



AGENCY OF COMMERCE & COMMUNITY DEVELOPMENT
DEPARTMENT OF HOUSING & COMMUNITY DEVELOPMENT

2023 Community Partnership for Neighborhood Development Grant Program Overview

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Introduction and Grant Basics

The Community Partnership for Neighborhood Development Program (the Program) is a competitive reimbursement grant program available to Vermont municipalities and non-profit organizations. The Program supports investments in the development of inclusive, smart-growth neighborhoods by funding municipal planning, site control, design, scoping, and surveying for the development of a pilot neighborhood. The Program aims to pair targeted and coordinated investments with planning to make transformative projects possible. Thank you for your interest!

Program Objectives

The Program aims to advance the Governor's vision to leverage ARPA funding in ways that make lasting and transformative changes in communities by piloting a new approach to coordinated cross-government and cross-organization investment. The Neighborhood Partnership Program aims to demonstrate how targeted and coordinated investments paired with planning support can support the development of homes in inclusive, smart growth neighborhoods.

The Program aims to fund planning and pre-development work that supports the creation of smart growth neighborhoods that:

- Serve as a successful model for acquiring or banking of development-ready land for new neighborhood development or infill development within an existing, developed neighborhood.
- Serve as a successful model for the integration of planning and implementation processes for water, sewer, and other public utilities and services with land use planning and transportation investments in new or upgraded streets.

Application Process

Complete the Grant Application Questions and submit required documents. Incomplete applications will not be considered.

2023-2024 Grant Timeline

- **Program Announcement:** July 28, 2023.
- **Informational Webinar:** August 29, 2023.
- **Application deadline:** Applications are accepted on a rolling basis until funds are exhausted and will be reviewed quarterly. Review deadlines: October 27, 2023, December 1, 2023, March 1, 2024, May 31, 2024.
- **Award decisions:** Within 60 days of application deadline.
- **Project started:** 60 days after grant award.
- **Project Term:** Two years.
- **Final Report Due:** 30-days after grant term ends.

Email supporting documents to accd.cpr@vermont.gov. Application Materials MUST be submitted electronically in PDF format.

Program Funding

A total of \$900,000 in one-time funding is available for the Program. The source of these funds is the State's ARPA revenue replacement funds. **Awards may range between \$100,000 and \$500,000.**

Program Partners

The Program represents a cooperative effort between state agencies and external funders to demonstrate how targeted and coordinated investments paired with planning support can support the development of homes in inclusive, smart growth neighborhoods. Partners include the Vermont Department of Housing and Community Development, the Vermont Housing Finance Agency, the Agency of Natural Resources, the Agency of Transportation, the Department of Public Service, the Vermont Bond Bank, the Vermont Economic Development Authority, the Vermont Housing and Conservation Board, the Vermont Association of Planning and Development Agencies, the Vermont League of Cities and Towns, the Vermont Regional Development Corporations, U.S. Rural Development, and Green Mountain Power.

Eligible Applicants

Funding may be awarded to an eligible municipality or non-profit organization proposing the creation of a new neighborhood development or infill development within or immediately adjacent to an existing, developed neighborhood in keeping with the program objectives. While funds must be awarded to a municipality or non-profit organization, we strongly encourage partnerships, including partnerships with for-profit developers.

For the purposes of the Program, a municipality is defined by [24 V.S.A §4303 \(12\)](#). Under this definition, an incorporated village is not considered a separate municipality unless the village adopts its own village plan and one or more bylaws either before, concurrently with, or subsequent to such action by the town.

Municipalities are ineligible to receive funds if they are (a) suspended or debarred by the State or Federal Government; (b) delinquent in submitting their [subrecipient annual reports](#); or (c) delinquent in submitting their Single Audit Reports (if required).

Priority will be given to organizations that can demonstrate:

- a) A stable administrative structure.
- b) Prior housing development experience. (Organizations without significant housing development experience are required to enter into joint ventures with more experienced organizations.)
- c) A development team with good technical expertise.
- d) A satisfactory record of performance and payments under any previous loan and grant agreements with the State.

Eligible Projects

Funding may be awarded to an eligible municipality or non-profit organization that is proposing the creation of a new neighborhood development or infill development within an existing, developed neighborhood in keeping with the program objectives. While funds must be awarded to a municipality or non-profit organization, we strongly encourage partnerships, including partnerships with for-profit developers. Funds may be awarded to support:

- Municipal planning that directly supports project development
- Project scoping including market studies
- Preliminary financial feasibility analysis/pro forma development
- Permit fees (those necessary to apply for financing)
- Legal fees
- Consultant fees
- Site control including appraisal fees
- Land surveying
- Site assessment, including, but not limited to, traffic and access analysis, natural resource assessment, stormwater and drainage analysis, utility system analysis
- Architectural fees for preliminary architectural design work (site and floor plans, elevations, renderings).
- Engineering fees, including but not limited to, water, wastewater or sewer system design, energy supply system design and energy modeling, and sustainability assessments
- Costs related to preparation of construction plans and specifications
- Community engagement

Funding shall support projects that lead to the construction of neighborhoods that are:

- Compact and human-scaled, with a developed-area density of at least eight (8) dwelling units per acre, including modestly sized dwellings on small lots; characteristic of Vermont's smart growth principles, as provided in [24 V.S.A. §](#)

[2791](#); located in close proximity to existing residential, employment, and civic uses;

- Provide for a mix of housing types, styles, tenure, and sizes to accommodate diverse households of varying composition, age, and income, including not less than 35 percent of the homes affordable at 80 percent of the area median income, which includes 25 percent of the units with perpetual affordability, and;
- Provide for a mix of transportation modes with interconnected streets and sidewalks; and be designed to enhance historic resources, climate readiness, energy efficiency, environmental quality, resident health, and overall livability.

Ineligible Projects

The Program funds eligible planning and pre-development activities only. The following are not eligible expenses or uses for Program funds.

- Site preparation, environmental clean-up, or construction costs
- Political or Religious Activities
- Projects inconsistent with the goals of the Municipal or Regional Plan
- Regional Plans and Municipal Plans beyond the scope of the specific project proposal
- Municipal-wide bylaws and standards beyond the scope of the specific project proposal
- Municipal staff time and administrative costs
- Costs related to displacement and relocation
- Refinancing of existing debt
- Offset a reduction in net tax revenue
- Make a deposit into a pension fund
- Service debt or replenish financial reserves
- Fund programs, services, or capital expenditures that include a term or condition that undermines efforts to stop the spread of COVID-19
- Any plans, bylaws and policies that violate the State or Federal Fair Housing Act.
- Fair Housing Training is available to all grantees and is encouraged for projects which relate to housing and/or revisions to zoning bylaws. Please contact Shaun Gilpin, Housing Division Director for the Department of Housing and Community Development at Shaun.Gilpin@vermont.gov if you're interested in participating in a training.

Grant Selection Process

The Program Manager will review submitted applications to ensure they are complete and meet all Program requirements. Incomplete submissions and those that do not meet Program requirements will not be considered for funding.

Following application review by the Program Manager, the Grant Selection Committee will evaluate all complete submissions. The Grant Selection Committee is comprised of representatives from the Vermont Department of Housing and Community Development, the Vermont League of Cities and Towns, the Vermont Association of Planning and Development Agencies (VAPDA), and the Vermont Bond Bank.

The program also has a steering committee that consists of representatives from the Vermont Housing Finance Agency, the Agency of Natural Resources, the Agency of Transportation, the Department of Public Service, the Vermont Economic Development Authority, the Vermont Housing and Conservation Board, and the Vermont Regional Development Corporations. The VAPDA and Vermont Regional Development Corporation representatives will not review nor score applicants from their respective regions. Award decisions will be announced within 60 days of each application deadline.

Grant Selection Criteria

Projects are selected primarily on Program criteria scores, but consideration is also given to grant amounts requested and to fairly distributing grant funds to smaller or economically distressed communities. Program Managers will consult with other state agencies to gain further insights about the proposed projects as appropriate. DHCD reserves the sole right and responsibility to allocate grant resources and modify the Program as needed.

Community Partnership for Neighborhood Development Scoring Criteria Summary	Points: 100
Project Purpose and Need	Section: 35
Project Purpose	10
Community Need & Underserved Community Index	5
Building on Past Efforts and Demonstrated Prior Commitment	20
Alignment with Program Objectives	Section: 20
Community Capacity and Project Management	20
Work Plan, Schedule, and Budget	Section: 25
Work Plan	15
Budget	5
Schedule	5
Equitable Engagement, Project Outreach, and Partnerships	Section: 20
Equitable Engagement and Project Outreach	20

Project Purpose and Need – 35 Points

The project addresses a documented local or regional housing need or opportunity and builds on past planning or community efforts, such as a VCRD community visit, Working Community Challenge plan, formation of a housing committee, completion of a housing study, etc.

Alignment with Program Objectives – 20 Points

The project supports the Community Partnership for Neighborhood Development Program Purpose and Objectives:

- Serve as a successful model for the acquisition or banking of developable- or development-ready land for new neighborhood development or infill development within an existing, developed neighborhood; or
- Serve as a successful model for the integration of planning and implementation processes for water, sewer, and other public utilities and services with land use planning and transportation investments in new or upgraded streets.

Work Plan, Schedule, and Budget – 25 Points

The work plan is well developed, detailed, and focused. Tasks are appropriate for the proposed project, timeline, and budget that will be covered by this grant funding. The timeline must be realistically achievable by **June 30, 2026**, and the budget must be supported by recent estimates whenever possible.

Equitable Engagement, Public Outreach, and Partnerships – 20 Points

Competitive applications will demonstrate engagement with community members and partners from the project's outset through an equitable and inclusive process, connecting with diverse socioeconomic groups, under-served, and under-represented populations in the community, in addition to cooperation and coordination with relevant local, regional, and state stakeholders. Letters of support from the business and economic development community, local organizations and regional partners are required to demonstrate this support.

Application Quality and Past Performance

The application submission is complete, well-written, clearly identifies the project, and is internally consistent. Up to 5 points may also be deducted for poor performance (e.g., not adhering to deadlines for progress reports, invoices) on previous state grants.

Grant Award Notification

Award decisions, and an official grant award letter will be sent via email to successful

applicants. DHCD will coordinate with successful applicants to collect forms, and other information needed to prepare a draft grant agreement. Grantees will have an opportunity to review the draft grant language, prior to grant execution, which will be done via the digital signing service DocuSign. All grant management forms and instructions will be provided via email. The grant agreement articulates the roles and responsibilities of all parties throughout the project process, details the Scope of Work, Payment Provisions, includes [Attachment C: Standard State Provisions for Contracts and Grants](#), and Additional Grant Procedures. The grant award is not final, or executed until signed by the grantee, and the Commissioner of DHCD.

In the event of partial funding, applicants will be asked to submit a modified work plan and budget.

Program Administration & Grantee Obligations

Demographics: Optional demographics will be collected from applicants to ensure the program is supporting impacted and disproportionately impacted groups in accordance with the U.S. Department of the Treasury's Coronavirus State & Local Fiscal Recovery Funds: Overview of the Final Rule.⁵ The overview states, "The pandemic caused disproportionate impacts, or more severe impacts, in certain communities. For example, low-income and underserved communities have faced more severe health and economic outcomes like higher rates of COVID-19 mortality and unemployment, often because pre-existing disparities exacerbated the impact of the pandemic. The final rule describes these as 'disproportionately impacted' households."

All personally identifiable information will be kept confidential. Demographic data will be aggregated prior to reporting to preserve confidentiality.

Monitoring: Monitoring may be performed to ensure appropriate use of all program funds and to meet federal guidelines. Monitoring activities may include financial procedures and record keeping (distribution of funds), data collection, demographics tracking (to check equity), award decision tracking, summary of program activities and outcomes, quarterly and annual reports, and/or site visits.

Duplication of Benefits: Funds awarded by this program cannot be duplicated by other federal and state funds or federally forgiven loans to cover the same project costs. Audits may be conducted by the State or by the program administrator to check for instances of duplication of benefits. Final determination of whether there has been a

duplication of benefits and the amount to be repaid, if any, will be made by the State and/or program administrator.

Conflicts of Interest: All parties involved in this program shall comply with all applicable federal and state conflict of interest rules. Parties shall fully disclose any conflicts of interest or potential conflicts of interest. Parties shall neither solicit nor accept gratuities, favors or anything of monetary value from contractors or potential contractors.

Equity: The income gap for families in Vermont, or the gap between increasing costs and incomes, is becoming untenable and, for many, impossible to navigate. The inability to cover rising housing costs with current incomes is a fair housing issue because it limits access to safe, standard housing and inherently creates housing instability for our most vulnerable.

According to the U.S. Department of the Treasury's *Coronavirus State & Local Fiscal Recovery Funds: Overview of the Final Rule*, Coronavirus State and Local Fiscal Recovery Funds ensure that governments have the resources needed to "Build a strong, resilient, and equitable recovery by making investments that support long-term growth and opportunity." In order to support equity for all potential applicants to the program, the approach to the program will be done with an intent to reduce disparities.

According to the *State and Local Fiscal Recovery Funds Recovery Plan Performance Report Template*, reporting will be conducted on the "efforts to promote equitable outcomes, including economic and racial equity."

As part of the State of Vermont's commitment to build on local, state, and national efforts to advance equity and to increase meaningful inclusion and representation of BIPOC (Black, Indigenous, and People of Color) communities and other historically marginalized populations, the following may be considered:

- Assistance to households, small businesses, and non-profits to address impacts of the pandemic, which have been most severe among low-income populations. This includes assistance with housing.
- Consideration of the social vulnerability index.
- Consideration of geographic equity.
- Services to provide long-term housing security and housing supports.
- Translation or interpretation services may be requested through the program administrator. Services to be provided by contractor (Voiance/CyraCom) or community outreach specialist.
- Other strategies that provide impacted and disproportionately impacted communities with services to address the negative economic impacts of the pandemic.

- *How well are historically underserved, marginalized, or adversely affected groups served by the program?*
- *How equitable and practical is the ability for residents or businesses to become aware of the services funded by the program?*
- *Are there differences in levels of access to benefits and services across groups? Are there administrative requirements that result in disparities in ability to complete applications or meet eligibility criteria?*
- *How are intended outcomes focused on closing gaps and/or reaching universal levels of service? How are the measurable outcomes disaggregated by race, ethnicity, and other equity dimensions where relevant for the policy objective?*

Eligible Costs: Program grants can be spent on direct and indirect project related costs. Eligible costs include consultant costs, postage, travel, supplies and printing. Equipment purchases and indirect costs, including general municipal administrative overhead, are NOT eligible costs. Costs incurred prior to signing the Program grant agreement with the Department of Housing and Community Development are NOT eligible project costs. All expenses, and costs, that will be applied to the grant will need invoices, and proof of payment submitted.

Grant Administration: Grant term, and period of performance, will be two-years, with an optional amendment to extend the term as needed, not to exceed June 30, 2026. All grantees are required to submit project invoices, progress reports, deliverables, and supporting financial documentation, on a quarterly basis, beginning upon execution of the grant agreement. The reimbursement is paid after the quarterly progress reports, deliverables, and any supporting financial documentation is reviewed and approved in accordance with Attachment B: Payment Provisions, as defined in the grant agreement. Final payment will be issued when the project, its deliverables, and all additional supporting and financial documentation is submitted, reviewed, and approved as detailed in the grant agreement. Financial documentation must include a detailed budget report, copies of all invoices, and proof of payment for all invoices. Proof of payment can be either canceled checks, or a detailed transaction report (detailed transaction reports must include, vendor name, date of payment, check number, amount, and must contain a certification by the treasurer certifying everything is true and accurate. Invoices must show that grantees have spent all grant funds and match funds, within the granting term. No charges can be applied prior to grant execution, and no later than June 30, 2026. Funds that are unused as of June 30, 2026, as well as expenditures that are ineligible or have not been documented, must be returned to DHCD.

While grant activities must be completed by June 30, 2026, grantees have an additional month to assemble the final report. The final close-out report and the project reports/files must be submitted electronically via email within 30-days of closeout, or no later than July 31, 2026, whichever occurs first. For more information, review the grant administration guide on the [Program website](#).

Minor alterations to the work plan or the approved budget may be allowed, but only upon written request and approval from DHCD. Substantial alterations are not allowed, and the proposed outcome must remain the same. Projects that cannot be completed within the grant period under the terms of the grant agreement will have funds rescinded and will be closed. For projects that cannot be completed, DHCD will cover eligible work completed and documented costs, however, ineligible, or undocumented costs will not be funded and associated funds must be returned.

A condition of all grant awards will be that all final products and public communications must acknowledge funding from the Community Partnership for Neighborhood Development Program, administered by DHCD.

Reimbursement: The Program is a milestone, deliverable based reimbursement grant program, with a percentage held aside for reimbursement upon successful grant closeout. Applicants will submit quarterly requisitions for reimbursement and supporting documentation for work completed during the period of the request. Supporting documentation shall include, at a minimum, copies of paid invoices, copies of cancelled checks or a detailed transaction report, and any other evidence that funds were spent for the purpose specified in the grant agreement, such as specific deliverables. Grantees should ensure they have enough funds on hand to bridge Program expenses while they await reimbursement. Final payment will be issued once Grantee submits all final products, financial documentation, and notarized certification of 100% project completion.

Milestone for Reimbursement	Percentage of Total Grant Award
Grant Execution	10%
Quarterly Progress Reports with Invoice (<i>no more than eight</i>)	80% (10% per quarter)
Final Reimbursement after Grant Closeout	10%

Reporting: Grantees are required to submit progress reports on a quarterly basis. Detailed reporting requirements will be outlined in the grant agreement.

Program Contacts

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