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STATE OF VERMONT
OFFICE OF THE STATE TREASURER

THE LOCAL INVESTMENT ADVISORY COMMITTEE (LIAC)
SOLICITATION FOR LOCAL INVESTMENT FINANCING PROPOSALS
(10% IN VERMONT)

Overview

Pursuant to 10 V.S.A. § 10, the State Treasurer is authorized to establish credit facilities for local investments in an amount up to 10% of the State's average daily cash balance. The Local Investment Advisory Committee (LIAC), chaired by the State Treasurer, will receive proposals for local investment financing from interested parties through June 1, 2023. Although all proposals will be reviewed, the following initiatives have been identified as priorities to support local economic development:

- Housing
- Environmental – the reduction of Vermont's carbon footprint
- Social Equity

Agencies, authorities, non-profits, municipalities, instrumentalities of the state, and housing organizations are eligible to apply. Partnership coalitions are also encouraged to apply.

Any specific questions concerning eligibility should be directed to the Treasurer's Office at TRE.LIAC@vermont.gov.

The LIAC will make recommendations to the State Treasurer, however, the Treasurer will make the final selection of proposals based on due diligence consistent with the Treasurer's fiduciary responsibility outlined in statute.

There will be a total pool of up to \$85 million available to lend.

Terms

The LIAC in partnership with the State Treasurer's Office will accept loan proposals and proposals for debt financing arrangements and/or credit facilities of various terms with a maximum term of 30 years. LIAC will seek to achieve a balanced mix of loan terms and maturities. Shorter term maturities are encouraged and may be favored.

Interest rates will be dependent on the term of the facility, and will generally be:

- Loans with terms not greater than 5 years: 1.0%
- Loans with terms greater than 5 but less than 10 years: 1.5%
- Loans with terms greater than 10 but less than 20 years: 2.0%
- Loans with terms greater than 20 years: 2.5%

Proposals that leverage dollars and/or partnerships with other financing sources, or would serve as demonstration projects to encourage further investment from public and private sources, are encouraged and may be favored.

An organization's ability to guarantee the repayment of the loan and/or credit facility is essential to the evaluation process and subsequent award. Organizations must guarantee 100% repayment on terms acceptable to the Treasurer's Office.

Process

Proposals must contain a narrative outlining the proposed investment; a description of how the proposal meets the LIAC priority (if applicable); brief summary of the organization; and a business plan that includes the following:

- Table of Contents including page numbers
- Concept – Describe the project, the market that it will serve, and the benefits to users
- Financial Features – Clearly state the capital needed for the investment. Detail how it will be used, and the equity, if any, that will be provided to support the loan. If there are any other funding sources, please specify.
- Financial Requirements – Provide a project budget and the supporting cash flows over the life of the loan, including repayment.
- Financial Condition – Provide relevant financial information about the applicant organization, its legal form of operation, when it was formed, key personnel, and a copy of the most recent audited financial statements (if applicable).
- When possible, please provide projected outcome data relating to the proposed investment (i.e. number of housing units or jobs created, number of individuals served, energy dollars saved, greenhouse gas reduction projections, etc.)
- Please identify if your project/proposal has been submitted to any other financial institution or entity for funding. If so, please provide details.

Proposals must be submitted as a single pdf file to TRE.LIAC@vermont.gov

The Treasurer's office and the LIAC will review submitted materials, identify projects for further consideration, and follow-up with the submitting organization if additional information is needed. The organization may be asked to present their proposal to the LIAC committee.

Proposals will be due by June 1, 2023 and on other such future dates as the Treasurer may designate. Successful applicants will be notified after all proposals have been reviewed (expected late July).

Contact

Please direct all questions and proposal submissions to TRE.LIAC@vermont.gov