



The Vermont Affordable Housing Coalition (VAHC) is a dynamic statewide partnership of more than 100 organizations, businesses, and individuals dedicated to uniting people in a movement for safe, accessible, quality, and perpetually affordable housing. We accomplish this through advocacy, education, and outreach.

The 2022 Legislative Session continued to provide historic investments in housing thanks to Federal funding related to the pandemic. The combined work of the Legislature, Administration, nonprofit housing organizations, and housing advocates, helped make great strides to address the housing and homelessness crisis. But the work is far from done and continued high levels of investment are necessary.

Successes

Important gains have been made through the investment of federal and state funds over the past five years. Some highlights include:

- The Housing for All Revenue Bond. In 2017, more than \$37 million was raised in a tax-supported bond issued by the Vermont Housing Finance Agency (VHFA). Administered by the Vermont Housing and Conservation Board (VHCB), the bond was paired with \$198 million in additional investment to create 843 new apartments and homes.¹
- Pandemic related assistance programs. Since the pandemic began in March, 2020, more than 2,800 households have exited homelessness; 1,151 households have been assisted through flexible funding that helped them quickly exit hotels into safe housing; the Vermont Emergency Rental Assistance Program has helped 16,496 households stay stably housed²; the Vermont Mortgage Assistance Program helped 888 households from July 2020 thru June 2021 and the Vermont Homeowner Assistance Program has helped more than 4300 households since January 2022 with mortgage, property tax, association fee, and utility payments.³
- Funds allocated to VHCB in FY22 for housing. Totalling \$43 million, these funds have leveraged \$276 million, helping to create 1,051 homes and apartments.
- Vermont Housing Improvement Program (VHIP). As of August 30th, more than 329 households with low incomes have been able to access permanent housing through this program, with approximately three-quarters of those households coming from homelessness.⁴ The program helps landlords bring vacant rental units up to Vermont Rental Housing Health Code guidelines, quickly revitalizing existing substandard housing units and bringing them back on the market.
- Millions of additional funding for weatherization, manufactured home replacements, community-based infrastructure, homeownership construction, and more will make housing more affordable for thousands of Vermonters.”

As we enter into this new year, the housing community is grateful that attention to the housing crisis remains a priority in the Legislature. The Vermont Affordable Housing Coalition recognizes that there is no “magic bullet” solution, but we put forth the following priorities.

Any legislation addressing the housing crisis in Vermont should be viewed through a diversity, equity, and inclusion lens. The jarring disparity of homeownership between white and Black, Indigenous, and People of Color (BIPOC) Vermonters is but one reminder of the systemic inequities that limit housing opportunity and choice. It is vital that we ensure an equitable future for all Vermonters, and especially those who are

¹ <https://vhcb.org/our-programs/housing/housing-for-all-bond-initiative/progress-report-housing-revenue-bond>

² <https://legislature.vermont.gov/Documents/2022/WorkGroups/House%20Human%20Services/Homelessness%20and%20Housing/W~Harry%20Chen~Emergency%20Housing%20Update~11-18-2022.pdf>

³ <https://vhfa.org/partners/initiatives/program-impacts>

⁴ https://outside.vermont.gov/agency/ACCD/ACCD_Web_Docs/Housing/Funding%26Incentives/VHIP-TRANSCRIPTS.pdf

traditionally subject to discrimination and exclusion, including BIPOC, LGBTQ+ people, people with disabilities, older adults, and families with children.

Top Priorities

Capital Investments in Affordable Housing including Full Funding for VHCB

VAHC supports continued investment of state and federal funding that will allow for the development of new housing. These one-time investments, coupled with full funding for the Vermont Housing and Conservation Board (VHCB) are a vital funding source for affordable housing development in Vermont. State funding helps leverage federal and private funding and provides important flexibility. The General Assembly intentionally established in statute that the primary funding for VHCB would come from the Property Transfer Tax (PTT). VAHC strongly supports *full statutory funding for VHCB combined with an additional \$175 million in one-time investments* to address Vermont's affordable housing shortage.

Homelessness, Emergency Housing, and Rental Assistance

As Federal funding of the Vermont Emergency Rental Assistance Programs ends, a housing solution is still necessary for vulnerable Vermonters. It is vital that practitioners and stakeholders, including those with lived experience, be a part of crafting this solution. VAHC supports the expansion of rental subsidy programs as a bridge to permanent housing for renters. We also support continued adequate levels of funding for the GA Emergency Housing Program throughout the year, and review of the eligibility rules to ensure that the needs of Vermonters who are without housing are met. We support funding for innovative housing options across the spectrum such as non-congregate emergency shelters, accessory dwelling units, single room occupancy apartments, master leasing, harm reduction housing, and safe parking and camping. Resources to engage landlords is an important tool to expand access to affordable housing: support in landlord recruitment, education, and other incentives should be considered.

Increased Funding for Supportive/Human Services

Too often we gauge the success of housing initiatives on numbers of units, and numbers of people who have become housed. However, without supportive services this housing remains tenuous for many, especially people who have experienced homelessness, severe mental health issues, and Substance Use Disorder. Too many of our most vulnerable community members move into permanent housing, only to lose their homes due to a lack of essential services. Supportive housing is a proven effective strategy resulting in long-term housing stability. VAHC supports increased and continued funding for proven supportive and cost saving programs such as resident services coordinators, SASH[®], and new long-term funding of the current SASH for All pilot. VAHC also supports robust funding to implement the recently approved Permanent Supportive Housing Medicaid pilot and increased funding to sustain and expand peer support services to fill gaps in service delivery. Continued expansion of Family Supportive Housing and supportive housing targeted to individuals is recommended.

We're grateful for the 8% rate increase included in the FY23 budget for Designated Community Mental Health agencies, Social Service agencies, and Home and Community-based Care providers. Continued increases are necessary as these organizations have been chronically underfunded and struggle with staffing shortages and burnout, and many of the staff that work with people in crisis are paid low wages. These organizations provide essential resources to help our most vulnerable community members remain in their homes.

Additional Areas VAHC Supports

Tenant Rights

The realities of our current housing crisis make it imperative that renters, especially those with lower incomes, are able to maintain stability in their housing. VAHC supports legislation that will strengthen that

stability. Proposals such as Just Cause Eviction and right to counsel provide protections from unnecessary evictions. VAHC also supports proposals that will lower barriers for renters who are seeking housing. Legislation to cap rent increases can allow for reasonable growth to cover increased costs to landlords while preventing rampant escalation in prices which force many renters out of their homes. Resources should also be made available for tenants and landlords that clarify their rights and responsibilities, and these resources should be accessible in various languages.

It is also vital that we continue moving forward on changes to the rental housing safety inspection system that increase accountability and support. This program still requires a sustainable funding source after the ARPA funding is spent.

Additional Housing Development Resources

The last few years have jumpstarted needed housing development, but this level of investment must continue to fully address the housing needs of all Vermonters, especially marginalized groups and those with low incomes. Other sources of funding should be explored, such as an additional tax on second homes in Vermont. We must also prioritize reinvestment in existing affordable housing communities, as this is essential to preserving our housing stock. Funding is necessary across the housing and income spectrums, including emergency shelter, rental apartments, farmworker housing, and homeownership opportunities. We also support funding for innovative housing solutions such as Accessory Dwelling Units (ADUs), Single Room Occupancy (SROs), the Vermont Housing Improvement Program (VHIP), and the Missing Middle-Income Homeownership Development Program. We must also look at gaps in our housing continuum, including ensuring housing is accessible for people living with disabilities.

Regulatory Reforms

VAHC also supports making changes to the zoning process that will lower barriers to creating new housing. We support inclusionary zoning practices and other strategies that emphasize housing equity and perpetual affordability. Too often overly-restrictive local zoning ordinances, as well as time-consuming and costly appeals, delay or prevent the creation of much-needed affordable housing.

Investments in Manufactured Home Communities

Manufactured housing communities (MHCs) are an essential affordable housing resource in Vermont. Many MHCs struggle to provide residents with clean and adequate drinking water and wastewater. Most state and federal financing sources are complex, geared toward municipalities and don't work with the structure and capacity of MHCs. ARPA funding has supported the creation of the [Department of Environmental Conservation \(DEC\) ARPA Healthy Homes Program](#), which is helping to support some of these issues. VAHC supports a sustainable funding source to maintain this program once the current ARPA funding is spent.

VAHC supports the creation of and sustained funding for a statewide MHC Technical Assistance Provider that can successfully connect these communities to available resources and clarify existing administrative barriers. VAHC also requests that DEC report on progress related to increasing access for MHCs to existing state resources, including the Clean Water Revolving Loan Fund, Water Infrastructure Sponsorship Program, and the Drinking Water State Revolving Fund.

VAHC supports additional funding across the state for other needs beyond water infrastructure, including other infrastructure improvements, funds for MHC conversion assistance, and grants for homeowners to make repairs. Creating a funding pool for other infrastructure and park improvements, including electric service, road grading, and tree maintenance, is essential. Additionally, purchase assistance funding will help MHCs convert to nonprofit/cooperative ownership, creating greater affordability and autonomy for MHC residents. Lastly, greater access to individual grants for homeowners to make home repairs is still needed and will be necessary to meet the gaps in the existing network.