

VERMONT HOME FOREVER FUND
Agency of Commerce and Community Development
DRAFT – June 5, 2020

(a) Purpose. Due to the COVID-19 pandemic, many homeowners have seen a loss or reduction of income and are unable or struggling to pay their mortgages. As a result, homeowners across the state are facing potential foreclosure, and associated penalties and fees. This section is intended to create the **Vermont Home Forever Fund** to provide financial and technical assistance to stabilize low-income and moderate-income homeowners and prevent home foreclosures for Vermont families. The program will utilize \$6,000,000 in funds from the federal Covid Relief Fund (CRF) as appropriated to the State of Vermont via the Federal CARES Act.

(b) Creation of Program. The Department of Housing and Community Development shall design and implement the Vermont Home Forever Fund to provide funding to statewide and/or regional housing partner organizations who will administer the distribution of funds to homeowners in need of assistance. The housing partner organizations will also be tasked with providing technical assistance to homeowners in need.

(c) Administration. The Department shall require any regional housing partner organization that receives funding under this program to develop a standard application form for homeowners that describes the application process and includes clear instructions and examples to help homeowners apply. The selection process must ensure equitable approval of applications, and a distribution system that ensures accountability for both the statewide and/or regional housing partner organizations, and homeowners receiving the funds.

(d) Distribution Requirements. The Department shall develop certain eligibility requirements for the statewide and/or regional housing partners to implement to ensure the funds are applied towards homeowners equitably. Requirements that shall be developed include, but are not limited to, the following:

- (1) limitations for eligibility regarding the earned income of the homeowners in comparison to the area median income.

(2) forms and guidelines for homeowners to show proof of a demonstrable need for assistance.

(3) limitations on actual cash benefits, which are not to exceed the actual mortgage liability or three times the monthly mortgage liability, whichever is less. This restriction shall include a re-application process which states that if there are remaining programmatic funds at the end of the three-month period, the homeowner may re-apply for assistance.

APPROPRIATION:

a. The amount of \$6,000,000.00 is appropriated from the federal COVID Relief Fund as appropriated to the State of Vermont, to the Department of Housing and Community Development to provide funding through the Vermont Home Forever Fund.

b. This appropriation may be supplemented at a later date if further federal CARES Act funds become available.