

## Public Hearing on FY 2025 Budget Adjustment Act, House Appropriations Committee

January 23, 2025

Good afternoon. My name is Molly Dugan, and I am Director of Policy and Strategic Initiatives for Cathedral Square. Cathedral Square is a non-profit developer of affordable housing, an operator of two licensed affordable Assisted Living Communities, and the statewide administrator for SASH, the Support and Services at Home services model. We have been developing permanently affordable housing with robust services for our residents (over 1,300 currently) since 1977. Cathedral Square operates as part of a network of developers committed to meeting the state's housing needs by building and operating permanently affordable housing. It is for this reason that I am here today to, first, thank you for the incredible focus and investment you all as Legislators have provided in recent years to address this crisis and second, to request that you keep that commitment going by allocating \$30M for permanently affordable housing production through the Vermont Housing and Conservation Board in the BAA.

This additional funding for permanently affordable housing is essential because Vermonters need homes. And the non-profit affordable housing network has a pipeline of housing communities ready to develop to provide homes for Vermonters. **The challenge is that the housing network has potential projects that require up to \$50 million from VHCB, when VHCB has only \$13 M available until the end of this 2025 fiscal year.** If funded, these requests will create hundreds of new homes for Vermonters all across the state and preserve affordable housing protecting tenants from housing loss. Importantly, the state funds that flow through VHCB leverage a huge amount of non-state money, making your investment in VHCB a great value to the state. For instance, on average, VHCB funding was only 28% of the total development budget for Cathedral Square's most recent three projects.

Cathedral Square and our non-profit developer colleagues across the state have a proven track record of not only creating and preserving permanently affordable housing but spurring economic development, addressing homelessness (20% of CS apartments are homes for people formerly homeless and in the entire portfolio of housing funded by VHCB in 2024, 37% of apartments turned over were leased to household experiencing homelessness), providing workforce housing and supportive housing for our most vulnerable.

Please support \$30M to VHCB in the BAA.

Thank you.