Minutes
Joint Committee on Tax Credits Meeting
Tuesday, November 10, 2020
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, Megan Roush, Bill Schrecker.

Public Present: Kathy Beyer, Evernorth; Brenda Torpy, Champlain Housing Trust; Cindy Reid, Cathedral Square; Jonathan Bond, HFI; Martin Hahn, VHCB; Rachel Batterson, Legal Aid; Sarah Kobylenski, Former Executive Director of Upper Valley Haven

The Meeting was called to order at 10:05 a.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 prior meetings had been posted on the Agency website not less than 5 days after the meetings as required.
Ms. Collins asked if anyone had any changes to the Agenda and there were none.

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

Meeting Minutes:

Mr. Williams moved that the draft minutes of the October 29, 2020, meeting be approved. Mr. Hanford seconded the motion which was unanimously approved by roll call vote, except that Mr. Seelig and Ms. Phillips abstained.

Public Comment:

Ms. Kobylenski commented that it was important that the QAP provide some recognition to developers that have targeted the lowest income households and preventing homelessness.

Ms. Reid commented that the Deep Affordability Targeting criteria should delete threshold for 30% of AMI and be limited to a threshold of 30% of units at 50% of AMI. She also commented that recognizing developers that provide servicers to prevent homelessness is important.

Ms. Torpy commented that the QAP should provide more flexibility for projects in dense infill areas, should include consideration for the services nonprofits provide, should not incentivize debt and should not include a formal provision regarding communication outside of VHFA staff.
Ms. Beyer also commented regarding flexibility for projects in dense infill areas and submitted suggested language. She also raised concerns regarding the implementation of any incentive for debt.

Ms. Batterson commented that limiting information sharing outside of the public process helps with transparency. She also noted that consideration for homeless support should be based on actual eviction statistics and commented on the Deep Affordability criteria.

Messrs. Leonard, Slade and Shrecker and Ms. Roush then reviewed the current status of the QAP revisions and the various open items.

During a general discussion covering various open items, Mr. Seelig proposed that an evaluation checkmark be added for dense infill projects at sites the local Regional Planning Commission has determined are designated for growth. Mr. Williams concurred with that proposal; however, Mr. Hanford, Ms. Phillips and Ms. Collins wished to retain the original staff proposed language.

Mr. Seelig further suggested (i) that the 30% affordability tier in the Deep Affordability evaluation be removed, (ii) that instead all projects be required to apply for rental assistance and accept voucher holders, and (iii) that the QAP could include an evaluation checkmark for projects electing the average income designation. Ms. Phillips concurred with these suggestions; however, Mr. Hanford, Mr. Williams and Ms. Collins wished to retain the original staff proposed structure.

Finally, during the discussion Mr. Seelig suggested striking the evaluation criteria related to permanent debt. Mr. Williams concurred with this suggestion; however, Mr. Hanford, Ms. Phillips and Ms. Collins wished to retain the original staff proposal.

After further general discussion covering all the various open items, the Committee reached the consensus that the proposed 2022 QAP was acceptable as presented by Staff, except:
• Section 1.2 would be revised to include broader language presented by VHFA staff at the meeting regarding the scope of the VHFA Board’s authority to make exceptions for high-impact projects.

• Staff, in coordination with AHS, will revise the term “Permanent Supportive Housing” as used in the QAP with a term that is more consistent with its actual nature.

• Section 1.5 will be revised to change its title to “Communication/Transparency” and the first sentence will be deleted.

• A priority for rehabilitation projects would be added with respect to the State multifamily housing credit.

• A statement would be added to the design standards to encourage developers to take into account the needs of residents to work from home from time to time.

• The Committee would meet again to review a forthcoming proposal for a maximum of two checkmarks to recognize applications coming from organizations that support housing stability through certain conduct. This language would be developed by a group including Ms. Phillips, Mr. Seelig, and VHFA Staff prior to the next meeting. The Committee would also review whether to retain the change that deleted reference to transitional housing as being eligible for “allocated” credits.

Finally, it was noted that the Committee would request the VHFA Board to discuss generally the nature of the “checkmark” system and its use in prioritizing proposed projects.

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.

The meeting was adjourned at 1:06 p.m.