To: Senate Natural Resources and Energy Committee

From: Maura Collins, Executive Director

Date: March 14, 2023 Re: S.100 Amendment

Thank you for taking such a thoughtful review of S.100 the Housing Opportunities Made for Everyone bill. It is a critical piece of legislation that the public is desperate to see passed to address the well-documented housing shortage in Vermont.

The Vermont Housing Finance Agency (VHFA) testified on numerous aspects of this bill when it was in the Housing Committee and we are in support of the first change in your committee's amendment, increasing the minimum density from four to five units for housing served by water/wastewater.

That said, we are strongly concerned the other changes proposed in the amendment will encourage sprawl by reimposing Priority Housing Project caps and limit the 25-5-5 provisions to only certain areas. As this testimony from last year made clear, the environment will not be protected by continuing the duplicate water permit system currently in place.

Lastly, in today's committee discussion, <u>Section 13 of S.100</u> was characterized as "not allowing" municipalities to adopt higher and more efficient building energy codes.

As a reminder, municipalities already have the ability to enact "stretch code" standards as their standard code for the community. If the municipality wanted to go beyond the stretch code S.100 still allows them to do this for large homes. What Section 13 does is to recognize that small homes are often more efficient as a result of their density and size and it ensures that municipalities that *do* adopt codes beyond the stretch code must follow the same thoughtful process the state does when writing its energy codes every three years.

Energy codes are complex documents of interrelated requirements and their creation and adoption can trigger extensive impacts on the cost and availability of housing, as well as the availability of the workforce to be trained in and implement the codes.

Presumably this committee agrees that it's appropriate for the state to ensure that any amendments to the building codes should be:

- (A) consistent with duly adopted State energy policy ... and consistent with duly adopted State housing policy;
- (B) evaluated relative to their technical applicability and reliability; and
- (C) cost-effective and affordable from the consumer's perspective.

...as stated in 30 V.S.A. § 53(c)(1) and 30 V.S.A. § 53(c)(2).

If that's the case, why would a municipality not need to consider the same factors if it were enacting new building codes?

Section 13 of S.100 uses the same language from statute that governs the state's building code updates and applies it to municipalities choosing to enact higher standards. I strongly recommend this provision stay in S.100 and not be striken as amended.