



February 20, 2024

Re: FY 25 Budget Requests

Dear Members of the House Committee on Appropriations,

The Housing & Homelessness Alliance of Vermont (HHAHV) represents a merger of the Vermont Affordable Housing Coalition and the Vermont Coalition to End Homelessness. We represent over 60 member organizations that work to meet the needs of vulnerable Vermonters and advocate for effective policies to ensure that Vermonters have safe, stable, affordable homes and if homelessness occurs, it is brief, rare, and non-recurring.

As your committee works on the FY25 Budget, we provide the following:

Accelerate Production of Affordable Housing

We urge the legislature make \$160 million in housing capital available for the following purposes:

- \$110 million in one-time funding for VHCB (separate and in addition to VHCB receiving \$26 million of base funding representing its full statutory share of the Property Transfer Tax).
 - We estimate that the \$110 million request would create the following housing units:
 - 350-400 permanently affordable rental homes (this would include some investments in manufactured home communities);
 - 80-100 homeownership homes;
 - Roughly 100 shelter beds at both existing and new shelters; and
 - Improved housing for 200 farm workers.
- \$10 million for the Vermont Rental Housing Improvement Program (VHIP).
 - We estimate this would produce approximately 200 units with 5-10 years of affordability;
- \$25 million for VHFA's Homeownership Development Program (previously named the Missing Middle Homeownership Development Pilot Program).
 - We estimate this would produce 135-145 homes in the first round.
- \$15 million for specific programs and services to support manufactured home residents, prioritized as: Department of Environmental Conservation (DEC) Healthy Homes Program, Champlain Valley Office of Economic Opportunity's (CVOEO) Mobile Home program, and the Manufactured Housing Improvement & Repair Program (MHIR), administered by Vermont State Housing Authority (VSHA).
 - These investments are necessary to support manufactured housing communities by improving critical infrastructure, home sites and making vital home repairs to

existing homes. By doing so, we will preserve existing affordable housing and prepare manufactured housing communities to add additional units of housing over the coming months and years. Additionally, supporting CVOEO's mobile home advocacy program will provide crucial support for individuals and households accessing the MHIR program.

Ensure Sufficient Interim Housing

- Ensure the General Assistance Emergency Housing Program receives the necessary funding through the FY 25 fiscal year to continue to provide the over 1,500 households – about 2,500 Vermonters – with interim housing. This is not an ultimate solution, but provides the time needed to develop additional shelter capacity and what's really the permanent solution: more affordable housing.

Enhance Services and Subsidies

- Expand and improve services for households in temporary and permanent housing
 - Increase the number of permanent supportive housing units (services cost estimated at \$9,500 per unit). There are currently over 1,700 households on the waiting list.
 - \$6 million to establish a statewide placed-based supportive services fund serving up to 2,500 people as recommended in the Strengthening the Housing and Services System report; would support and scale proven and promising programs.
- Expand rental subsidies
 - \$2 million increase for the Vermont Rental Subsidy program; expand eligibility for VRS to be more inclusive of adult-only households; deploy vouchers to support utilization of the Vermont Housing Improvement Program.
- Eviction Diversion
 - \$2.5 million for VSHA's new Eviction Diversion/Rent Arrears program, which would cure approximately 389 evictions.

Thank you for your consideration of our requests. We would be happy to discuss any of these items at your convenience.

Sincerely,



Frank Knaack
Executive Director