Assessing CHIP Project Readiness

Copyright Vermont League of Cities and Towns
Current as of: 11/15/2026

Before investing significant municipal time in a potential CHIP project, municipalities should understand how far the project has progressed through pre-development. Developers do not need to have every study or report completed before the first conversation. As planning moves forward, however, they should be able to share information that demonstrates the project is becoming ready for a CHIP application.

The documents and information below help municipalities understand whether a project is technically feasible, financially viable, and continuing to move toward development.

Can the Site Support the Project?

One of the first questions to answer is whether the proposed site can support the planned housing development.

Information to expect

A developer should be able to provide information such as:

- a conceptual site plan,
- a property survey,
- a Phase I Environmental Site Assessment,
- wetland delineations, and
- soil or geotechnical reports.

Why it matters

These documents identify environmental conditions, site constraints, and infrastructure needs that could affect the project's design, cost, or schedule.

Copyright Vermont League of Cities and Towns
Current as of: 11/15/2026

They also help estimate the infrastructure improvements that may be eligible for CHIP funding. If a project isn't ready for sketch plan review, it's not likely ready for in-depth CHIP discussions with the municipality.

Questions to ask

- Have any site conditions been identified that could increase project costs?
- Are additional site investigations planned?
- How will site conditions affect the proposed infrastructure?

Is the Housing Project Well Defined?

Municipalities should understand what the developer plans to build and whether it supports local housing needs.

Information to expect

Look for information about:

- the number of housing units,
- the mix of unit sizes,
- whether the homes will be rental or owner-occupied,
- the expected rents or sale prices, and
- the overall development concept.

Why it matters

Copyright Vermont League of Cities and Towns
Current as of: 11/15/2026

This information helps municipalities determine whether the project supports local housing goals. It also provides important information for estimating future property values and potential tax increment.

Questions to ask

- Who is the project intended to serve?
- How does the project support our community's housing goals?
- Does the proposed housing reflect local market conditions?

Does the Project Appear Financially Viable?

CHIP is intended to help finance eligible infrastructure that supports housing development. Municipalities should understand how the project is expected to come together financially.

Information to expect

Developers should be prepared to share:

- a conceptual project budget,
- a preliminary development pro forma,
- estimated infrastructure costs,
- anticipated funding sources, and
- an explanation of how CHIP funding could help close the project's financing gap.

Why it matters

Copyright Vermont League of Cities and Towns
Current as of: 11/15/2026

Municipalities do not need to become financial experts. The goal is to understand whether the project appears financially viable and whether the expected tax increment is reasonably aligned with the cost of eligible infrastructure improvements.

Questions to ask

- How were the infrastructure cost estimates developed?
- What funding has already been secured?
- Does the project depend on CHIP to move forward?
- Do the estimated infrastructure costs appear reasonable?

Does the Project Align with Community Goals?

A project can be technically feasible and financially viable, but still not be the right fit for your community. Before investing significant time in reviewing a project, consider whether it supports your municipality's vision for housing and future growth.

Information to expect

Developers should be able to explain:

- how the project supports your municipality's housing goals,
- how it fits with your town plan, zoning, or other adopted plans,
- who the project is intended to serve,
- how it responds to local housing or community needs, and

Copyright Vermont League of Cities and Towns
Current as of: 11/15/2026

- why the developer believes the project is a good fit for your community.

Why it matters

Participation in CHIP is a municipal choice. Projects that align with your community's goals are more likely to receive local support and provide lasting public benefits. If a project does not support your municipality's priorities, it may not be the right candidate for CHIP, regardless of how much tax increment it could generate.

Questions to ask

- How does this project support our community's housing goals?
- Who is the project intended to serve?
- Why did you choose this site and our community?
- How does the project fit with our town plan and local zoning?
- What community benefits will this project provide?

Has the Developer Made a Meaningful Commitment?

Developers often evaluate several potential projects before deciding which ones to pursue. Municipalities should understand how much work has already been completed.

Information to expect

Ask whether the developer:

Copyright Vermont League of Cities and Towns
Current as of: 11/15/2026

- owns the property or has it under contract,
- has completed engineering or environmental studies,
- has invested in site investigations, and
- has developed a preliminary construction schedule.

Why it matters

Completing pre-development work requires both time and money. These investments demonstrate that the developer is actively advancing the project rather than simply exploring an idea. They also provide municipalities with greater confidence that the project is continuing to move toward construction.

Questions to ask

- How far along is the project?
- What pre-development work has already been completed?
- What work is still underway?
- What is the anticipated construction timeline?

Does the Project Team Have the Right Capacity?

Successful housing projects require more than a good idea. They also require a team with the experience and expertise to move the project from planning to construction.

Information to expect

Developers should be able to describe:

Copyright Vermont League of Cities and Towns
Current as of: 11/15/2026

- who is leading the project,
- the architects, engineers, planners, or other professionals involved,
- the team's experience with similar housing projects,
- key partners, such as lenders, contractors, or consultants, and
- plans for bringing in additional expertise as the project moves forward.

Why it matters

Housing development is a team effort. A well-qualified project team is better prepared to identify challenges, complete technical work, secure financing, and navigate the permitting and construction process. Understanding who is responsible for each part of the project also gives municipalities greater confidence that the project can move forward successfully.

Questions to ask

- Who is leading the project and serving as the primary point of contact?
- Who are the key members of the development team?
- What experience does the team have with similar housing projects?
- Have you worked together on previous projects?
- Are there additional professionals you expect to hire as the project progresses?

Is the Developer Prepared to Work with the Municipality?

Housing projects that use CHIP require close collaboration between the developer and the municipality. Developers should understand that public

Copyright Vermont League of Cities and Towns
Current as of: 11/15/2026

projects involve public meetings, community engagement, municipal review, and formal decision-making.

Information to expect

Developers should be able to describe:

- their willingness to meet with municipal staff (or lead contact) early,
- their approach to working with municipal boards and commissions,
- their understanding of the municipality's review and permitting process,
- realistic expectations for project timelines, and
- their willingness to consider feedback and adjust the project as it develops.

Why it matters

Municipalities and developers often work on different timelines. Housing projects move most smoothly when both parties understand each other's roles, communicate openly, and work together to solve problems. Developers who recognize that public review takes time are better prepared to navigate the process and build productive relationships with municipal leaders and the community.

Questions to ask

- Have you worked with municipalities on similar projects?
- What is your understanding of our review and permitting process?
- How do you typically work with municipal staff, boards, and the public?
- How will you respond if community feedback results in project changes?
- What timeline are you expecting, and how does it account for municipal review and public engagement?

Copyright Vermont League of Cities and Towns
Current as of: 11/15/2026

Every Project Progresses at Its Own Pace

Not every project will have every document or study completed during the earliest conversations. A municipality does not need every answer before discussing CHIP with a developer.

Instead, think of these documents and studies as milestones. As pre-development progresses, each completed plan, study, estimate, or analysis provides greater confidence that the project is becoming ready for a CHIP application. The amount of information available should generally match the project's stage of development.

The purpose of pre-development is to reduce uncertainty before major decisions are made. As municipalities gather information about the site, the proposed housing, the project's financial outlook, and the developer's progress, they gain a clearer picture of whether the project is ready to move forward. Asking for the right information at the right time helps municipalities make informed decisions, focus their efforts on projects that are ready to advance, and build stronger partnerships with developers throughout the CHIP process.

Publication Date
07/13/2026

Copyright Vermont League of Cities and Towns
Current as of: 11/15/2026