

1       Sec. 1. COVID-19 RESPONSE; HOUSING

2           (a) The following amounts are appropriated from the Coronavirus Relief  
3       Fund to the named recipients for the purposes specified:

4           (1) Legal and counseling services.

5           (A) \$550,000 to Vermont Legal Aid to provide legal and counseling  
6       services to persons who are, or are at risk of, experiencing homelessness, or  
7       who have suffered economic harm due to the COVID-19 crisis.

8           (B) \$250,000 to the Department of Housing and Community  
9       Development for grants to organizations that provide counseling and assistance  
10      to landlords concerning tenancy, rental assistance, and related issues arising  
11      due to the COVID-19 crisis.

12          (2) Housing and facilities. \$9,000,000 to the Vermont Housing and  
13      Conservation Board, which the Board shall use, in part through grants to  
14      nonprofit housing partners and service organizations, for housing and facilities  
15      necessary to provide safe shelter and assistance for persons who are, or are at  
16      risk of, experiencing homelessness, or who have suffered economic harm due  
17      to the COVID-19 crisis, in order to mitigate COVID-19 effects and enable  
18      compliance with COVID-19 public health precautions.

19          (3) Foreclosure protection. \$6,000,000 to the Vermont Housing Finance  
20      Agency to provide financial and technical assistance to stabilize low- and

1 moderate-income homeowners and prevent home foreclosures for Vermont  
2 families.

3 (A)(i) The Agency shall develop a standard application form for  
4 homeowners that describes the application process and includes clear  
5 instructions and examples to help homeowners apply.

6 (ii) The Agency shall implement a selection process that ensures  
7 equitable approval of applications and a distribution system that ensures  
8 accountability for homeowners receiving the funds.

9 (C) The Agency shall develop eligibility requirements to ensure the  
10 funds are applied towards homeowners equitably, including:

11 (i) limitations for eligibility regarding the earned income of the  
12 homeowners in comparison to the area median income;

13 (ii) forms and guidelines for homeowners to certify or otherwise  
14 prove a demonstrable need for assistance;

15 (iii) limitations on actual cash benefits, which shall not exceed the  
16 actual mortgage liability or six times the monthly mortgage liability, whichever  
17 is less; and

18 (iv) a re-application process that provides that if program funds  
19 remain at the end of the six-month period, the homeowner may apply for  
20 additional assistance.

1           (4) Rental assistance; eviction protection. \$30,000,000 to the  
2           Department of Housing and Community Development to develop and  
3           implement a Rental Housing Stabilization Program through the Vermont State  
4           Housing Authority, which shall administer the distribution of funds to  
5           landlords on behalf of tenants in need of rental arrearage assistance.

6           (A) In developing the Program, the Department shall coordinate with  
7           the Agency of Human Services and statewide and regional housing and  
8           homelessness authorities to provide additional support services and better  
9           promote upstream homelessness prevention and housing stability.

10           (B) The Department shall require the Authority to develop a standard  
11           application form for landlords and tenants, including mobile home lot tenants  
12           and homeless households, that describes the application process and includes  
13           clear instructions and examples to help tenants or landlords apply.

14           (C)(i) The Authority shall implement a selection process that ensures  
15           equitable approval of applications, notice of grant decisions within 10 days,  
16           and decisions on appeals within in 10 days, and a distribution system that  
17           ensures accountability for the tenants and landlords that receive funds.

18           (ii) The Authority shall ensure decisions are made according to the  
19           rules of the program and without regard to any previous information or  
20           decisions known concerning tenants, and no tenant or landlord may benefit or  
21           suffer harm due to previous knowledge or decisions.

1           (D)(i) The Authority shall develop eligibility requirements to ensure  
2           that funds are applied equitably towards tenants, currently homeless  
3           households, and landlords and to those in the most need, including:

4                     (I) certification of rent arrears;

5                     (II) waiver of termination of tenancy or eviction for a period of  
6           time;

7                     (III) waiver of late fees and rent in excess of Authority  
8           payment standards;

9                     (IV) compliance with Rental Housing Health Code within 30  
10           days; and

11                    (V) agreement not to increase rent for a period of time.

12           (ii) Other requirements.

13                    (I) The Authority shall ensure that assistance is provided  
14           directly to the landlords on the tenants' behalf.

15                    (II) The Authority shall ensure a streamlined application  
16           process limited to a tenant certification of household members and a landlord  
17           certification of past due rent to show that tenants have missed rental payments  
18           and are at risk of eviction, or otherwise show proof of a demonstrable need for  
19           rental assistance.

20                    (III) The Authority shall require that landlords delay or cease  
21           eviction proceedings, or both, for a period of time as a condition of receiving

1 assistance; provided that an exception may be made if a landlord applies and  
2 the tenant has not paid rent nor certified need, in which case the landlord may  
3 receive partial payment of arrears and retain right to evict.

4 (IV) The Authority shall adopt limitations on assistance granted  
5 that shall not exceed the actual liability or those number of months due  
6 calculated at Vermont State Housing Payment level, whichever is less. This  
7 restriction shall include a re-application process that provides that if there are  
8 remaining Program funds if the tenant is in arrears at a later date, the tenant  
9 may re-apply for assistance.

10 (V) For tenants in unsustainable tenancies and households that  
11 received emergency housing benefits from Department for Children and  
12 Families' General Assistance Program since March 1, 2020, funds may be used  
13 for first and last months' rent and security deposit, and, where necessary, rent  
14 payments through December 30, 2020. To obtain these benefits, a landlord  
15 must certify that the individual or family will be accepted as a tenant; that the  
16 landlord will not evict the tenant for non-payment of rent before January 1,  
17 2021; and, if the tenant leaves the unit prior to January 1, 2021, the landlord  
18 will refund to the Authority the rental amount previously received for any  
19 rental period after which the tenant left and for the security deposit if  
20 reimbursement is appropriate.

1           (E) Not later than August 10, 2020 and thereafter upon request from a  
2           legislative committee, the Authority shall issue a report to the legislature  
3           detailing the number and amount of grants awarded in each category by  
4           county.

5           (5) Rehousing investments.

6           (A) Creation of program. The amount of \$6,200,000 is appropriated  
7           to the Department of Housing and Community Development to design and  
8           implement a Re-housing Recovery Program to provide funding to statewide  
9           and regional housing partner organizations for grants to eligible applicants.

10           (B) Administration. The Department shall require any statewide or  
11           regional housing partner organization that receives funding under the Program  
12           to develop:

13           (i) a standard application form that describes the application  
14           process and includes clear instructions and examples to help property owners  
15           apply;

16           (ii) a selection process that ensures equitable selection of property  
17           owners; and

18           (iii) a grants management system that ensures accountability for  
19           funds awarded to property owners.

20           (C) Grant requirements.

1                    (i) The Department shall ensure each grant complies with the  
2 following requirements:

3                    (I) A property owner may apply for a grant of up to \$30,000 per  
4 unit.

5                    (II) To be eligible a unit must be blighted, vacant, or otherwise  
6 not comply with applicable rental housing health and safety laws.

7                    (ii) A property owner shall:

8                    (I) match at least 10% of the value of the grant; and

9                    (II) comply with applicable permit requirements and rental  
10 housing health and safety laws.

11                    (iii) The Department shall use one or more legally binding  
12 mechanisms to ensure that:

13                    (I) renovated units are made available to persons who require  
14 economic assistance due to the COVID-19 crisis;

15                    (II) the rent charged remains at or below annually published  
16 HUD Fair Market Rent for the County or Metropolitan Statistical Area for at  
17 least five years; and

18                    (III) if a property owner sells or transfers a property improved  
19 with grant funds within 5 years of receiving the funds, the property continues  
20 to remain affordable for the remainder of the five-year period.

1           (D) The Department shall develop requirements regarding the  
2 following:

3           (i) encouraging and incentivizing Statewide and regional housing  
4 partner organizations and property owners to work with local continua of care  
5 organizations; and

6           (ii) limitations on the number of units for which an individual  
7 owner may receive grant funds.

8           (E) Definitions. As used in this section:

9           (i) “Blighted” means that a rental unit is not fit for human  
10 habitation and does not comply with the requirements of applicable building,  
11 housing, and health regulations.

12           (ii) “Vacant” means that a rental unit has not been leased or  
13 occupied for at least 90 days prior to the date on which a property owner  
14 submits an application and the unit remains unoccupied at the time of the  
15 award.

16           (b) On or after September 1, 2020, the Department of Housing and  
17 Community Development, in consultation with the funding recipients named in  
18 this section, shall assess the allocation and expenditure of funds made in this  
19 section and may re-allocate funds as the Department determines is necessary to  
20 most effectively provide necessary housing-related assistance to Vermonters  
21 affected by the COVID-19 crisis.