

Comments of Kevin Geiger, AICP CFM, Senior Planner at the Two Rivers-Ottawaquechee Regional Commission to the Vermont House Committee on General, Housing and Military Affairs on 4/14/21.

My comments are based on the Draft 1.1 S. 79/H. 256 Comparison dated 4/2/21

The essence of my comments is threefold - the intersection of the bill and municipal zoning, the general need for rental inspections and rental improvements, and town's inspection capacity.

1) Towns do not typically regulate whether a home is used as a rental or not. Many towns do not regulate interior renovations. In short, it is easy to create a rental unit and not have anyone know. Listers may notice a rental unit when doing assessment visits.

Towns are enabled to regulate short-term rentals, and are increasingly doing so. However, identifying short-term rentals is difficult, and some towns use private firms that do just that.

Unidentified rental units can thwart zoning regulations around short-term rentals, and create safety risks where the rental unit does not have a separate E911 address from the main house. For these reasons alone it seems that municipalities should have a listing of any rental unit in their jurisdiction. However, the bill does not automatically provide municipalities with such a copy.

The rental registry the bill creates in Section 2, starting on page 14 is an excellent idea and worth it if that is all you do. We simply have no good idea how many rentals there are. Due to the above connections with towns, though, I would suggest that the protections for the registry created in 3 VSA Section 2478 (d) may go too far, and that the respective municipalities get copies of the registry for their own zoning, assessing, and code enforcement. The bill does not cover how rentals are literally addressed, but I do suggest you may want to consider any rental have its own E911 address.

2) I have worked on housing enough in the last year to know that there are a lot of substandard rentals out there, and my guess is there is a tension between enforcement that could lead to landlords taking units off the stressed market, not doing the improvements because they have no money to do so, or doing improvements and raising the rent too high. However, none of those concerns improves the unit. 20 VSA section 2731(b) (page 4 line 5 of the bill) currently calls for all rentals to be inspected, but I doubt that happens. It seems it should happen. Under (b)3 in the bill (page 5 line 11), the word 'investigation' is used for some reason instead of inspection, and some of the following language assumes that the inspection only happens as part of such investigation, instead of just because every rental is inspected. Like the above connection between towns and the new registry, I also think towns should be copied on inspections/investigations, perhaps by adding that into the public record line 21 at the bottom of page 5, so that the inspection report is in the land records. Similarly, any orders issued under Section 2733 to fix things get copied to all sorts of folks, except the town, so I would add the respective municipality to line 9 on page 10. Part of my reasoning is that that work might need a zoning permit, and this would be a good time to remind the landlord of that, rather than after they are doing the work.

I think the fear of more rental inspections resulting in less rentals and higher rents is justified, and so the Vermont Rental Housing Investment Program on page 27 is a good start at addressing that fear. There is a huge need for improvement in rental properties. Besides lack of funds, I do not know why this program should not be expanded to more units and other types of renters. Is there a reason, besides money, we don't lend landlords funds to make safety improvements on any rental serving average people? And if we lent such money, won't it get paid back and then we would still have the money?

3) I heartily support professional inspections. As you heard last week, health officers, or the Selectboard default, are not trained as rental inspectors. They are not even required to be trained as health officers or Selectboard members. Having the state take this on, and leaving the handful of towns that do it will on their own is great. And inspect every rental.