H.640: An act relating to creating tenant rights to purchase an apartment building

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January 26, 2022

Housing is a human right.

According to the United Nations Universal Declaration of Human Rights,

"Article 17:

- (1) Everyone has the right to own property alone as well as in association with others."
- (2) No one shall be arbitrarily deprived of his property."

Article 25:

"Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control."

Housing is a social determinant of health.

According to the World Health Organization, there are many <u>Social Determinants of Health</u> including "**housing**, basic amenities, and the environment."

"Research shows that the social determinants can be more important than health care or lifestyle choices in influencing health. For example, numerous studies suggest that SDH account for between 30-55% of health outcomes. In addition, estimates show that the contribution of sectors outside health to population health outcomes exceeds the contribution from the health sector.

Addressing SDH appropriately is fundamental for improving health and reducing longstanding inequities in health, which requires action by all sectors and civil society."

Affordable housing increases access to the human right of housing and promotes public health.

The Vermont housing market creates barriers to affordable housing for many Vermonters, which has led to economic distress, health problems, displacement, homelessness, and migration out of State.

"Vermont had a very low 3.4% rental vacancy rate in 2018 (the latest year for which data is available). This means renters are hard-pressed to find available, affordable apartments and landlords have an advantage in the market, leading to rent increases. <u>Learn more.</u>

For every 100 extremely low-income renter households, there are only 49 available and affordable rental apartments—a deficit of about 9,613 units. 78 percent of extremely-low income renter households are cost-burdened (paying more than 30 percent of their income toward housing), and 64 percent are severely cost-burdened (paying more than 50 percent of their income toward housing). <u>Learn more.</u> " <u>Housing Needs- Vermont Affordable Housing Coalition</u>

Affordable housing is threatened by the impact of the current natural disaster of the COVID-19 pandemic, which not only worsened the preexisting conditions of the housing market but also caused new economic challenges and health problems for tenants of apartments.

"In Vermont, the 2021 Fair Market Rent for a 2-bedroom unit is \$1,231. Consequently, Vermonters must earn \$49,258 per year (or \$23.68 per hour working 40 hours per week) to afford the average unit at an "affordable" rate (spending no more than 30 percent of their income). In contrast, the estimated mean renter's hourly wage is only \$13.83 per hour. This leaves the average renter with a \$9.85 per-hour gap to fill – the 6th largest wage gap among all 50 states."- <u>Vermont | National Low Income Housing Coalition</u>

Essential affordable housing was preserved in Vermont during the recovery from the natural disaster of Tropical Storm Irene because the owners of homes in mobile home parks were able to jointly purchase their parks as they came up for sale, pursuant to <u>2012 Acts and Resolves No. 137 (S.99)</u>, "An act relating to supporting mobile home ownership, strengthening mobile home parks, and preserving affordable housing."



Irene's major casualty: Vermont's mobile home parks

Affordable housing can be preserved in Vermont during the recovery from the natural disaster of the COVID-19 pandemic by granting the rights of first refusal to jointly purchase their buildings to the tenants of apartments.



Burlington demolishes Sears Lane houses built by homeless people; police clear out camp

Legislative Intent and Purpose

It is the intent of the Vermont General Assembly to protect the human right of housing and to promote public health during the recovery from the COVID-19 pandemic by preserving affordable housing.

The Vermont General Assembly intends to preserve affordable housing in Vermont by expanding the rights of tenants in the housing market.

This act affords the tenants of an apartment building the rights to receive notice of the landlord's intent to sell the building and to negotiate in good faith and purchase the building.

It is the purpose of this act to focus State, municipal, and private resources on assisting tenants recovering from the pandemic and on ensuring that, in the long term, Vermonters have an adequate supply of safe, affordable housing.



