VHFA Board Members Present:
Commissioners L. Randolph Amis, Gus Seelig, Jeanne Morrissey, Lamont Barnett, Tom Leavitt, Michael Clasen (designee for Beth Pearce) and Jill Rickard (designee for Michael Pieciak) attended in person.

Staff Present:
Sarah Carpenter, George Demas, Maura Collins, Tom Connors, Sarah Woodward, Josh Slade, Steve Gronlund, Michelle Baird, Kim Roy, Jacklyn Santerre, Rob Purcell, Tom Kimball, Brittany Garland and Brenda Howley attended in person.

Guests: Melanie Lien and Frank Kaul from Piper Jaffray, Rob Leuchs and Rebecca Faour from Champlain Housing Trust.

BOARD MEETING
Mr. Amis called the meeting to order at 9:03 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 after July 1, 2014 had been posted on the Agency website not less than 5 days after the meeting.

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

Mr. Barnett made a motion to accept the minutes of the June 1, 2018 Board meeting, and Ms. Morrissey seconded the motion which was unanimously approved, except that Mr. Amis abstained and Mr. Seelig wasn’t available for the vote.

PUBLIC COMMENT
Mr. Amis opened the meeting to public comment. No members of the public offered comment.
Consent Agenda
Mr. Clasen moved the Board approve the change to the Whistleblower Policy and Mr. Barnett seconded the motion which was unanimously approved.

Executive Director’s Report
Ms. Carpenter reviewed her report and noted that due to the budget impasse in the legislature, it appeared that the proposed increase in down payment assistance tax credits would not pass this year, and the Agency would need to keep working on alternative sources to keep the program funded.

Risk Management Review
Ms. Collins reviewed the Risk Management Report. She asked the Board what additional risks that they would like to be investigated. Suggestion included, cyber security, interest rate vulnerability, labor risk with transition, aging demographics, strength of our partners, and development costs. Mr. Clasen suggested that we share our Risk Management Report with our auditors. Ms. Collins noted that Depot Square, which has been on the watch list for some time, was on schedule to be purchased by Housing Vermont in mid-July. There was a discussion regarding loan funding sources.

Development
Champlain Housing Trust Request for Tax Credits for Manufactured Housing
Ms. Woodward reviewed her report and introduced Rob Leuchs from Champlain Housing Trust. Mr. Leavitt moved that the Board accept the Resolution presented. Mr. Barnett seconded the motion which was unanimously approved.

Equity Bridge Loan for City Center, Sykes Mountain & Taylor Street
Mr. Slade reviewed his report Mr. Seelig moved that the Board accept the Resolutions presented for all these loans. Ms. Rickard seconded the motion which was unanimously approved.

Finance
FY2019 Budget
Mr. Connors reviewed the 3rd Qtr. financial report and projected FY19 Budget that had been recommended by the Audit Risk Committee.

Mr. Clasen noted that the Audit Risk Committee had voted to recommend the proposed budget and moved that the Board approve the FY19 Budget as presented. Ms. Morrissey seconded the motion which was unanimously approved.

Annual Swap Report
Mr. Connors introduced Melanie Lien and Frank Kaul from Piper Jaffray. Ms. Lien reviewed the Swap Update Report and how they have benefitted the Agency. Mr. Seelig inquired as to the overall impression doing swaps in the past. There was a general discussion regarding the swap
process and the lessons learned to keep in mind as the Agency was evaluates the issuance of new variable rate debt and other financial structures.

Municipal Market Update and VHFA Financing Opportunities
Ms. Lien reviewed the Municipal Market Update report and VHFA Financing Opportunities. Ms. Lien noted that the Agency would be looking at another single family bond offering in the Fall. There was a general discussion about funding sources for permanent multifamily loans that did not rely on FHA Risk Share.

Investment Portfolio and Policy Update
Mr. Connors introduced Michelle Baird and Rob Purcell. Ms. Baird reviewed the Investment portfolio report.

Executive Director’s Search
Mr. Seelig moved that the Board enter an Executive Session to discuss an employee evaluation matter. Mr. Clasen seconded the motion, which was unanimously approved. Agency staff were asked to leave except for Ms. Carpenter and Mr. Gronlund.

ADJOURNMENT
The Board came out of executive session and Mr. Amis stated that he would appoint a special Board Committee to conduct a search for a new Executive Director. Mr. Amis then named the following persons to the Committee: L. Randolph Amis, Gus Seelig, Jeanne Morrissey, Thomas Leavitt and Katie Buckley.

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

Upon motion duly seconded and unanimously approved the meeting was adjourned.

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 June 18, 2018. The Minutes were approved at a lawful meeting of the Commissioners held at Burlington, Vermont on August 2, 2018.

Sarah E. Carpenter
Executive Director and Secretary
Vermont Housing Finance Agency