
FY2022 budget request		432,009					418,052		850,061	2.3
<b>Healthy &amp; Lead-safe Hsg Program</b>	Federal Lead-Paint hazard reduction control program serving to eliminate lead poisoning by providing lead-safe housing.									
FY2020 expenditures		179,465					387,665		567,130	2.6
FY2021 estimated expenditures							1,142,857		1,142,857	3.5
FY2022 budget request							1,142,857		1,142,857	3.6
<b>Totals</b>										
	FY 2020 expenditures	11,483,884	3,513,648	-	-	12,682,388	10,224,646	-	37,904,567	35.0
	FY2021 estimated expenditures	11,466,417	6,600,000	-	33,091,499	-	13,096,913	5,219,343	69,474,172	36.4
	FY2022 budget request	11,370,550	4,000,000	20,000,000	-	-	12,650,337	6,786,000	54,806,887	38.8

## FY 2022 Crosswalk/Budget Development Form - Vermont Housing & Conservation Board

	Special Fund \$\$	Capital Bill Bond \$	General Fund \$\$	CRF \$	Federal \$\$	Expenditure of Prior Years' Federal Awards	Total \$\$
<b>Total FY2021 Appropriations/Funding:</b>	<b>11,466,417</b>	<b>6,600,000</b>	<b>0</b>	<b>33,091,499</b>	<b>13,096,913</b>	<b>5,219,343</b>	<b>69,474,172</b>
<b>CHANGES in Projected Resources (Decrease) Increase:</b>							
Property Transfer Tax	224,145						224,145
One-time Appropriation			20,000,000				20,000,000
CRF				(33,091,499)			(33,091,499)
HOME Program					0	922,000	922,000
National Housing Trust					0	(175,343)	(175,343)
Capital Bill		(2,600,000)					(2,600,000)
Other Federal Grants:							
HUD HOPWA					0		0
NRCS - ALE Program					300,000	964,000	1,264,000
NRCS - RCPP					(500,000)	(144,000)	(644,000)
Miscellaneous Federal grants					(246,576)		(246,576)
Foundation Grants - FFVP	(54,748)						(54,748)
Loan Repayments	(35,264)						(35,264)
Interest on Fund	(230,000)						(230,000)
<b>Subtotal of increases/decreases</b>	<b>(95,867)</b>	<b>(2,600,000)</b>	<b>20,000,000</b>	<b>(33,091,499)</b>	<b>(446,576)</b>	<b>1,566,657</b>	<b>(14,667,285)</b>
<b>FY 2022 Governor Recommend</b>	<b>11,370,550</b>	<b>4,000,000</b>	<b>20,000,000</b>	<b>0</b>	<b>12,650,337</b>	<b>6,786,000</b>	<b>54,806,887</b>
<b>VHCB FY 2022 Appropriation/Funding</b>	<b>11,466,417</b>	<b>6,600,000</b>	<b>0</b>	<b>33,091,499</b>	<b>13,096,913</b>	<b>5,219,343</b>	<b>69,474,172</b>
<b>TOTAL INCREASES/DECREASES</b>	<b>(95,867)</b>	<b>(2,600,000)</b>	<b>20,000,000</b>	<b>(33,091,499)</b>	<b>(446,576)</b>	<b>1,566,657</b>	<b>(14,667,285)</b>
<b>VHCB FY 2022 Governor Recommend</b>	<b>11,370,550</b>	<b>4,000,000</b>	<b>20,000,000</b>	<b>(0)</b>	<b>12,650,337</b>	<b>6,786,000</b>	<b>54,806,887</b>

  
**19,436,337 Total FY2022 Federal appropriation**

## 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, 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.

#### RESULTS FOR VERMONT

##### FY2020 & FY2021 to date

775 homes and apartments  
12 emergency shelters with 253 beds (CRF)  
36 farms; 5,579 acres farmland  
4 historic preservation projects  
27 natural areas; 8,504 acres  
186 farm, food, and forest enterprises served  
with an additional 524 assisted in response  
to COVID-19 (CRF)

State Investment:  
\$29 million invested  
\$174 million leveraged

##### FY1988 to date

13,420 homes and apartments  
12 emergency shelters with 253 beds (CRF)  
764 farms; 166,618 acres  
74 historic projects  
270,461 acres of natural areas  
850 farm, forest and food enterprises served  
with an additional 524 assisted response  
to COVID-19 (CRF)

State Investment:  
370 million invested;  
\$1.7 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 Program

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

AmeriCorps

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 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. The Board's work results in re-investment 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 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 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) it leverages more than \$4 in other resources for every dollar appropriated; 2) affordable housing is critical to economic growth and attracting future employees, and housing construction is one of the most effective generators of jobs. In recent years, the investment of \$37 million of Housing for All Revenue Bond generated more than \$170 million in hard construction activity and, when economic multipliers are considered, resulted in many hundred new jobs; 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; 5) VHCB works in public private partnerships to provide early and critical funding for housing key to downtown revitalization; 6) uses historic easements on Vermont village and downtown landmarks to invest in 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 Healthy Homes 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**

- Deploying Coronavirus Relief Funds (CRF) to secure 247 new homes for households experiencing homelessness and improve the safety and capacity of 12 emergency shelters 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.
- Using CRF funds to give farm and food enterprises rapid response business coaching allowing them to adjust to the loss or shifting of markets.
- Helping agricultural producers and processors to access federal and CRF assistance including extensive support to the Agency of Agriculture, Food & Markets and applicants.
- Using \$225,000 for grant writers that secured \$4.4 million for 24 rural towns and enterprises from federal, philanthropic and state sources through VHCB's Rural Economic Development Initiative.
- Placing 37 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.

- Fully deploying \$37 million in Housing Revenue Bond proceeds and meeting the goal of broad geographic distribution. 843 new and rehabilitated homes in 23 different communities across counties are generating more than \$170 million in construction activity.
- Helping to grow the economy: a) investing in revitalizing and strengthening our downtowns; b) providing more than 1,000 jobs a year in the housing development sector.
- Protecting water quality through conservation with 57 miles of buffers along rivers and streams permanently protected in the last two fiscal years alone.
- Strengthening Vermont's food hub system expanding markets for Vermont farmers and enhancing food security.
- Supporting reinvestment and diversification in our agricultural economy by assisting hundreds of farm and forest enterprises with business planning, granting more than \$1 million to farmers to improve infrastructure and enhance water quality and leverage many times that amount in additional investment.
- 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 \$1.9 million in energy costs annually, reducing carbon emissions, protecting wetlands and forestlands, increasing flood resilience.

- Adding new federal resources to the state by securing 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.
- Helping the state secure additional federal funding through the Regional Conservation Partnership Program to bring \$10 million more for conservation and water quality through improved practices.
- Reducing reliance on expensive institutional settings by providing supportive housing alternatives to prisons, nursing homes, emergency rooms, the state hospital and motels.

<b>FY2022</b>						
<b>RECONCILIATION OF BUDGET BOOK TO VHCB BUDGET DOCUMENTS</b>						
<b>Vermont Housing &amp; Conservation Board</b>						
<b>From FY2022 Executive Budget Budget Summary, page 1222</b>		<b>FY 2020 Actual</b>	<b>FY 2021</b>	<b>FY 2022 Governor Recommend</b>	<b>Diff between FY2022 Gov Rec and FY2021</b>	<b>Percentage Chg: FY2022 Gov Rec and FY2021</b>
<b>Appropriation</b>						
	<b>Total</b>	<b>\$ 33,365,945</b>	<b>\$ 29,782,673</b>	<b>\$ 30,806,887</b>		
<b>Fund</b>						
Special Fund - Housing & Conservation Trust Fund		\$ 23,941,197	\$ 11,466,417	\$ 11,370,550	\$ (95,867)	-0.8%
Federal Fund - VHCB		\$ 9,424,748	\$ 18,316,256	\$ 19,436,337	\$ 1,120,081	6.1%
	<b>Total</b>	<b>\$ 33,365,945</b>	<b>\$ 29,782,673</b>	<b>\$ 30,806,887</b>	<b>\$ 1,024,214</b>	<b>3.4%</b>
<b>Restated to Include All Resources:</b>						
<b>Fund Type:</b>		<b>FY 2020 Actual</b>	<b>FY 2021 Estimated</b>	<b>FY 2022 Governor Recommend</b>	<b>Diff between FY2022 and FY2021</b>	<b>Percentage Chg: FY2022 and FY2021</b>
Housing & Conservation Trust Fund		\$ 11,483,884	\$ 11,466,417	\$ 11,370,550	\$ (95,867)	-0.8%
Federal Fund - VHCB		\$ 10,224,646	\$ 18,316,256	\$ 19,436,337	\$ 1,120,081	6.1%
Capital Bill Appropriation		\$ 3,513,648	\$ 6,600,000	\$ 4,000,000	\$ (2,600,000)	-39.4%
CRF Appropriation			\$ 33,091,499		\$ (33,091,499)	-100.0%
General Fund - Special One-time		\$ -	\$ -	\$ 20,000,000	\$ 20,000,000	100.0%
Housing Revenue Bond (HRB)		\$ 12,682,389	\$ -	\$ -	\$ -	-100.0%
	<b>Total:</b>	<b>\$ 37,904,567</b>	<b>\$ 69,474,172</b>	<b>\$ 54,806,887</b>	<b>\$ (14,667,285)</b>	<b>-21.1%</b>
		*				
<b>Restatement includes: Trust, Capital Bill, General Fund Appropriations, and CRF Appropriation</b>						
<b>*FY2020 - Amounts are restated to reflect actual spending and agree with VHCB audited financial statements.</b>						