



Vermont Housing & Conservation Board
Budget Packet
FY2027

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VERMONT HOUSING & CONSERVATION BOARD

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BOARD OF DIRECTORS: David R. Marvin, Chair • Neil Mickenberg, Vice Chair • Maura Collins • Clarence Davis
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EXECUTIVE DIRECTOR: Gustave Seelig



Introduction to VHCB FY2027 Budget

Mission: The Vermont Housing & Conservation Board (VHCB) is a public instrumentality of the State of Vermont, established in 1987, that invests in permanently affordable housing and in the conservation of farms, forests, natural areas, recreational lands, and historic properties to ensure equity, resilience, and vitality for Vermont communities.

VHCB carries out its dual mission by providing grants and loans to support the development and rehabilitation of affordable housing and to complete conservation transactions, including both fee acquisitions and the purchase of conservation easements. Through these investments, VHCB helps safeguard the working landscape and natural resources that define Vermont’s character while strengthening local economies and quality of life.

In addition to capital investment, VHCB administers federal, state, and privately funded programs that provide operating support and technical assistance to communities, nonprofit partners, and rural enterprises. Together, these tools enhance local capacity, support the long-term viability of working farms and forests, and ensure that Vermont remains a place where people of all incomes can live, work, and thrive.

Budget Summary: The Governor is making the following FY2027 budget recommendation for VHCB: \$37,653,750 in Property Transfer Tax (PTT) allocation, and \$2,800,000 in Capital Bill and Clean Water appropriations for **total State funding of \$40,453,750.**

VHCB’s FY2027 full budget, reflective of all projected resources, is a total of \$107,055,844, as follows:

- **\$37.65** million in PTT revenues in the Appropriations Bill: \$39.15 million from PTT less \$1.5 million for a portion of the debt service on the 2017 Housing Revenue Bond, for a net FY2027 appropriation of \$37,653,750;
- **\$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 grant
- **\$25.44** million in potential new federal resources;
- **\$31.92** million in Completion of Prior Years’ Federal Grants (not including ARPA);
- **\$2 million** in Ed Funds appropriated in FY23 to administer the Career Technical Ed Program;
- **\$1.68 million** in LAOB Base Funding for FY27

SUMMARY	FY2027 Governor's Recommend	FY2026 Final Appropriations	% Inc from FY26 Budget	Inc (Dec) from FY2026 Budget
Net Property Transfer Tax to receive (net of \$1.5m Debt Service)	37,653,750	36,964,250	2%	689,500
Capital Bill Appropriation for WQ (through CWB or CWF)	2,800,000	2,800,000	0%	-
Other Miscellaneous Income	2,845,107	2,963,237	-4%	(118,130)
Federal Grants	25,449,667	13,190,268	93%	12,259,399
Completion of Prior Years' Federal Awards	31,952,636	37,994,630	-16%	(6,041,994)
Miscellaneous appropriation, carryover for Operations	2,674,155	1,650,000	62%	1,024,155
Career Tech Ed RLF - Ed Fund (disb FY23 approp)	2,000,000	5,000,000	-60%	(3,000,000)
One Time Appropriation for Housing	-	5,000,000	-100%	(5,000,000)
Land Access Opportunity Board	1,680,529	1,631,582	3%	48,947
TOTAL Sources:	107,055,844	107,193,967	0%	(138,123)

Vermont Housing & Conservation Board - SOURCES & USES - FY2027																
PROGRAMS/GRANTS:	Housing & Conservation (Trust Fund)	NRCS ALE	General Fund Housing	Farmland Retirement	Water Quality Programs	Viability Program & REDI	CDS-Housing	CDS-Viability	Ameri-Corps	HOME (HUD)	LEAD Hazard Red. (HUD)	HOPWA (HUD)	NHTF (HUD)	LAOB	CTE RLF - Yr 4	FY2027 TOTALS
SOURCES:																
Net Property Transfer Tax	33,798,430	621,178				2,615,000			534,589	27,659		56,894				37,653,750
Capital Bill	2,000,000			200,000		600,000										2,800,000
ED Restricted GF			2,030,498												2,000,000	4,030,498
CWSP/GLF					853,107											853,107
General Fund Housing																-
Land Access Opportunity Board														1,680,529		1,680,529
LAOB Donations														20,000		20,000
Federal Grants		2,900,000					13,400,000	750,000	734,220	2,972,341	1,250,000	443,106	3,000,000			25,449,667
Loan Repayments	62,000															62,000
Interest on Fund	1,328,657															1,328,657
Housing Mitigation Funds																-
Act 250 & Other Mitigation Funds	250,000															250,000
Other - SOV, Donations	1,000,000															1,000,000
Subtotal FY2027 New Sources	38,439,087	3,521,178	2,030,498	200,000	853,107	3,215,000	13,400,000	750,000	1,268,809	3,000,000	1,250,000	500,000	3,000,000	1,700,529	2,000,000	75,128,208
Completion of Prior Year's Federal Grants		4,992,347					8,627,798			13,911,596			4,395,895			31,927,636
TOTAL Sources:	38,439,087	8,513,525	2,030,498	200,000	853,107	3,215,000	22,027,798	750,000	1,268,809	16,911,596	1,250,000	500,000	7,395,895	1,700,529	2,000,000	107,055,844
USES:																
Board Operations	3,039,506	594,178	2,030,498		17,966	880,000	325,164	79,598	336,553	228,635	35,192	56,630	197,062	945,687	12,866	8,779,535
Direct Program/Project Expense	205,000	27,000				1,735,000			932,256	34,568	316,728	443,370	12,448	754,842		4,461,212
Project Grant and Loans	35,194,581	2,900,000		200,000	835,141	600,000	13,074,836	670,402		2,736,797	898,080	-	2,790,490		1,987,134	61,887,461
Project Grant and Loans Completion of Prior Year's Federal Grants		4,992,347					8,627,798			13,911,596			4,395,895			31,927,636
TOTAL Uses:	38,439,087	8,513,525	2,030,498	200,000	853,107	3,215,000	22,027,798	750,000	1,268,809	16,911,596	1,250,000	500,000	7,395,895	1,700,529	2,000,000	107,055,844

VERMONT HOUSING AND CONSERVATION BOARD SOURCES AND USES Chart - EXPLANATION, FY2027 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 2027.

I. SOURCES OF REVENUE

State Funding

Property Transfer Tax (PTT) – The Governor's recommended Property Transfer Tax appropriation for VHCB is \$37,653,750, representing full statutory funding based on the State's January 2026 economic projections. This figure reflects the net amount available to VHCB after the required bond debt service payment, as described below. By statute, VHCB receives 50 percent of total Property Transfer Tax revenues for the year, after other statutory deductions.

The Property Transfer Tax was selected as a funding source because increases in property transfers tend to coincide with rising housing costs, land values, and farm values, which can limit access to housing and land for Vermonters without sustained public investment.

However, VHCB's annual PTT appropriation is reduced by \$1,500,000 to cover debt service on the Housing for All Revenue Bond (HRB).

Property Transfer Tax revenues are primarily used by VHCB to fund housing and conservation projects that advance the Board's mission. Portions of these funds also support related programs and federal grants administered by VHCB. These projected uses are reflected in the Sources & Uses chart in the applicable columns.

Capital Bill – For the Capital Bill, VHCB is requesting \$2,800,000 million to support conservation projects that improve water quality, strengthen flood resilience, and enhance ecological function statewide. VHCB is included in the Clean Water section of the capital bill in recognition of the long-term water quality benefits that result from enhanced water quality practices on conserved land, capital grants to farmers to invest in equipment with water quality outcomes, and the retirement of farmland in sensitive areas. Capital Bill clean water investments through VHCB help the state meet its TMDL targets, increase flood storage capacity, support farmers and improve ecological function. In recognition of these outcomes, the Clean Water Board is again recommending funding for VHCB for the upcoming fiscal year.

Federal Grants - As a complement to our State funding, VHCB administers a wide variety of Federal awards. Looking ahead to FY27, 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. 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 receive any of those funds in FY2027. VHCB has historically provided the State with match for the RCPP award.
- **Congressional Directed Spending (CDS)** – Over the last five years, VHCB has received several awards through the CDS process which enhance federal funding for housing and business support for working lands businesses. The budget reflects several awards that have been included in the Federal FY26 Federal Budget which could be in place through the state FY27 budget year. The timing and requirements of these awards are uncertain.
- **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 AmeriCorps Members with housing organizations, homeless service providers, and conservation organizations across Vermont.
- **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).
- **HOPWA (HUD)** – This amount represents the FY2027 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. 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.

Other Sources

- **Loan Repayments** – This amount represents collections of principal & interest on outstanding loans expected to be received during FY2027. 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 - FY2027

Detail of All Estimated Revenue Sources

Federal Fund		
Federal - new funding FY2027		
HOME Program	2,972,341	
National Housing Trust Fund	3,000,000	
NRCS - ALE & RCPP	2,900,000	
Congressional Directed Spending (CDS)-Housing	13,400,000	
Congressional Directed Spending (CDS)-Viability	750,000	
Healthy & Lead Safe Homes	1,250,000	
Federal Grants - misc	1,177,326	
Total Federal FY2027		\$ 25,449,667
Federal - Completion of prior years' federal grants		
HOME Program	7,010,169	
HOME -ARP	6,367,274	
National Housing Trust Fund	4,395,895	
Congressional Directed Spending (CDS)	8,627,798	
NRCS - ALE & RCPP	5,551,500	
Total Federal - completion of prior years' federal grants		\$ 31,952,636
Total Federal Fund #90630		\$ 57,402,303

Special Fund (VT Housing & Conservation Trust)		
Property Transfer Tax		39,153,750
VHCB share of Housing Revenue Bond Debt Service		(1,500,000)
Net Property Transfer Tax (Governor's recommendation)		* \$ 37,653,750
Loan Repayments	62,000	
Housing Mitigation Funds	0	
Act 250 Mitigation Funds	250,000	
Other - Includes Misc Program Restricted Grants	230,000	
Great Lakes Fisheries & CWSP - Water Quality Program grants	853,107	
Interest on Fund	1,450,000	
Total Other Revenue		\$ 2,845,107
Total Special Fund #90610		\$ 40,498,857

Capital Bond		
Conservation Water Quality - Core funding (thru CWB)	2,000,000	
Farmland retirement (thru CWB)	200,000	
Water Quality - fam grants (thru CWB)	600,000	
Total Capital Bill		\$ 2,800,000

Other -		
Miscellaneous Carryover	2,674,155	
Land Access Opportunity Board Base Appropriation	1,680,529	
Career Tech Ed Program (Yr4 spending of FY2023 Ed Fund Appropriation)	2,000,000	
Total		\$ 6,354,684

Total Recommended Funding		\$ 107,055,844
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		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 expenditures		16,115,143	900,000	1,421,950						18,437,093	13.0
FY2026 estimated expenditures		21,680,903		6,486,443						28,167,346	-
FY2027 budget request		22,352,509		2,030,498						24,383,007	
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 expenditures					576,524					576,524	4.0
FY2026 estimated expenditures								514,721	6,325,033	6,839,754	-
FY2027 budget request								-		-	
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 expenditures								3,089,434		3,089,434	0.5
FY2026 estimated expenditures								106,990		106,990	-
FY2027 budget request								2,900,000	6,367,274	9,267,274	
HOME PROGRAM	Federal grant and loan program for multi-family housing.										
FY2024 expenditures								2,532,174		2,532,174	1.7
FY2025 expenditures		37,573		2,955,000				6,545,000		9,537,573	1.8
FY2026 estimated expenditures		13,857		3,014,372				5,929,844		8,958,073	-
FY2027 budget request		27,659		2,972,341				7,544,322		10,544,322	
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 expenditures								3,000,000	4,264,000	7,264,000	1.4
FY2026 estimated expenditures								3,000,000	3,999,013	6,999,013	-
FY2027 budget request								3,000,000	4,395,895	7,395,895	
Congressional Directed Spending	Awards received or applications pending for various projects.										
FY2024 expenditures								703,622		703,622	0.5
FY2025 expenditures								5,740,000	13,600,000	19,340,000	0.3
FY2026 estimated expenditures								-	11,328,075	11,328,075	-
FY2027 budget request								14,150,000	8,627,798	22,777,798	
CONSERVATION-Ag FPP& RCPP	Development Rights purchase of farmland; associated costs; support of delivery system.										
FY2024 expenditures		4,747,635.23	2,766,485					4,520,500		12,034,620	5.3
FY2025 expenditures		8,897,929	1,450,000					9,500,000	4,900,000	24,747,929	6.0
FY2026 estimated expenditures		5,571,587	1,000,000					9,500,000	3,820,250	19,891,837	-
FY2027 budget request		9,228,992	2,200,000						5,551,500	16,980,492	
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 expenditures		2,310,732	600,000					19,000		2,929,732	6.7
FY2026 estimated expenditures		2,000,000	600,000					130,996		2,730,996	-
FY2027 budget request		2,300,000	600,000					-		2,900,000	
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 expenditures		1,882,672	1,650,000					340,000		3,872,672	6.5
FY2026 estimated expenditures		6,875,604	1,200,000					428,570		8,504,174	-
FY2027 budget request		2,300,000									
HUD - HOPWA	Federal Grant for Housing Opportunities for Persons with AIDS.										
FY2024 expenditures								515,379		515,379	0.3
FY2025 expenditures		66,749						535,000		601,749	0.5
FY2026 estimated expenditures		66,473						535,000		601,473	-
FY2027 budget request		56,894						443,106		500,000	
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 expenditures		517,984						699,000		1,216,984	2.2
FY2026 estimated expenditures		534,589						734,220		1,268,809	-
FY2027 budget request		534,589						734,220		1,268,809	
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 expenditures		1,909,683								1,909,683	1.8
FY2026 estimated expenditures		221,237							3,461,845	3,683,082	-
FY2027 budget request		853,107									
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 expenditures								1,489,762		1,489,762	3.6
FY2026 estimated expenditures								1,482,763		1,482,763	-
FY2027 budget request								1,250,000		1,250,000	
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 expenditures					5,000,000					5,000,000	0.1
FY2026 estimated expenditures					5,000,000					5,000,000	-
FY2027 budget request					2,000,000					2,000,000	
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 expenditures								1,000,000		1,000,000	2.7
FY2026 estimated expenditures								1,631,582		1,631,582	-
FY2027 budget request								1,680,529		1,680,529	
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 Appropriations	36,964,250	2,800,000	6,486,443	-	5,000,000	1,631,582	19,447,632	34,864,060	107,193,967	53.8
Totals	FY2027 Budget request	37,653,750	2,800,000	2,030,498	-	2,000,000	1,680,529	28,404,278	32,486,789	107,055,844	54.0

Vermont Housing & Conservation									
FY 2027 Crosswalk/Budget									
	Special Fund \$\$	Capital Bill Bond \$	Federal \$\$	Expenditure of Prior Years' Federal	General Fund \$\$	Prior Year GF Approp. Carryover for Ops	Ed Fund - CTE	LAOB	Total \$\$
Total FY2026 Appropriations/Funding:	39,927,487	2,800,000	13,190,268	37,994,630	5,000,000	1,650,000	5,000,000	1,631,582	107,193,967
CHANGES in Projected Resources (Decrease) Increase:									
Net Property Transfer Tax	689,500								689,500
HOME Program			(42,031)	1,080,325					1,038,294
HOME-ARP			(106,990)	42,241					(64,749)
National Housing Trust			(134,373)	(860,689)					(995,062)
Congressional Directed Spending - applied for Other Federal Grants:			14,150,000	(2,700,277)					11,449,723
ARPA									0
NRCS - ALE & RCPP programs			(600,000)						(600,000)
Lead Hazard Reduction grant			(232,763)						(232,763)
Miscellaneous Federal grants			(774,444)	(3,603,594)					(4,378,038)
LAOB								48,947	48,947
ATB									0
Miscellaneous Income	(93,130)						(3,000,000)		(3,093,130)
Housing One Time GF					(5,000,000)				(5,000,000)
Carryforward for Operations						999,155			999,155
Subtotal of increases/decreases	596,370	0	12,259,399	(6,041,994)	(5,000,000)	999,155	(3,000,000)	48,947	(138,122)
FY27 Governor Recommend	40,523,857	2,800,000	25,449,667	31,952,636	0	2,649,155	2,000,000	1,680,529	107,055,845
VHCB FY26 Appropriation/Funding	39,927,487	2,800,000	13,190,268	37,994,630	5,000,000	1,650,000	5,000,000	1,631,582	107,193,967
TOTAL INCREASES/DECREASES	596,370	0	12,259,399	(6,041,994)	(5,000,000)	999,155	(3,000,000)	48,947	(138,122)
VHCB FY 2027 Governor Recommend	40,523,857	2,800,000	25,449,667	31,952,636	0	2,649,155	2,000,000	1,680,529	107,055,845

DEPARTMENT OVERVIEW

Organization: VERMONT HOUSING AND CONSERVATION BOARD

MISSION

The Vermont Housing & Conservation Board (VHCB) is a public instrumentality of the State, created by the Legislature in 1987 to improve the economic vitality and quality of life for Vermonters by pursuing two goals in tandem: creating permanently affordable housing and conserving Vermont's agricultural land, forestland, natural areas, recreational lands, and historic properties. This dual mission reflects a clear vision that strong, resilient communities require both secure, affordable homes and the preservation of the working landscape and natural and built environments on which our economy and way of life depend.

VHCB invests in permanently affordable housing because Vermont continues to face successive cycles of housing and economic crises that put Vermonters at risk of losing their homes. By creating homes that remain affordable across generations, whether through rental housing, homeownership, manufactured housing communities, or supportive and specialized housing, VHCB provides a durable public asset that protects households from displacement, stabilizes communities, and ensures that state investments continue to serve those with the greatest need. VHCB's housing work prioritizes Vermonters experiencing homelessness, individuals with disabilities, those in recovery, farmworkers, New Americans, and households priced out of the current market. VHCB also expands and strengthens Vermont's shelter system, supports accessibility and healthy homes initiatives, and funds organizational capacity to ensure nonprofit partners can deliver essential counseling, home repair, and housing stability services.

VHCB's conservation investments sustain the working landscape, ecological health, rural economies, and cultural assets that define Vermont. Farmland conservation reduces land costs, supports intergenerational farm transfer, and helps new, small-scale, and underserved farmers access land at a time when Vermont is losing farmland to development and facing an aging agricultural workforce. Conserving forests, floodplains, wetlands, and natural areas protects biodiversity, strengthens climate resilience, enhances water quality, and safeguards communities from flood risk. Investments in community forests, town and state parks, and recreational lands ensure permanent public access for hunting, fishing, hiking, biking, wildlife observation, and outdoor tourism. VHCB's historic preservation work maintains beloved downtown anchors, libraries, village stores, community halls, recreation hubs, reinforcing Vermont's traditional settlement pattern and local vitality.

VHCB's programs sit at the intersection of multiple state priorities and agency missions. The Agency of Agriculture depends on VHCB's conservation and Viability Program to keep farms productive, competitive, and resilient. The Agency of Natural Resources relies on VHCB to conserve land that provides outdoor recreation, ecological function, and flood resilience. The Department of Housing and Community Development counts on VHCB's production, rehabilitation, and organizational support to meet statewide housing goals, while the Agency of Human Services partners with VHCB to expand shelter capacity and develop homes for Vermonters with the highest needs. Through REDI, Viability, AmeriCorps, and workforce initiatives, VHCB strengthens rural enterprises, community infrastructure, and the next generation of Vermont's

workforce.

VHCB leverages the state's investment to draw down significant federal resources, including Low-Income Housing Tax Credits, USDA conservation funding, Forest Legacy, and the Land and Water Conservation Fund—as well as philanthropic capital and private contributions. These strategic, permanent investments stimulate rural economic development, support Vermont's workforce, revitalize downtowns and village centers, reduce flood and climate risks, and improve the affordability and livability of communities statewide. By conserving land and creating permanently affordable homes, VHCB ensures these benefits endure through economic cycles, demographic change, and climate disruptions.

VHCB's work is grounded in advancing equity, resilience, and vitality across every region of the state. Our mission, to create affordable housing and conserve land in perpetuity, remains as urgent today as when it was established. VHCB provides Vermont with long-term, intergenerational public assets that ensure every person, regardless of income or geography, has a foundation to live, work, and thrive.

VHCB PROGRAMS & IMPACT

Vermont faces unprecedented challenges including a housing affordability crisis, rising land costs, a limiting of federal resources that have historically helped support already underserved Vermonters, and climate-driven events like flooding that continue to threaten homes, farms, and communities. The Vermont Housing & Conservation Board (VHCB) continues to provide a proven and durable response to these multiple challenges. By investing in permanently affordable housing and conserving Vermont's working lands, natural areas and historic sites, VHCB creates assets that remain affordable and resilient for generations, making life more secure and more affordable for Vermonters. Our investments counter the forces of gentrification and resulting displacement helping communities maintain their character while enhancing quality of life for all who live here.

VHCB's work directly aligns with the Governor's FY27 budget priorities which include reversing the housing crisis, making Vermont more affordable, and strengthening resilience in the face of mounting risks. The Board's work is focused on the entire state with significant investment in rural communities and rural enterprises as well as helping to establish new smart growth neighborhoods. The Board's request for full base funding is not just an investment in programs, but in permanent community infrastructure that continues to serve Vermonters across economic cycles and crises.

Housing & Affordability

VHCB's housing program uses state and federal resources to support the creation and preservation of permanently affordable homes across Vermont. VHCB does this in three ways, first, by awarding grants and loans for specific housing developments, second, by providing annual organizational support to a statewide network of community based non-profit developers who carry out this work and third by providing technical assistance and support for housing development. This approach ensures that Vermont not only builds and rehabilitates permanently affordable housing but also sustains the local organizations that both operate affordable housing,

and administer housing programs such as VHIP and homeownership counseling. VHCB works in close coordination with the Department of Housing and Community Development as it administers programs to produce housing, support the housing development system, and direct investment towards Vermont's downtowns, village centers and rural communities.

VHCB invests in permanently affordable housing because it is a cost-effective strategy that protects Vermonters and the state's investment as Vermont continues to face successive cycles of housing and economic crises. This decade, VHCB supported homes and shelters for over 5,000 Vermonters with an average investment of \$80,000 per home. Vermont's workforce is served by housing built with VHCB support. Health care workers, teachers, public safety officers and other essential members of Vermont's workforce make homes in VHCB supported housing. Because these homes are protected by permanent affordability covenants, Vermonters are not at risk of being priced out of their homes, and communities are protected from becoming economically gated and affordable only to the wealthiest households.

The urgency of this work is clear. As found in the 2025 Vermont Housing Needs Assessment, Vermont will need between 24,000 and 36,000 additional year-round homes by 2029 just to meet projected demand, normalize vacancy rates, house people currently experiencing homelessness, and replace homes lost to flooding and other causes. An increase in interest rates paired with inflation in building materials and labor costs have reduced the market's ability to produce affordable homes to Vermonters at or below median income. The Housing Needs Assessment projects Vermont will need to add at least 15,000 homes affordable to low-income households this decade. Through investments in permanently affordable homeownership, manufactured home communities, rental development and housing development for Vermonters with special needs, VHCB's programs are contributing to Vermont's efforts to meet its housing production goals at affordability levels where the deficit of housing is most acute.

VHCB invests in a range of housing types to respond to community need, pursue cost-effective strategies to increase Vermont's housing supply, and to aggressively leverage outside capital. These strategies include:

- **Homeownership:** VHCB supports permanently affordable homeownership through shared equity. VHCB provides capital for home construction and support to homebuyers to ensure an affordable purchase price of homes. The accrual of equity in the home is shared between the current owner and the future owner to ensure that the public subsidy is recycled through generations and that the home remains affordable.
- **Manufactured Housing:** Vermont's manufactured home communities are a critical source of affordable housing in rural communities. VHCB supports the sustainability of manufactured home communities through investments in park acquisition, infrastructure and the placement of new homes on vacant lots.
- **Rental Development:** VHCB partners with non-profit and for-profit housing developers to create permanently affordable rental housing. Rental housing projects leverage outside capital including federal tax credits to help meet one of the most acute shortages in Vermont's housing system while often achieving community development goals by redeveloping downtown and brownfield sites to transform communities.
- **Shelter expansion:** In partnership with the Agency of Human Services, VHCB has

invested in shelters across the state by funding health and safety modifications, the expansion of existing shelters, and the establishment of new shelters in underserved communities, resulting in the addition of over 300 new beds, approximately doubling Vermont’s shelter systems capacity.

- **Health and Accessibility Modifications:** In partnership with the Vermont Center for Independent Living, VHCB funds home accessibility modifications to allow Vermonters continued access to their homes. VHCB also administers Vermont’s Healthy and Lead Safe Homes Program for the state by administering federal dollars from the Department of Housing and Urban Development to decrease lead contamination in rental and homeownership homes with a focus on reducing children’s exposure to lead in the home.
- **Housing for specialized populations:** VHCB supports programs and makes investments in housing tailored to the needs of specialized populations. These include Vermonters with intellectual and developmental disabilities, recovery housing, permanent supportive housing, farmworker housing and housing for New Americans.

Housing Impacts (2020 – January 31st 2026)	
Households served	5,731 households
New rental units created	2,292 new units
Homeownership	436 households
Manufactured home communities invested	10 communities / 1,077 lots
Farmworkers served (with housing support)	320 farmworkers
Shelter beds supported	629 beds
Recovery project supported	4 projects
Households that received accessibility improvements	496 households

Conservation & Rural Community Development

VHCB’s conservation mission encompasses a diverse range of programs aimed at supporting rural communities through investments in agriculture, community development, water quality, ecological health and outdoor recreation. VHCB’s statute directs the Board to make investments that result in the economic vitality and quality of life for Vermont and this guides the programmatic design and focus of the conservation programs. VHCB works in close collaboration with the Agency of Agriculture to help support Vermont farmers, the Agency of Commerce and Community Development to support historic preservation and community development goals, and the Agency of Natural Resources to ensure access for outdoor recreation including hunting, fishing, hiking, cycling, wildlife observation and to support an ecologically functioning landscape that supports the state’s resiliency in the face of climate change.

- **Farm and Forest Viability Program:** The Farm & Forest Viability Program provides in-depth advising, succession planning, and business development services to farmers, food enterprises, and forestland owners. By helping producers adapt their operations, transfer farms successfully to the next generation, and invest in clean water improvements, the program ensures that Vermont’s working lands remain viable in the face of climate change, market disruptions, and demographic shifts. This support is essential to Vermont’s food security and to maintaining the open landscapes that define our state.
- **Farmland Conservation:** VHCB’s farmland conservation program is fundamentally

about affordability and rural economic development. According to the American Farmland Trust's (AFT) Farmlands Under Threat analysis, Vermont could lose 41,200 acres of farmland by 2040, translating to roughly 200 farms, \$24 million in farm output, and 700 jobs. Rising land costs make it nearly impossible for new and underserved farmers to enter the industry, at a time when the average Vermont farmer is nearing retirement age. VHCB's conservation easements address this challenge by using the sale of development rights to reduce land costs by about 60%, keeping land in production and affordable for future generations. This ensures that conserved farms remain accessible to new farmers, small-scale producers, and intergenerational transfers, directly advancing Vermont's food security and working lands goals.

- **Natural Area Conservation:** Conservation of natural areas delivers multiple benefits for Vermont communities including advancing climate resilience, expanding access for outdoor recreation, hunting and fishing, and improving water quality. VHCB supports the acquisition for Vermont's state park system and town forests, with recent and historic investments to conserve and provide access to the island in Island Pond as part of Brighton State Park, the Green River Reservoir, and Alburgh Dunes State Park, as well as community forests in Wolcott, Monkton, Hinesburg, and Barre. The permanent protection of land ensures public access for hunting and fishing and supports outdoor recreation and tourism with economic drivers like Kingdom Trails in Burke, Prospect Mountain in Bennington, and Ascutney Mountain in Windsor.
- **Water Quality:** As part of Vermont's Clean Water Initiative, VHCB serves as the Clean Water Service Provider (CWSP) for the Lake Memphremagog Basin. In this role, VHCB works with partners to design and implement projects that reduce phosphorus pollution, restore floodplains, and improve watershed health. These projects not only protect water quality but also make communities safer by reducing flood risks and enhancing climate resilience.
- **Rural Economic Development Initiative:** The Rural Economic Development Initiative (REDI) helps small towns and rural enterprises secure outside investment to strengthen their economies and community infrastructure. REDI brings technical assistance and grant-writing support to communities that otherwise lack capacity, helping them access federal and philanthropic funding for projects ranging from downtown revitalization to outdoor recreation and food system development. By channeling resources into Vermont's most rural and under-resourced communities, REDI helps make these places more resilient, vibrant, and affordable for residents.
- **Historic Preservation:** The restoration of historic buildings keeps economic and cultural activity in town centers, reinforces Vermont's traditional settlement pattern, and promotes continued community use. VHCB has assisted with the preservation of more than 87 outstanding historic buildings with public use around the state. Historic buildings acquired and/or rehabilitated with VHCB funding are protected by a Historic Preservation Easement held by VHCB and the Preservation Trust of Vermont. These projects include but are not limited to libraries, village stores, performance spaces and recreation hubs.

VHCB's conservation work follows the same model as our housing program by providing grants for specific conservation projects, while also offering organizational support to the land trusts, conservation districts, and nonprofit partners who carry out this work on the ground, and to farm

business coaches who help support our farm viability grantees. This approach ensures not only that land is permanently conserved, but that the local organizations managing these lands remain strong and effective over time. These programs not only conserve land but also ensure that businesses on that land can adapt, thrive, and transfer successfully to the next generation.

Conservation & Rural Community Development Impacts (FY25)	
Farms, food, and forestry enterprises that received in-depth services	110
Agricultural Land conserved	2,877 acres across 21 farms
Natural & recreation land conserved	2,865 acres across 18 projects
Rural communities supported by REDI	16 rural communities, securing \$6,259,426

Workforce Development Programs

VHCB’s programs support Vermont in meeting its demographic challenges in a range of ways, from providing affordable housing for families and workers to enabling farms to transfer to a new generation for farmers attracted to Vermont by our agricultural communities. VHCB administers two programs targeted at expanding Vermont’s workforce:

- **Career and Technical Education (CTE) Construction and Rehabilitation Revolving Loan Program:** In partnership with the Vermont Community Loan Fund, VHCB supports a revolving loan fund that provides capital to community groups to partner with CTE programs to allow students to build and rehabilitate housing and community facilities. CTE centers across the state have a growing partnership with Habitat for Humanity Chapters to build homes for Vermonters and train the next generation of Vermont’s construction workforce.
- **AmeriCorps:** VHCB administers an AmeriCorps program that places members with housing and conservation organizations statewide for a year of service. Members gain hands-on experience and professional skills in community development, environmental stewardship, and housing services, while expanding the capacity of local organizations. Many go on to work in related fields, contributing to Vermont’s housing, conservation, and nonprofit sectors.

Workforce Development Impacts (FY25)	
AmeriCorps members placed (FY25)	22 members / 35,024 service hours
Individuals reached through education & outreach (AmeriCorps FY25)	5,194 individuals
Trail miles maintained (AmeriCorps FY25)	56.6 miles
CTE construction projects underway	4 active sites, additional in progress

From Governor's Recommended Budget Book; Rollup Report VHCB		FY 2024 Actual	FY 2025	FY 2026	FY2027 Governor's Recommend	Diff between FY2027 Gov Rec and FY2026	Percentage Chg: FY2027 Gov Rec and FY2026
Fund Type							
Housing & Conservation Trust Fund		\$ 15,947,244	\$ 25,607,155	\$ 40,490,082	\$ 40,498,857	\$ 8,775	0.0%
Federal Fund - VHCB		\$ 12,357,397	\$ 56,676,196	\$ 67,162,640	\$ 25,449,667	\$ (41,712,973)	-62.1%
Total		\$ 28,304,641	\$ 82,283,351	\$ 107,652,722	\$ 65,948,524	\$ (41,704,198)	-50.7%
Restated to Include All Resources:							
Fund Type:		FY 2024 Actual	FY 2025 Appropriations	FY 2026 Appropriations	FY2027 Governor's Recommend & All Projected Sources	Diff between FY2027 and FY2026	Percentage Chg: FY2027 and FY2026
Housing & Conservation Trust Fund		\$ 14,652,046	\$ 31,738,465	\$ 39,927,487	\$ 40,498,857	\$ 571,370	1.4%
Federal Fund - VHCB		\$ 14,657,057	\$ 56,676,196	\$ 51,184,898	\$ 57,402,303	\$ 6,217,405	12.1%
Capital Bill Appropriation		\$ 4,518,531	\$ 2,000,000	\$ 2,800,000	\$ 2,800,000	\$ -	0.0%
Clean Water Fund		\$ -	\$ 2,800,000	\$ -	\$ -	\$ -	0.0%
General Fund - One-times		\$ 26,269,624	\$ 1,421,950	\$ 5,000,000	-	\$ (5,000,000)	0.0%
Ed Fund - Career Tech Ed Program-RLF		\$ 775,756	\$ 5,000,000	\$ 5,000,000	2,000,000	\$ (3,000,000)	-60.0%
Land Access Opportunity Bd (Gen'l Fund)		\$ 325,925	\$ 1,000,000	\$ 1,631,582	1,680,529.00	\$ 48,947	3.0%
Miscellaneous Approps. Carryforward for Ops		\$ -	\$ -	\$ 1,650,000	\$ 2,674,155	\$ 1,024,155	62.1%
Total:		\$ 89,508,714	\$ 101,213,135	\$ 107,193,967	107,055,844	\$ (138,123)	-0.1%
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Restatement includes: Capital Bill, Clean Water Fund, General Funds, ARPA-SFR, CTE, & LAOB							
*FY2024 - Amounts are restated to reflect actual spending and agree with VHCB audited financial statements.							