Safe, stable, and affordable housing is the foundation on which successful, independent lives are built. To alleviate its chronic and substantial housing needs, Vermont must adequately fund all three legs of the three-legged stool of affordable housing investments:

Increase quantity and quality of affordable housing through capital investment

A lack of affordable and safe homes continues to be a challenge for many Vermonters. Capital investment and tax credits are crucial to creating more permanently affordable housing. This funding allows for a broad range of development, from building new units to redeveloping or repurposing existing spaces, and more. Rehabilitation and infrastructure improvements are also needed, including for mobile home parks, physically accessible housing, and weatherization of old housing stock. Vermont Housing and Conservation Board (VHCB) plays a key role in this work. VCEH and VAHC support the full funding of VHCB.

Increase housing-related financial assistance programs

All Vermonters deserve a place to call home, yet the affordability gap for renters and first-time homebuyers puts housing out of reach. VCEH and VAHC seek increases to proven state programs that provide rental and other housing-related financial assistance. This includes increasing funding for the Housing Opportunity Grant Program (HOP), 24/7 year-round Vermont 211 service, General Assistance to meet emergency housing needs, and programs such as DMH Subsidy+Care, DMH’s CRT Housing Support Fund, Vermont Rental Subsidy, and Corrections Supportive Housing.

Increase supportive services for those with the greatest needs

VCEH and VAHC support the recommendations of the AHS Specialized Housing Vouchers Workgroup to increase access and utilization of Federal Housing Subsidies. Expansion and increased capacity for programs with proven outcomes that provide support services and save the state money are also needed. This includes programs such as Family Supportive Housing, Housing Opportunities Grant Program (HOP), Housing First, Support and Services at Home (SASH), Assistive Community Services, and AHS Central Office Direct Service & Service Coordination Grants. Other needs include expanding landlord liaison capacity, supporting recovery housing, and level funding for HomeShare Vermont.

$22.78

is the Vermont Housing Wage, the hourly wage needed to afford a 2-bedroom home at fair market rent. In contrast, the average Vermont renter earns only $13.40.

The Vermont Futures Project of the Vermont Chamber of Commerce has set a growth target of 5,000 new and improved housing units annually.

With current funding Family Supportive Housing can serve a maximum of 147 families in 7 AHS districts.
Improve rental housing health and safety

VCEH and VAHC support the recommendations of the Rental Housing Advisory Board (RHAB). This includes establishing the Department of Fire Safety (DFS) as the lead agency for complaint-driven, statewide, professional rental housing code enforcement. A modest statewide registration fee would fund the increased positions needed for enforcement through DFS, as well as for a rental housing registry, rental rehab fund, back rent assistance, and landlord-tenant training.

Tap new sustainable and equitable revenue sources

New revenue sources are needed to help fund the growing housing needs of low-income and vulnerable Vermonters and the state’s efforts to address homelessness and housing affordability. These sources would include a $2 a night occupancy surcharge for motel, hotel, and short-term rental stays, and a “mansion tax” for high-priced homes. Additionally, VCEH and VAHC call on lawmakers to research the feasibility of a tax on luxury second-homes.

Address the climate crisis

Old housing stock and heating systems that rely on fossil fuels are major contributors to global warming. Recognizing the urgent need to address the climate crisis with bold measures, while ensuring an equitable transition, VCEH and VAHC join colleagues in the Climate Action Coalition and the Legislature’s Climate Caucus to support the Global Warming Solutions Act, Transportation Climate Initiative, modernizing Vermont’s efficiency utilities, 100% renewable electricity by 2030, and workforce training and economic development that aligns workforce and climate.

Heating and cooling buildings is the 2nd largest contributor to Vermont’s carbon footprint.

An estimated 93% of the fee would be paid by out-of-staters. Annually, the occupancy fee would raise $6-7 million.

Even with last year’s increase, the first since 2004, current Reach Up benefits only provide 40% of the income needed to meet basic family needs.

Improve economic and social conditions

Housing investments are not the only way to close the affordability gap for low-income Vermonters. Improving economic and social conditions and the safety net are essential. Some of the ways this can be addressed include passing a Homeless Bill of Rights, increasing the minimum wage, strengthening the Child Care Financial Assistance Program, passing a family and medical leave bill, adequately funding LIHEAP and Crisis Fuel Programs, increasing access to legal services, and making greater investments in Micro Business Development, IDA’s, and Reach Up grants.

Address land use planning, permit reform & community investment

Ease the development review process through land use planning and permit reforms, while ensuring that provisions for inclusive, affordable housing remain a feature of all of the State’s Designation Programs. VCEH and VAHC also call for full, statutory funding through the Property Transfer Tax for the Municipal and Regional Planning Fund to increase local and regional capacity to plan for affordable and inclusive housing.

For more information visit the Vermont Coalition to End Homelessness at www.helpingtohousevt.org and The Vermont Affordable Housing Coalition at www.vtaffordablehousing.org