

Important disclaimer

This is modeling based on assumptions below that came from conversations with affordable housing developers, review of reports on market data, grand lists, and housing data. It is by its nature an approximation, and is purely an attempt to provide information that adds context to your decision making.

What this doesn't include

Separation of Municipal and Education Fund Taxes. It includes them both in the calculations, as well as in the increment

Real examples of development

An assessment of the cost of infrastructure, or any "but for" test

Impact of including commercial uses in the development

Borrowing

Borrowing Interest Rate	5%
Term (months)	240

Single Family Homes

Tax Rate	1.78%	average statewide - includes municipal taxes, too
Cost of permitted land for single family homes	\$100,000	ballpark number -- typically a little higher in Chittenden County and other higher value areas; recent appraisal had higher in Hinesburg
Market For Sale value	\$616,500	new home construction - VHFA, 2023
Affordable For Sale value	\$431,550	@ 70% of market

Multifamily Apartments

Cost of permitted land per apartment	\$25,000	range of values depending on location in Allen, Brooks, and Minor report
Tax per unit undeveloped land	\$30	estimate for formula
Tax per unit/per month market	\$325	wide range found, this is middle of four developments built in last few years
Tax per unit/per month affordable	\$125	Evernorth uses this to develop their proformas

Homeownership Development

Homes built
Percent Market Rate
Percent Permanently Affordable
Increment Retention Percentage

Single Family Home, Market Rate

Value of home
Total Value of Development
Prior Value of Land
Taxable Value of Development Under CHIP
Retention Percentage
Property Taxes Collected
Property Taxes Retained
Debt Available

Single Family Home, Permanently Affordable

Value of home
Total Value of Development
Prior Value of Land
Taxable Value of Development Under CHIP
Retention Percentage
Property Taxes Collected
Property Taxes Retained
Debt Available

Total Debt Available to Pay for Infrastructure

Current Construct In S.127		
100% Market	Mixed Income	100% Affordable
50	50	50
100%	80%	0%
0%	20%	100%
70%	80%	80%
\$616,500	\$616,500	\$616,500
\$30,825,000	\$24,660,000	\$0
\$5,000,000	\$4,000,000	\$0
\$25,825,000	\$20,660,000	\$0
70%	80%	80%
\$459,685	\$367,748	\$0
\$321,780	\$294,198	\$0
\$4,063,145	\$3,714,875	\$0
\$431,550	\$431,550	\$431,550
\$0	\$4,315,500	\$21,577,500
\$0	\$1,000,000	\$5,000,000
\$0	\$3,315,500	\$16,577,500
70%	80%	80%
\$0	\$59,016	\$295,080
\$0	\$47,213	\$236,064
\$0	\$596,160	\$2,980,801
\$4,063,145	\$4,311,036	\$2,980,801

Higher Increment Mixed Income

50
80%
20%
90%

Lower Increment if no Affordable

50
100%
0%
60%

\$616,500
\$24,660,000
\$4,000,000
\$20,660,000
90%
\$367,748
\$330,973
\$4,179,235

\$616,500
\$30,825,000
\$5,000,000
\$25,825,000
60%
\$459,685
\$275,811
\$3,482,696

\$431,550
\$4,315,500
\$1,000,000
\$3,315,500
90%
\$59,016
\$53,114
\$670,680

\$431,550
\$0
\$0
\$0
60%
\$0
\$0
\$0

\$4,849,915

\$3,482,696

Rental Development

Apartments built
Percent Market Rate
Percent Permanently Affordable
Increment Rentention Percentage

Multifamily, Market Rate

Retention Percentage
Tax Rate Per Apartment
Property Taxes Collected
Tax on Land prior to development
Property Taxes Retained
Debt Available

Multifamily, Permanently Affordable

Retention Percentage
Tax Rate Per Apartment
Property Taxes Collected
Prior Tax on Land prior to development
Property Taxes Retained
Debt Available

Total Debt Available to Pay for Infrastructure

Current Construct In S.127		
100% Market	Mixed Income	100% Affordable
50	50	50
100%	80%	0%
0%	20%	100%
70%	80%	80%
Retention Percentage	70%	80%
Tax Rate Per Apartment	\$325	\$325
Property Taxes Collected	\$16,250	\$13,000
Tax on Land prior to development	\$1,500	\$1,200
Property Taxes Retained	\$10,325	\$9,440
Debt Available	\$1,564,499	\$1,430,399
Retention Percentage	70%	80%
Tax Rate Per Apartment	\$125	\$125
Property Taxes Collected	\$0	\$1,250
Prior Tax on Land prior to development	\$0	\$300
Property Taxes Retained	\$0	\$760
Debt Available	\$0	\$115,159
Total Debt Available to Pay for Infrastructure	\$1,564,499	\$1,545,558

Higher Increment Mixed Income

50
80%
20%
90%

Lower Increment if no Affordable

50
100%
0%
60%

90%
\$325
\$13,000
\$1,200
\$10,620
\$1,609,199

60%
\$325
\$16,250
\$1,500
\$8,850
\$1,340,999

90%
\$125
\$1,250
\$300
\$855
\$129,554

60%
\$125
\$0
\$0
\$0
\$0

\$1,738,753

\$1,340,999