

**FINAL -- Draft Posted March 13, 2026, along with Meeting video
VHFA Board of Commissioners Meeting**

VHFA Board Room
164 St. Paul Street, Burlington, VT
March 12, 2026

VHFA Board Members Present:

Commissioners: Katie Buckley, (Chair), Gus Seelig, Chris Gomez, Kaj Samsom, and Peter Trombley (designee for Pieciak) (attended electronically), Marie Milord-Ajanma (attended in person).

Staff Present:

Maura Collins, Chris Flannery, Deborah Flannery, George Demas, Jamee Robinson, Megan Roush, Leslie Black-Plumeau, Jameson Williams, Todd Rawlings, Olivia LaVecchia, Catherine Lange, Mia Watson, Nate Lantieri, and Alejandro Flores-Howland

Guests:

Ben Sturtz and Kathy Beyer (Evernorth), Mary Cohen (Cornerstone Housing Partners), Becky Masure (RuralEdge), Rachel Batterson (Vermont Legal Aid)

BOARD MEETING

Ms. Buckley called the Board meeting to order at 9:08 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 prior meetings had been posted on the Agency website not less than 5 days after the meetings as required.

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

Ms. Buckley 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. Ms. Buckley noted that Commissioners would have to vote by roll call since there were Commissioners participating by electronic means.

Ms. Buckley noted that the meeting was being held in a hybrid fashion, that a recording of the meeting was being made and would be posted for public access.

PUBLIC COMMENT

Ms. Buckley opened the meeting to public comments, and there were none.

BOARD MINUTES

Mr. Seelig moved that the Board approve the minutes of the February 17, 2026, Board meeting. Ms. Milord-Ajanma seconded the motion, which was unanimously approved by roll call vote, except that Mr. Trombley was not present.

CONSENT AGENDA

Mr. Samsom moved that the Board approve the Annual Meeting resolution as presented. Mr. Seelig seconded the motion, which was unanimously approved by roll call vote, except that Mr. Trombley was not present.

COMMUNITY DEVELOPMENT

Packard Court, St. Johnsbury

Ms. LaVecchia reviewed the Staff memo and recommendations regarding the proposed HIVE CMF loan, noting that since the Board last reviewed the project for 9% ceiling credits in April of 2025, the project budget had increased due to various costs despite significant value engineering, which required additional funding. Ms. Lange reviewed the project plan and noted that construction was scheduled to begin in May. There was a general discussion of the various cost drivers associated with the project including a tight infill site, soil contamination issues, underground sewer infrastructure that would need to be moved and a steep incline on the site. Mr. Seelig moved that the Board accept the Staff recommendations and approve the proposed resolution for the project. Mr. Gomez seconded the motion, which was unanimously approved by roll call vote, except that Mr. Trombley was not present.

Mr. Trombley joined the meeting.

East Creek Commons, Rutland and Castleton

Mr. Rawlings reviewed the Staff memo and recommendations regarding the proposed increased construction loan (and corresponding increase in bond credits) and tax-exempt permanent loan, noting that the previously approved HIVE CMF loan and state rental housing credit awards would remain. Mr. Rawlings stated that since the Board last reviewed the project in 2024, higher than expected bids along with changes to the capital sources to avoid certain costly regulatory requirements resulted in an increase in the number of proposed units (which reduced the per unit development cost) and a need for long-term debt. All sources other than VHFA are now committed. Ms. Lange reviewed the project plan and noted that construction was scheduled to begin in May. There was a general discussion of the bidding process used to identify the construction manager and the various contractors for the project. Mr. Gomez moved that the Board accept the Staff recommendations and approve the proposed resolution for the project. Mr. Seelig seconded the motion, which was unanimously approved by roll call vote.

PRIORITY ECONOMIC DEVELOPMENT PROJECT REVIEW

Ms. Flannery reviewed the Staff presentation regarding projects identified as “Priority Economic Development” projects for use of LIAC funds and their status. She noted that goal for funding these projects was generally the creation of market rate housing, rather than deeply subsidized housing for low-income households, and as a result involved factors that were new to the Agency:

- Private developers with limited experience in public housing finance programs
- Issues of balancing the private party gain against the public benefit to be provided in exchange for public funding
- Municipal investments in housing projects without expertise in underwriting this type of investment

Mr. Flannery then reviewed the work of Staff on the Fonda project in St. Albans as a case study of how Staff has worked with the developer and the municipality to adjust the initial proposed structure to something that provided a better balance and also reduced overall risk.

STATE HOMEOWNERSHIP TAX CREDIT DISCUSSION

Ms. Black-Plumeau then provided a summary of a recent evaluation of the State Homeownership Tax Credit (SHOTC) program. She noted that commencing in 2020, when the focus for the state shared equity funders turned from projects consisting of purchase and renovation of existing units to new construction of larger projects, the amount of total subsidy per unit had increased dramatically, and systems needed to be developed to make sure the subsidies were being determined and funded in an equitable manner that prioritized ensuring that households were receiving targeted funding that did not leave the lowest income households with higher cost burdens than higher income households. A stakeholder meeting was held in February as part of the review process that provided the following feedback:

- Need for predictability so a single price can be used to market to buyers.
- Concern that the 30% affordability benchmark is outdated and does not reflect non-housing debt.
- Geographic inequities in development risk in urban vs rural markets.
- Importance of the value of perpetual affordability when homes created by SHOTC are resold.
- Updates to the SHOTC program should be handled outside the existing QAP update.

Ms. Flannery reviewed the statutory and procedural requirements for adopting the QAP, including public comment, a public hearing, interagency review, Board approval, and gubernatorial sign-off and outlined the proposed timeline for releasing a draft, receiving comments, and advancing approvals.

In response to stakeholder concerns about timing and clarity, staff asked whether the Commissioners supported addressing SHOTC policy changes within the same QAP process as rental housing or preferred a separate or phased approach. Staff recommended proceeding together, citing efficiency and the need to provide timely guidance to applicants. Commissioners generally supported moving forward within a single QAP in accordance with the proposed schedule.

Ms. Flannery noted that the current QAP does not have a scoring system for SHOTC similar to the scoring system for federal rental tax credits, and that a scoring system would improve predictability and transparency and could include prioritization for project readiness that currently are not taken into account as highly. Commissioners broadly supported increased transparency and predictability, noting that clearer criteria could lower transaction costs, attract more participants, and reduce delays caused by projects repeatedly returning for partial or incremental awards. At the same time, several Commissioners stressed the importance of preserving discretion to address geographic balance, community impact, and unique circumstances.

In addition, the Commissioners discussed changing the type of SHOTC subsidy provided from grants to 0% deferred loans which could strengthen monitoring and enforceability of the terms of funding. Mr. Seelig noted that VHCBC already has significant involvement in this way and that any review and approval processes would need to be coordinated to reduce friction for the homeowners. Mr. Seelig also stated that changing the form of subsidy may slow the QAP timeline.

Also, the Commissioners discussed the need to create processes to ensure that total subsidies to homebuyers do not exceed the amount necessary to limit their “cost burden” to not more than 30% of their income. Mr. Seelig stated that the general rule of thumb regarding 30% of income is often at odds with mortgage underwriting requirements for individual homebuyers so there would need to be flexibility.

Finally, the Commissioners discussed whether there should be some type of “subsidy layering” analysis for homebuyer subsidies, and Mr. Seelig noted that this would depend on whether SHOTC and other funding would continue to be used for new home construction projects as pandemic-related funds were used up.

Ms. Buckley then confirmed with Staff that Minutes of the meeting had been kept and would be posted to the Agency's website within five days along with the recording of the meeting.

ADJOURNMENT

Upon motion duly made by Ms. Seelig, seconded by Mr. Gomez and unanimously approved by roll call vote, 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 March 12, 2026. The Minutes were approved at a lawful meeting of the Commissioners held on April 20, 2026.



Maura Collins
Executive Director and Secretary
Vermont Housing Finance Agency