

Amend H.883 – Support Investments in Vermont’s Affordable Housing and Homelessness Prevention Infrastructure

We urge legislators to support the following investments in the FY25 budget, many of which were included in the House-passed H.829 and FY 25 budget (H.833):

Housing Programs

- \$22,106,740: To ensure full statutory funding for the Vermont Housing and Conservation Board (from H.883)
- \$7.3 million: Permanently affordable rental housing, homeownership and shelter programs through Vermont Housing & Conservation Board (from H.829)
- \$1 million: Vermont Housing Improvement Program (from H.829)
- \$1 million: Land Access Opportunity Board (from H.829)
- \$900 thousand: State Refugee Office (from H.829)
- \$20 million: GA emergency housing waterfall funds (from H.883)
- \$1 million: Manufactured Home Improvement and Repair Program (from H.883)
- Reallocate unobligated ARPA dollars to:
 - \$30 million: to the Vermont Housing and Conservation Board for housing development (from H.883). HHAV supports adding shelter development as an eligible use of ARPA dollars through the VHCB allocation.
 - \$25 million: to the Department of Housing and Community Development for the Vermont Housing Finance Agency (from H.883)

Housing Services and Supports

- \$400 thousand: CVOEO Rental Stabilization (from H.829)
- \$1.025 million: Vermont Legal Aid tenant representation pilot in Lamoille and Windsor counties (from H.829)
- \$2.5 million: Vermont State Housing Authority for the Rent Arrears Assistance Fund (from H.829)
- \$700 thousand: Resident services program to help tenants succeed in housing (from H.829)
- Additional revenue request: \$4.5 million for the Office of Economic Opportunity to ensure necessary client assistance funds.

Shelter Creation and Operations

- Set AWC by statute as a seasonal protection between November 15, 2024 - April 15, 2025 (from H.883)
- \$2.7 million: Office of Economic Opportunity to support shelter operations (from H.829)
- \$36 million: HOP base funding (from H.883)
- \$11 million: GA base funding (from H.883)
- \$16.5 million: GA one-time funding (from H.883)
- \$20 million: GA emergency housing contingency funds (from H.883). HHAV Supports moving this from the contingency funds to the core budget.
- Additional revenue request: \$6 million for GA fundingⁱ

Vermont has a major need for Emergency Shelter. As we learned from the most recent (2023) Point in Time count, Vermont had the 2nd highest rate of unhoused people per capita in the country.ⁱⁱ And, Vermont’s crisis is getting worse – with an 18.5 percent increase in unhoused people between 2022 and 2023 and a 218.4 percent increase in unhoused people between 2007 and 2023.ⁱⁱⁱ Vermont has also seen the largest percentage increase in family homelessness since the pandemic began (a 213 percent increase or 794 more people between 2020 and 2023).^{iv} But, thanks to the legislature’s investments, last year Vermont also sheltered the highest rate of unhoused people per capita in the country.^v It’s clear that Vermont cares, but much work and investment remains needed.

The state does not have an adequate plan to ensure shelter for those in need. There is currently a statewide shelter capacity for 548 households, and all are full. The 1,539 households currently sheltered under the GA Emergency Housing Program are in addition to the 548 households shelter capacity. There are also approximately 100 shelter beds under development, though it is unclear when they will be online.^{vi} This leaves a gap of at least 1,439 households without the GA Housing program, and this will only be after the unknown period of time it will take for those beds to be constructed and staffed. Thus, we have a shelter capacity gap of at least 1,439 households for the known future. Vermont must ensure emergency shelter for Vermonters in need.

Client assistance funds are critical tools for avoiding eviction and accessing affordable housing. The need for client assistance funds has skyrocketed since the COVID 19 pandemic to meet the rising rate of homelessness. The loss of these funds could not come at a worse time. These funds are a critical tool to move people out of the motels, implement client housing plans, and reduce and avoid evictions. This upstream money is a significant investment in managing and reducing the number of unsheltered Vermonters. The flexibility of these funds is key. For example, these funds are used to relocate unsheltered people out of state if they have a sustainable plan for housing in place. These necessary funds are being cut to pre-pandemic levels, which will result in a loss of approximately 2/3 of total funding. To return to 2022 funding within a 2024 housing crisis is short sighted.

The human and economic costs of failing to provide shelter are greater than the costs of shelter. Homelessness is linked with a broad range of negative health conditions, including premature death. People experiencing homelessness also are far more likely than the general population to be a victim of crime. Unsheltered homelessness is harsh and alienating. In addition, the economic costs associated with the failure to provide shelter - including on health systems, schools, criminal legal systems, and other public services - fall on municipalities and the state to cover. For example, the \$131 average daily cost for hotel/motel in GA Program is substantially cheaper than the \$260 daily cost to incarcerate someone in Vermont or the \$1,386 average daily cost for an ER visit in Vermont.

Couch surfing (temporary stays with friends or relatives) does not constitute “self-resolving” for people experiencing homelessness. The Administration and some legislators have previously indicated that people who are forcibly exited from the GA motel program will “self-resolve” by “couch surfing.” It is true that some people in the GA program have answered “couch surfing” as what they plan to do if they are forced out of their motel room. However, serial temporary stays with friends or relatives still constitutes homelessness under HUD’s official definition. It also is an unsustainable arrangement for both the guest and the host, and it actually adds to homelessness by exposing hosts to eviction from rental units for housing people who are not named on their lease.

Congregate shelter is a less effective option. COVID is still present in Vermont,^{vii} thus placing people in congregate settings at increased risk of exposure and the potential health consequences of that exposure. In addition, research suggests that non-congregate emergency shelter offers many additional benefits compared to the congregate model, including a greater feeling of stability, safety, health, and well-being for individuals in emergency shelter, more high-quality engagement with staff, reduced interpersonal conflict, greater focus on future goals, and designated personal space and security for belongings.^{viii}

Black Vermonters are unhoused at a staggering rate. Black people account for just 1.4 percent of Vermont’s population, yet account for over eight percent of Vermont’s unhoused population in 2023.^{ix} In Chittenden County, Black people make up just 2.93 percent of the county’s population, yet account for 14.91 percent of the unhoused population.^x As this data clearly show, the homelessness crisis has been disproportionately felt by Black Vermonters. This cannot continue – the state must address the racial justice impact of its decisions and ensure that this crisis is reversed.

Vermont’s housing and homelessness crises will take sustained long-term investments to fully solve. Vermont’s dual housing and homelessness crises are the result of multiple factors, including a lack of sufficient permanently affordable housing units, skyrocketing housing and constructions costs, more people moving to Vermont, increasing short term rentals, a failure to ensure a living wage, a failure to provide adequate mental health and substance use services (and continuing to criminalize people who use drugs), and more. While we urge the legislature to make the sustained long-term investments necessary to ensure perpetually affordable housing, including with any necessary support services, to meet the demand, we also urge the legislature to provide the resources necessary to ensure sufficient emergency shelter while we get there.

ⁱ This request is to ensure the General Assistance Emergency Housing Program receives the necessary funding through the FY 25 fiscal year to continue to provide the over 1,500 households – about 2,500 Vermonters – with emergency shelter (without any maximum number of days). It will cost \$50 million to meet the need of sheltering approximately 1,500 households at an average rate of \$90/night for FY 25. The House-passed budget includes \$7.5 million in GA base funding, \$16.5 million in GA one-time funding, and \$20 million in GA emergency housing contingency funds (\$44 million total), leaving a gap of \$6 million to meet the need. We request an additional \$6 million appropriation to meet this need. This is not an ultimate solution, but provides the time needed to develop additional shelter capacity and what’s really the permanent solution: more affordable housing.

ⁱⁱ U.S. Dept. of Housing and Urban Development, The 2023 Annual Homelessness Assessment Report (AHAR) to Congress, Part 1 - PIT Estimates of Homelessness, Dec. 2023, p. 16, available at <https://www.huduser.gov/portal/sites/default/files/pdf/2023-AHAR-Part-1.pdf>.

ⁱⁱⁱ *Id* at p. 113.

^{iv} *Id* at p. 46.

^v *Id* at p. 30.

^{vi} February 29th Pandemic-Era Hotel/Motel Housing Reporting, Feb 29, 2024, p. 13, available at <https://legislature.vermont.gov/assets/Legislative-Reports/Pandemic-Era-Housing-Report-Feb-2024.pdf>.

^{vii} There were 32 cases of COVID and 8 new hospital admissions during the week of Mar. 24 – 30, 2024 in Vermont according to the State of Vermont’s Weekly COVID-19 Surveillance Report, Apr. 3, 2024, available at <https://www.healthvermont.gov/sites/default/files/document/COVID-19-Surveillance-report-20240403.pdf>.

^{viii} See, Gregg Colburn, et. al., Hotels as Noncongregate Emergency Shelters: An Analysis of Investments in Hotels as Emergency Shelter in King County, Washington During the COVID-19 Pandemic, Housing Policy Debate, Jun. 8, 2022, available at https://www.nlihc.org/sites/default/files/HPD_Hotels_Noncongregate_Shelter.pdf; See also, Ryan Finnigan, Shelter and Safety Among People Experiencing Homelessness During the COVID-19 Pandemic, Turner Center for Housing Innovation, May 2022, available at <https://turnercenter.berkeley.edu/wp-content/uploads/2022/05/Shelter-and-Safety-May-2022.pdf>.

^{ix} Chittenden County Homeless Alliance & the Vermont Coalition to End Homelessness, Vermont’s Annual Point in Time Count (2023), p. 10, available at <https://helpingtohousevt.org/wp-content/uploads/2023/06/2023-Vermont-Point-in-Time-Report-6-6-23.pdf>.

^x Chittenden County Homeless Alliance & the Vermont Coalition to End Homelessness, Vermont’s Annual Point in Time Count (2023), p. 10, available at <https://helpingtohousevt.org/wp-content/uploads/2023/06/2023-Vermont-Point-in-Time-Report-6-6-23.pdf>.