

**DRAFT**

**Vermont Housing & Conservation Board - Supplemental Request Committee  
October 3, 2023 | Zoom  
Minutes**

Board Committee Members: David Marvin, Neil Mickenberg, David Riegel, Maura Collins

VHCB Staff: Gus Seelig, Jenny Hyslop, Elizabeth Egan, Pollaidh Major, Anne Duffy, Marcy Christian, Emily Phillips, Leah Sare, Ariane Kissam, Bonnie Woodford, Beth Schwarz

Others Present: Patrick Shattuck, Jenna O'Farrell, Amy Demetrowitz, Paul Dragon

David Marvin called the meeting to order at 11:01 am.

**Project Presentations**

**Moose River Shelter – RuralEdge  
2024-036-001 & 2024-036-002**

Rural Edge has requested up to \$742,396 in VHCB grant funding for acquisition and rehabilitation (2024-036-001). Rural Edge has also requested an additional \$30,000 in project related capacity grant funds (2024-036-002) to accelerate predevelopment work to determine the plan for operations and redevelopment of the building beyond the first year. Emily Phillips with Patrick Shattuck from RuralEdge and Jenna O'Farrell from Northeast Kingdom Community Action (NECKA) presented this project. The Moose River Shelter is a proposed 20 bed, low barrier shelter in St. Johnsbury, VT.

Patrick updated the Board on the permitting process with the Town's Development Review Board (DRB) and their application has been approved. They also have had conversations with neighboring property owners addressing their questions.

Patrick gave an overview of the transit options and are working with the local bus operators to ensure timing lines up with the shelter check in times.

Jenna added that they use Town Taxi for folks after the bus hours and coordinate other options for people to stay elsewhere if there are not enough beds.

Neil Mickenberg asked about the social services that NECKA provides- Jenna gave an overview of the services.

Gus Seelig asked about the phase 2 plan and what the timing is expected to be. Patrick responded they are hoping to start phase 2 in the spring.

David M asked about the integrity of the building, Patrick responded that it is structurally sound.

David Riegel asked about the fire marshal. Patrick shared the fire marshal is at the site and that they should be hearing back soon regarding that visit.

Maura Collins expressed appreciation for digging into the transit options and gratitude for the team hustling to get this shelter operating before winter.

Elizabeth Egan asked about the timing of the closing and the appeal period of the DRB approval. Patrick shared they are hoping to close at the end of October.

**Anew Place – Champlain Housing Trust  
2021-052-003**

Champlain Housing Trust is requesting Board approval for the transfer of ownership of the Champlain Inn property (now being renamed Champlain Place) from ANEW Place to Champlain Housing Trust (CHT). Ariane Kissam with Amy Demetrowitz from CHT and Paul Dragon from CVOEO (Champlain Valley Office of Economic Opportunity) presented this project. CHT will be requesting an additional award of VHCB funds for the rehabilitation needs of this property when the updated cost estimate is available.

Amy shared that they have a construction management company on board that is working to build out an updated cost estimate.

Paul updated the Board on staffing plans for the shelter. He also shared that CVOEO will change the hours to be open 24 hours and are allowing pets.

Jenny Hyslop stated that from VHCB staff perspective this is the best outcome we could hope for given the number of folks living outdoors in Burlington and expressed appreciation for CHT and CVOEO.

Maura asked about the census of people that are there now, and curious about going from 70 beds to 24. Paul responded that because of the renovations they have asked Anew Place to not take more folks on and are managing vacancies through attrition. CVOEO is analyzing the space and what the capacity will be moving forward. Amy stated that they are planning drop the maximum number of beds to address capacity and safety needs.

David M asked if they are planning on having family units. Gus responded that when they funded this originally they had not planned on this housing 70 people and was planned to be around 50. Paul shared that they are not planning to place families with children but will allow couples and close friends to stay in rooms together.

Neil asked about the time limit from CVOEO committing to provide services at the site for 2-3 years and why are they not planning to provide services longer. Paul shared their current programming and how much they have grown in the past few years, but that they will not just walk away if there is not another agency that could take over operations.

Gus added that the ability for CVOEO to continue to stay at the site depends on the funding available.

Maura shared that CVOEO has long been a service provider but not necessarily been operating shelters and wondering if CVOEO is planning to move into shelter operating long term. Paul responded that they have grown to take on a few shelters in the past few years, as they work to respond to community needs.

### **Deliberation**

David M clarified that they as a committee are making decisions for the board, Gus confirmed. Gus reaffirmed that both of these projects will be back for more funding in the future.

### **Moose River Shelter – RuralEdge**

#### **2024-036-001 & 2024-036-002**

Maura Collins made a motion to approve the resolution for Moose River Shelter – 2024-036-001 & 2024-036-002, David Riegel seconded the motion.

#### **Roll Call:**

David Marvin – yes

David Riegel – Yes

Maura Collins - Yes

Neil Mickenberg – Yes

### **Anew Place – Champlain Housing Trust**

#### **2021-052-003**

Neil Mickenberg made a motion to approve the resolution for Anew Place – 2021-052-003, David Riegel seconded the motion.

#### **Roll Call:**

David Marvin – yes

David Riegel – Yes

Maura Collins - Yes

Neil Mickenberg – Yes

Gus shared he will be meeting with the Agency of Human Services (AHS) this afternoon and made a request last week to AHS for funding on service coordination for our partners.

**David Marvin adjourned the meeting at 11:39 AM.**

**Vermont Housing & Conservation Board  
Resolution**

Moose River Shelter ♦ St. Johnsbury, VT  
Rural Edge  
2024-036-001 and 2024-036-002  
Board meeting date: October 3, 2023

**Recommendations:**

To score the application “10” for need, “10” for impact and “8” for quality, and award RuralEdge up to \$742,396 in VHCB grant funding for acquisition and rehabilitation of the existing building (2024-036-001). Staff also recommends an award of \$30,000 in project related capacity grant funds (2024-036-002) to accelerate predevelopment work to determine the plan for operations and redevelopment of the building beyond the first year.

This award is subject to the following restrictions:

**Affordability and Conveyance Restrictions:**

Developer shall execute a VHCB Housing Subsidy Covenant of perpetual duration that restricts Twenty (20) units, which will be prepared by VHCB general counsel and will contain restrictions substantially as follows:

**VHCB/ARPA-SFR Affordability Restrictions:**

Developer shall execute a VHCB Housing Subsidy Covenant of perpetual duration that restricts Twenty (20) beds, which will be prepared by VHCB general counsel and will contain restrictions substantially as follows:

- (a) For as long as the Property is operated as a shelter, the Developer shall ensure that:
  - (i) every reasonable effort is made to provide housing to persons whose Annual Income, at their date of initial occupancy, is less than or equal to 30% of Median Income;
  - (ii) except in instances where individuals and families are fleeing violence and/or other dangerous situations, all shelter beds will be primarily occupied by or available to persons whose annual income, at their date of initial occupancy, is less than or equal to 50% of Median Income;
  - (iii) if applicable, one (1) bedroom may be reserved for overnight staff but will be used for shelter residents as needed.
  
- (b) If the Developer ceases to operate the Property as a shelter, the Developer shall enter into a new housing subsidy covenant approved by VHCB in writing and containing provisions to ensure that:

- (i) the Property is used to provide affordable housing;
- (ii) every reasonable effort is made to maintain the income qualifications set forth in subsection (a) above; and,
- (iii) in any event, the Property is occupied by persons whose Annual Income, at their date of initial occupancy, is less than or equal to 80% of Median Income.

This award will be made in the form of a grant, and will be secured with a non-recourse mortgage deed.

Special VHCB Conditions:

1. Prior to closing, Developer will submit an operating budget to VHCB, including confirmation that all sources have been committed. The initial operating budget will be subject to VHCB staff approval, in coordination with the Agency of Human Services.
2. Prior to closing and throughout the construction, Developer will provide copies of MOUs between all service partners for VHCB staff review.
3. Prior to closing, Developer will provide a copy of the Master Lease Agreement between RuralEdge and Northeast Kingdom Community Action (NEKCA).
4. Prior to closing, Developers shall obtain construction bids that demonstrate to the satisfaction of VHCB that projected construction costs are within the approved budget for the project.
5. Prior to closing, Developer will secure all required permits, and provide confirmation of waivers granted regarding permit conditions.
6. Provided that the developer obtains a waiver from the Fire Marshall, it is understood that the fire suppression system and the ADA compliance bids will not be available at the time of project closing, and that this work may be bid separately from the remaining scope of this project. \$84,500 of this award is not available for disbursement until such time as the developer has obtained bids that demonstrate to the satisfaction of VHCB staff that the projected construction costs for fire suppression systems and ADA compliance can be achieved for a cost not to exceed this amount. Developer will provide bids and scope acceptable to VHCB staff prior to commencing any work related to the fire suppression system and ADA compliance.
7. The developer fee shall be available to be drawn down on the following schedule: Up to 50% at closing, up to another 25% at occupancy, with the remaining 25% eligible to be disbursed upon completion of the fire suppression system and ADA compliance scope.

8. A Capital Needs Assessment must be completed within 6 months of Closing of this Grant.

**This award is also subject to standard VHCB conditions.**

**The \$30,000 Project Related Capacity Grant (2024-036-002) is subject to the following special conditions only:**

Special VHCB Conditions:

The Project Related Capacity Grant is made subject to the following conditions:

1. Funds under this award will be utilized for expenses supporting an expedited redevelopment timeline, which may include engineers, architects, consulting and third party expenses.
2. Prior to Closing, the developer will provide a detailed budget for use of the \$30,000, which will be subject to review and approval by VHCB staff.
3. In no event will funds in this award be utilized to reimburse for costs associated with the salary or expenses of an employee of RuralEdge
4. Developer shall utilize the stricter of their own or VHCB's Procurement Guidelines for Housing for this award.
5. Funds will be disbursed on a reimbursement basis for expenses actually incurred. The Developer will request funds using the VHCB Multifamily Disbursement Request Form.
6. Any printed or electronic materials and resources related to this project which reference sponsors or funding sources shall include VHCB.
7. This award will be made in the form of a grant, and will be secured with a nonrecourse mortgage deed.

**Vermont Housing & Conservation Board  
Resolution**

Champlain Place ♦ Burlington, Vermont  
Champlain Housing Trust  
2021-052-003  
Board meeting date: October 3, 2023

Resolved:

To approve the transfer of ownership of Champlain Place from ANEW Place to Champlain Housing Trust (the "Developer") and that the following Affordability and Conveyance Restrictions and Special VHCB Condition supersede and replace the previous conditions set forth in the Resolution approved on October 13, 2020:

This project involves property located at 155-165 Shelburne Road in Burlington and consists of a total of 26 rental units in 1 building.

This award is subject to the following restrictions and conditions:

Affordability and Conveyance Restrictions:

Developer shall execute a VHCB Housing Subsidy Covenant of perpetual duration that restricts twenty-six (26) units, which will be prepared by VHCB General Counsel and will contain restrictions substantially as follows:

For as long as the Property is operated as a motel that particularly serves very low-income individuals without a home, Developer shall ensure that the rooms on the Property shall be set aside specifically for those individuals that are homeless or at risk of homelessness and who are referred through the local system of coordinated entry to housing.

If the Property ceases to be operated as temporary lodging for those individuals that are homeless or at risk of homelessness, Developer shall ensure that: (i) every reasonable effort is made to provide housing to persons whose annual income, at their date of initial occupancy, is less than or equal to 30% of Median Income; (ii) except in instances where individuals and families are fleeing violence and/or dangerous situations, the rooms will be primarily occupied by or available to persons whose annual income, at their date of initial occupancy, is less than or equal to 50% of Median Income; and, (iii) some number of the rooms may be available to the general public as transient lodging.

If Developer ceases to operate the Property as a motel that particularly serves very low-income individuals without a home as described above, Developer shall enter into a new housing subsidy covenant approved in writing by VHCB staff, prepared by VHCB General Counsel, and containing provisions to ensure that: (i) the Property is used to provide affordable housing; (ii) every reasonable effort is made to maintain the income qualifications set forth above; and, (iii) in any event, the Property is occupied by persons whose Annual Income, at their date of initial occupancy, is less than or equal to 80% of Median Income.

Any conveyance of the property shall require the prior written consent of VHCB, which consent shall not be unreasonably withheld if the proposed transferee is an eligible applicant to receive funds from VHCB.

Special VHCB Conditions:

1. VHCB staff will review and approve any leases between Champlain Housing Trust and service providers at the property.