



House Committee on General, Housing and Military Affairs
Jen Hollar, Director of Policy and Special Projects
Testimony on S.226 as Passed by the Senate
April 7, 2022

Thank you for the opportunity to be with you today and to comment on S.226. My name is Jen Hollar and I serve as the Policy Director for the Vermont Housing & Conservation Board. With me today is Trey Martin, whom many of you know, and who is VHCB's new Director of Planning and Special Projects.

VHCB strongly supports S.226 and urges you to do what you can to ensure its passage as the session draws to a close. If it suits the committee, I'll speak briefly to each section of the bill and propose an amendment to Section 9.

But first, I want to express our deep appreciation for the committee's support for additional ARPA funding for housing development through VHCB and for directing more of the property transfer tax revenue to our base funding. It made a difference. We are heartened by the budget passed by the House which will allow us to both continue addressing the housing crisis and, with an increase in our base funding, continue conservation work in support of the Vermont Climate Action Plan, clean water activities, historic preservation, farm and forest business viability and rural community development.

Sections 1-6 - Housing; Permit Reform. VHCB supports all of the suggested changes in these sections as strong incremental improvements to allow greater housing density in areas where it makes sense. These provisions have been carefully considered and well vetted. They are not the answer to our dire housing situation, but they are part of the solution. We also support adding a study of the designation programs proposed by the Department of Housing and Community Development.

As you well know, we approach our work with both housing and conservation in mind. We believe these proposed changes ease the path to housing development in smart growth locations without compromising environmental protections or Vermont's landscape.



Sec. 7 – First-Generation Homebuyers. We strongly support specialized help for first generation homebuyers in recognition of historic disadvantages that must be corrected. But we defer to VHFA on how it would work best.

Sec. 8 – Manufactured Home Improvement and Replacement Program. We support this section and hope funding can be identified for DHCD to implement it. While VHCB funds acquisition and infrastructure improvements at manufactured housing parks or communities, and those projects can include removing abandoned homes, repairs and foundations, there is a broader need for this type of funding. Earlier in the session, it seemed the \$5 million was embedded in the budget assumptions and it now appears that is not the case. We hope ARPA funding can be identified to pay for this.

Sec. 9 – Large Employer Housing; Commercial Property Conversion; Multi-Agency Coordination Partnership Program. We ask you to consider amending this section. As Senator Sirotkin explained when he presented the bill to you, this section resulted from a desire to include these three concepts in the bill when his committee ran out of time and funding commitments. The committee asked VHCB if we would explore these ideas with our existing funding, and we agreed. There was not time, however, to comment on the language so we have an amendment to propose.

[Show Amendment]

The Community Partnership for Neighborhood Development is intended to align agencies and funding in support of municipalities that have identified areas for neighborhood development. There are extraordinary amounts of infrastructure funding coming to the state through the Infrastructure Investment and Jobs Act and, with good planning and coordination, it could be used to support the development of mixed-income neighborhoods in good locations. It would be led by the Department of Housing and Community Development and it intends to offer some improvements to the language when it has a chance to testify on the bill.

Sections 10-12 Municipal Bylaw Grants VHCB supports this section. We have been happy to support and help steer the Department's work over the several years to encourage municipalities to update their zoning to lower barriers to housing development. The language as approved by the Senate includes amendments we



offered to ensure that cities and towns provide for affordable housing in their plans and zoning updates in order to qualify for the grants.

Sections 13-18 Downtown and Village Center Tax Credits. We support the proposal to extend eligibility for tax credits to neighborhood development areas and for qualified flood mitigation projects.

Sections 19-20 Wastewater Connection Permits. VHCB supports eliminating a duplicative permitting process as provided for in this section. It allows towns to register with ANR to issue authorizations for wastewater permits instead of a developer needing to obtain a permit at both the local and state levels.

Section 21 Accessory Dwelling Units. Creating more flexibility for ADUs makes sense and we support this provision preventing towns from requiring more than one parking space per bedroom.

Section 22 Missing Middle Housing You have heard a great deal about this proposal and a variety of opinions. I will not speak to those details but VHCB supports allocating ARPA funding for a pilot program along the lines of what is being proposed. Housing is missing at all levels. Through the Housing Revenue Bond and our homeownership (shared equity) programs, we fund the development and purchase of apartments and homes affordable to households at 80 to 120% AMI. But more needs to be done. We hope agreement can be reached on the shape of the pilot program that both tries something new and is a wise investment of the public funds.

Sections 23-28 Residential Construction Contractors. We support this section and believe both the contractor registration and the rental housing safety provisions of S.210 are overdue. They are particularly important to put into place at this time when homeowners looking to make repairs or improvements and renters with health and safety problems in apartments have so few options. The tight labor and housing markets make them particularly vulnerable to the few bad actors among contractors and landlords and the harms can be great.

Section 29 Vermont Rental Housing Investment Program. The precursor of this program was very successful and we support continuing it as an additional way to bring substandard buildings back online as much needed homes.



I'll end with another appreciation to the committee and to Ron. Thank you for your open door, commitment to housing, support of VHCB and kindness you have shown me over the years. I'll be retiring next month so this is likely the last time I'll testify before you. It's not at all politic to say this, but you have been by far my favorite committee.

Thank you.