

Vermont Affordable Housing Coalition

UPDATED FY 2015 Budget Recommendations

Vermont Housing and Conservation Board

VHCB funding creates new and preserves existing affordable homes for low-income Vermonters. These investments produce construction jobs, maintain vibrant downtowns and village centers, and provide permanently affordable housing for the workforce and the most vulnerable Vermonters, including the homeless and at-risk, reducing pressures on the human services budget. Full statutory funding from VHCB's dedicated revenue source, the Property Transfer Tax, would yield \$17.7 million for FY 15. The Governor requested a 9 percent increase in the PTT, from \$14 million to \$15.275 million, for an overall state appropriation of \$16.07 million. The House budget provides only a 6 percent increase, a \$420,000 cut. ***We request that the Senate approve the Governor's proposed 9 percent increase.***

General Assistance

GA is the State's essential safety net program for the most vulnerable, lowest income Vermonters. It helps individuals and families with their emergency basic needs such as housing, utilities, food, personal needs items, and burial costs. GA housing programs are essential tools in providing emergency housing assistance and alleviating and preventing homelessness. GA funds a variety of housing and housing related support services, much of it through community based providers, including rental arrears, rental assistance, motel vouchers, transitional housing, emergency shelters, security deposits, utility deposits and arrears, moving expenses, and case management services. ***We support the Governor's budget for these key programs, all of which were approved in the House budget:***

- The **Vermont Rental Subsidy Program** provides rental assistance for very low-income families who are homeless and would otherwise not be able to afford housing. The program's intent is to transition people from shelters to permanent housing, reduce reliance on motels and shelters, and reduce the impact of transiency on children. ***The Governor's budget increases funding from \$500,000 to \$1 million, doubling the number of families assisted.***
- **Family Supportive Housing Grants** began last year as a new, three-county demonstration program designed to couple housing with support services and reduce reliance on motels in the areas with the highest incidence of child homelessness and motel expenditures -- Burlington, Rutland and Brattleboro. ***The Governor's budget increases funding from \$400,000 to \$600,000 to allow expansion of this successful program to additional counties.***
- **Community Housing Grants** fund one lead agency in each AHS district to work collaboratively with other community partners on developing and implementing coordinated community responses to prevent homelessness and rapidly re-house homeless families and individuals. ***The Governor recommended level funding at \$2.9 million.***
- **Temporary Housing Assistance** pays for motel rooms for homeless families and individuals in catastrophic situations, for vulnerable Vermonters, and under the cold weather exemption. Temporary assistance may only be granted when shelters are full and for up to 84 days in catastrophic situations, 28 days for vulnerable people who have not caused their own loss of housing. In spite of substantial new eligibility restrictions passed by the General Assembly last year and an initial budget of \$1.5 million, DCF is again on track to spend over \$4 million on this program. ***The Governor requested \$2.6 million, which we support.***

In addition, ***we recommend eliminating the program requirement that recipients contribute 50 percent of disposable income towards their emergency housing.*** The meager financial resources these folks have should go towards saving up for a security deposit, first month's rent, utility deposits, and moving expenses, as well as other basic needs. Recipients eligible under the "cold weather" exemption could be required to pay up to 30 percent of their income (per the proposed amendment to H.699).

Emergency Solutions Grants

Administered by DCF's Office of Economic Opportunity, the ESG Program provides a blend of State (General Fund) and federal (HUD) funding. ESG pays for basic shelter operating costs like rent, utilities and staff salaries. It also funds supportive and prevention services, emergency assistance, and transitional housing. ***The Governor recommended a \$300,000 increase, from \$792,000 to \$1.092 million, which was approved by the House.*** \$200,000 of the increase is to make up for cuts to the federal share of the program; \$100,000 is for emergency warming shelters that will reduce the need for motel vouchers.

Additional Human Services Funding Recommendations

Provide stable affordable housing and services for people with special needs to live more independently in settings they prefer, while avoiding the higher cost of institutional care:

- Support an overall appropriation level of \$735,000 for the Vermont Center for Independent Living's **Home Access Program**, a \$200,000 increase. All but \$100,000 in HAP's annual funding comes from VHCB and is determined annually by the VHCB Board based on the overall VHCB appropriation.
- Maintain current funding for **Mental Health Vouchers** at \$1.42 million. Likewise, support level funding for **Mental Health Housing Recovery and Housing Contingency Funds** at \$495,075 and \$391,734 respectively. The Governor requested level funding, approved by the House.
- Join LeadingAge Vermont in requesting level funding of the **Support and Services at Home (SASH)** network at the FY 2014 level of \$1,013,671, plus the 2 percent increase the Governor recommended for Medicaid providers. The House budget approved a 0.75 percent increase.
- Support a 3 percent increase in the Medicaid **Assistive Community Care Services (ACCS) Program**, about a \$1.10 *per diem* increase. Each \$1/day increase costs approximately \$350,000 in Global Commitment Funds. The Governor's budget included a 2 percent increase for Medicaid providers, which the House cut back to a 0.75 percent increase.
- Support level funding for **Vermont's home sharing programs** at \$327,163, the amount requested by the Governor and approved by the House.
- Support level funding for **Transitional Housing for Ex-Offenders** at \$6.6 million, the amount requested by the Governor and approved by the House.
- Support **Pathways Vermont** in requesting an additional \$800,000 to replace expiring federal SAMHSA funding (\$600,000 in FY 15), which was not included in the Governor's budget. Pathways serves over 200 Vermonters who have experienced chronic homelessness and have mental health disabilities and/or substance abuse issues in six Vermont counties. It represents the first adaptation of the "Housing First" model to a rural state. Pathways currently receives \$1.41 million in State funding from the Departments of Corrections (\$831K) and Mental Health (\$579K). Unless the expiring SAMHSA funding is replaced, these Vermonters are likely to again become homeless.

Increase the State's investment in Weatherization Programs for low-income and vulnerable Vermonters. At least \$12 million is needed to maintain capacity and help meet the State's energy plan goals.

Increase the State subsidy for LIHEAP Fuel Assistance to meet an average of at least 33 percent of annual household need, the FY 2012 level of assistance.

Ensure access to emergency heating services through Crisis Fuel Assistance. Reverse restrictions passed in the FY 14 budget limiting the number of assists and other policy changes making it more difficult to get help.

To make work pay and help reduce caseloads, **eliminate the asset test and increase the earned income disregard in the Reach Up Program** (per the proposed amendment to H.790). Increase benefit amounts by increasing the "ratable reduction," which has been under 50 percent for years. Reduce case loads and help families get off Reach Up by continuing to increase the number of case managers.