



HOUSING



LAND CONSERVATION



HISTORIC PRESERVATION



FARM & FOREST VIABILITY PROGRAM



RURAL ECONOMIC DEVELOPMENT PROGRAM (REDI)



HEALTHY & LEAD-SAFE HOMES



VHCB AMERICORPS

Vermont Housing &



Conservation Board

We invest in the development of permanently affordable housing and conservation strategies that work together to ensure equity, resilience, and vitality for Vermont communities in perpetuity.

VHCB FY2026 Budget Packet

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Introduction to VHCB FY2026 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 FY2026 budget recommendation for VHCB: \$36,964,250 in Property Transfer Tax (PTT) allocation, and \$2,800,000 in Capital Bill Clean Water appropriations for **total State funding of \$39,764,250.**

VHCB's FY2026 full budget, reflective of all projected resources, is a total of \$118,794,747, as follows:

- **\$36.96 million** in PTT revenues in the Appropriations Bill: \$38.4 million from PTT less \$1.5 million for a portion of the debt service on the 2017 Housing Revenue Bond, for a net FY2026 appropriation of \$36,964,250;
- **\$2.8 million** in Capital Bill: through the Clean Water Board proposed \$2.0 million for land conservation projects with water quality components, \$200,000 for farmland retirement/conversion, and \$600,000 for water quality improvement grants to farmers.
- **\$3.5 million** in miscellaneous other non-state funded revenues (included in the Appropriations Bill);
- **\$39.4 million** in potential new federal resources;
- **\$27.7 million** in Completion of Prior Years' Federal Grants (not including ARPA);
- \$8.3million in miscellaneous other VHCB supported funding & carryover:
 - \$1.5 million in prior year appropriations for operations;
 - \$5 million in Ed Funds appropriated in FY23 to administer the Career Technical Ed Program;
 - \$1.8 million for the Land Access Opportunity Board (administered by VHCB), (new One-time appropriation of \$1.6 million, and anticipated \$224,000 in carryover funds from FY2025.

SUMMARY	FY2026 Governor's Recommend	FY2025 Final Appropriations	% Inc (Dec) from FY25 Budget	Inc (Dec) from FY2025 Budget
Net Property Transfer Tax to receive (net of \$1.5m Debt Service) (includes FY25 BAA)	36,964,250	28,238,050	31%	8,726,200
Capital Bill Appropriation Housing & Conservation	-	1,800,000	-100%	(1,800,000)
Capital Bill Appropriation for WQ (through CWB or CWF)	2,800,000	2,800,000	100%	-
Other Miscellaneous Income	3,525,832	3,500,415	1%	25,417
Federal Grants	39,400,099	27,367,196	44%	12,032,903
Completion of Prior Years' Federal Awards	27,762,541	29,309,000	-5%	(1,546,459)
Miscellaneous appropriation carryover for Operations	1,486,443	1,998,474	100%	(512,031)
Career Tech Ed RLF - Ed Fund (disb FY23 approp)	5,000,000	5,000,000	0%	-
Land Access Opportunity Board	1,855,582	1,000,000	86%	855,582
TOTAL Sources:	118,794,747	101,013,135	18%	17,781,612

Vermont Housing & Conservation Board - SOURCES & USES - Board approved - FY2026																		
PROGRAMS/GRANTS:	Housing & Conservation (Trust Fund)	NRCS ALE & RCPP (Fed)	ALE - IRA New Source	General Fund - Housing	CDS Hsg	Farmland Retirmt	Water Quality Programs	Viability Program & REDI	Ameri-Corps	HOME (HUD)	HOME ARP C/O	HOPWA (HUD)	NHTF (HUD)	ARPA \$119m	LEAD Hazard Red. (HUD)	LAOB	CTE RLF - Yr 4	FY2026 TOTALS
SOURCES:																		
Net Property Transfer Tax	33,694,606	654,263						2,000,000	534,980	13,975		66,426		-				36,964,250
WQ Capital Bill/CWB	2,000,000					200,000		600,000										2,800,000
Misc Approp. Carryovers Ops	-			1,486,443												224,000	5,000,000	6,710,443
Land Access Opportunity Bd																1,631,582		1,631,582
Federal Grants ARPA for Ops														514,721				514,721
Federal Grants	428,570	3,500,000	6,000,000		17,000,000			130,996	734,220	2,955,000	3,117,317	535,000	3,000,000		1,484,275			38,885,378
Loan Repayments	62,000																	62,000
Interest on Fund	1,450,000																	1,450,000
Housing Mitigation Funds	25,000																	25,000
Act 250 & Other Mitigation Funds	250,000																	250,000
Other - SOV, Donations	5,000						1,508,832	75,000								150,000		1,738,832
Subtotal FY2026 New Sources:	37,915,176	4,154,263	6,000,000	1,486,443	17,000,000	200,000	1,508,832	2,805,996	1,269,200	2,968,975	3,117,317	601,426	3,000,000	514,721	1,484,275	2,005,582	5,000,000	91,032,206
Completion of Prior Years' federal grants		3,820,250			11,030,607					7,994,039			4,917,645					27,762,541
TOTAL FY2026 All Sources:	37,915,176	7,974,513	6,000,000	1,486,443	28,030,607	200,000	1,508,832	2,805,996	1,269,200	10,963,014	3,117,317	601,426	7,917,645	514,721	1,484,275	2,005,582	5,000,000	118,794,747
USES:																		
Board Operations	2,153,646	627,263		1,486,443	123,731		221,778	880,746	340,015	242,975	107,317	66,426	210,257	504,721	516,037	726,452	13,157	8,220,964
Direct Program/Project Expense	202,000	27,000			-	-	-	1,325,250	929,185	26,000	10,000	535,000	16,000	10,000	268,238	869,130	-	4,217,803
Project Grant and Loans	35,559,530	3,500,000	6,000,000	-	16,876,269	200,000	1,287,054	600,000		2,700,000	3,000,000	-	2,773,743	-	700,000	410,000	4,986,843	78,593,439
Project Grants & Loans- Completion of Prior Years' Federal Grants		3,820,250			11,030,607					7,994,039			4,917,645					27,762,541
TOTAL Uses:	37,915,176	7,974,513	6,000,000	1,486,443	28,030,607	200,000	1,508,832	2,805,996	1,269,200	10,963,014	3,117,317	601,426	7,917,645	514,721	1,484,275	2,005,582	5,000,000	118,794,747

**VERMONT HOUSING AND CONSERVATION BOARD
SOURCES AND USES Chart - EXPLANATION, FY2026 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 2026.

I. SOURCES OF REVENUE

State Funding

- **Property Transfer Tax (PTT)** – The Governor’s recommended amount of PTT for VHCB is \$36,964,250, representing full statutory funding, as based on the January 2025 economic projections for the State. This amount is the net, after the bond debt service payment (described below). By statute, VHCB is to receive 50% of the total Property Transfer Tax (PTT) revenues for the year (after other statutory deductions).

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

In 2017, legislation passed allowing for the issuance of a bond by VHFA with the proceeds to go to VHCB for affordable housing– the Housing for All Revenue Bond (HRB). Proceeds of the HRB have been 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 FY2026 of \$36,964,250 in PTT represents the net amount after deduction for the debt service (\$38,464,250 less the \$1,500,000 for HRB debt service).

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

- **Capital Bill** – A total of \$2,800,000 is requested for FY2026 as follows:
 - Water Quality one time funding:
 - \$2.0 million for water quality conservation projects; through the Clean Water Board’s (CWB) Capital Bill request
 - For Special Programs, \$800,000 also through the CWB Capital Bill request:
 - \$200,000 for farmland retirements
 - \$600,000 for water quality improvement grants to farmers

Federal Grants - As a complement to our State funding, VHCB administers a wide variety of Federal awards. Looking ahead to FY26, VHCB anticipates significant uncertainty around the receipt and continuity of federal funds and programs. The Board will work to administer available federal funds with maximum stability and the goal of continuing to support Vermont communities to the greatest extent possible.

In all areas of our work.

- **NRCS** - (USDA) has historically provided funding at the \$3-3.5 million level for Agricultural easements. These funds require a 50/50 match. The addition of ALE-IRA funds represents anticipated Inflation Reduction Act funds in the amount of \$6 million slated to be received in FY26. Until a new Farm Bill is passed, these funds will also require a 50/50 match. VHCB carries the costs of appraisals, technical reviews, and surveys, as well as the related administrative costs for managing these funds. The State's NRCS RCPP program was renewed several years ago, bringing additional funding of \$10 million to the State for a 5-year period, though we may not to receive any of those funds in FY2026. VHCB has historically provided the State with match for the RCPP award.
- **Congressional Directed Spending (CDS)** – Over the last three years, VHCB has received several awards through the CDS process which will provide complement funding for housing as well as several of our Viability program initiatives. The budget reflects several awards recommended for inclusion in the FY25 Federal Budget. There is great uncertainty around these funds.
- **Farm & Forest Viability Federal resources** – The Viability program has historically used a variety of federal funding awards to support the program. These have included USDA Rural Business Development grants and Northern Border Regional Development Commission awards.
- **AmeriCorps** – This amount represents a one-year program of a three-year AmeriCorps grant cycle, placing 34 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 or shorter 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** – This a \$9.6 million grant that also came to VHCB through the State. These funds are being used to develop permanent rental housing units that serve households experiencing homelessness or who are at-risk of homelessness.
- **National Housing Trust Fund** – (HTF) - VHCB is the designated entity to administer this federal program that is designed to create and preserve affordable rental housing for extremely low-income households. HTF requires much deeper income targets, focusing on extremely low-income Vermonters (below 30% of median income). VHCB has administered this HUD grant since 2016, consistently funded at the \$3 million level.
- **HOPWA (HUD)** – This amount represents the FY2026 portion of a three-year award, federal grant Housing Opportunities for Persons with AIDS. VHCB has administered this HUD grant since 1996. The grant supports statewide services that are delivered by the Vermont State Housing Authority and several AIDS Service Organizations providing services and housing to persons with AIDS and their families.
- **Healthy & Lead-Safe Homes Program** – This is a Lead Hazard Control Grant (HUD) that VHCB has been running since 1994, remediating lead in more than 2,843 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 currently managing our eleventh multi-year grant program.
- **America the Beautiful** – This is an award for \$1 million from the National Fish and Wildlife Foundation, primarily using funds from the US Department of the Interior, along with other federal agencies and private donations. VHCB applied for this funding to support the Act 59 conservation planning efforts including

VHCB staff time, ANR staff time, consultant support, and support for stakeholder engagement. There is a level of uncertainty around these funds due to the federal dollars.

Other Sources

- **Loan Repayments** – This amount represents collections of principal & interest on outstanding loans expected to be received during FY2026. The majority of VHCB loans are now long-term deferred loans on housing projects for which payment to VHCB occurs after primary project debt is retired.
- **Interest on Fund** – This is an estimate of interest that will be earned on the VHCB Trust Fund account in the upcoming fiscal year.
- **ACT 250 Mitigation Funds (Housing & Ag)** – These funds come to VHCB as a result of ACT 250 mitigation agreements. Our Ag Mitigation funds are received from commercial developers and are used by VHCB to supplement funding of the farm easement program; Housing mitigation funds typically are a result of development by ski area owners and are targeted to the geographic areas to which they relate. Amounts are estimated; funds are normally paid to VHCB during stages of development.
- **Other Miscellaneous Income** – Represents miscellaneous private foundation or state grants VHCB may receive, as well as small donations. This category also includes a projected \$1.5 million to invest in water quality outcomes, resources coming from both the Great Lakes Fishery Commission and the state (DEC) as a Clean Water Service Provider for the Lake Memphremagog region of the State.
- **Miscellaneous appropriations carryover for Operations** – this amount represents prior years' appropriations for ARPA SFR and General Funds that have been earmarked to cover operations of these programs.
- **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 by federal funds.

II. USES OF FUNDS

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

Vermont Housing & Conservation Board - FY2026

Detail of All Estimated Revenue Sources

Federal Fund		
Federal - new funding FY2026		
HOME Program	2,955,000	
HOME ARP	3,117,317	
National Housing Trust Fund	3,000,000	
ARPA SLFR Hsg (Admin)	514,721	
NRCS - ALE & RCPP	3,500,000	
NRCS - IRA	6,000,000	
Congressional Directed Spending (CDS)	17,000,000	
Healthy & Lead Safe Homes	1,484,275	
Federal Grants - misc	1,828,786	
Total Federal FY2026		\$ 39,400,099
Federal - Completion of prior years' federal grants		
HOME Program (includes HOME ARP)	7,994,039	
National Housing Trust Fund	4,917,645	
Congressional Directed Spending (CDS)	11,030,607	
NRCS - ALE & RCPP	3,820,250	
Total Federal - completion of prior years' federal grants		\$ 27,762,541
Total Federal Fund #90630		\$ 67,162,640
Special Fund (VT Housing & Conservation Trust)		
Property Transfer Tax		38,464,250
VHCB share of Housing Revenue Bond Debt Service		(1,500,000)
Net Property Transfer Tax (Governor's recommendation)		\$ 36,964,250
Loan Repayments	62,000	
Housing Mitigation Funds	25,000	
Act 250 Mitigation Funds	250,000	
Other - Includes Misc Program Restricted Grants	230,000	
Great Lakes Fisheries & CWSP - Water Quality Program grants	1,508,832	
Interest on Fund	1,450,000	
Total Other Revenue		\$ 3,525,832
Total Special Fund #90610		\$ 40,490,082
Capital Bond		
Capital Bill - Water quality conservation (through the CWB)	2,000,000	
Capital Bill - Farmland Retirement Program (through the CWB)	200,000	
Capital Bill - Water Quality Farm Grants (through the CWB)	600,000	
Total Capital Bill		\$ 2,800,000
Other -		
Miscellaneous Carryover for Operations (1XGF)	1,486,443	
Career Tech Ed Program (Yr 4 spending of FY2023 Ed Fund appropriation)	5,000,000	
Land Access Opportunity Board - One time appropriation FY26	1,631,582	
Land Access Opportunity Board - estimated carryover of FY25 One-time	224,000	
		\$ 8,342,025
Total Recommended Funding		\$ 118,794,747

		Special Fund	Capital Bill/Clean Water Fund	General Fund	ARPA - SLFR Approp.	Career Tech Education Prog. (Ed Fund)	Land Access Opportunity Board	Fed Funds	Expenditure of Prior Years' Federal Awards	Total Funds	FTE's
HOUSING GRANTS PROGRAM	Grants and loans for perpetually affordable housing development and implementation; support of program & delivery system.										
FY2024 expenditures		4,932,669	503,407	24,571,221						30,007,297	12.1
FY2025 estimated expenditures		16,115,143	900,000	1,421,950						18,437,093	13.0
FY2026 budget request		22,188,123		1,486,443						23,674,566	13.1
ARPA-SLFR - Housing	Substantially increase rate of production of affordable housing & enable homelessness transition to permanent housing.										
FY2024 expenditures					28,137,097					28,137,097	3.1
FY2025 estimated expenditures					576,524					576,524	4.0
FY2026 budget request								514,721		514,721	3.4
HOME - ARP	One-time funding from the American Rescue Plan Act to address homelessness.										
FY2024 expenditures								1,328,099		1,328,099	0.5
FY2025 estimated expenditures								3,089,434		3,089,434	0.5
FY2026 budget request								3,117,317		3,117,317	0.7
HOME PROGRAM	Federal grant and loan program for multi-family housing.										
FY2024 expenditures								2,532,174		2,532,174	1.7
FY2025 estimated expenditures		37,573						2,955,000	6,545,000	9,537,573	1.8
FY2026 budget request		13,975						2,955,000	7,994,039	10,963,014	1.6
HUD Housing Trust Fund	Grant and Loan Program for federal National Housing Trust funds for multi-family housing.										
FY2024 expenditures								2,160,946		2,160,946	1.5
FY2025 estimated expenditures								3,000,000	4,264,000	7,264,000	1.4
FY2026 budget request								3,000,000	4,917,645	7,917,645	1.4
Congressional Directed Spending	Awards received or applications pending for various projects.										
FY2024 expenditures								703,622		703,622	0.5
FY2025 estimated expenditures								5,740,000	13,600,000	19,340,000	0.3
FY2026 budget request								17,000,000	11,030,607	28,030,607	0.9
CONSERVATION-Ag FPP& RCPP	Development Rights purchase of farmland; associated costs; support of delivery system.										
FY2023 expenditures		3,283,515	2,445,523	11,250				4,182,750		9,923,038	4.8
FY2024 expenditures		4,747,635.23	2,766,485					4,520,500		12,034,620	5.3
FY2025 estimated expenditures		8,897,929	1,450,000					9,500,000	4,900,000	24,747,929	6.0
FY2026 budget request		7,074,883	1,000,000					9,500,000	3,820,250	21,395,133	6.9
Farm & Forest Viability & REDI	Assistance to farmers, ag, and forest related entities to enhance viability of those Vermont industries. Includes the Rural Economic Development Initiative.										
FY2024 expenditures		1,221,423	457,001	978,244	172,678			611,043		3,440,389	6.6
FY2025 estimated expenditures		2,310,732	600,000					19,000		2,929,732	6.7
FY2026 budget request		2,075,000	600,000					130,996		2,805,996	5.8
CONSERVATION-NHR	Grants for conservation of natural areas, recreational lands and historic properties.										
FY2024 expenditures		3,062,523	791,638	720,158						4,574,319	6.6
FY2025 estimated expenditures		1,882,672	1,650,000					340,000		3,872,672	6.5
FY2026 budget request		6,877,863	1,200,000					428,570		8,506,433	7.2
HUD - HOPWA	Federal Grant for Housing Opportunities for Persons with AIDS.										
FY2024 expenditures								515,379		515,379	0.3
FY2025 estimated expenditures		66,749						535,000		601,749	0.5
FY2026 budget request		66,426						535,000		601,426	0.5
AmeriCorps	Community Stewardship Prog. Coordinate placement of AmeriCorp Members with non-profit housing & conservation programs.										
FY2024 expenditures		293,234						925,757		1,218,991	2.4
FY2025 estimated expenditures		517,984						699,000		1,216,984	2.2
FY2026 budget request		534,980						734,220		1,269,200	2.3
Water Quality Programs	Assist State in implementation of ACT 76 and other clean water initiatives in the Memphremagog Basin.										
FY2024 expenditures		357,776								357,776	1.0
FY2025 estimated expenditures		1,909,683								1,909,683	1.8
FY2026 budget request		1,508,832								1,508,832	1.5
Healthy & Lead-safe Hsg Program	Federal Lead-Paint hazard reduction control program serving to eliminate lead poisoning by providing lead-safe housing.										
FY2024 expenditures		36,786						1,359,537		1,396,323	3.4
FY2025 estimated expenditures								1,489,762		1,489,762	3.6
FY2026 budget request								1,484,275		1,484,275	3.5
Career Tech Ed RLF	A revolving loan fund program to support the production of homes & community facilities by students enrolled in Continuing Technical Education.										
FY2024 expenditures						775,756				775,756	0.0
FY2025 estimated expenditures						5,000,000				5,000,000	0.1
FY2026 budget request						5,000,000				5,000,000	0.1
Land Access Opportunity Board	Provide admin. support during the establishment of the LAOB which seeks to address barriers to access to resources for historically marginalized populations.										
FY2024 expenditures								325,925		325,925	1.6
FY2025 estimated expenditures								1,000,000		1,000,000	2.7
FY2026 budget request		150,000						1,855,582		2,005,582	4.9
Totals	FY2024 Actual expenditures	14,652,046	4,518,531	26,269,624	28,309,775	775,756	325,925	14,657,057	-	89,508,714	46.6
Totals	FY2025 Appropriations	31,738,465	4,600,000	1,421,950	576,524	5,000,000	1,000,000	27,367,196	29,309,000	101,013,135	51.1
Totals	FY2026 Budget request	40,490,082	2,800,000	1,486,443	-	5,000,000	1,855,582	39,400,099	27,762,541	118,794,747	53.8

Vermont Housing & Conservation Board
FY 2026 Crosswalk/Budget Development

	Special Fund \$\$	Capital Bill Bond \$	Clean Water Fund	Federal \$\$	Expenditure of Prior Years' Federal Grants	Prior Year GF Approp. Carryover for Ops	Ed Fund - CTE	LAOB	Total \$\$
Total FY2025 Appropriations/Funding:	31,738,465	1,800,000	2,800,000	27,367,196	29,309,000	1,998,474	5,000,000	1,000,000	101,013,135
CHANGES in Projected Resources (Decrease) Increase:									
Net Property Transfer Tax	8,726,200								8,726,200
HOME Program				0	1,449,039				1,449,039
HOME-ARP				27,883	0				27,883
National Housing Trust				0	653,645				653,645
Congressional Directed Spending - applied for Capital Bill - shifted to PTT		(1,800,000)		11,260,000	(2,569,393)				8,690,607
Capital Bill - shifted back to Cap. Bill from CWF		2,800,000	(2,800,000)						0
Other Federal Grants:									
ARPA				514,721					514,721
NRCS - ALE & RCPP programs				0	(1,079,750)				(1,079,750)
Lead Hazard Reduction grant				(5,487)					(5,487)
Miscellaneous Federal grants				235,786					235,786
LAOB								631,582	631,582
Miscellaneous Income	25,417								25,417
Carryforward for Operations						(512,031)		224,000	(288,031)
Subtotal of increases/decreases	8,751,617	1,000,000	(2,800,000)	12,032,903	(1,546,459)	(512,031)	0	855,582	17,781,612
FY26 Governor Recommend	40,490,082	2,800,000	0	39,400,099	27,762,541	1,486,443	5,000,000	1,855,582	118,794,747
VHCB FY25 Appropriation/Funding	31,738,465	1,800,000	2,800,000	27,367,196	29,309,000	1,998,474	5,000,000	1,000,000	101,013,135
TOTAL INCREASES/DECREASES	8,751,617	1,000,000	(2,800,000)	12,032,903	(1,546,459)	(512,031)	0	855,582	17,781,612
VHCB FY 2026 Governor Recommend	40,490,082	2,800,000	0	39,400,099	27,762,541	1,486,443	5,000,000	1,855,582	118,794,747
				67,162,640 Total FY2026 Federal					

DEPARTMENT OVERVIEW

Organization: VERMONT HOUSING AND CONSERVATION BOARD

MISSION

The Vermont Housing and Conservation Board (VHCB) is a public entity established in 1987 (10 V.S.A. Chapter 15) to enhance Vermont's economic vitality and quality of life by advancing two primary goals: creating affordable housing for Vermonters and conserving the state's agricultural land, forestland, significant natural areas, recreational spaces, and historic sites.

VHCB supports low- and moderate-income Vermonters by funding diverse housing initiatives, including homeownership, rental housing, manufactured home communities, and specialized housing. It prioritizes serving vulnerable populations, such as individuals experiencing homelessness, people with intellectual and developmental disabilities (IDD) or other disabilities, those in recovery, and farmworkers. To prevent displacement, VHCB works to preserve federally subsidized "at-risk" housing while also strengthening farm, food, and forest businesses to sustain Vermont's rural economy.

VHCB's conservation initiatives protect and enhance Vermont's agricultural and recreational lands, natural ecosystems, forested landscapes, and historic public properties. Investments in working farms, forests, recreational areas, and floodplains promote climate resilience, water quality, and biodiversity while preserving the state's rural heritage.

Through grants and loans, VHCB supports municipalities, nonprofit organizations, cooperatives, and eligible state agencies. It collaborates with local and regional land trusts, nonprofit housing providers, and private-sector developers to ensure long-term affordability in housing and the permanent conservation of Vermont's natural and historic resources.

RESULTS FOR VERMONT

FY2024 & FY2025 to date

- 334 homes and apartments
- 26 farms; 3,846 acres farmland
- 7 historic preservation projects
- 29 projects, 3,061 acres of natural areas, forestland, and public recreation lands
- 183 farm, food, and forest enterprises were provided business planning and technical assistance
- \$5.5 million in grants secured for 8 small rural communities through REDI

State Investment:

\$132.4 million invested
\$238.1 million leveraged

FY1988 to date

- 16,300 homes and apartments
- 827 farms; 176,682 acres
- 90 historic projects
- 279,876 acres of natural areas, forestland, and public recreation lands
- 1,375 farm, forest and food enterprises were provided business planning and technical assistance
- \$24.3 million in grants secured for 87 small rural communities through REDI since 2017

State Investment:

\$722.9 million invested;
\$2.1 billion leveraged

VHCB PROGRAMS

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

Housing

- Multi-Family Housing Development and Preservation
- Home Ownership
- Shelter Development
- Home Accessibility
- Housing Opportunities for Persons living with HIV/AIDS
- Vermont Healthy & Lead-Safe Homes
- Farmworker Housing
- Manufactured Home Communities
- Career Technical Education Construction and Rehabilitation Revolving Loan Fund

Conservation

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

Vermont Farm & Forest Viability

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

VHCB AmeriCorps

- Increases the capacity of Vermont's non-profit network to provide direct service to renters, homebuyers, offer environmental education, build trails, and steward conserved lands
- **Capacity Building, Feasibility Support and Technical Assistance**
 - Administrative support for the Land Access & Opportunities Board

VHCB's investments support community-based projects that preserve, rehabilitate, and create affordable apartments and homes while conserving and protecting agricultural lands, forestlands, natural and recreational areas, and historic public properties. These investments provide long-term public benefits, securing resources for future generations through conservation easements and housing subsidy covenants recorded in land records. VHCB's efforts lead to reinvestment in downtowns and surrounding neighborhoods while maintaining Vermont's rural working landscape. The state's investments through VHCB bolster rural community development statewide while addressing water quality and climate change resilience.

VHCB is a proven entity for addressing both priority and emerging issues in Vermont. In recent years, it has been tasked with managing a housing revenue bond, advancing water quality initiatives as a clean water service provider, investing in the rural economy through the REDI initiative, and supporting outdoor

recreation and downtown revitalization. In addition to these programs, VHCB provides administrative support to the Land Access and Opportunity Board and is working with the Vermont Community Loan Fund to establish the CTE Construction and Rehabilitation Experiential Learning Program and Revolving Loan Fund. During the COVID-19 public health emergency, VHCB utilized Coronavirus Relief Funds to secure housing for the homeless and assist farm, food, and forest enterprises. VHCB continues to administer substantial American Rescue Plan Act (ARPA) funding to address Vermont's housing and homelessness crisis, exceeding expectations in these areas while also tackling demographic challenges and climate change mitigation.

VHCB's Contributions to Vermont's Economy

1. VHCB investments have leveraged more than \$2 in additional funding for every \$1 appropriated since its founding.
2. Affordable housing is essential to Vermont's economic growth, workforce attraction, and community resiliency.
3. Conservation investments support Vermont's economy by boosting tourism, recreation, and agriculture while enabling intergenerational farm transfers, efficiency improvements, and business diversification.
4. The agriculture, forest products, and food industries contribute to Vermont's employment base, build the Vermont brand, and generate revenue for working lands businesses.
5. VHCB's public-private partnerships provide crucial early funding for housing development, key to downtown revitalization.
6. VHCB invests in rehabilitating and preserving Vermont's village and downtown landmarks to strengthen community and economic vitality.
7. Affordable housing with integrated support services reduces reliance on costly institutional settings, such as state hospitals, nursing homes, prisons, and motels.

VHCB's housing and conservation investments support Vermont's long-standing policy of compact settlement surrounded by working landscapes. These investments mitigate the effects of climate change by promoting energy efficiency in buildings and sustaining natural carbon sequestration in forests and farmland. They also enhance flood resilience and water quality through conservation efforts, ensuring long-term benefits for Vermont's environment and communities.

RECENT HIGHLIGHTS IN ADDRESSING STATE PRIORITIES AND NEEDS

- Helping to secure **\$24,380,198** for community-based economic development, outdoor recreation, and working land investments in **87** rural towns through VHCB's Rural Economic Development Initiative.
- Improved housing and shelter for **5,124** Vermont households by investing over **\$240 million** in housing crisis response funds for rental housing, shelter beds, affordable homeownership, and accessibility initiatives since 2020. These funds have:
 - Created or improved over **2,370** rental homes statewide.
 - Expanded shelter capacity by **269** beds and improved **571** shelter beds statewide.
 - Supported Vermont Center for Independent Living's Home Access program, improving accessibility for **434** disabled Vermont households.

- Created **700** homes for Vermonters experiencing homelessness since **2020**, housing **1,659** households in Vermont’s permanently affordable housing portfolio.
- Invested in **4** recovery projects, creating **59** beds for Vermonters recovering from substance use disorder.
- Initiated a farmworker housing repair program with Champlain Housing Trust and UVM Extension, supporting **282** farmworkers statewide.
- Assisted **390** households in becoming homeowners through the Shared Equity Program.
- Reducing health care expenditures through place-based supportive services and by helping Vermonters transition from homelessness into stable housing.
- Recently conserved **26** farms totaling **3,845 acres** of farmland, aiding multi-generational farm families and young farmers in securing their businesses and protecting important agricultural land.
- Conserved an additional **3,061 acres** of natural and recreational lands since FY24 across 29 projects.
- Provided **20 grants** to farmers for water quality projects, protecting rivers and wetlands through conservation easements to support working lands enterprises and meet the state’s clean water goals, including phosphorus reduction and climate resilience.
- Responding to the state’s request for VHCB to implement Act 76, serving as the Clean Water Service Provider for the Lake Memphremagog Basin.
 - **9** Clean Water Service Provider (CWSP) grants awarded since FY24 for floodplain/stream restoration, forestry, and lakeshore restoration projects.
 - **16** Great Lakes Fishery Commission (GLFC) grants awarded since FY24 for riparian land acquisitions, watershed group support, invasive species treatment, and a native tree nursery.
- Supporting Vermont’s recreation industry by enhancing trail systems, increasing water access, and expanding land for hunting, fishing, hiking, and snowmobiling, benefiting both Vermonters’ health and the state economy.
- Advancing Vermont’s climate resilience strategies through energy-efficient housing, greenhouse gas emission reduction, wetland and forestland protection, and increased flood resilience.
- Providing early and critical funding for key downtown revitalization and new neighborhood projects, including:
 - Stonecrop Meadows in Middlebury
 - Bennington High School redevelopment in Bennington
 - 149 affordable homes in the St. Albans TIF district
 - Replacement homes for flood recovery in Barre and Brattleboro

- Partnering with private developers to expand affordable housing in Bennington, Bradford, St. Albans, Middlebury, Burlington, and South Burlington, including turnkey projects in Brattleboro, Morristown and Hartford stewarded by the nonprofit network.
- Supporting the economic vitality of Vermont’s rural communities through investments in rental housing, shared equity homeownership, community enterprises, recreational assets, and working lands enterprises.
- Partnering with Vermont’s Congressional Delegation to secure **\$22.6 million** in congressionally directed spending over the past three federal fiscal years.
- Reducing reliance on expensive institutional settings by providing supportive housing and shelter alternatives to prisons, nursing homes, emergency rooms, the state hospital, and motels.

FY2026

RECONCILIATION OF BUDGET BOOK TO VHC B BUDGET DOCUMENTS

Vermont Housing & Conservation Board

From Governor's Recommended Budget Book; Rollup Report VHC B	FY 2024		FY 2025		FY 2026 Governor's Recommend		Diff between FY2026 Gov Rec and FY2025	Percentage Chg: FY2026 Gov Rec and FY2025
	Actual							
Fund Type								
Housing & Conservation Trust Fund	\$ 15,947,244		\$ 25,607,155		\$ 40,490,082		\$ 14,882,927	58.1%
Federal Fund - VHC B	\$ 12,357,397		\$ 56,676,196		\$ 67,162,640		\$ 10,486,444	18.5%
Total	\$ 28,304,641		\$ 82,283,351		\$ 107,652,722		\$ 25,369,371	30.8%

Restated to Include All Resources:

Fund Type:	FY 2024		FY 2025		FY 2026 Governor's Recommend & All Projected Sources		Diff between FY2026 and FY2025	Percentage Chg: FY2026 and FY2025
	Actual		Appropriations					
Housing & Conservation Trust Fund	\$ 14,652,046		\$ 31,738,465		\$ 40,490,082		\$ 8,751,617	27.6%
Federal Fund - VHC B	\$ 14,657,057		\$ 56,676,196		\$ 67,162,640		\$ 10,486,444	18.5%
ARPA-SFR-Appropriation	\$ 28,309,775		\$ 576,524		\$ -		\$ (576,524)	
Capital Bill Appropriation	\$ 4,518,531		\$ 2,000,000		\$ 2,800,000		\$ 800,000	40.0%
Clean Water Fund	\$ -		\$ 2,800,000		\$ -		\$ (2,800,000)	
General Fund - One-times	\$ 26,269,624		\$ 1,421,950		\$ -		\$ (1,421,950)	-100.0%
Ed Fund - Career Tech Ed Program-RLF	\$ 775,756		\$ 5,000,000		\$ 5,000,000		\$ -	0.0%
Land Access Opportunity Bd (Gen'l Fund)	\$ 325,925		\$ 1,000,000		\$ 1,855,582		\$ 855,582	85.6%
Miscellaneous Approps. Carryforward for Ops	\$ -		\$ -		\$ 1,486,443		\$ 1,486,443	
Total:	\$ 89,508,714		\$ 101,213,135		\$ 118,794,747		\$ 17,581,612	17.4%

*

Restatement includes: Capital Bill, Clean Water Fund, General Funds, ARPA-SFR, CTE, & LAOB

***FY2024 - Amounts are restated to reflect actual spending and agree with VHC B audited financial statements.**