

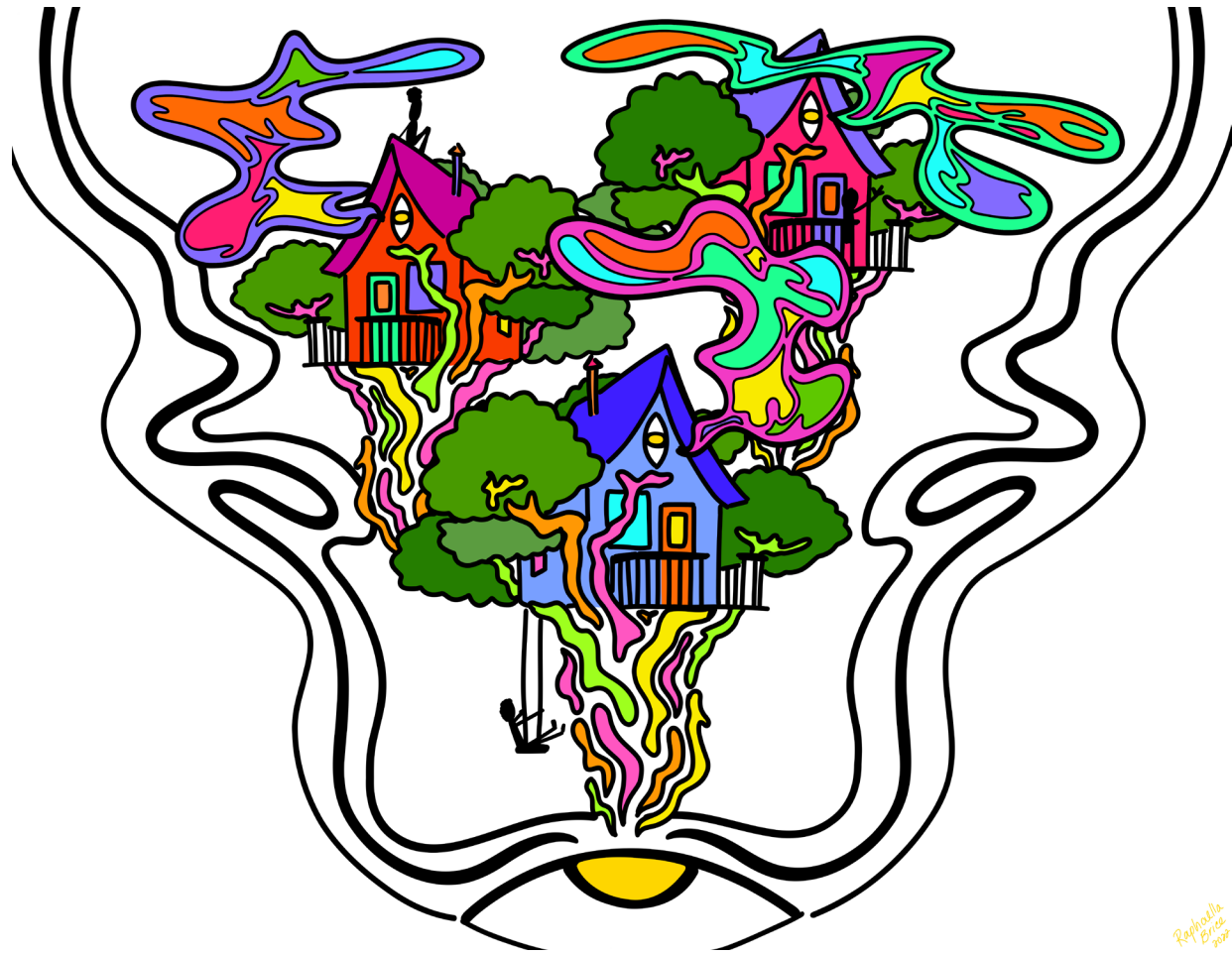
BIPOC Community
Developer Technical
Assistance Provider

Request for Proposals

Seth Leonard (he, him)

Managing Director of
Community Development

The Western Abenaki [\[A-ben-A-kee\]](#) are the traditional caretakers of these Vermont lands and waters, which they call Ndakinna [\[in-DAH-kee-NAH\]](#), or "homeland." We remember their connection to this region and the hardships they continue to endure.



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BIPOC Community Developer Initiative

The community development financial and capital systems in Northern New England and the United States have historically marginalized Black, Indigenous, and People of Color (BIPOC). To work toward greater equity in the professional landscape of housing and community development, our community development funding system must seek to leverage state, federal, private, and philanthropic resources to offer a holistic platform that opens the door for new and historically marginalized participants in the deployment of the state's community development resources. As we work toward a Northern New England housing finance system that prioritizes investments that address racial inequality and economic marginalization, we are seeking to take steps to ensure there are opportunities for BIPOC owned, founded, and led organizations to take the lead in how investments reach communities.

GROVE Impact, a national collective foundation, [issued a report](#) on the barriers restraining diversity in real estate and community development. The report includes [a database](#) that tracks Black and Hispanic developers across the nation. Vermont is identified as a state with a severe underrepresentation of developers of color, with an estimated market potential to add 11 new firms if capital, technical, and system barriers are reduced. Vermont is increasingly an outlier in not having formal developer initiatives focused on increasing diversity within the community development field.

What can we do as housers, builders, and community development professionals?



Build more opportunities for new Vermonters (homes)



Who builds, funds, and sets policy for housing matters



Be part of a larger discussion about land use, the State's community development ecosystem, and inclusion initiatives



Challenge our requirements, policies, and business relationship structures that do not welcome new participants or limit benefits to marginalized Vermonters



Live the Affirmatively Furthering Fair Housing mindset

Who builds housing matters

Vermont & Northern New England lack diversity in who is responsible for community development funding and resource deployment

Estimated potential for 11 BIPOC owned developer firms, if barriers are removed

Why a Report on Developers?

Because real estate **developers** are both business owners and owners of real estate, they are in a unique position to build wealth from both of these assets. Yet Black and Hispanic Americans are underrepresented in owning real estate and businesses. They also face critical constraints as business owners in the real estate development industry. Increasing the numbers of Black and Hispanic real estate developers and helping existing developers grow could reduce the nation's racial wealth gaps and expand the economy by millions of jobs and billions in new business revenue.

Black and Hispanic Developers	State	Black Developers	Hispanic Developers
Not Ranked	Montana	Not Ranked	Not Ranked
Not Ranked	Maine	Not Ranked	Not Ranked
Not Ranked	Hawaii	Not Ranked	Not Ranked
Not Ranked	Nebraska	Not Ranked	Not Ranked
Not Ranked	South Dakota	Not Ranked	Not Ranked
Not Ranked	Utah	Not Ranked	Not Ranked
Not Ranked	Alaska	Not Ranked	Not Ranked
Not Ranked	Vermont	Not Ranked	Not Ranked
Not Ranked	North Dakota	Not Ranked	Not Ranked
Not Ranked	Iowa	Not Ranked	Not Ranked

Modeling effort by other states & financial organizations



Illinois Housing Development Authority Launches New Program to Support Emerging Housing Developers

Press Release - Wednesday, May 31, 2023

[PRINT](#) [EMAIL](#)

Funding will promote capacity building and equity in affordable housing development

CHICAGO - The Illinois Housing Development Authority (IHDA) Board of Directors has approved an award of \$5 million to launch the Next Generation Capacity Building Initiative (Next Gen), a new program designed to expand the talent pipeline and increase diversity within the housing development field and related industries. The grant award will be made to the Local Initiatives Support Corporation (LISC), who will use the funds to provide capital, training, and technical assistance that will expand access to housing resources administered by the state, with a focus on reducing barriers to entry for developers of color in the Low-Income Housing Tax Credit (LIHTC) program. This joint initiative between IHDA and LISC is part of the Authority's continuing efforts to support the capacity and growth a diverse pool of affordable housing developers in Illinois.



EMERGING DEVELOPERS OF COLOR PROGRAM

Becoming an affordable housing developer can be a rewarding yet challenging business...

Greater Minnesota Housing Fund can help!

Affordable housing developers of color are underrepresented and may lack access to capital and business relationships within the industry.



GMHF's Emerging Developer of Color Program (EDOC) aims to support individuals and organizations led by people of color in their growth as affordable housing developers. GMHF also seeks to coordinate efforts and work in partnership with other organizations to support statewide efforts that reduce racial disparities in the affordable housing industry, increase the impact and effectiveness of existing programs for people of color, and advance common objectives.



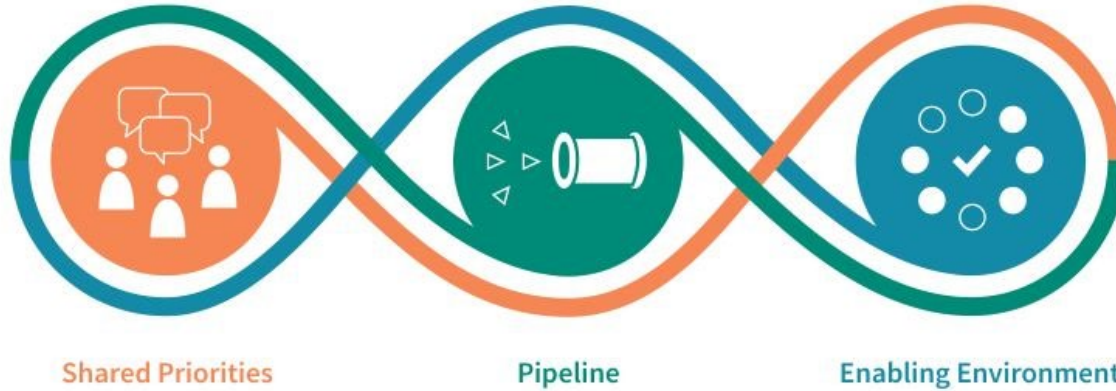
Massachusetts Affordable Housing Emerging Developer Report

Data, Challenges and Opportunities Identified through Statewide Facilitated in Person Listening Sessions & Self Identified Surveys

Thought Partners: Center for Community Investment



Capital Absorption Framework



Helping Communities Achieve Their Visions

People want to live in thriving places. But structural racism distributes resources inequitably. CCI helps communities create equitable, effective investment systems so all their residents can flourish.

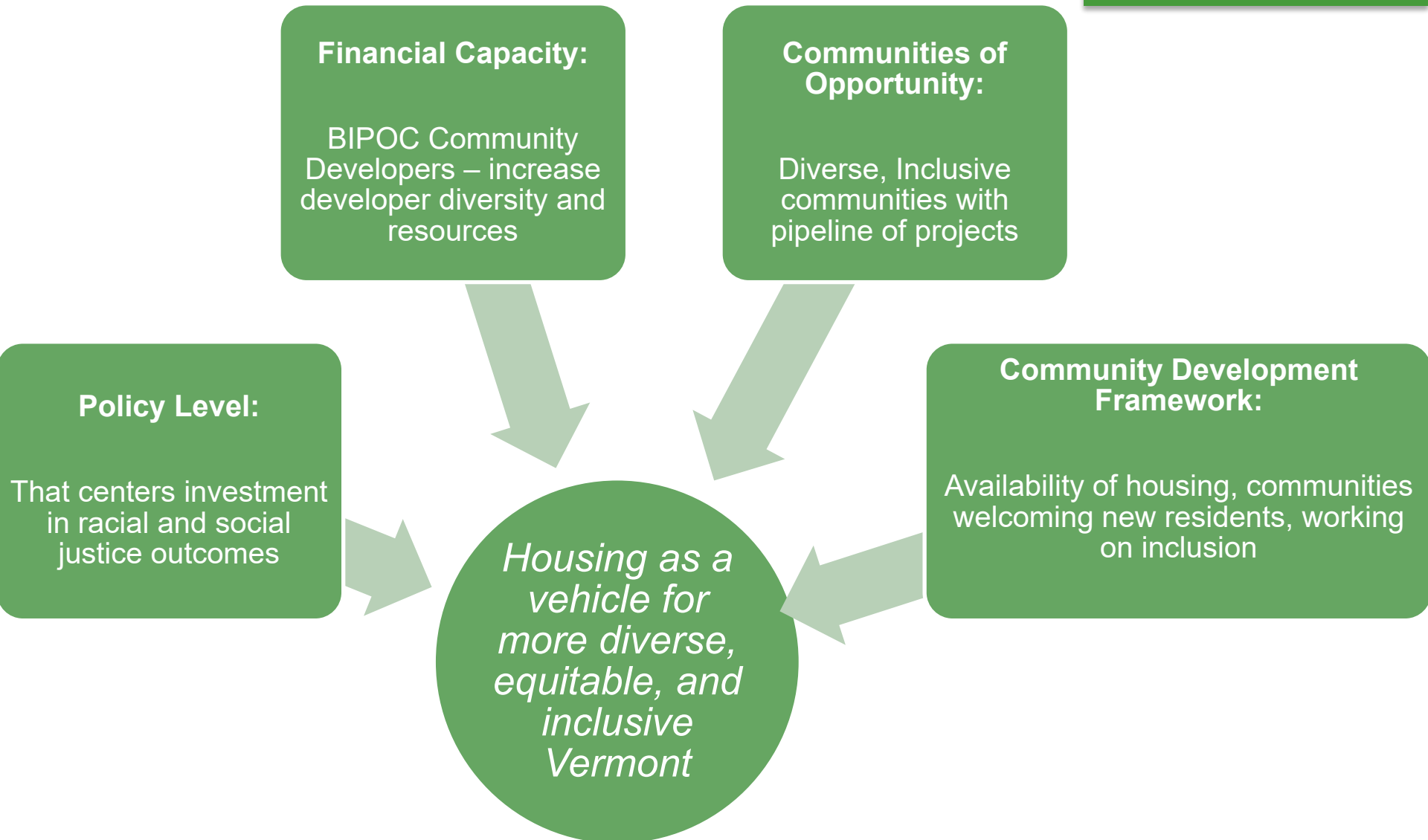




Capital Absorption Framework



Line of Sight & Theory of Change



Community Developer Initiative



Goals of Initiative

- 1. Provide professional training and education opportunities for historically marginalized people to enter into affordable housing development and community development professional fields**

Methods:

- a. Paid National Development Council Housing Finance Professional Certification.
- b. Expansion of Vermont Fellows Program, a paid opportunity to gain experience.
- c. Networking and Conference Affinity Association.

- 2. Provide early stage capital resources to support businesses that are owned, or in some cases formed and led, by BIPOC participants in housing development**

Methods:

- a. Predevelopment Loan Program for critical early-stage capital.
- b. Enterprise funding available permitted with identifiable pipeline.
- c. Specialized Technical Assistance and existing developer/resource partnership development.

- 3. Reserve and insurance program to support BIPOC owned or founded development entities that lack capitalization or balance sheets necessary to put equity into deals or attract traditional equity investors**

Methods:

- a. Enable historically under-resourced developers to meet minimum liquidity and capitalization tests.
- b. Reserve Insurance may be used to enable “below the line” developer fee repayment from surplus cash.

Resource Pool



Developer Technical Assistance “Planning Grant” \$15,000



Developer Technical Assistance Implementation Funding \$100,000



Additional RFP by partners at Department of Housing and Community Development may allow for expansion of TA through additional funding



Permanent Debt Resources for Small/Emerging Developers \$17.5 million pool of low-interest debt and gap funding available in 2024

Previous success with this model



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Water Infrastructure Support Program (WISP)



Water Infrastructure Support Program

We help New England's resident and non-profit owned manufactured housing communities get funding to create safe and reliable water infrastructure.



Goals of Request for Proposals



1. Identify a partner with the capacity and expertise needed to design a Technical Assistance Program for Developers
2. Partner could be a collaborative or consortium approach
3. Funding is for planning and design of a TA program, it is not intended to cover implementation

What *we think* the program could cover



Deal modeling and structuring.

Land and opportunity identification.

Identify and match-make appropriate financing and capital resources.

Support applications for key funding sources.

Identify and help assemble project development team, including design, architecture, engineering, legal, and other professional services.

Environmental resources including Phase I/II considerations, Brownfield funding, and BRELLA access.


Agency of Natural Resources/Department of Environmental Conservation Clean/Drinking Water Permitting.

Act 250 and Statewide land use regulations. To the extent possible, they will also be able to assist with mapping out approval processes for various municipal permitting requirements.

When applicable, Low-Income Housing Tax Credit and other affordable housing resource navigation: early-stage consultation on proforma, financial structuring, financial resources, funder application processes, and regional equity environment.

Example model of technical-focused TA



 Enterprise

Native Housing Developers Guide

Exploring a New Resource

EVELYN IMMONEN

June 30, 2022



*However, we are looking for a hands-on TA program, not a guidebook or resource bank

Recommended early steps



- ✓ Complete a review of the existing programs for best practices
- ✓ Outreach to Vermont partner organizations as needed
- ✓ Assess the development of affinity space/network with VHFA's support (connections with emerging BIPOC developer community, and with support from out of state partners)

Work product and side-roads



Provide a written summary of initial recommendations for TA system to VHFA, adjust recommendations according to VHFA's responses and finalize recommendation in a detailed, written report describing the recommended model.



Bring in existing models, identify experts that can be tapped, or design from scratch



Funding may be used to help acquire additional capital for program build-out



Funding may be used for time to build collaborative. VHFA is also open to match-making with organizations who are interested in a consortium approach



While not listed in the technical aspects sought, we are interested in seeing models that include general business supports that focus on owning/growing a business

Components of Proposal



- 1. Proposal Cover Letter (1-2 pages):** The applicant shall provide a brief description of the RFP, the expected date that the applicant could begin work, a statement acknowledging the conditions stated in the RFP. The letter shall be signed by the applicant or its authorized representative.
- 2. Applicant's Qualification Statement (2 pages or less):** A description of the experience, qualifications, and capacity your organization has to design a Technical Assistance program supported by the RFP. Demonstrated ability and experience providing technical assistance for community development and affordable housing will be considered. Please provide background and information on your organization's commitment and activities related to racial equity,
- 3. Proposed Activities (2 pages or less):** A description of the activities and work products consistent with the scope of services described above. Provide a timeline for expenditure of the funds.
- 4. Budget (1 page or less):** A not-to-exceed total, all-inclusive maximum proposed fee to perform the scope of services broken out for each element. Include direct and indirect costs, usual and customary expenses, time estimates for contributing personnel, as well as the proposed manner of payment and terms. Please describe how this funding will be used to bring in additional resources in the future, and identify future resources if possible.

Opportunities to connect initiatives



VERMONT'S PUBLIC HOUSING AUTHORITIES AND THEIR HOUSING PORTFOLIOS

Prepared for: Vermont Housing Finance Agency

Mariette Aborn

Master of Public Policy Candidate

Duke University Sanford School of Public Policy

Advised by Professor John Quintero



Public Housing
Authority Portfolio

Vermont Homes for All Toolkit:

A 'Design & Do' Toolkit for Small-scale Home Builders,
Investors & Community Leaders



Small and
Emerging
Developers



Timeline for implementation



RFP Issued:
December 27, 2023

Question Period: December
27, 2023 - January 12, 2024

Applications Due:
February 8, 2024

Applicant Interviews:
February 12 - February 16, 2024

Application Decision Notification Date
(estimated):
February 20, 2024

- ❖ Questions will be shared in the form of a FAQ on VHFA's website
- ❖ We welcome pushback on the timeline.
- ❖ We will be focused on your capacity to be a long-term partner in this work

Selection Process



- ❑ VHFA has engaged a selection panel that will make an award decision. The panel will be highly representative
- ❑ Selection Panel may continue to serve as a sort of advisory committee as the work continues
- ❑ No scoring rubric at outset, taking an open-minded approach

Question, Conversation, Feedback!

Contact: Seth Leonard sleonard@vhfa.org