

State of Vermont OFFICE OF THE GOVERNOR

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TRANSCRIPTS: GOVERNOR SCOTT, COMMISSIONER HANFORD, COMMUNITY PARTNERS DISCUSS VERMONT HOUSING IMPROVEMENT PROGRAM IN RUTLAND COUNTY

West Rutland, Vt. - Governor Phil Scott and Housing and Community Development Commissioner Josh Hanford today joined community partners to discuss the impact of the Vermont Housing Improvement Program (VHIP).

VHIP is an important tool in the State's toolbox for increasing the usable housing stock, in addition to new construction. The program helps bring vacant rental units back to the market. In the 2022 legislative session, \$20 million was appropriated for the program.

The press conference took place at <u>NeighborWorks of Western VT</u>, who help administer the program in the region. In addition to Governor Scott and Commissioner Hanford, Heather Starzynski, executive director of NeighborWorks of Western VT, and Angus Cheney, executive director of the Homeless Prevention Center of Rutland County, offered remarks on the program's impact.

More details can be found in the transcripts of Governor Scott and Commissioner Hanford's remarks below.

You can also view the press conference by clicking here.

Governor Scott:

Good afternoon. Thanks for being here today. It's good to be in Rutland with people who are committed to helping address the housing challenges we face.

It's no secret that in every corner of the state, lack of housing is a major concern.

This is impacting Vermonters already here and it's a barrier to growing our workforce. We have a lot of jobs available, and we know there are people who are looking to work in Vermont, but they can't find decent, affordable housing.

My Administration recognized this challenge years ago, well before the pandemic made this problem worse.

In my first term in office, I proposed a \$37 million housing bond, which at the time was the single largest investment in housing we'd ever made.

It also leveraged about \$200 million more in private investments, leading to hundreds if not thousands of new units coming online over the last several years.

Then Covid hit, and after that inflation along with many coming to Vermont looking for a safe place, which stretched our already-thin market even further.

So, when we knew we were getting over a billion dollars from the federal government in recovery funding, I knew housing needed to be a top priority.

I proposed investing a quarter billion dollars to build new homes for low income and middle-class families.

That work is underway and in total, we've built or preserved over 2,000 new affordable housing units is since the pandemic started, more than triple the normal affordable housing production of only about 300 a year.

And today, we're here to talk about one of the tools in the toolbox that I think is critical.

Yes, we need to build new homes. But we also recognized there's a lot of existing housing stock out there, sitting vacant because it's either not up to code or needs a lot of time and money people don't have.

So, as part of my Housing proposal, I included over \$20 million for the Vermont Housing Improvement Program, or VHIP, with the goal of bringing existing units back online.

With our pilot program last year, we've helped bring more than 300 units back to the market.

Now, we're beginning to put this year's \$20 million to work.

Partners like NeigborWorks of Western Vermont are working with us to get this money into the field, helping landlords make the upgrades needed to get more rental units online.

This program increases the amount of usable housing stock and also helps those who are experiencing homelessness transition to permanent housing.

This is the kind of initiative that will move the needle on homelessness, an approach that's sustainable, provides more stability with a permanent home, and helps create capacity that benefits the entire rental market.

Commissioner Hanford and other partners will have more to add in a few minutes.

But I want to thank the Legislators here today, including Senator Sirotkin, the Chair of the Senate Economic Development Committee, for their support.

I also want to thank Mayor Allaire of Rutland and the town manager od Rutland Town who are also with us and all our partners for their work. I know how difficult the last couple of years have been.

And I also want to encourage property owners to take advantage of this program.

As I said, we have \$20 million available, and we were able to do a whole lot during the pilot program.

And we know there's much more to do. Because as I've said, this isn't just about the money.

We won't see the scale of investment we made last year for a long, long time, so as we begin putting it to use, we need to focus on other areas like permitting and zoning reform, to make it faster, easier, and less expensive to build here, which is also necessary.

And this will continue to be a priority for me.

With that, I'll turn it over to Commissioner Hanford.

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Commissioner Hanford:

Thank you, Governor.

During the last 2 years, due to the historic investments called for by the Governor & Legislature, we have been able to triple the number of affordable homes built per year compared to pre-2020 levels. Over \$300 million has been dedicated to building more affordable housing.

Of those funds, \$20 million has been dedicated to the continuation of the successful Vermont Housing Improvement Program (VHIP). Due to the affordability of VHIP, we have been able to get more units online and at a faster rate than if we were just building new construction. This program highlights the opportunities that exist in our historic neighborhoods to provide the affordable housing we need and improve the communities we call home.

As of August 30th, 329 units previously vacant units have been brought online or approved for rehabilitation through VHIP with about approximately three-quarters of the units being utilized to rehouse homeless Vermonters.

I would like to highlight the great work that has been done by NeighborWorks of Western Vermont. As early adopters of VHIP, their team has helped 83 VHIP units come online. That is 83 rehoused families. Well done NeighborWorks of Western Vermont, we sincerely appreciate everyone's contributions to making VHIP a success so far.

I would also like to thank Angus Chaney, the "Father of VHIP", for his groundbreaking contribution to the creation of VHIP. It was his notion that started us down the path of creating this program and we all owe him a debt of gratitude for his out-of-the-box idea.

Finally, I would like to mention the Healthy Homes program that is working to bring safe drinking water and energy efficacy to homes across the state of Vermont. The staff at DHCD is working to pair Healthy Homes program funding with existing VHIP projects to ensure that our public investments include attention to safe water while we are assisting with safe housing. This effort speaks to the holistic view we are taking to improve our communities, increase the availability of housing, and lift up our most vulnerable neighbors.

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