



Cathedral Square

Advancing Healthy Homes, Caring Communities & Positive Aging since 1977

TO: House Appropriations Committee

FROM: Molly Dugan, Director of Policy and Strategic Directions at Cathedral Square

DATE: January 19, 2023

RE: 2023 Budget Adjustment Public Hearing Testimony

Good afternoon Chair Lanpher and members of the House Appropriations Committee. My name is Molly Dugan and I work as Director of Policy and Strategic Initiatives at Cathedral Square. Thank you for the opportunity to testify on the 2023 Budget Adjustment bill. I wanted to testify today to ask that you **direct funding to the Vermont Housing and Conservation Board (VHCB) for the development of more affordable housing in this year's Budget Adjustment (BAA)**. The success we have had bringing new affordable homes to communities across the state with the infusion of funding over the past few years is real and must continue. Importantly, this past investment included funds allocated through the Budget Adjustment Act- in fact, the House appropriated \$55M to VHCB via the BAA last year. A similar investment in this year's BAA would clearly express the policy priority of addressing our state's housing crisis and provide affordable housing developers, like Cathedral Square, with the confidence that there will be funding available to turn the projects we are diligently working on today across the finish line and starting construction in the near future.

Cathedral Square is a non-profit housing and services organization operating for 45 years. Our mission is to multi-fold -to create and promote healthy homes and communities with a particular emphasis on serving lower income older adults and those with disabilities. We pioneered the SASH, Support and Services at Home, model in 2011 to help ensure that across the state, Vermonters would have access to the tools, resources and care partnerships necessary to live in their chosen homes and communities for as long as possible.

Cathedral Square owns and manages twenty-seven housing communities providing homes for just about 1,300 Vermonters in over 1,000 apartments. Twenty-five percent of our residents were homeless before coming to Cathedral Square. We currently have 1200+ people, mostly

older adults, on our waiting list (3-5 year wait). This is roughly the same number that is in our existing portfolio and took us over 40 years to develop. With the growing aging demographic in our state and the current sizeable count of homeless individuals and families we simply must continue the unprecedented investments in housing creation if we are serious about addressing the crisis.

With the legislature's commitment to affordable housing over the past few years we were able to build housing in South Hero- 30 apartments- that opened this past October. All apartments are full and there are 86 people on the wait list already. This development was the first affordable housing built in Grand Isle County in 17 years. See attached one-pager description.

Our small but mighty (3-person) property development team at Cathedral Square is hard at work right now to create more housing to meet this huge need for the affordable housing with SASH. Our latest housing community in the pipeline, but not currently funded, is in St. Albans. We are working diligently to bring 33 affordable rental apartments for older adults as part of a larger, mixed-income residential development located on a former brownfields site-called the Fonda site. The City has invested millions in cleanup of this site and being located in the Growth Center it is prime for revitalization and an excellent opportunity to address the critical housing shortage in Northwest Vermont. We have invested so much time and money into the pre-development work in St. Albans and not knowing if there will be funds available to bring this to construction is high risk especially as costs of construction materials and labor continue to rise.

Investing in the VHCBC for housing creation through the BAA will send a very important signal to affordable housing developers that you are committed to working with them to meet the housing needs of all Vermonters.

Thank you for your time and attention.