

S.294

Introduced by Senator Vyhovsky

Referred to Committee on

Date:

Subject: Conservation and development; community development; housing;
home repair

Statement of purpose of bill as introduced: This bill proposes to create the
Whole Home Repairs Program within the Department of Housing and
Community Development in order to provide funding to address habitability
concerns, to improve energy or water efficiency, or to make a dwelling
accessible for individuals with disabilities.

An act relating to the creation of the Whole Home Repairs Program

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 10 V.S.A. § 700a is added to read:

§ 700a. VERMONT WHOLE HOME REPAIRS PROGRAM

(a) Creation of Program.

(1) The Department of Housing and Community Development shall
design and implement the Vermont Whole Home Repairs Program, through
which the Department shall award funding to statewide or regional nonprofit
housing organizations, or both, to provide competitive grants and forgivable

1 loans to homeowners and private landlords to address habitability concerns
2 within a residential dwelling unit, including energy or water efficiency or to
3 make the dwelling accessible for individuals with disabilities.

4 (2) The Department shall develop statewide standards for the Program,
5 including factors that partner organizations shall use to evaluate applications
6 and award grants and forgivable loans.

7 (3) A landlord shall not offer a unit created through the Program as a
8 short-term rental, as defined in 18 V.S.A. § 4301, for the period a grant or loan
9 agreement is in effect.

10 (4) The Department may utilize a reasonable percentage, up to a cap of
11 five percent, of appropriations made to the Department for the Program to
12 administer the Program.

13 (5) The Department may cooperate with and subgrant funds to State
14 agencies and governmental subdivisions and public and private organizations
15 in order to carry out the purposes of this subsection.

16 (b) Administration.

17 (1) The Department shall require a housing organization that receives
18 funding under the Program to adopt:

19 (A) a standard application form that describes the application process
20 and includes instructions and examples to help landlords apply;

1 (B) an award process that ensures equitable selection of landlords,
2 subject to a housing organization's exercise of discretion based on the factors
3 adopted by the Department pursuant to subsection (a) of this section;

4 (C) a grant and loan management system that ensures accountability
5 for funds awarded and provides effective outcome reporting for Program
6 evaluation;

7 (D) technical assistance and case management services for
8 homeowners, renters, and landlords, including the ability to coordinate across
9 existing home repair programs; and

10 (E) a referral program, where appropriate, to an organization
11 providing legal services to individuals with low income, a designated or
12 specialized service agency, or a medical or social service provider serving
13 individuals with low income.

14 (2) Housing organizations that receive funding under this Program shall
15 partner with employers and organizations that administer workforce
16 development programs that will connect trainees to jobs through committed
17 employer partnerships related to improving the habitability and performance of
18 homes that may include:

19 (A) cash stipends for trainees; and

20 (B) costs related to the design and implementation of pre-
21 apprenticeship, apprenticeship, and on-the-job training programs.

1 (c) Program requirements applicable to grants and loans.

2 (1)(A) A grant or loan shall not exceed \$50,000.00 per unit for
3 addressing habitability concerns, to improve energy or water efficiency, or to
4 make the dwelling accessible for individuals with disabilities.

5 (B) As used in this section, “habitability concerns” means home
6 repairs that are required to ensure a residential dwelling unit is:

7 (i) fit for human habitation;

8 (ii) free from defective conditions or health and safety hazards,
9 including asbestos, mold, pests, or lead; or

10 (iii) free from conditions preventing the installation of measurers
11 to improve energy or water efficiency and lower utility costs.

12 (2) If the unit is occupied, the grant or forgivable loan agreement shall
13 include terms:

14 (A) that prohibit permanent, involuntary displacement of the current
15 residents;

16 (B) that provide for the temporary relocation of the current residents
17 if necessary to perform the rehabilitation; and

18 (C) that ensure that the landlord complies with the affordability
19 requirements of the Program following the rehabilitation.

20 (3) In determining the amount of a grant or loan, a housing organization
21 shall consider the number of bedrooms in the unit, whether the unit is being

1 rehabilitated or newly created, whether the project includes accessibility
2 improvements, and whether the unit is being converted from nonresidential to
3 residential purposes.

4 (4) A landlord shall contribute matching funds or in-kind services that
5 equal or exceed 20 percent of the value of the grant or loan.

6 (5) A project may include a weatherization component.

7 (6) A project shall comply with applicable building, housing, and health
8 laws.

9 (7) The terms and conditions of a grant or loan agreement apply to the
10 original recipient and to a successor in interest for the period the grant or loan
11 agreement is in effect.

12 (8) The identity of a recipient, the amount of a grant or forgivable loan,
13 the year in which the grant or forgivable loan was extended, and the year in
14 which any affordability covenant ends are public records that shall be available
15 for public copying and inspection and the Department shall publish this
16 information at least quarterly on its website.

17 (9) A project for rehabilitation or creation of an accessible unit may
18 apply funds to the creation of a parking spot for individuals with disabilities.

19 (d) Funding awards.

20 (1) A homeowner whose household income does not exceed 80 percent
21 of the area median income shall be eligible for a grant.

1 (2)(A) A landlord shall be eligible for a forgivable loan if the following
2 conditions have been met:

3 (i) The landlord offers to extend a current residential rental
4 agreement to the resident occupying the unit for a period of up to three years.

5 (ii) Annual increases in monthly rent have not exceeded three
6 percent of the base rent or the unit has been occupied by a tenant receiving any
7 housing voucher or similar federal or State subsidy for a period of not less than
8 10 years.

9 (iii) The landlord has not committed a serious violation with
10 regards to the landlord's rental property for which the landlord has taken no
11 substantial steps to correct the serious violation within six months following
12 notification of the serious violation and for which no fines or other penalties or
13 a judgement to correct were imposed by a judge or municipal housing
14 authority, nor a judgement at law or in equity was imposed within the past 10
15 years.

16 (iv) The landlord has maintained ownership of the unit for a
17 period of not less than 10 years.

18 (B) As used in this subsection (d), a "serious violation" means a
19 violation of State law or municipal ordinance that poses an imminent threat to
20 the health and safety of a dwelling occupant, occupants in surrounding
21 structures, or the public.

1 (3) A homeowner or landlord who does not meet the requirements of
2 subdivision (1) or (2) of this subsection shall be eligible for a loan subject to
3 the requirements of this section.

4 (e) Lien priority. A lien for a grant converted to a loan or for a forgivable
5 loan issued pursuant to this section is subordinate to:

6 (1) a lien on the property in existence at the time the lien for
7 rehabilitation and weatherization of the rental housing unit is filed in the land
8 records; and

9 (2) a first mortgage on the property that is refinanced and recorded after
10 the lien for rehabilitation and weatherization of the rental housing unit is filed
11 in the land records.

12 Sec. 2. APPROPRIATION

13 The sum of \$15,000,000.00 is appropriated from the General Fund to the
14 Department of Housing and Community Development in fiscal year 2027 for
15 the purposes of funding the Whole Home Repairs Program established in 10
16 V.S.A. § 700a, \$5,000,000.00 of which shall be used for technical assistance
17 and workforce development.

18 Sec. 3. EFFECTIVE DATE

19 This act shall take effect on July 1, 2026.