

Vermont Housing & Conservation Board

Greensboro Village Apartments ♦ Greensboro, Vermont
Gilman Housing Trust, Inc., dba RuralEdge and Evernorth, Inc.
2024-083-001

This award is subject to the following restrictions:

Affordability and Conveyance Restrictions:

Developer shall execute a VHCB Housing Subsidy Covenant of perpetual duration that restricts twenty (20) units, which will be prepared by VHCB general counsel and will contain restrictions substantially as follows:

VHCB Affordability Restrictions:

Developer shall lease Four (4) units to persons whose household income, at their date of initial occupancy, is less than or equal to 80% of area median income. The annualized rent charged for each such unit shall not exceed 30% of 70% of area median income for a household consisting of one and one-half persons per bedroom.

Developer shall lease Sixteen (16) units to persons whose household income, at their date of initial occupancy, is less than or equal to 60% of area median income. The annualized rent charged for each such unit shall not exceed 30% of 60% of area median income for a household consisting of one and one-half persons per bedroom.

Developer shall lease Eight (8) of the aforementioned Sixteen (16) units persons whose household income, at their date of initial occupancy, is at or below 50% of area median income. Initially, the annualized rent charged for these units shall not exceed 30% of 50% of area median income for a household consisting of one and one half persons per bedroom.

Developer shall make every reasonable effort to lease Three (3) of the aforementioned Eight (8) units to persons whose household income, at their date of initial occupancy, is less than or equal to 30% of area median income, OR, to persons with special needs.

Developer shall make every reasonable effort to maintain the initial level of affordability on said units. In addition, Developer shall make every reasonable effort to ensure that the annualized rents for all units are "affordable" to the occupying households, as described further in section 7 of the VHCB Housing Subsidy Covenant. Any conveyance of the property shall require the prior written consent of VHCB, which consent shall not be unreasonably withheld if the proposed transferee is an eligible applicant to receive funds from VHCB.

Notwithstanding the aforementioned affordability restrictions, Developer shall designate Three (3) units for those who are homeless or at risk of homelessness, with at least Two (2) units that are referred through the local system of coordinated entry.

HOME. Ten (10) units on the property shall be designated as HOME units and the following restrictions shall apply during the HOME Program affordability period of fifteen (15) years. Initially, the HOME units shall consist of four (4) one-bedroom units, five (5) two-bedroom units, and one (1) three-bedroom unit, but the designation may float with prior approval from HOME staff to units of equal or greater size in order to maintain HOME compliance.

The owner shall lease at least two (2) of the HOME units to persons whose household income is less than or equal to 50% of area median income and the annualized rent charged for each such unit shall not exceed the lesser of the applicable HUD fair market rent, or 30% of 50% of area median income for a household consisting of one and one-half persons per bedroom.

If the 50% unit receives Federal or State project-based rental subsidy, however, and the tenant pays as a contribution toward rent not more than 30 percent of the tenant's adjusted income, the maximum rent is the rent allowable under the Federal or State project-based rental subsidy program.

The owner shall lease the remaining eight (8) HOME units to persons whose household income is less than or equal to 60% of area median income and the annualized rent charged for each such unit shall not exceed the lesser of the applicable HUD fair market rent, or 30% of 65% of area median income for a household consisting of one and one-half persons per bedroom. The owner shall also comply with HOME Program requirements regarding calculation of rents, annual tenant income certifications, and payment of additional rent if a tenant's household income increases to more than 80% of area median income.

This award is subject to the following special conditions:

Special VHCB Conditions:

1. Three (3) units funded with this award are to be designated for those who are homeless or at risk of homelessness and who are referred through the local system of coordinated entry. Prior to closing and disbursement, Developers will comply with this requirement by entering into a memorandum of understanding ("MOU") with an agency that provides housing services to homeless populations. Developers will provide the draft MOU to VHCB for its review and approval prior to closing and disbursement. If changes to the affordability and homeless targeting restrictions are required, the Developers may request revisions to the Affordability Restrictions set forth in the VHCB Housing Subsidy Covenant for VHCB's consideration.
2. By June, 2025, if the CDS and/or AHP applications have not been awarded, and it is likely that the project will not be able to begin construction during 2025, the VHCB award may be de-committed and returned to the available pool of funds to be awarded to projects at subsequent VHCB Board meetings.
3. Prior to closing Developer shall explore securing alternative financing sources, including permanent debt that has more favorable financing terms, to enable the project to increase the

amount of permanent debt it is carrying (i.e. favorable interest rate, longer loan terms, etc). In the event that alternative financing sources become available to the project, VHCB may reduce the amount of this award.

4. If Developers' project includes a non-VHCB federal funding source that requires compliance with the Build America Buy America Act (BABA), then, prior to closing, Developer shall provide a brief explanation of how this project will comply with the BABA requirements; and, upon project completion, Developer shall certify that the project was completed in compliance with BABA and provide VHCB with copies of BABA documentation submitted to the other funding source to demonstrate compliance.
5. Throughout the design development phase of the project Developers shall keep VHCB apprised of changes in the building design including, but not limited to, overall changes in the floor plan which may result in unit reconfiguration and a reduction in the footprint of the needed new construction portion of the building.
6. The Developers shall continue conversations with the Vermont Department of Historic Preservation, in consultation with VHCB staff, around the design of the third floor units in the existing building.

Special HOME Conditions:

1. This award is contingent upon Vermont's receipt of FFY2024 HOME funds in the minimum amount of at least \$3,000,000. Disbursement of project funds cannot occur until VHCB has executed a grant agreement with the applicable funding agency.
2. No HOME funds shall be used for costs associated with commercial spaces.
3. This project may limit eligibility and/or give preference to formerly homeless households in accordance with 92.253(d)(3). Prior to closing, Developer shall submit documentation to VHCB staff to verify compliance with this part (see standard condition #10).
4. Prior to closing, Developer shall submit documentation that the project complies with Section 504 of the Rehabilitation Act of 1973. For substantial rehabilitation (with 15 or more units), the project is required to have a minimum of one (1) physically accessible unit, and at least one (1) additional unit is required to be made accessible to people with sensory impairments.
5. The project's legal closing must occur within 24 months of the date HUD executed a FFY2024 HOME funding agreement with the State of Vermont (date TBD). If, after 18 months of the execution of the HUD HOME agreement, it appears unlikely that the project will meet this deadline, VHCB reserves the right to de-commit the HOME award. Project completion (as defined in 92.2) must be within 4 years of the execution of the HOME Agreement between VHCB and Developer. (See HOME Standard Condition #37).

6. Prior to closing, in accordance with 92.253 (b)(9), Developer shall provide documentation to VHCB staff for review and approval that supportive services are not mandatory for the occupants of HOME units, and that participation in services is not a requirement of tenancy.
7. If Developers project includes a non-VHCB federal funding source that requires compliance with the Build America Buy America Act (BABA), then, prior to closing, Developer shall provide a brief explanation of how this project will comply with the BABA requirements; and, upon project completion, Developer shall certify that the project was completed in compliance with BABA and provide VHCB with copies of BABA documentation submitted to the other funding source to demonstrate compliance.

This award is also subject to Standard VHCB Conditions for Tax Credit Rental Projects and HOME Standard Conditions.