

FINAL -- Draft Posted September 5, 2025, along with Meeting video
VHFA Board of Commissioners Meeting

Vermont Housing Finance Agency
Board Room
164 St. Paul St., Burlington VT
September 4, 2025

VHFA Board Members Present:

Commissioners: Katie Buckley (Chair), Marie Milord-Ajanma, Fred Baser, Jenny Hyslop (designee for Seelig), Lindsay Kurrle, and Michael Pieciak (attended in person); Jeanne Morrissey, Kaj Samsom, and Chris Gomez (attended electronically).

Staff Present:

Maura Collins, Chris Flannery, Deborah Flannery, George Demas, Megan Roush, Jacklyn Santerre, Leslie Black-Plumeau, Chad Simmons, Megan Roush, Catherine Lange, Mia Watson, Todd Rawlings, Jameson Willisams and Alejandro Flores-Howland

Guests:

Miichael Monte, Amy Demetrowitz, Julie Curtin, Jacklyn Marcotte, Travis Phillips (CHT); Elise Shanbacker (ACCT); Tom Getz (Summit); Kathy Beyer (Evernorth); David Mullin (Green Mountain HfH); Melanie Johnson (Piper); Joe Tait (RaymondJames); Gloria Boyed (JP Morgan); Olivia Ford

BOARD MEETING

Ms. Buckley called the Board meeting to order at 9:02 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. Gomez moved that the Board approve the minutes of the August 4, 2025, Board meeting. Ms. Kurrle seconded the motion, which was unanimously approved by roll call vote, except that Ms. Morrissey and Ms. Hyslop abstained and Mr. Baser did not participate in the vote.

COMMUNITY DEVELOPMENT

State Homeownership Development Tax Credits

Ms. Flannery reviewed the Staff presentation, noting that Staff would like to bring a new approach to the process for reviewing and approving state homeownership development tax credits by allowing for a rolling approval process for projects (rather than single annual award rounds) in order to increase the number of homes benefiting from the program by more accurately sizing the subsidy gaps needed in each project and to increase the equitable use of the subsidies to make sure that higher income homebuyers are not receiving subsidies exceeding the amount needed to bring their homeownership costs to the standard of 30% of their income. Ms. Flannery reviewed the history and purpose of the State Homeownership Development Tax credits and noted that because of the timing of annual award rounds, projects have historically been funded over multiple years of funding rounds with the earliest allocations often being made before the projects had been fully designed and income targets fully determined. As a result, there is a large backlog of approved awards from prior years. Ms. Flannery also noted that with the Middle Income Homeownership Development program that had been approved in the last few years by the legislature, the Agency started drilling down into the issues of value gap (the amount that the cost to build a unit exceeds the market value for that unit) and affordability gap (the amount that the market price for a unit exceeds the amount that a homebuyer at a particular income level can affordably spend for homeownership costs). Ms. Flannery and Ms. Watson then reviewed a case study of a project currently in the process of selling units in Chittenden County with both MIHDP subsidies and State Homeownership Tax Credit subsidies showing that the highest income households were receiving affordability subsidies far in excess of what would be needed to bring their homeownership costs to an amount equal to 30% of their incomes. Ms. Lange then reviewed the design and cost issues associated with each of the applicant projects. Ms. Watson reviewed the results of the Staff analysis regarding the subsidy gap for each project and the Staff's recommendations for awards.

Ms. Hyslop raised concerns that this change of methodology would leave a large number of units unfunded and would create uncertainty for sponsors. Ms. Curtin, commenting for CHT, raised concerns that the methodology did not take into consideration projects targeting low income homebuyers in markets like Burlington with especially high area median incomes and housing costs. Ms. Shanbacker, commenting for ACCT, also raised concerns about the methodology and how it would be applied to particular projects. Mr. Getz, commenting for Summit, noted that his project was already in the building phase so in order for them to be able to deliver the equity sharing units he is required to, the request from ACCT would need to be finalized soon. Ms. Flannery and Ms. Collins noted that the Staff recommendation was to cover the determinations of subsidy gap that had been made so far with the ability of the projects to come back to Staff on an ongoing basis to provide information and request additional amounts that can be approved by Staff without coming back to the Board to the extent that such information warrants. Ms. Flannery also noted that using this more refined methodology would provide the Agency with data to better track trends and performance.

After further discussion regarding the methodology being used for determining the award amounts and the delegation to Staff of authority to make additional awards for these applicants as they can provide additional and/or updated information to Staff, Ms. Kurrle moved that the Board approve the Staff recommended methodology and the proposed Resolution setting forth the Staff recommended award amounts and the Staff

authority to make further or additional awards to the applicants as information is updated and reviewed. Mr. Gomez seconded the motion, which was unanimously approved by roll call vote, except that Ms. Hyslop and Mr. Pieciak voted no and Ms. Morrissey abstained.

FINANCE

Underwriter RFP

Mr. Flannery reviewed his memo regarding the Agency's practices of issuing Requests for Proposals for professional services, and the role of underwriters in the Agency's bond offerings, which were the main source of Agency capital. Mr. Flannery noted that eleven firms responded to the Underwriter RFP, and that based on a scoring rubric of standard requirements, Staff recommended that the Agency retain its existing three underwriters (Raymond James, Morgan Stanley and JP Morgan) for an additional three years. Ms. Hyslop moved that the Board accept the Staff recommendation as proposed. Mr. Pieciak seconded the motion, which was unanimously approved by roll call vote.

Agency Credit Rating

Mr. Flannery reviewed his memo regarding the Agency's need for a high credit rating and the process by which credit ratings are issued. Mr. Flannery noted that the Agency's general obligation rating had recently been upgraded by Moody's from A2 to A1. Mr. Flannery also noted that while a high rating is important for reducing costs of borrowing for the Agency (which then results in lower rates to the Agency's borrowers), the Agency is unlikely to push for much higher ratings given that to do so the Agency would need to sacrifice certain aspects of its mission in order to reduce its overall risk profile.

STAFF REPORT

Ms. Collins noted that because of the length of the morning's discussions, the Homeownership presentation originally on the schedule would be moved to a later meeting date, and that she would instead review the Staff Report at this time. Ms. Collins mentioned the upcoming Board Retreat and National Association of State Housing Finance Agency meetings. Ms. Collins also introduced new Staff, including Mr. Rawlings and Mr. Williams, who were attending the meeting. In addition, Ms. Collins noted that the Community Development group had been looking at new dedicated software for loan origination and pipeline management, and that a budget adjustment could be requested to make room for this acquisition.

Ms. Buckley then adjourned the meeting for a short lunch break.

Ms. Morrissey left the meeting.

BOARD POLICY DISCUSSION

Ms. Collins started the discussion, noting that the issues relating to cost and value of affordable housing can be overwhelming, but the Agency would need strategies to make sure public housing dollars are stretched as far as possible to generate the most units that meet policy goals. Ms. Collins added that she was working on a matrix of cost factors broken down by those factors VHFA can address, those that the state can address and those that require federal action.

Ms. Hyslop and Ms. Buckley discussed how to deal with those cost factors that meet various public policy or economic development goals that are paid for (in whole or in part) by non-housing funding sources, such as historic preservation and new markets tax credits, brownfield clean up funds, etc. Mr. Baser noted that any review of costs should include those related to regulatory and zoning barriers, and any other costs that do not relate to the creation of basic, safe, decent affordable housing. Ms. Shanbacker noted that manufactured housing should also be included in the discussion as a possible solution, and Ms. Collins and Ms. Kurrle

discussed current efforts underway related to manufactured homes and modular homes. There was also a general discussion about making sure that subsidy levels be determined in a more refined way to make keeping housing costs for residents at 30% of AMI, and that any changes or adjustments in Agency standards or priorities be fully vetted against the goals of efficiency and effectiveness of Agency funding.

Finally, Ms. Collins asked the Commissioners if, for the upcoming Board retreat, the Commissioners would prefer to use the time available for a moderated discussion of these issues, or if they would prefer to focus instead on site visits, and the Commissioners agreed that a moderated discussion would be more important than site visits.

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 Mr. Pieciak, seconded by Mr. Gomez, and unanimously approved by roll call vote, the meeting was adjourned at 2:00 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 September 4, 2025. The Minutes were approved at a lawful meeting of the Commissioners held on October 15, 2025.



Maura Collins
Executive Director and Secretary
Vermont Housing Finance Agency