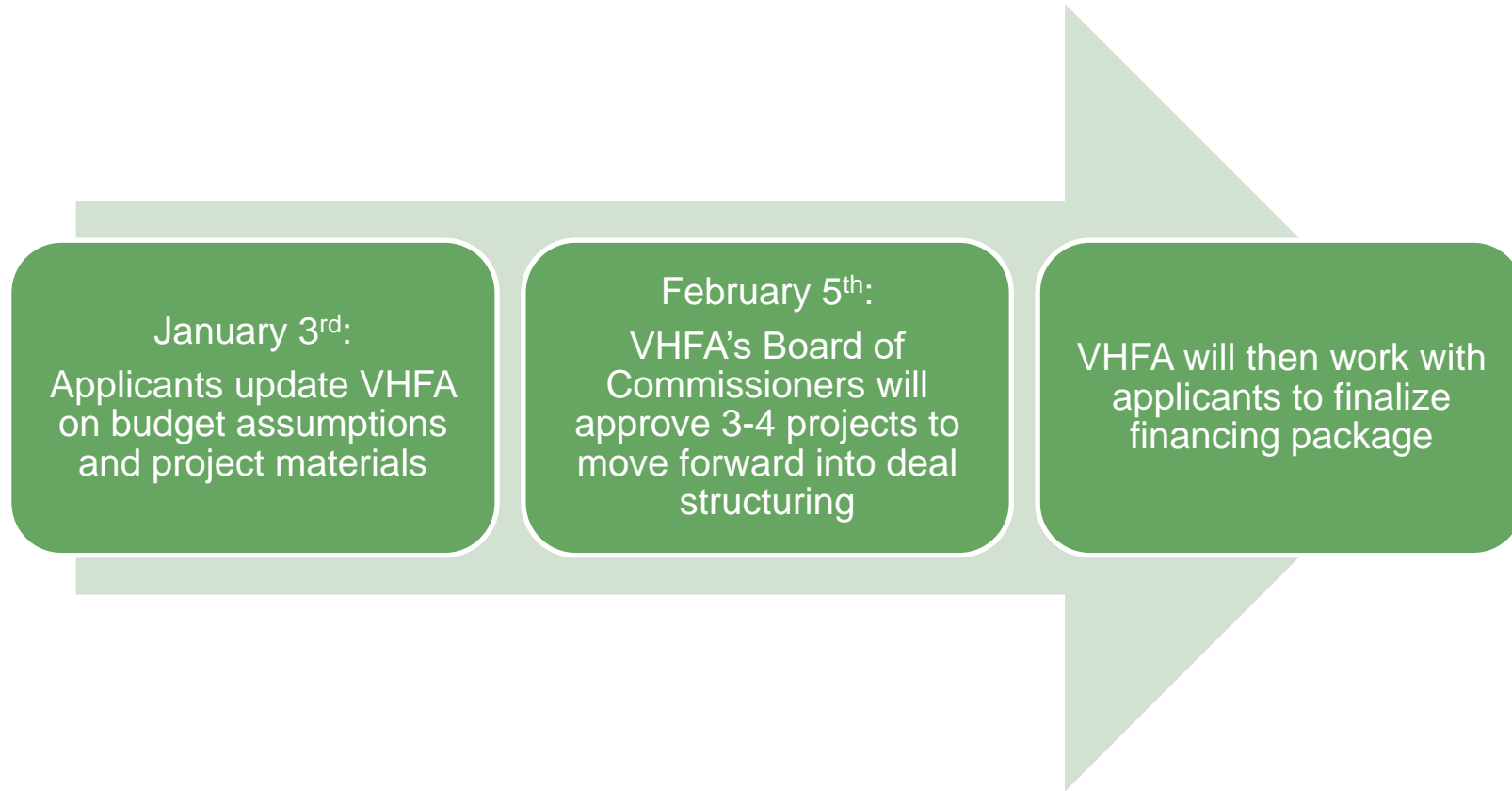


# Timeline



# Applicant Guidance

- Please be sure VHFA has your latest and most up to-date project proforma and development budget no later than January 3<sup>rd</sup>, 2024
- Ensure your project proposed rents are set at levels that prioritize households between 80-120% Area Median Income:  
<https://www.housingdata.org/documents/Purchase-price-and-rent-affordability-expanded.pdf>
- If your project is also seeking Rental Revolving Loan Fund resources, please note program materials are now available (pending formal program launch):  
<https://vhfa.org/rentalhousing/developers/rrlf>

# Key project budget assumptions

- Due to high level of demand \$8 million is likely maximum for single project.
- For projects that include a residential and commercial component, VHFA is working with VEDA on potential subsidy for non-residential portion of project.
- Rates & Terms:
  - 5 Year Term: 2.5%
  - 10 Year Term: 3.0%
  - 15 Year Term 3.5%
  - Longer amortization periods are permitted (20-30 year)

# Prioritization: Impact Criteria

Projects are being analyzed and scored under four qualitative impact prioritization criteria

Investments in housing that directly contributes to community/regional economic development efforts and strengthen Vermont's economic centers

Housing development that leverages and rewards communities making substantial municipal infrastructure investments

Housing investments that demonstrate economic innovation that will inspire advancement in manufacturing and design

Geographic balance with a focus on communities struggling to attract investment

# Prioritization: Technical Criteria

In addition to project qualitative impact, VHFA's recommendation will consider the following project factors

Readiness to proceed

Confidence in financial model and budget assumptions

Amount of subsidy needed does not exceed available funding

Term and amortization help meet tenure investment goals of Treasurer

Experience of sponsor in executing the proposed plan

Identification and/or commitment of other critical resources



## COMPLIANCE REQUIREMENTS

- ✓ Minimum Affordability Period: Lesser of 7 Years, Loan Repayment, or Term of the Loan (between 7-30 years)
- ✓ Rent increases capped at 3% annually, and rents certified annually by the agency
- ✓ Rents may not increase more than 3% for 3 years after property exits the program
- ✓ Income certification is required only at move-in, tenants may not be displaced for income eligibility reasons
- ✓ Owners/Managers required to demonstrate continued relationships with local employers when prioritized for economic development

# LIAC Income Limits

Maximum rent and purchase price affordability thresholds by income and household size, May 2023



| Area   | Income level (% of median income) | INCOME THRESHOLD BY HOUSEHOLD SIZE** |        |         |         |         | MAX GROSS RENT AFFORDABLE (INCLUDING UTILITIES)*** |       |       |       | MAX PURCHASE PRICE AFFORDABLE**** |         |         |         |
|--|-----------------------------------|--------------------------------------|--------|---------|---------|---------|--|-------|-------|-------|-----------------------------------|---------|---------|---------|
|  |                                   | ONE                                  | TWO    | THREE   | FOUR    | FIVE    |  | 1     | 2     | 3     | 1                                 | 2       | 3       | 4       |
|  |                                   | PERSON                               | PERSON | PERSON  | PERSON  | PERSON  | STUDIO   | BDRM  | BDRM  | BDRM  | BDRM                              | BDRM    | BDRM    | BDRM    |
| VERMONT<br>(also applies to all 10 counties not listed below*) | 30%                               | 20,600                               | 23,550 | 26,500  | 29,450  | 31,850  | 515  | 551   | 662   | 766   | 66,000                            | 79,000  | 92,000  | 106,000 |
|  | 50%                               | 34,400                               | 39,300 | 44,200  | 49,100  | 53,050  | 860  | 921   | 1,105 | 1,276 | 111,000                           | 134,000 | 154,500 | 173,000 |
|  | 60%                               | 41,200                               | 47,100 | 53,000  | 58,900  | 63,700  | 1,030  | 1,103 | 1,325 | 1,532 | 133,500                           | 161,000 | 186,000 | 214,000 |
|  | 80%                               | 55,050                               | 62,900 | 70,750  | 78,600  | 84,900  | 1,376  | 1,474 | 1,768 | 2,043 | 179,000                           | 215,500 | 249,000 | 278,500 |
|  | 100%                              | 68,800                               | 78,800 | 88,400  | 98,200  | 106,100 | 1,720  | 1,842 | 2,210 | 2,553 | 224,500                           | 270,000 | 312,000 | 348,000 |
|  | 120%                              | 82,400                               | 94,200 | 106,000 | 117,800 | 127,400 | 2,060  | 2,207 | 2,650 | 3,065 | 269,000                           | 323,500 | 374,500 | 430,000 |

- ✓ Priority Economic Development Housing projects are encouraged to focus on households between 80-120% Area Median Income

