

FINAL -- Draft Initially Posted May 13, 2020

VHFA Board of Commissioners Meeting

Vermont Housing Finance Agency

Board Room

164 St. Paul St.

Burlington, VT

May 11, 2020

VHFA Board Members Present:

Commissioners: Gus Seelig (Vice Chair), Lamont Barnett, Tom Leavitt, Jill Rickard (designee for Michael Pieciak), Josh Hanford (designee for Lindsay Kurre), Jeanne Morrissey, Fred Baser and Michael Clasen (designee for Beth Pearce) (all attended by electronic means)

Staff Present:

Maura Collins, George Demas, Chris Flannery, Seth Leonard, Leslie Black-Plumeau, Josh Slade, Megan Roush, Bill Schrecker, Mia Watson, Jacklyn Santerre, Brittany Thurlo and Steve Gronlund (all attended by electronic means except that Mr. Demas was present at the meeting location)

Guests: Tom Getz (Summit Properties), Elizabeth Bridgewater, Betsy Hall and Peter Paggi (Windham & Windsor Housing Trust), Jeff Kantor (JD Kantor, Inc.), Cindy Reid and Miranda Lescaze (Cathedral Square), Julie Curtin and Nicola Anderson (Downstreet), Kathy Beyer and Samantha Dunn (Housing Vermont), Chris Snyder and Ken Braverman (Snyder-Braverman Development), Stephanie Lane (Shires Housing), Patrick Shattuck and Brian Pickard (Gilman Housing Trust), Richard Williams (VT State Housing Authority) and Joe Tait (Raymond James) (all attended by electronic means)

BOARD MEETING

Mr. Seelig, Vice Chair, called the Board meeting to order at 9:32 a.m.

Staff confirmed that a Notice of this meeting was provided to the requesting parties and was posted on the Agency website and with State Department of Libraries, and that the Agenda for this meeting was provided to the requesting parties and posted on the Agency website, all within the statutory time requirements.

Staff confirmed that Minutes to all meetings of prior meetings have been posted on the Agency website not less than 5 days after the meeting as required.

Mr. Seelig asked if anyone had any changes to the Agenda and there were none.

Mr. Seelig confirmed that the Commissioners attending by electronic means could hear the conduct of the meeting and be heard throughout the meeting by the other attendees. Mr. Seelig noted that Commissioners would have to vote by roll-call since there were Commissioners participating by electronic means.

BOARD MINUTES

Mr. Clasen moved to accept the minutes of the March 30, 2020 Board meeting, and Mr. Barnett seconded the motion, which was unanimously approved by roll call vote with the amendment that the minutes reflect that Mr. Baser attended the meeting. Ms. Rickard did not vote because she had not yet joined the meeting.

PUBLIC COMMENT

Mr. Seelig opened the meeting to public comment. Ms. Reid made a comment that she thought the policy that allowed projects that qualified for federal “bond” credits to receive state tax credit, even if the project ultimately did not use the federal “bond” credits, should be reviewed.

Ms. Rickard joined the meeting.

CONSENT AGENDA

Mr. Clasen moved that the Board adopt the resolutions regarding the amendments to the Housing Vermont Articles and Bylaws, and Ms. Rickard seconded the motion which was unanimously approved by roll call vote.

STAFF REPORT

Ms. Collins reviewed her report. She welcomed Ms. Thurlo, who has joined the Agency to take over the role of Legal Coordinator previously held by Brenda Howley. Ms. Collins noted that while some loosening of COVID 19 related restrictions would be occurring soon, the Agency building would continue to remain closed to the public with most staff working from home. Ms. Collins noted how the current emergency has affected the home mortgage business and the multifamily management work the Agency conducts. She noted that with respect to the multifamily management work, the Agency is still waiting for clear guidance from HUD and the IRS regarding how to make up for the inability to do onsite project inspections although other vital work to maintain project compliance continues.

STRATEGIC PLANNING

Ms. Collins noted that Staff was still working on the VHFA 20/20 strategic plan though some work has been delayed, and that she hoped to have a product to present to the Board at the December meeting.

FINANCE

Approval of KeyBank Lines of Credit

Mr. Flannery reviewed the status of discussions with KeyBank regarding renewal of the Agency’s long-standing working capital line of credit and non-revolving construction lines. He noted that KeyBank had made a material change to the previously existing terms by increasing the interest costs that VHFA would have to then charge to the Projects. Mr. Flannery said that while the changes were significant, and that Staff would continue to try to work with the Bank to improve the deal, the terms were not unreasonable, and given the Agency’s funding needs for upcoming projects, Staff recommended that the Board approve entry to the transactions. Mr. Leavitt noted that given how low LIBOR index rate had fallen, the Bank’s actions are not surprising. After discussion, Mr. Clasen moved that the Board adopt the proposed resolution authorizing Staff to negotiate, finalize and enter into the facility, and Mr. Baser seconded the motion which was unanimously approved by roll call vote.

Review of 3d Quarter Financial Report

Mr. Flannery reviewed his memo, noting that through March 31, 2020, the Agency did well financially. Mr. Flannery noted that given the COVID emergency and issues with the slow single family mortgage market, he did not expect 4th quarter results to be as good.

COMMUNITY DEVELOPMENT

Vermont Housing Needs Assessment Summary

Ms. Black-Plumeau reviewed her presentation setting forth the highlights of the Vermont Housing Needs Assessment that the Agency had recently completed.

State Rental Housing Credit Applications

Each of the various sponsors for the projects applying for credits provided a short presentation regarding the nature and status of their projects:

Bennington Family Housing at 300 Pleasant Street, Bennington – Stephanie Lane (Shires Housing) noted that the project was designed to provide service-enriched housing to families that are homeless or at risk of homelessness through a master lease with the Bennington County Coalition for the Homeless (BCCH) by renovating and adding units to an existing building.

Clark Canal Phelps, Brattleboro – Peter Paggi (Windham & Windsor Housing Trust) reviewed the project, noting that it will revitalize seven historic buildings in Brattleboro and Windsor with units targeted to very low income tenants with project based vouchers.

Granite City Apartments, Barre – Julie Curtin and Nicola Anderson (Downstreet) provided background on the project, which consists of 3 buildings in downtown Barre. They noted to renovation would provide for a number of updates to the project and increased accessibility, with a scheduled start in the autumn of 2021.

Prospect Place at City Center, South Burlington – Chris Snyder and Ken Braverman (Snyder-Braverman) noted that the project will include 26 units of affordable housing targeted at renters with incomes less than 50% of the area median using project based vouchers. They noted that the Project recognized the need to provide service-enriched housing for the homeless or at risk of homelessness and was in discussions with Pathways to develop an appropriate program. They also noted that all permits had been obtained, no other funding was required, and that the project could commence construction August 1. Mr. Braverman said that finding an investor for the federal tax credits was proving difficult but that they are continuing to work on it, and that the lack of an investor would not prevent the project moving forward. Mr. Snyder noted that based on their experience with other projects currently in process they did not believe the COVID emergency would significantly affect project costs and timelines.

Wells River Historic Housing, Newbury – Julie Curtin (Downstreet) and Samantha Dunn (Housing Vermont). Ms. Dunn described the project rehabilitation of five historic buildings currently owned by Housing Vermont, all of which are eligible for historic tax credits. Ms. Dunn also noted that the project had been awarded project based housing vouchers by VSHA allowing it to target 25% of the units to serve the homeless or at-risk of homelessness. Ms. Curtin noted that Downstreet was in discussions with Gilman Housing Trust to provide to necessary services.

West Burke Housing, Burke – Patrick Shattuck and Brian Pickard (Gilman Housing Trust) and Kathy Beyer (Housing Vermont). Mr. Shattuck noted the project history and need for quality affordable housing in the area given that many units in the area are used as vacation housing. He noted also that SASH services would be provided at the site.

Whitney Hill Homestead, Williston – Cindy Reid and Miranda Lescaze (Cathedral Square) and Jeff Kantor (JD Kantor, Inc.). Ms. Reid reviewed the various project needs, noting specifically that the fire sprinklers needed replacement. Ms. Reid also noted that the project had received project based vouchers from VSHA. Ms. Reid

noted that Williston had recently been deemed at Difficult to Develop Area by HUD, which allowed for an enhanced amount of federal tax credits, so getting the project approval in a timely way to make use of that designation was important.

Staff Recommendation

Mr. Leonard then led the Development Staff through a review of the scoring of the proposed projects and the Staff recommendations for the Board after noting that the amount of state credits applied for far exceed the amount available. Ms. Roush noted that Staff recommended that the projects in historic buildings receive waivers from full compliance with accessibility requirements given the efforts the sponsors were making in those projects to improve accessibility. Mr. Schrecker also noted that Staff recommended that the Bennington Family project receive a waiver from the cap of 30% of units dedicated to supportive housing given the relationship that had been developed with the BCCH. Mr. Schrecker also noted that Staff's recommendation with respect to Prospect Place was conditional on the developer working toward an appropriate plan for increasing supportive housing units in the project. Given the timing of some projects, an analysis of the various project needs and the results of discussions with the sponsors regarding the ability of the projects to make do with partial awards, Mr. Slade then reviewed the Staff recommendations for full state rental housing credit awards to Bennington Family, Clark Canal Phelps and West Burke, and partial awards for Prospect Place and Wells River. Ms. Roush noted that Granite Street would still have time to come back next year and remain in its original time line, and Mr. Leonard noted that Staff would work with Ms. Reid to maintain the availability of the DDA enhancement for the Whitney Hill project.

The Commissioners thanked the project sponsors and staff for their hard work, and Mr. Clasen moved that the Board adopt the resolutions reflecting Staff recommendations for the state rental housing tax credits and tax exempt loans included in the Board packets. Ms. Rickard seconded the motion which was approved unanimously by roll call vote except that Mr. Seelig and Ms. Morrissey abstained.

Bellows Falls Garage, Rockingham – Permanent Loan

Mr. Slade reviewed his memo regarding a permanent loan for this project. Ms. Rickard moved that the Board adopt the proposed resolution approving the loan, and Mr. Barnett seconded the motion which was unanimously approved by roll call vote.

Parc Terrace, Winooski – Construction Loan

Mr. Slade reviewed his memo regarding a construction loan for this project. Mr. Leavitt moved that the Board adopt the proposed resolution approving the loan, and Mr. Hanford seconded the motion which was unanimously approved by roll call vote.

Mr. Seelig confirmed with Staff that Minutes of the meeting had been kept and would be posted to the Agency's website within five days.

Ms. Collins noted that there were upcoming meetings of the Human Resources Committee of the Board and of the Audit Risk Committee of the Board in connection with the Agency's annual budget preparation process.

ADJOURNMENT

Upon motion by Ms. Rickard, seconded by Mr. Barnett and unanimously approved by roll call vote, the meeting was adjourned at 12:02 p.m.

I hereby certify that the foregoing is a true copy of the Minutes of the Vermont Housing Finance Agency Board of Commissioners meeting held on May 11, 2020. The Minutes were approved at a lawful meeting of the Commissioners held at Burlington, Vermont on June 22, 2020.



Maura Collins
Executive Director and Secretary
Vermont Housing Finance Agency