



Vermont State Housing Authority

Kathleen Berk, Executive Director

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Topics Covered

Topic 1: Mission

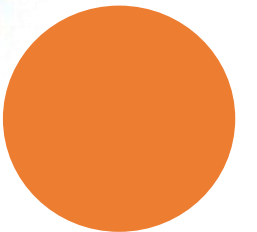
Topic 2: History and Overview

Topic 3: Program Areas & New Initiatives

Topic 4: Outlook for 2023 and Beyond

Mission:

The Vermont State Housing Authority's Mission is to promote and expand the supply of affordable rental and homeownership opportunities on a statewide basis. Each new endeavor will enhance or increase the organization's capacity to continue its mission and to assure the effectiveness of VSHA as a provider and administrator of affordable housing programs.



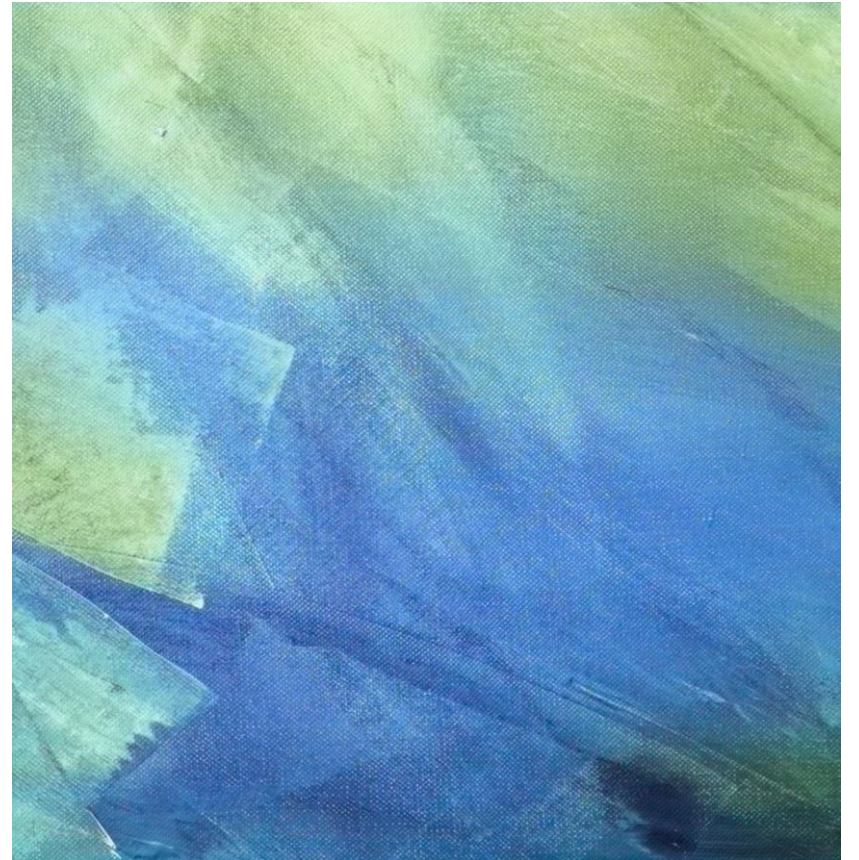
History and Overview

Established in 1968, VSHA has the distinction of being the first statewide housing authority in the country. Founded by an act of the state Legislature, the Authority was given the charge to improve housing conditions and expand housing opportunities for families of very low, low and moderate income. VSHA is created under Title 24, Chapter 113; Section 4005 of the Vermont Statutes Annotated.

History and Overview

The role which VSHA performs within the state of Vermont's housing industry and its positive impact on the lives of individuals of very low and low income is significant. VSHA provides direct housing services that reach approximately 8,500 Vermont families.

- The core programs of the Authority are strongly impacted by actions at the federal level. HUD's Section 8 and Continuum of Care programs and the housing programs of USDA's RD are funded by acts of Congress. The VSHA is not a department of state government but referred to as a quasi-governmental body whose enabling statute permits it to own and operate affordable housing. The VSHA Board of Commissioners are appointed by the Governor of the state of Vermont and confirmed by the Vermont Senate.



Overview:

- VSHA partners with private landlords and collaborates with nonprofits, other statewide agencies and municipalities; all dedicated to promoting and preserving affordable housing and improving the quality of life for Vermont families. VSHA administers the largest portfolio of Section 8 rental subsidies in the state and depends, in large part on the participation of private landlords. In addition to administration of rental subsidies, our activities include grant administration of homeless funding and management of multi-family housing and mobile home parks.





Program Areas & New Initiatives

Continuum of Care Homeless Assistance Programs



- Since 1993, VSHA has administered grant funding from these HUD programs. As a grantee, VSHA administers a Shelter Plus Care and a Rapid Rehousing program – collaborative programs working with homeless shelters, providers and community based mental health centers with assistance targeted to homeless, disabled households. While addressing housing concerns, VSHA works with community organizations “program sponsors” that provide mental health, alcohol and drug-treatment programs and support networks for clients with chronic needs. These funds represent the most important source of federal housing assistance for homeless/disabled people, especially those with mental illness.

Assistance: Federal Rent Subsidies for Very Low – and Low Income

- **Housing Choice Voucher Program: funding for 4425 households**

- Project-based Assistance
- Veterans Supportive Housing Program
- Mainstream (non-elderly disabled households)
- Family Unification Program
- Foster Youth to Independence
- Emergency Housing
- Homeownership
- Family Self-Sufficiency
- Housing Opportunities for Persons with Aids (HOPWA)



Assistance: Federal Rent Subsidies for Very Low- and Low Income

Contract Administration: 120 Properties, 3,262 total units

- In project-based rental assistance, program participants must reside in housing provided through a contract with the owner of an existing structure whereby the owner agrees to lease subsidized units to program participants. Program participants do not retain the rental assistance if they relocate to a unit outside the project; the subsidy remains with the project.
- HUD has currently designated VSHA to perform **Contract Administration** for the state of Vermont which requires the staff to conduct regular management and occupancy reviews to monitor the management activities of the owner, ensure the buildings are well maintained, and determine the needs and/or satisfaction of tenants.
- Tenants pay 30 percent of their adjusted gross income and the difference between that, and the contract rent is paid to the owner by VSHA in the form of a subsidy provided by HUD.



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Rental Assistance State-supported

- Housing Subsidy plus Care
 - Under the terms of a grant agreement with the Vermont Department of Mental Health
 - Award = \$1,040,000.00
 - General fund/Global Commitment funds
- Rental assistance is administered following the same rules and guidelines established by the US Department of Housing and Urban Development (HUD) for the administration of the HUD Shelter plus Care program, and the policies set forth in VSHA's Administrative Plan for the Section 8 Housing Choice Voucher program, as appropriate.
- Housing First model
- Referrals made directly by the VT Dept of Mental Health



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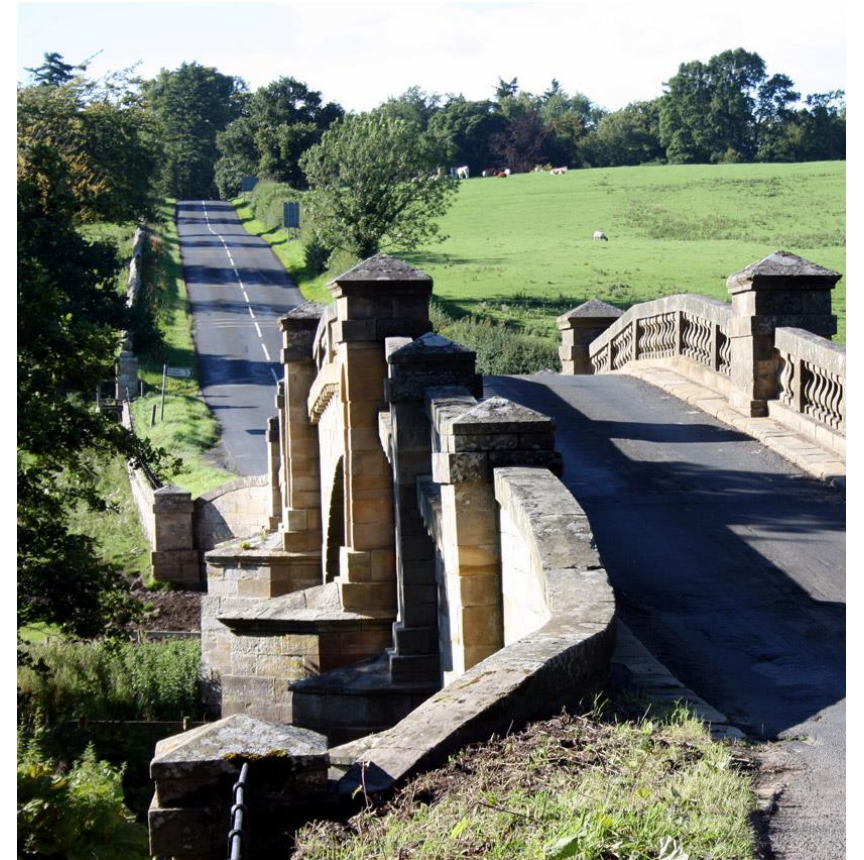
Rental Assistance State-supported

Bridge to HOPWA

- Under the terms of grant agreement with Vermont Department of Health
 - Award = \$200,000 (special fund – rebate)

This is a State-Funded Transitional Housing Program assisting individuals / families with temporary rental assistance until a permanent federally-supported subsidy is available (Bridge to HOPWA).

Bridge to HOPWA is administered following the same rules and guidelines established by the US Department of Housing and Urban Development (HUD) for the program administration of the HUD HOPWA program, found at 24 CFR 574, and the policies set forth in Vermont State Housing Authority's (VSHA) Administrative Plan for the Section 8 Housing Choice Voucher program, as appropriate.



Property and Asset Management

- VSHA's **Property and Asset Management** activities span a diverse portfolio of elderly/multi-family and mobile home park properties located throughout the state of Vermont. VSHA currently manages 25 elderly/multi-family properties and 18 mobile home parks for nonprofit entities and partnerships.
- Properties are funded through the USDA RD 515 Program, Section 8 Project Based Rental Assistance Program, Section 8 Project-Based, Section 312, Low Income Housing Credits, Federal Home Loan Bank and HOME monies.
- Many properties managed by VSHA have service and SASH (Support and Services at Home) coordinators who work to help keep seniors and other populations independent by matching their needs with social services while creating a sense of community among residents. Financial support for these activities is grant funded.



Accessory Dwelling Unit program

- In 2019, VSHA undertook the administration of a two-year pilot (now extended) **Accessory Dwelling Unit program (ADUP)**. The program is initially in Montpelier, Vermont and upon successful completion of this pilot, the program will be evaluated for targeting other communities around the state. The ADUP program aims to assist with the building and initial leasing of an accessory dwelling unit, help with pre-construction design and securing of finances, contractor procurement and project management, tenant selection and lease up procedures. Funding for this pilot program in Montpelier comes from the City of Montpelier Housing Revolving Loan Fund, Community Development Block Grant funds through the municipality, and funds from the VSHA Independence and Housing Preservation Revolving Loan Fund.



Rental Housing Stabilization Program

In June 2020, VSHA was awarded \$25 million under the CARES Act to establish a Rental Housing Stabilization program (RHSP). Pursuant to Legislative passage of Bill H.966, VSHA launched RHSP July 13th, 2020, and retired the program 7 months later



This program funded landlords on behalf of tenants in need of rental arrearage assistance due to the COVID-19 pandemic.

The primary goal of this program, during the public health emergency was to keep Vermonters housed and avoid homelessness.

The secondary goal was to compensate landlords for some of their losses due to the CARES Act, judicial emergencies, and stay of evictions proceedings.



Funds Spent: \$25,000
Unique Household served: 6,406
Median Grant: \$2,007
Landlords Assisted: 2,128
Non-profit – 5.62%
Private – 92.78%
PHA's – 1.61%

Emergency Rental Assistance Program (ERAP)

Funded through the Federal Consolidated Appropriates Act in Dec 2020 and ARPA in March 2021. A total of \$352 million in funding was allocated to Vermont.

Vermont ERAP (VERAP) is administered by the VSHA under the terms of grant agreement(s) with the Agency of Administration

ERA 1 = \$120,000,000.

ERA 2 = \$72,000,000 (to date)

VERAP

Assistance Provided

- Rent Arrears
- Current Rent
- Moving Costs
- Eviction Prevention
- Health and Safety Repairs to maintain habitability in residential housing



VERAP – Ramp down

VERAP was created to help renters dealing with financial challenges related to the COVID-19 pandemic.

For eligible households, the program provided rental and utility assistance to help Vermonters avoid eviction or loss of utility service.

In late August and again in December, because federal funds were running out, changes were announced impacting assistance levels moving forward and targeting remaining federal funds to those most in need.

- **Beginning October 1, 2022, rental applications stopped being accepted for rental assistance, transitional housing, and utility payment supports.**
- **Applicants at 30% of AMI):**
 - Reduced benefit to 70% through 3/31/23
 - Reduce benefit to 50% through 6/30/23
- **Applicants 30-50% of AMI ramp down**
 - Reduced benefit to 70% on 10/1/22
 - Reduced benefit to 50% on 11/1/22
 - Benefits ended 11/30/22
- **Applicants at 50-80% of AMI ramp down:**
 - Reduced benefit for 10/1/22 to 70%
 - Reduced benefit for 11/1/22 to 50%
 - Benefits ended 11/30/22

VERAP – Ramp Down Data

August 2022

Number

- Number of households at 30% of AMI and below on 1 October 2022 = 4202

Number

- Number of households between 31-80% of AMI that were assisted with a reduced benefit through 30 November 2022 = 5396

Number

- Number of subsidized households exited from the program on 30 September 2022 = 3015

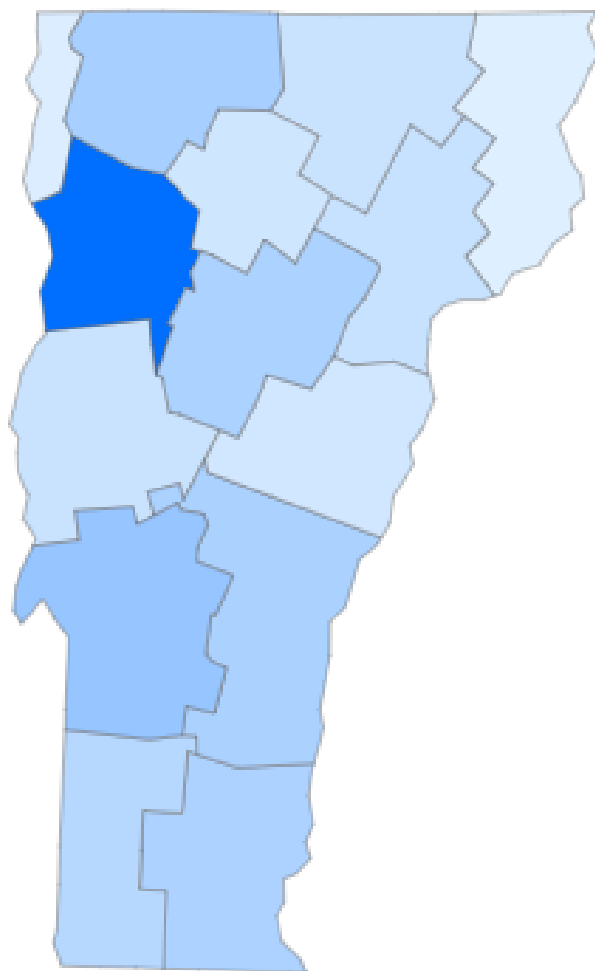
VERAP Participants, 1/12/23

- Number of household eligible for assistance through 30 June 2023 = 6,049
 - These are households with incomes at 30% of AMI or below
- Many new applications were received between 8/30/22, when changes to the program were announced, and 10/1/22, when the program stopped taking new applications.

Vermont Emergency Rental Assistance Program

As of 1/13/2023

Payments



County	Payments	Participants
⊕ Addison	\$5,914,034.03	688
⊕ Bennington	\$10,550,509.59	1255
⊕ Caledonia	\$6,305,340.13	792
⊕ Chittenden	\$54,026,920.77	5052
⊕ Essex	\$886,078.92	109
⊕ Franklin	\$14,074,300.66	1418
⊕ Grand Isle	\$1,515,904.40	135
⊕ Lamoille	\$4,589,840.99	496
⊕ Orange	\$4,163,316.21	461
⊕ Orleans	\$5,895,943.35	669
⊕ Rutland	\$18,229,655.15	2030
⊕ Washington	\$12,795,567.95	1372
⊕ Windham	\$12,733,779.07	1442
⊕ Windsor	\$13,184,951.34	1413
Grand Total	\$164,866,142.56	17312

New Initiatives: Landlord Relief Program

- A partnership with the Agency of Human Services Office of Economic Opportunity and will operate with \$5 million in General Funds through the State for up to two years as funding allows. T
- The Landlord Relief Program is a “Risk Pool” or “Mitigation Program”. These programs have been shown to be critical tools in developing a supportive network of resources for a healthy rental market.

The goals of this program are to:

1. Open doors for landlords and tenants to establish successful and trusting relationships that result in successful tenancies and housing stability.
2. Increase the inventory of rental units available to Vermonters who are experiencing or at risk of experiencing homelessness; and
3. Provide resources to prevent loss of housing opportunities for tenants and prevent vacancies for landlords.

Launching January 30, 2023

New Initiative: Mobile Home Improvement and Replacement Program

The Mobile Home Improvement and Replacement Program has been set up to support manufactured (also known as mobile) home parks, which are an important source of affordable housing in Vermont. This program offers grants and financial assistance to manufactured (mobile) homeowners, prospective homeowners, and park owners to assist with the recovery from the impacts of the COVID pandemic.

VSHA will administer this program in collaboration with the Department of Housing and Community Development (DHCD) and Central Vermont Office of Economic Opportunity (CVOEO) with \$4,000,000 of State Fiscal Recovery Funds from the American Rescue Plan Act (ARPA).

The goals of the program are to 1) infill vacant or abandoned lots, 2) to repair existing manufactured homes, and 3) to provide new foundations for the placement of manufactured homes.

The projects will serve current and prospective manufactured homeowners and registered manufactured home park owners. The desired outcome is to prepare 125 to 300 vacant or abandoned lots for new manufactured homes, to maintain the habitability of 250 to 400 manufactured homes, and to install 25 to 75 new foundations. We will measure the program's impacts against these numbers, plus look at the total number of parks, residents, and new homeowners served by the program.

New
Initiative:
Mobile Home
Improvement
and
Replacement
Program

Financial
assistance
will be
provided
for three
initiatives:

\$2,500,000 for community
small-scale infill grants

\$750,000 for home repair
financial assistance

\$750,000 for manufactured
home foundation grants

Outlook for 2023 and Beyond

- Omnibus Appropriations bill passed 12/29/22 by Congress provides:
 - fully funds PBRA programs.
 - increases voucher budget authority by approximately 10% to fund existing voucher costs
 - Waiting List for voucher assistance is long with approximately 2500 households listed since 10/1/22
 - VSHA actively issuing vouchers to waiting list
 - Housing search is difficult, with success rates at approximately 40%
 - Plans to expand the Project-Based voucher initiative supporting affordable housing development
 - VSHA competes for rental assistance on a national level

Outlook for 2023 and Beyond

Industry Outlook for
2024 is concerning.

Industry professionals
seeing flat funding for
HUD-assisted programs
as a best outcome.

Congress needs to address
the Budget Control Act
(debt-ceiling)

- Likelihood of a government shutdown, possible sequestration highest in many years

Thank you!

For more information, please visit our website at

www.vsha.org

Or contact Kathleen Berk: Kathleen@vsha.org

