

# Local Investment Opportunities- 10% In Vermont

**April 17, 2023**

**Office of the State Treasurer**



# Introductions

- Treasurer's Office Staff Assisting with LIAC
  - Ashlynn Doyon, Director of Policy
  - Scott Baker, Director of Financial Reporting
  - Jeremiah Breer, Chief Financial Officer

# LIAC Purpose, Goals

- Credit facility to support local investment in Vermont communities, and address unmet capital needs in the State.
- In pursuit of these goals, Treasurer may accept: lower yields, lower returns, lower liquidity, greater risks than would be available on open market
- All investments will be made with prudence, judgment, and care, considering the risks and rewards of each investment.
- However, investments must always consider safety of funds and preservation of principal.

# Local Investment Advisory Committee

- Advisory Committee Members
  - State Treasurer (or designee) - Chair
  - Chief Executive Officer of the Vermont Economic Development Authority (or designee)
  - Chief Executive Officer of the Vermont Student Assistance Corporation (or designee)
  - Executive Director of the Vermont Housing Finance Agency (or designee)
  - Director of the Vermont Bond Bank (or designee)
  - Director of Efficiency Vermont (or designee)

# *Investments Made to Date*

- Nearly \$30 million of investments have been made, including \$25.6 million to non-profits and \$3.8 million in State energy reduction projects.
- Investments have been made in:
  - **Economic Development** (\$11.5 million)
    - Vermont Community Loan Fund (\$1.5 million)
    - Vermont Economic Development Authority (\$10 million)
  - **Housing** (\$10.1 million)
    - Vermont Housing Finance Agency (\$2.8 million)
    - Champlain Housing Trust (\$2 million)
    - NeighborWorks of Western Vermont (\$5.3 million)
  - **Student Loan Assistance** (\$4 million)
    - Vermont Student Assistance Corporation
  - **Energy Reduction/Climate** (\$3.8 million)
    - State BGS projects

# *New Funding Available*

- Up to **\$85 million** available to lend (10% of State's average daily balance)
- Priority initiatives support local economic development in following areas:
  - Housing
  - Environmental (reducing Vermont's carbon footprint)
  - Social Equity
- Agencies, authorities, non-profits, municipalities, housing organizations, partnership coalitions are eligible to apply
- Low interest rates (1% - 2.5%)
- Maximum term of 30 years (shorter term maturities are encouraged)
- Priority will be given to projects that are near start date
- Collateral or security interest may be required

# *How to Apply*

- Proposals for initial round of funding due to Treasurer's Office and LIAC by June 1, 2023
- Proposal outline to be posted on Treasurer's Office website shortly
- Proposals to include:
  - Narrative outlining proposed investment
  - Description of the benefits
  - Qualifications of the applicant
  - Business plan to include:
    - Financial features – capital needed, equity provided, other sources, security interest or collateral
    - Financial requirements – project budget, supporting cash flows including repayment
    - Current position – relevant information about applicant, key personnel, copy of most recent audited financial statements (if applicable)
- An organization's ability to guarantee 100% repayment of the loan and/or credit facility is essential.

- The Treasurer's Office staff will gather proposals and make recommendations to the LIAC. Applicants may be asked to present their proposals to the Committee. Funds expected to be awarded in July.
- Questions and application submissions – please contact Treasurer's Office Staff at:
  - [TRE.LIAC@Vermont.Gov](mailto:TRE.LIAC@Vermont.Gov)