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**I. General Information for Applicants Seeking**

**State Homeownership Credits**

**Eligible Applicant:** Both for-profit and non-profit developers who have demonstrated financial strength and experience in for-sale housing development consistent with the nature and scope of the proposed development as determined by VHFA may apply for the Vermont State Homeownership Tax Credit. State instrumentalities such as VHFA or VHCB, and municipalities are eligible applicants.

**Eligible Projects:**

1. Eligible housing types include: single family detached units, mobile homes, and single family attached units including: condominium, cooperative, cohousing and planned unit developments.
2. Units may be stick-built, modular, panelized or manufactured homes; however, all units except mobile homes must conform to the VHFA Green Building and Design Standards. Mobile homes must meet Energy Star standards.
3. All units receiving the Vermont State Homeownership Tax Credit must be owner occupied and developers must agree to provide sales documentation to prove this.
4. A newly constructed/substantially rehabilitated single unit or home can be considered an Eligible Development / Project.

**Purchase Price Limit:**

The Homeownership Tax Credit units in the project must sell at or below the purchase price limits allowed by the VHFA program and that the credit makes the home available at a reduced cost to the buyer.

**Income Limit:**

The Homeownership Tax Credit units in the project must be sold to households whose incomes are at or

below 120% of the Statewide Median Income.

**Per Unit Credit Limit:**

The Homeownership Tax Credit may be evenly spread over the units or divided disproportionately to allow a greater range of affordability.

**Term of Affordability:**

All units or programs receiving the Vermont Homeownership Tax Credit must be created and maintained as an affordable housing resource in perpetuity.

Each developer or program must submit a proposal for preserving affordability with their application for credits. Some examples include: a shared appreciation model, a program modeled after the Homeland program, or through a soft second mortgage program. The covenant or second mortgage must name the nonprofit or public designee that will monitor the resale and enforce the mechanism of affordability. Either of these two programs must be administered by an existing entity that administers similar programs (such as VHFA, VHCB, or a community-based non-profit who has a demonstrated plan, has adequate experience with homeownership programs, has adequate staff capacity, and has adequate funding).

**Prioritization of Awards:**

The following uses of Vermont Homeownership Tax Credits will be prioritized. Each of the following

carries equal weight to each other:

1. Down payment assistance programs.
2. Projects which are supported under an Employer Assisted Housing Program
3. New construction in housing markets where there is a demonstrable lack of single family
4. affordable housing stock through a market analysis.
5. Project Site:
   1. Project is planned to maintain the Historic Settlement Pattern of Compact Village and Urban Centers separated by rural countryside; or,
   2. Projects that are in Downtown, a Village Center, or Neighborhood Development Area; or,
   3. Projects that support Downtowns, Village Centers, or Neighborhood Development Area by virtue of their location (i.e. that are within a reasonable walking distance from the town core); or
6. Project uses Section 8 Homeownership Vouchers in combination with the Homeownership Tax
7. Credit for deeper subsidy to very low income households.
8. Project serves as permanent replacement housing for manufactured housing that is substandard, energy inefficient, or flood-prone.

**Final Allocation and Cost Certification:**

Upon approval by the Board of Commissioners of VHFA, a developer/applicant will receive a letter of intent from VHFA for the Homeownership Tax Credit.

Upon submission of a final cost certification VHFA will issue a Credit Certificate and a State 8609 for the Homeownership Tax Credit project.

II. COVER SHEET

ProjectName:  Date: \_\_\_\_\_\_\_\_\_\_

Sponsor Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Sponsor Address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Telephone Number:  Fax:  E-mail:

Contact Person: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Are you working with another non-profit housing organization in the development of this project? Yes / No

If so, which organization? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Project Address (street number, town/city, county, zip): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

# Units Proposed       Total Living Area (sq. ft) **\_\_\_\_\_\_\_**

**Funding sources for project including all private fundraising (if any source is a loan, please list the rate and term of the loan):**

$ Amount

Requested

State Tax Cred $

Other       $

Other       $

Other       $

TOTAL SOURCES $\_\_\_\_\_\_\_

If construction financing is needed state the amount, term, rate:

Total Development Cost of Project $\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (should equal sources listed above)

**III. SUMMARY SHEET**

Project Name: ­­­­­­­­­­­­­­­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_

Please provide a brief summary of the project. Limit your description to one page. Name any other organizations that will be involved and describe their roles in the project. Identify all other sources of funding including other grants, anticipated fundraising, financing, and expected income from any mortgages held by your organization. State when the project will begin and when the project will be completed. Summarize the important goals of the project.

Please include a description of the type of housing, any special populations to be served, the number of buildings and the number of units. Detail the affordability levels of projected housing units.**IV. CHECKLIST**

**Please submit one original (single sided) of the application starting with Section II. COVER SHEET and the following attachments. Faxed applications will not be accepted. Do not use report covers. Do not staple with heavy duty staples. Please staple the budget section separately from the rest of the application.**

**Please submit one original (single sided) of the following:**

Please indicate below with an x items that are included with your application.

\_\_\_\_ Cover Sheet

\_\_\_\_ Summary Sheet

\_\_\_\_ Narrative: questions A-I

\_\_\_\_ Development Budgets

\_\_\_\_ Summary

\_\_\_\_ Sources to Uses

\_\_\_\_ Construction cost estimates – please identify the person who prepared the cost estimates and their qualifications

\_\_\_\_ Site plans

\_\_\_\_ Site location map

\_\_\_\_ Floodplain map

\_\_\_\_ Proposed building elevations and floor plans

\_\_\_\_ Most recent financial statements for your organization

\_\_\_\_ Current status of all mortgages held by Habitat; if any are seriously delinquent, please also include a plan for those

properties

**Submit one copy of the following for each site included in the application.**

\_\_\_\_ Appraisal for site purchased for the project, performed within the last six months.

\_\_\_\_ Purchase and Sale Agreement for the site

\_\_\_\_ Environmental Site Review Checklist for the proposed site (Attachment 1)

\_\_\_\_ Results of any tests for hazardous materials for the proposed site (only needed if there is a specific reason for

concern)

**Applicants must submit one copy of the following unless these documents are already on file at VHFA.**

\_\_\_\_ Current list of Board of Directors, addresses and affiliations

\_\_\_\_ 501(c)(3) designation from the IRS for the applicant organization or sponsoring organization

\_\_\_\_ Most recent audited financial statement

\_\_\_\_ Bylaws

\_\_\_\_ Articles of Association

\_\_\_\_ Copy of most recent 990 filing

\_\_\_\_ A copy of your organization’s buyer selection policy

\_\_\_\_ Items not checked have previously been submitted for review

**V. NARRATIVE QUESTIONS**

**Please retype each question in boldfaced type before each response.** Answer only those questions that are applicable to the project.

A. ORGANIZATIONAL & DEVELOPMENT TEAM INFORMATION

1. Briefly describe the history and purpose of the applicant organization.
2. Describe the financial condition of your organization. Your comments should relate to the financial statements you have submitted.
3. Identify the person(s) who will be responsible for the following project activities and their qualifications:
4. Legal issues (you must use an attorney who is licensed to practice in the state of Vermont)
5. Construction planning and management (architect, engineer, building committee coordinator)
6. Project and organizational financial management
7. Homebuyer selection

B. PROJECT DESCRIPTION - Describe the project. Be sure to include the following:

1. Include number and type of units and buildings to be created, projected sale price, and projected income level of buyer(s). Indicate if the proposed units are part of a larger housing or community development project. If so, describe the entire project.

2. Provide a narrative summary of the construction scope of work.

1. Could any of these units be made adaptable or accessible? If not, will the project at least meet the State’s

visitability requirements? (More information at <http://firesafety.vermont.gov/sites/firesafety/files/act088visit.pdf>)

1. How are energy efficiency principles addressed in your project? Will the project have an energy rating?
2. Submit proposed building elevations and floor plans. Please keep in mind that funders will need to be informed of any changes to the floor plans, prior to construction.
3. Has the household who will purchase the house been selected yet? If so, please provide information regarding the household’s family size, estimated income, current housing situation and employment. This information will not affect the funding decision unless the household is over income limits; however, it is helpful to have information about the proposed beneficiaries. If a household has not been selected, please estimate when that will take place in the project timeline.
4. SITE INFORMATION
5. Describe the location of the site. Is it within an existing neighborhood, convenient to services, stores, and community infrastructure?
6. What is the present use of the site? Proposed use? What are its significant features?
7. Is any portion of the site in the floodplain? Contact Town Clerk or Agency of Natural Resources at 241-3770. Please submit a flood plain map and identify site location on it.
8. Are there any deed restrictions on the use of the property or impediments to clear title? Answer this question by reviewing town records or by conducting a title search.
9. If this project involves rehabilitation of an existing building, describe the results of testing for lead paint and other toxic and hazardous materials as well as plans for abatement, if necessary. If you intend to utilize the Lead Program, please contact the staff at 828-5064 to discuss testing. The Lead Program will arrange for and pay for any testing on eligible units, assuming funds to do so are available. Otherwise, please attach results of tests for lead paint and other hazardous materials.
10. Describe the proposed water system for this project. If the project will not be connected to a public water system, explain how we can be assured that the system will provide a sufficient quantity and a satisfactory quality of water.
11. Describe the proposed waste water disposal system for this project. If the project will not be connected to a public waste water system, explain how we can be assured of the legality and long-term viability of the proposed system.
12. Submit site plans indicating zoning, planned housing sites, open space, significant natural resource features, historic sites, archeological sites. (8½" x 11" format).
13. Submit a site location map clearly indicating the building location (8½" x 11" format).

1. TIMETABLE

What is the timetable proposed for development of the project? Please give dates for the following:

• closing date

• construction start date

• construction completion date

• date of initial occupancy

• any other relevant development milestones

E. PLANNING

1. Is the project in conformance with adopted or proposed local and regional plans and zoning? If yes, how? If not, what is being done to assure conformance? If applicable, how is the site zoned and what density does it allow?

2. What local and state permits are required? If applicable, where do you stand in both the local permit process and the state permit process, including but not limited to Act 250? Will you need a conditional use permit or variance? What steps or obstacles remain before you can obtain these approvals?

F. STEWARDSHIP

1. How can the Vermont Affordable Housing Funders be assured that its investment in affordable housing will be protected and its goal accomplished in the long run?
2. Has your Board discussed and planned for ongoing stewardship responsibilities for the proposed housing? How does your group plan to encourage proper maintenance of the home?

G. APPRAISAL

Please submit a copy of an appraisal for the land that was done within the past six months.

H. PURCHASE AND SALE AGREEMENT

Attach an executed Purchase & Sale Agreement for the property. Are there any special circumstances that surround the purchase of the property? Purchase agreements must include: the purchase price, the term of the contract, and appropriate contingencies. We also recommend that purchase agreements include the following provisions: the term can be extended; the deposit is applied to the purchase price, rights to access the property for multiple inspections.

I. BUDGETS

1. Please attach the financial projections and assumptions for the project on the following required Development

Budget Forms:

a. Summary

1. Sources to Uses
2. Please submit construction cost estimates.

**VI. Development Budget Instructions and Forms**

Please provide a budget via the online application proforma located here: <https://www.vhfa.org/documents/developers/single_family_pro_forma.xlsx>

**Attachment A**

**Environmental Site Review Checklist**

In completing this checklist, at a minimum, you should visit the property, check the town records, and talk to neighbors and the property owner. If you answer "yes" to one or more of questions #1-16, you should contract with an environmental engineering firm for a Level I and/or II environmental assessment.

Date of Review \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Completed by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Present Owner and Address of Property \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Applicant \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Proposed Use of Property \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Age of Building(s) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. Does the building contain any of the following high-risk construction materials?

Asbestos \_\_\_\_\_ Lead \_\_\_\_\_ Urea formaldehyde \_\_\_\_\_\_\_ Other \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

2. Is there an on-site water supply? \_\_\_\_\_\_ Yes \_\_\_\_\_\_ No

3. What is the distance of the water source from any high risk activity sites as identified on the reverse side?

4. Is the property in a neighborhood that is/was zoned for industrial use? \_\_\_\_\_ Yes \_\_\_\_\_\_ No

5. Does the property show any of the following signs?

Yes No Yes No

\_\_\_\_ \_\_\_\_ absence of, or stressed vegetation \_\_\_\_ \_\_\_\_ oil staining of soils

\_\_\_\_ \_\_\_\_ leaking tank(s) \_\_\_\_ \_\_\_\_ junked vehicles

\_\_\_\_ \_\_\_\_ leaking septic system \_\_\_\_ \_\_\_\_ sheen on surface waters

\_\_\_\_ \_\_\_\_ unusual colored or smelling seeps

6. Within the property, or on adjacent property, have any of the following materials ever been stored: heating oil, gasoline, diesel, kerosene, waste oils, solvents, chemicals, other (explain)? Please describe the location of the storage unit(s), the material stored, and the condition and status.

7. Is the property within one half mile of any state or federal hazardous waste sites?

8. Has there ever been any problem with the septic system backing up or seeping out?

9. Have there ever been any chemical septic system cleaners used at this site?

10. Is there on-site discharge of wastewater to water bodies?

11. Has there ever been any area within the property, or on adjacent property that has been used as a dumping ground for materials, including:

\_\_\_\_ Automobiles \_\_\_\_ industrial cleaners or solvents

\_\_\_\_ PCBs \_\_\_\_ industrial, commercial, or household trash

\_\_\_\_ Waste oils \_\_\_\_ agricultural chemicals

\_\_\_\_ Asbestos \_\_\_\_ batteries

\_\_\_\_ other (explain) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

12. SITE HISTORY: Has the property or adjacent property ever been used for any of the following "high risk" activities?

Site Adjacent Site Site Adjacent Site

\_\_\_\_\_ \_\_\_\_\_ service station \_\_\_\_\_ \_\_\_\_\_ battery storage

\_\_\_\_\_ \_\_\_\_\_ industrial cleaning \_\_\_\_\_ \_\_\_\_\_ medical laboratories

\_\_\_\_\_ \_\_\_\_\_ pest control \_\_\_\_\_ \_\_\_\_\_ septic system cleaner

\_\_\_\_\_ \_\_\_\_\_ dry cleaners \_\_\_\_\_ \_\_\_\_\_ lubricant mfg/sales

\_\_\_\_\_ \_\_\_\_\_ wood manufacturing \_\_\_\_\_ \_\_\_\_\_ junk/salvage yard

\_\_\_\_\_ \_\_\_\_\_ paint removal \_\_\_\_\_ \_\_\_\_\_ printing

\_\_\_\_\_ \_\_\_\_\_ hospital \_\_\_\_\_ \_\_\_\_\_ film/photo processing

\_\_\_\_\_ \_\_\_\_\_ wool processing \_\_\_\_\_ \_\_\_\_\_ ag. supplies/operations \_\_\_\_\_ \_\_\_\_\_ testing laboratories \_\_\_\_\_ \_\_\_\_\_ paper processing \_\_\_\_\_ \_\_\_\_\_ plastics \_\_\_\_\_ \_\_\_\_\_ chemical/solvent use

\_\_\_\_\_ \_\_\_\_\_ metal plating \_\_\_\_\_ \_\_\_\_\_ roofing

\_\_\_\_\_ \_\_\_\_\_ fuel oil dealer \_\_\_\_\_ \_\_\_\_\_ equipment rental

\_\_\_\_\_ \_\_\_\_\_ adhesive and sealant production \_\_\_\_\_ \_\_\_\_\_ waste disposal/removal

\_\_\_\_\_ \_\_\_\_\_ hog farming \_\_\_\_\_ \_\_\_\_\_ computer industry

\_\_\_\_\_ \_\_\_\_\_ tire repair \_\_\_\_\_ \_\_\_\_\_ leather tanning

\_\_\_\_\_ \_\_\_\_\_ sandblasting/stonecutting \_\_\_\_\_ \_\_\_\_\_ textile manufacturing

\_\_\_\_\_ \_\_\_\_\_ automotive repair \_\_\_\_\_ \_\_\_\_\_ railroad

\_\_\_\_\_ \_\_\_\_\_ electrical transformers \_\_\_\_\_ \_\_\_\_\_ boat yard

\_\_\_\_\_ \_\_\_\_\_ paint or stain mfg.

13. Do you have any other comments or remarks on this property?

14. Do you intend to have a professional phase I or II study completed?

15. Please describe the process you went through to complete this survey.