

# ***Affordable Housing Policy Recommendations for Vermont***

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# Essential Components of Successful Housing Legislature (Vermont Housing and Conservation Board)



**Choice** - Individuals and households must exercise choice in their living situation and the services they are provided with.



**Person-Centered** - One's need is defined by the person, not the program. The program must be flexible enough to address the evolving need or have in place partnerships to support residents when the housing or service programs themselves do not have the right or support in place. No agency can cover all potential needs, so strategic partnerships are necessary between agencies.



**Relationship-Based** - Services depend upon care and respect between those receiving and those delivering services.



**Trauma-Informed** - Housing instability is traumatic and any staff supporting people with experience of this must take a trauma-informed approach. The agencies themselves must also take that trauma-informed approach to operations.



**Coordination of Services** - Navigating services, particularly in a rural state such as Vermont, can be challenging. The onus of navigating services should fall on agencies that offer integrated services or on collaborations between agencies to offer programs for individuals or households. The burden must not lie with the household to navigate these complex systems.



**Scalable and Efficient** - Services must be intensive enough and caseloads must be low enough so that staff have the time needed to spend with those they serve. Staff must also be qualified to address the complex needs of residents while simultaneously having adequate salaries. Services must be responsive to the cyclical nature of crisis, recognizing that tenants may experience prolonged periods of stability, interrupted by periods of instability.



**Flexible** - Services models and staffing patterns need to be flexible enough to address community need, fitting residents' availability and concerns.



**Assertive Engagement** - Service models commonly are office based and require people to attend appointments, ask for assistance and follow all requests from services providers. Many people will need long-term engagement to fulfill these requirements, and some may never be able to fulfill them, but still should have access to housing and services.

# *Case Studies* **Vermont Housing Policies**

# S.100 HOME Act (2023)

An act relating to housing opportunities made for everyone

*“makes multiple changes to programs and funding to promote housing”*



## Context

- 1970: Act 250 passed, designed to mitigate environmental and community impacts of all future VT development projects (10 V.S.A. § 6001)
- 2019: Commission on Act 250 made recommended changes to address housing crisis alongside conservation goals

## Measures of Success

### Choice

- Housing Choice Vouchers

### Trauma-informed

- Grants for first generation homebuyers
- Addresses NIMBYism: no appeals based on character

### Coordination of services

- Mobile Home Task Force: financial support for home repair, home improvement, housing transition, park infrastructure, legal assistance, and technical assistance

### Scalable and sufficient

- Local jurisdiction on some zoning decisions
- Vermont Association of Planning and Development Agencies - improving and coordinating effectiveness between municipal, regional, and state planning

### Flexible

- Changes made to Act 250

### Assertive engagement

- Rural Recovery Coordination Council
- Agency of Natural Resources
- Public Utility Commission
- Division of Fire Safety
- Mobile Home Task Force
- Vermont Housing Finance Agency
- Vermont Rental Housing Improvement Program

## Bill Summary

- Duplexes and multiunit dwellings permitted everywhere single-family units are permitted
- Raises jurisdictional threshold for housing units from 10 to 25
- Zoning decisions cannot be appealed on the basis of character
- Local authority to approve and expedite some development projects
- Act 250 modifications to speed up review and permitting for new houses

## Why was it Successful?

- Committee bill (bipartisan) and heard by eight committees in the GA + many witnesses testified for each
- Support for the bill was widespread and crossed party lines: 135/11 in the House, 27/2 in the Senate
- Collaborative effort:
  - The bill was the result of months of behind-the-scenes work that predated the start of the legislative session in January and involved environmentalists, planners, lawmakers and administration officials (VT Digger)
- “We have adhered to the ‘Vermont Way,’ which means recognizing that the environment and the economy go hand in hand, and we must maintain this critical balance.” (Protem)
- Last-minute compromises made by House Environment and Energy Committee at last reading of the bill relating to Act 250 changes

# H.111 An Act Relating to Workforce Housing (2023)

Relating to land use, municipal zoning and rental housing

*changes related to housing investment and regulatory reform*



## Context

- January 2023 - introduced with 50 legislative co-sponsors
- While H. 111 remains a draft bill, several of its provisions have been incorporated into S. 100

## Measures of Success

### Person-centered

- Middle-Income Rental Housing Revolving Loan Program
- 25% of the units in the project required to be affordable to a household earning between 65 and 120% of the area median income
- Amended the Missing Middle-Income Homeownership Development Pilot Program. additional \$10,000,000 in funding

### Relationship-based

- Housing Resource Navigators at the Vermont Association of Planning and Development Agencies

### Trauma-informed

- Reduced barriers to entry for new developers that focus on low-income housing

### Coordination of services

- Towns allowed to issue authorizations for wastewater permits and greater municipal control over sewer services

### Scalable and sufficient

- Vermont Rental Housing Improvement Program
- \$500,000 for Municipal Planning Grants

### Flexible

- Act 250 exemptions
- Municipal Bylaw Modernization Grant Program amendments

### Assertive engagement

- Vermont Rental Housing Improvement Program
- Missing Middle-Income Homeownership Development Pilot Program
- Middle-Income Rental Housing Revolving Loan Program
- Municipal Bylaw Modernization Grant Program
- Municipal Planning Grants
- Vermont Association of Planning and Development Agencies
- Agency of Natural Resources

## Bill Summary

Sought to amend several Vermont housing programs for the purpose of helping small towns and rural areas to obtain additional funding for development and renovation of middle- and low-income housing.

## Why was it UnSuccessful?

- Did not command widespread support within the legislature as a whole
- Many legislators viewed H. 111 as preliminary and thought the proposed legislation needed more work
- Never submitted for a formal vote of the legislature; instead, the draft bill was tabled as the legislature considered other housing legislature
- S. 100 includes several provisions that are similar to ones contained in H. 111
- S. 100 was enacted into law and became effective in May 2023



# H.171 Adult Protective Services and Emergency Housing Transition



## Relating to Adult Protective Services and Emergency Housing Transition

*Protect vulnerable adults whose health and welfare may be adversely affected through abuse, neglect, or exploitation*

### Context

- Bill addresses changes needed after the pandemic-era General Assistance Emergency Housing Program by introducing new emergency housing transition policies
- bill outlines the conditions for receiving the benefit, directs fund allocation, and specifies appropriations for affordable housing

### Measures of Success

#### Choice

- Agency in searching for one's housing ; no more than 30% of income covering rent

#### Person-centered

- Protections for vulnerable people, namely elderly and disabled

#### Relationship-based

- Intentional transition from hotel/motel prioritizing dignity, oversight, and collaboration

#### Trauma-informed

- Expanding definitions of "abuse," "neglect," "exploitation," and "vulnerable adult"

#### Coordination of services

- Stakeholder conversations, streamlining case management processes, legislative oversight

#### Scalable and sufficient

- All households transitioning out of emergency housing will find or be offered housing

#### Flexible

- Ensuring emergency care and alternative housing for vulnerable Vermonters, in the form of shelter beds, residential treatment beds, nursing home beds, recovery homes, and potentially hotel or motels

#### Assertive engagement

- Re-centering Vermonters exiting homelessness, with a focus on supportive services
- Monthly reports to be delivered to committees detailing the transition process

### Bill Summary

- Money for affordable housing support
- Municipal Zoning law changes
- Funding allocation to housing transitions
- Emergency housing transition
- Modernizing Adult protective services

### Why was it Effective?

- \$40 million appropriated to production and preservation of affordable housing units; \$10 million to be used for support and to enhance capacity, availability, and utilization of manufactured homes; \$4 million to be granted to the Vermont State Housing Authority for the Manufactured Home Improvement and Repair Program; \$5 million to be granted to the Dept. of Housing and Community Development to support the Vermont Housing Improvement Program
- Decided on Sep. 21, the VHCB will fund projects in Bennington that will result in 17 new affordable homes, three of which will be targeted to households exiting homelessness.
- The Board also supported two shelter projects in St. Johnsbury and Hartford that will result in 40 new shelter beds, opening the only shelter in the Northeast Kingdom, hopefully this winter.
- VHCB partners are exceeding the goal set in Act 81, issuing 40 percent of new leases to households exiting homelessness, resulting in housing for 89 households in the first two months of reporting.

# *Case Studies* **Out-Of-State Housing Policies**

# Addressing missing middle housing, expediting housing applications, and improving affordability

## Oregon HB 2001 (2019)



### Bill Summary

This bill provides more housing opportunities for Oregonians. It expands duplexes, triplexes, fourplexes, and cottage clusters, changes local zoning laws, and makes housing overall more affordable. It emphasizes and allows infilling in existing urban, residential areas and promotes long-term rent control and expedited processing of housing applications.

### Scope

State-wide, and applies to cities with over 10,000 residents and areas that are both urban and residential.

### Context

- There has been a shortage of 5.5 million new housing units in the last 20 years. Scarcity of developable land in urban areas available for building - developers thus unable to meet demand
- Increased demand for single-family housing due to low mortgage rates (below historic averages) and increases in remote working

### Success

- Clearly describe state's housing emergency
  - Corrected historic exclusionary zoning
  - Makes urban/developed neighborhoods more diverse, climate resilient, and more connected as communities
- HB 2001 was supported by ~ 200 testimonials from members of the affected Oregon communities

### Applications in Vermont

- Very similar to S.100, but this type of legislation would apply only to three Vermont urban centers with >10,000 residents and existing urban services: Burlington, Rutland, and Essex Junction
- The HOME Bill (S.100) now permits duplexes (and in some cases four-unit buildings) to be built anywhere single-family homes are permitted, and shifts power to local administrative authorities to approve and expedite some development projects. HB 2001 would increase the ability of developers to build triplexes and four-unit housing and would also provide for rent control measures to increase affordability. It would also help to maintain statewide principles of geographic funding equity and focus on urban infilling of housing density.



# Streamlining housing approval and implementing “use by right” for supportive projects

California Assembly Bill 2162 (2018)  
Article 11 Supportive Housing [65650 - 65656]



## Bill Summary

This bill changes the existing CA Planning and Zoning Law and aims to streamline the approval process for some development projects. It exempts housing projects classified as affordable, stable, and long-term from environmental impact assessments. It permits re-zoning to support the construction of additional units in California for low-income families and implements the concept of “use by right,” which allows owner-occupied and tenant-occupied units to maintain stable, reliable housing during development, planning, and permitting stages of supportive projects.

## Scope

This is a state-wide bill that impacts all districts where multi-family units or mixed-use zoning is permitted.

## Context

- California’s Planning and Zoning Law provides a comprehensive and long-term general plan for development in the state and includes a requirement to inventory and assess housing needs and constraints to meet those needs, and to develop a program to meet housing needs including transitional housing and supportive housing.

## Success

- Incentivizes supportive housing projects (affordable, stable, and long-term) by offering a streamlined permitting and development process.
- Targets supportive measures at homeless individuals, families, and individuals with disabilities

## Applications in Vermont

- This bill would also add to existing Vermont law, Act 81, which targets vulnerable adults to establish emergency/transitional housing and allocates \$40 million to affordable housing
- Bill operates as a response to the phasing-out of hotel-housing for unhoused individuals during the pandemic
- California’s assembly bill expands the scope of protective and supportive measures to vulnerable individuals, especially those at risk of/experiencing health problems
- Housing is health equity, and incentivizing supportive development projects supports this goal.

# Enabling local Zoning Boards of Appeals to approve affordable housing developments under more flexible rules

## Massachusetts State Statute 40B



### Bill Summary

This bill addresses housing affordability by giving flexibility to local zoning boards to provide middle housing, accessory dwelling units, and all multi-family units where long-term affordable solutions exist. It incentivizes long-term, stable housing and facilitates construction of high-density, affordable housing, and it gives local zoning boards flexibility to approve development projects with >20% affordability restrictions.

### Scope

This is a state-wide bill and applies to all cities and towns in the Commonwealth of Massachusetts, specifically local zoning boards.

### Context

- Chapter 40B has existed for over 50 years

### Success

- 70,000 units have been built under this bill; over half of these units are for households earning less than 80% of the median income.
- Chapter 40B has allowed developers to work around local zoning regulations, and has incentivized the construction of affordable, subsidized, and/or supportive housing.

### Applications in Vermont

- This bill would meaningfully add to state-funded public housing. It would help Vermont move beyond its heavy reliance on the private market to source affordable housing development
- This bill would also allow approved developers to override zoning codes that restrict affordable housing
- The Massachusetts law would also allow for a careful weighing of affordable housing development along with concerns of health, safety, conservation, and quality of life
- The bill would give communities input into the growth rate of their housing by giving them the right to approve developments that exceed certain building restrictions.

# Connecting People with Mental Illness to Critical Housing, Employment, and Mental Health Services

## New Hampshire HB 400 (2017)



### Bill Summary

This bill charges the state's Department of Health and Human Services with developing a 10-year plan to provide necessary mental health services for the state's residents. The bill seeks to provide a mechanism for connecting people with mental illness to the critical housing, employment, and mental health services they need to thrive. The bill's goal is to reduce homelessness, prevent readmission to psychiatric hospitals, and otherwise improve the quality of life for people needing mental health services.

#### Scope

State-wide

#### Context

- Previous failure to provide vulnerable people long-term mental healthcare services
- Mental health facilities suffered shortage of inpatient bed shortage

#### Success

- In January 2019, the NH Dept. of Health and Human Services submitted a 10-year plan for improving mental health services, and the state committed significant sums for mental health care, including an expansion of Medicaid coverage for mental health.

### Applications in Vermont

- Like New Hampshire, Vermont desperately needs inpatient psychiatric beds
- Many Vermont residents who would benefit from long-term admission to a mental health facility instead are treated in emergency rooms on a short-term basis.
- Like New Hampshire, Vermont suffers from a severe shortage of low-income housing, meaning that many patients do not have a place to live upon being discharged from a mental health facility
- Additional funding to increase the number of inpatient hospital beds would relieve pressure on emergency rooms to care for psychiatric patients and would result in the provision of better mental health care.
- As New Hampshire has begun to experience, unless and until Vermont commits sufficient resources to the problem, too few mental health patients will get the long-term care they need