



VERMONT HOUSING and CONSERVATION COALITION

April 16, 2019

Dear Senator Kitchel,

We are grateful for your long-term leadership providing the maximum possible VHCB funding for the work of building badly needed affordable housing, cleaning Vermont's waters, and boosting rural communities. And we appreciate your hearing from two of us this afternoon.

As you are aware, the House has proposed essentially level funding for VHCB in FY20. The Administration's \$1.05 million reduction was in the capital bill and the House made up \$1 million of that with PTT revenue in the big bill. The combined total between the capital bill and the House appropriation, including funding for the REDI grant writer that's proven so successful, is roughly \$15.6 million.

In recent years, knowing the budget situation, we have been measured in our advocacy for VHCB funding and haven't pressed for it to be equal to the level set by statute, which is 50% of Property Transfer Tax revenues.

But this year is different. PTT revenues are at record high levels, which means real estate pressures are up. This places immense strain on the affordability of housing, is accelerating development of Vermont's priceless landscape, and threatens irreversible loss of rural economies. As the organizations putting VHCB funding to work for our state and Vermonters, and with impactful conservation and affordable housing projects waiting in the queue, we feel a heightened urgency to our work and the need for increased state investment this year.

Yet, we understand there are other very real pressures on the budget. As you consider the House's budget, we would respectfully ask your committee to increase VHCB's base funding to \$17.1 million (a \$1.5 million increase, equal to VHCB's 50% share of this year's projected \$3 million increase in PTT revenues).

Even though the Senate just decided against another housing bond, there was much discussion and support in your chamber for continuing to address our housing needs. And there are key legacy once-in-a-lifetime conservation projects that are ready to go and have significant match in hand.

Your investment in VHCB is particularly valuable because it produces real and permanent assets that help vulnerable people, invigorate our rural economy, protect our invaluable countryside, and deliver reinvestment to our downtowns and village centers.

In short, we are asking you to reject the Governor's \$1.05M cut, and instead add an additional \$1.5M to the House's \$1M up.

Thank you for your attention to this request, and for all of your efforts on behalf of Vermonters.

Sincerely,

Chris Donnelly, Champlain Housing Trust
Phil Huffman, The Nature Conservancy

Molly Dugan, Cathedral Square Corporation
Tracy Zschau, Vermont Land Trust