

Testimony by Maura Collins

Vermont Housing Finance Agency Executive Director

Continued need to address housing:

One of VHFA's Housing Fellows surveyed town planners, zoning administrators, chairs of planning commissions, town clerks, and directors of economic development departments from 69 communities (28% response rate).

- 22 of the 69 towns don't have any zoning less than ½ acre lots anywhere in their community.
- [Read the full report](#). Recommendations include:
 - Establish 'by right' development
 - Tax vacant land
 - Streamline the permitting process and reduce fees
 - Increase residential parking flexibility
 - Update zoning bylaws to allow and encourage higher-density development

Also, VHFA conducted a survey last summer and held a forum to hear directly from development professionals and contractors and [reported on the findings](#).

- Between 2020 and 2021, the average cost of a proposed development for a Vermont apartment funded through the Low-Income Housing Tax Credit Program rose 9%
- VT's increase is just slightly higher than the change in costs of multifamily homes under construction nationwide which was 8% higher than a year earlier.
- 86% of respondents indicated projects were delayed or not started because of market conditions over the last 18 months, with delays of four to seven months being the most common period of delays
- 64% reported that they had abandoned or substantially delayed starting a project due to cost pressures.
- Participants also described increased processing time and costs due to overlapping and sometimes excessive regulatory and permitting burdens.

Proposals discussed in previous sessions where we encourage the committee to focus:

- Increase **rental housing health and safety**;
- Support **Vermont Housing Investment Program** to improve the rental housing in our state;
- Consider the **Vermont Home Ownership Revolving Loan Fund**;
- Support the **Municipal Bylaw Modernization Grants** program;
- Increase the **Manufactured Home Replacement** program;
- Expand **downtown tax credits** to Neighborhood Development Areas;
- Fund the creation of **affordable homeownership construction**;
- Explore funding for **efficiency measures**;
- Extend **municipal land use permits** to two years at a minimum; and
- Modernize the **"mixed income housing"** definition.

This isn't meant to be exhaustive. There are other great ideas, this is just commenting on previous proposals. Some of these may require some funding but the policy implications will be great.