

Minutes
Joint Committee on Tax Credits Meeting
Tuesday, August 13, 2019
Vermont Housing Finance Agency
Board Room
164 St. Paul Street
Burlington, VT

Committee Members Present: Maura Collins, VHFA; Sarah Phillips, AHS Office of Economic Opportunity (Governor's designee); Josh Hanford, DHCD; Gus Seelig, VHCB; and Richard Williams, VSHA.

VHFA Staff Members Present: Seth Leonard, Josh Slade, George Demas, Kim Roy, Megan Roush, Bill Schrecker, Mia Watson.

Public Present: Kathy Beyer, Housing Vermont; Erhard Mahnke, Vermont Affordable Housing Coalition; Pollaidh Major and Kelsey Kobelt, office of Senator Patrick Leahy

The Meeting was called to order at 1:15 p.m. by Ms. Collins.

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.

Ms. Collins asked if anyone had any changes to the Agenda and there were none.

Meeting Minutes:

Mr. Seelig moved that the draft minutes of the December 22, 2016 meeting be approved. Mr. Hanford seconded the motion which was unanimously approved, except that Ms. Collins and Ms. Phillips abstained.

Proposed changes for 2020 QAP:

Mr. Leonard reviewed the process for developing the current revised version of the QAP reflecting an internal desire to restructure the QAP format, which had not been updated for many years, public comments and certain changes in governing law.

Mr. Slade reviewed a presentation describing various proposed changes and the public comments that had been received. In addition, Mr. Slade and Mr. Leonard discussed various areas that Staff would like to explore in connection with preparing the next version of the QAP, which will go into effect for the 2022 funding round.

Ms. Collins noted her hope that by the end of this meeting the JCTC would be able to vote to recommend a revised QAP to the Vermont Housing Financing Agency Board of Commissioners for approval at its next meeting in September.

Ms. Beyer raised concerns regarding proposed changes to the Developer Fee policy specifically extending the cap on the cash portion of the Developer Fee to phased projects where one phase is constructed within three years of a previous phase. There was a general discussion and acknowledgement that the cap should apply where phases are constructed so closely in time that the project should be considered all one project but that the lack of definition of phasing and how the time lag would be calculated created concerns for projects where a community thoughtfully plans for different buildings to be built over time in phases, but might not meet the three year threshold. As a result, the JCTC members reached a consensus

to remove the specific reference to the cash cap for Developer Fees for phased projects in the proposed text with the understanding that there would be situations where phases scheduled closely in time would make such a cap appropriate.

Mr. Mahnke raised concerns regarding the cap of 30% on the number of units of supportive housing that could be included in a project. There was a general discussion regarding the origin of the proposed limit, the need to balance community-based access to supportive housing units with the benefits that can come from well designed, well-funded projects that focus on supportive housing. As a result, the JCTC members reached consensus on a revision to the language of proposed Section 3.2 providing that any projects where supportive units exceed 30% of the total tax credit units must demonstrate market need, appropriateness of project design, availability of adequate service capacity and access to necessary rental assistance.

Mr. Seelig moved that the proposed QAP reflecting the revisions discussed by the JCTC be recommended to the VHFA Board of Commissioners for approval. Ms. Phillips seconded the motion, which was unanimously approved.

Ms. Collins 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 by Mr. Seelig, seconded by Mr. Hanford and unanimously approved, the meeting was adjourned at 3:55 p.m.