

VAHC Steering Committee

June 3, 2020

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Senator Michael Sirotkin Chair, Senate Committee on Economic Development, Housing & General Affairs

Representative Tom Stevens Chair, House Committee on General, Housing and Military Affairs

RE: VT Economic Recovery Package \$50M Housing Assistance Fund

Dear Senator Sirotkin and Representative Stevens,

We applaud the Administration's efforts to direct resources made available through the federal CARES Act to Vermont's Economic Recovery, Phase 1: Immediate Relief to Survive, with \$50M directed to Housing Assistance. We are pleased to see that the \$50M Housing Assistance Fund includes \$42 million for rental assistance and rental arrearage payments, so landlords and tenants can pay their bills, and \$8 million for badly needed rehabilitation of our aging rental housing stock. This is a great first step.

We respectfully offer recommendations to the \$42M rental assistance and rental arrearage program. We understand and appreciate the Department of Housing and Community Development's willingness to be flexible on elements of this proposal, and offer feedback on two elements: the period of rental assistance/rent arrearage for renters in need, and potential limitations on number of assisted units for property owners. Our recommendations complement the Vermont Housing & Conservation Board's proposal, "Rebuilding a Safer and Healthier Emergency to Permanent Affordable Housing System" dated 4/28/2020.

In order to maximize the goal of preventing evictions and keeping households securely housed, we recommend the following to the draft legislation for the Vermont Economic Recovery Package:

Period of assistance for rental assistance/rental arrearage:

Section E.1.(d)(E) currently reads "limitations on actual cash benefits... shall not exceed the actual liability or three times the monthly rental liability"; we recommend "or three times the monthly rental liability, be changed to "or *nine times* the monthly rental liability." We recommend increasing the period of rental assistance and rental arrearage payments from up to 3 months, to up to 9 months, because we believe recovery will take longer than 3 months,

and in order to prevent evictions in a meaningful way, and create a base of support for households trying to make ends meet, rental assistance and rental arrearage payments will likely need to be available for longer than 3 months.

Limitations on number of units owned by a single landlord that may be eligible for assistance: Section E.1.(d)(2)(D) This section indicates that there *may be* requirements developed to limit the number of units owned by any single landlord that may be eligible to receive payments. Initial materials from the Department of Housing and Community Development (DHCD) suggested a limit of 20 units – meaning, a property owner could receive assistance for up to 20 units with rental assistance or rent arrearage. DHCD indicated that was a starting point, and that it was flexible, as the guidelines are still being developed. We recommend removing such a limitation. Given that the assistance is meant to prevent evictions and homelessness, the amount of assisted units any owner has in their portfolio is not pertinent to the goal of supporting households who cannot afford their housing costs, keeping people safely housed, and preventing homelessness.

Last, we would like to note that a rental registry would be very helpful, and we recommend moving in that direction in the near future. Creation of a rental housing registry was one of the recommendations of the Rental Housing Advisory Board, created in 2018 by Act 188: "Acknowledging a need for information regarding rental housing beyond the aspects of health, state agencies should be directed to coordinate in ongoing efforts by the Department of Housing and Community Development to better quantify the existing rental housing stock." Having a rental housing registry in the near future would be a critical tool in identifying housing opportunities for our most vulnerable citizens. The need for such a tool has been underscored by the challenges presented by this pandemic.

With your help and support, nonprofit community partners — our members - will continue to work diligently to transition homeless persons to available housing and to create new appropriate housing for this vulnerable population. We will also, with your help and support, continue our work to address structural deficiencies in our housing system and in the meantime, assist as many households as we can in retaining their housing. The \$42M rental Housing Stabilization Fund in the Housing Assistance Fund is a critical resources to help us with this important work.

We appreciate your consideration of our recommendations.

On behalf of the VAHC Steering Committee,

Cindy Reid, Chair