Vermont Affordable Housing Coalition

Legislative Summary, 2023 Session

Date: May 30, 2023

Executive Summary:

- **S.100: HOME Bill**: The Housing Opportunities Made for Everyone (HOME) Bill passed and was delivered to the Governor on May 30. The Governor is expected to sign this bill. HOME makes modest reforms to zoning and Act 250.
- FY24 Budget Status: The FY24 passed by the legislature on May 12 was vetoed by the governor on May 27. The legislature will reconvene for a veto session on June 20. A group of Democratic and Progressive legislators has voiced their intent to sustain a veto to prevent the unsheltering of the approximately 2,800 GA Emergency Housing program participants in summer 2023.
- VHCB and Affordable Housing Funding: The FY24 Budget appropriates near-full statutory funding for VHCB as well as \$40 million in appropriations for affordable housing and \$10 million for shelter expansion. Additional appropriations for other housing-related programs include \$10 million for VHIP and \$10 million to VHFA for the missing middle (detailed summary below).
- General Assistance (GA) Emergency Housing: The FY24 budget includes a total of \$26.4 million in base and one-time funding for the GA Emergency Housing funding for the Adverse Weather Policy and pre-pandemic GA program eligibility. Prepandemic eligibility provides a maximum of 28 days of shelter for pregnant women in their third trimester, families with children six years of age and younger, people with SSI/SDI, and Vermonters 65 and older. The current budget does not keep the 1,822 households currently in the GA program sheltered. An additional \$10 million in funding for rental deposits; campsite fees and camping equipment; furniture and appliances; car repairs, if funds for repairs are not available from other programs; and transportation costs, including relocation expenses for the population is included in H.494. Update: On May 26, the Governor announced that for families with children 0-18 years of age, pregnant women, individuals receiving SSI or SSDI payments, and adults 60 years of age or older, would be eligible for up to 28 additional days of GA housing as any GA days received prior to July 1 would not be considered against the allowable 28 days of GA in a 12-month period. Unspent federal funding will be used to cover these additional expenses.
- **Rental Protections:** Rental protections were not prioritized by the legislature in 2023. Bills relating to rental protections that are still in play and will be taken up in 2024 include the Rental Registry Report, the Homelessness Bill of Rights, and an act relating to the creation of the Office of the Housing Advocate.

S.100: Housing Opportunities Made for Everyone (HOME) Bill

Bill Summary

S.100, the HOME Bill, was delivered to the Governor on May 30 and is expected to be signed by the Governor. The omnibus housing bill makes a range of reforms to zoning and to Act 250. Key provisions of the bill are as follows:

- Increases the threshold to trigger Act 250 25 units in state-designated downtowns, neighborhood development areas, growth centers, and village centers in towns with zoning. Under the threshold, the conversion of an existing structure into up to four units counts as one unit. This provision sunsets in 2026.
- Requires towns to allow duplexes to be built anywhere that a single-family home is allowed and fourplexes to be built in areas connected to water and sewer.
- Bars municipalities from requiring more than one parking space per dwelling unit in areas served by water/wastewater infrastructure and 1.5 parking spaces for duplexes and multi-unit buildings not served by water/water and located more than ¼ mile away from public parking.
- Allows one person with a "particularized interest" in a development to appeal a municipal zoning permit, instead of the 10 people currently required by law. The ability to appeal the character of the area for affordable housing development is prohibited.
- Removes limits on allowable uses, i.e., to restrict permitted uses to single-family homes.
- Prohibits municipalities from restricting the placement and operations of emergency shelters. This provision will go into effect September 2023.

The Committee on General & Housing crafted an amendment to S.100 drawing provisions from H.391 (Eviction Diversion). However, funding for the following policies was not allocated in the 2024 budget:

- <u>Rental Housing Stabilization Services</u>: CVOEO; access to services to avoid eviction \$400K.
- <u>Tenant Representation Pilot Program</u>: VT Legal Aid: \$1.077M to VLA
- Rent Arrears Assistance Fund: VSHA: \$2.5M

Other bills folded into S.100 and of interest to VAHC and members include the following:

- Study and report on mobile homes and mobile home parks
- Summer study committee on how to increase compliance with the RBES and the CBES energy standards.
- An act relating to exempting an owner of rental housing from renovation, repair, painting, and maintenance (RRPM) licensing requirements.

FY24 Budget

H.494: FY2024 Budget CofC Report FINAL H.494: FY2024 Web Report H.494: Housing Summary H.494: Housing Language H.494: S.100 Language

The FY24 budget passed by the legislature was vetoed by the Governor on May 27. The legislature has scheduled a veto session for June 20. The budget as passed by the legislature includes the following appropriations:

- VHCB: \$21.4 base funding (PTT) plus \$50M (\$40M for affordable housing, \$10M for emergency shelter and housing for Vermonters experiencing homelessness)
- VHIP: \$10M
- GA Emergency Housing + Adverse Weather Hybrid: \$18,884,610 (DCF)
 + \$7.5M in base funding for a total of \$26.4M
- Housing Opportunity Program (HOP) Grants: \$5M in one-time funding + \$2M in base funding (DCF)
- First Generation Homebuyer: \$1M (VHFA, contingent on available funding)
- Missing Middle Rental Housing: \$10M (VHFA, contingent on available funding)
- Healthy Homes Initiative: \$6.1M (DEC)
- Contract for Act 250 Study: \$200K (NRB)
- Land Access & Opportunity Board: \$1.2M (VHCB)
- SASH Bridge Pilot Funding: \$450K (DDAIL)
- VAPDA Housing Navigators: \$300K

Other VHCB Funding

- Clean Water, \$2M (CAPITAL BILL)
- Ag Water Quality and Farmland retirement, \$800K (is not included base funding (CAPITAL BILL)
- VHCB mission, \$1.8M (CAPITAL BILL)

TOTAL VHCB CORE MISSION WORK, INCLUDING \$21.4 PTT: \$25.2M

Future Legislative Action

Bills that remain active and will be taken up in the 2024 are as follows:

H.132 Homelessness Bill of Rights (in House General)

H.276 Rental Registry Report (in Senate Economic Development, Housing and General)

H.378 An act relating to the creation of the Office of the Housing Advocate (in House General)