

**From:** Tom Stevens <TStevens@leg.state.vt.us>  
**Sent:** Tuesday, June 9, 2020 9:11 AM  
**Subject:** DRAFT thoughts re Tier 1 & 2 proposals

Committee:

While I am waiting for a draft of legislation from our attorney for our Tier 1 proposal, I wanted to share the following synthesis of the issues in front of us. Some of these questions will answer themselves in conversation, others will not.

1. GHMA has been allocated up to \$75m in Tier 1 money and up to \$50m in Tier 2 money. (Tier 2 to be allocated if the reserved \$400m is not used for currently ineligible purposes.)
2. The \$23m in proposed allocation via the "Fast Track" bill is deducted from our Tier 1 allocation, leaving us with \$52 million.
3. We have the following buckets to consider: the Administration's proposals for rental assistance/arrearage, Enhanced VHIP, Foreclosure (newish), and shelter rehabilitation, as well as funding for Vermont Legal Aid in order to provide necessary legal services for tenants for rental assistance/eviction protection.
4. Because of the two tiers, and because the end of unemployment (\$600 weekly) is not until the end of July, I don't foresee a great run on the money until then, so the first tier can be split to include more buckets.
5. The service component restriction is a problem, as it is unlikely that there will be much call for services until the projects are completed, which won't be until the end of the year.
6. With that in mind, my current thinking for Tier 1 is:
  - a. \$550,000 for Vermont Legal Aid to provide services related to homelessness, including help with leases, rental assistance and eviction protection, and foreclosure protection;
  - b. \$9 million for rehabilitation of homeless shelters to make them CDC compliant, public health compliant, etc.;
  - c. \$5 million foreclosure protection;
  - d. \$30 million in rental assistance/eviction protection. Allowable uses include arrearage since April 1(?), first/last/security deposit, anticipated back rent;
  - e. \$2 million to VHCB for additional capital expenses
  - f. \$5 million Enhanced VHIP program.

7. Tier 2 would include:
  - a. \$15 million in rental assistance/eviction protection etc. if need is reflected;
  - b. \$3 additional funding for rehabilitation of homeless shelters;
  - c. \$3 million Enhanced VHIP if need is reflected
  - d. \$3 million foreclosure protection, if need is reflected;
  - e. \$15 million SERVICE COMPONENTS: If ruled eligible, service components should be budgeted here. Includes wraparound services and vouchers.
  - f. \$400,000 for development of statewide rental registry, in order to prepare for statewide housing safety program.
  - g. Up to \$11 million for ??? This could be used for expendable services by 12/30/20, including food programs to make sure people in this income category has access to food.
8. Language re: "who administers" the programs. The question left on the table Friday was "Should the bill just name the orgs, or should it be written so tightly that it is clear that there is only one or two orgs who can do the work?" I can foresee Vermont State Housing Authority for rental assistance etc., Vermont Housing Finance Authority for foreclosure assistance and ??? for the Enhanced VHIP (perhaps RFP for appropriate organizations?).
9. Strings: who develops the strings? For example, Should anyone taking a VHIP grant be required to contract with a local DA or a Housing First org and commit to x number of years? Should there be a risk pool (and where would that money come from?)
10. Reporting: I think Aug 15 is sufficient. Thoughts?

Thoughts as soon as practicable, please! I attached a document from the Vermont Landlords Assn and Vermont Legal Aid re rental assistance. I'm not sure if the language needs to be baked into the Tier 1 bill, or it is part of their process after. I'm not sure about the other agency buy-in yet.

Thanks.

T

Rep. Tom Stevens  
Chair  
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