



# **Update on Housing Initiatives and Administration Priorities**

**January 8, 2026**



# CONTEXT: What have we done?

**INVESTED:** Over \$700M of state and federal funds invested in housing unit creation during FY21-FY25

- Affordable Housing, Age-specific Housing, Substance use Recovery Housing, Moderate Income

**INNOVATED:** Created new programs with high efficiency and new unit creation networks

- MHIR: Manufactured Housing Communities
- VHIP: Reinvestment in Dilapidated Structures & Conversion of Commercial to Residential
- Homes for All Initiative: Broaden the base of small-scale developers
- VHFA Middle-Income Homeownership Development Program & Rental Revolving Loan Fund

**REINVIGORATED:** Utilized tools for Infrastructure Investment & Site Cleanup

- Brownfields Revitalization Fund, Healthy Homes Fund, Tax Increment Financing (TIF), CHIP

**REFORMED:** Regulatory & Financing Reform

- Statewide Reform of Local Zoning – **HOME Act (Act 47 of 2023)**
- Statewide Land Use and Permitting Reform – **Act 181 of 2024**
- Housing Infrastructure Financing and Investments – **Act 69 of 2025**

January 5, 2026

Questions? VHIP@vermont.gov

# Vermont Housing Improvement Program - All Iterations

Since 2020, the Vermont Housing Improvement Program (VHIP) has created new affordable housing units. Administered by Vermont's five regional Homeownership Centers, these units serve Vermont's most vulnerable populations, including people exiting homelessness, refugees, survivors of domestic abuse, and people exiting foster care and incarceration. The program has gone through multiple iterations since its creation, but the commitment to expand the affordable housing stock for a minimal public investment has remained.



Beautiful! I have been watching this rehabilitation process on my commute. Such an awesome rescue!  
- Elizabeth Vant, Neighbor



BEFORE

AFTER

Complete gut rehab in Brandon, creating three new 3-bedroom units to serve vulnerable Vermonters.

## Upcoming



368

## Completed



783

\$45.2M

Total Granted

\$43.5M

Estimated Property Owner Investment

4,405

Years of Affordability

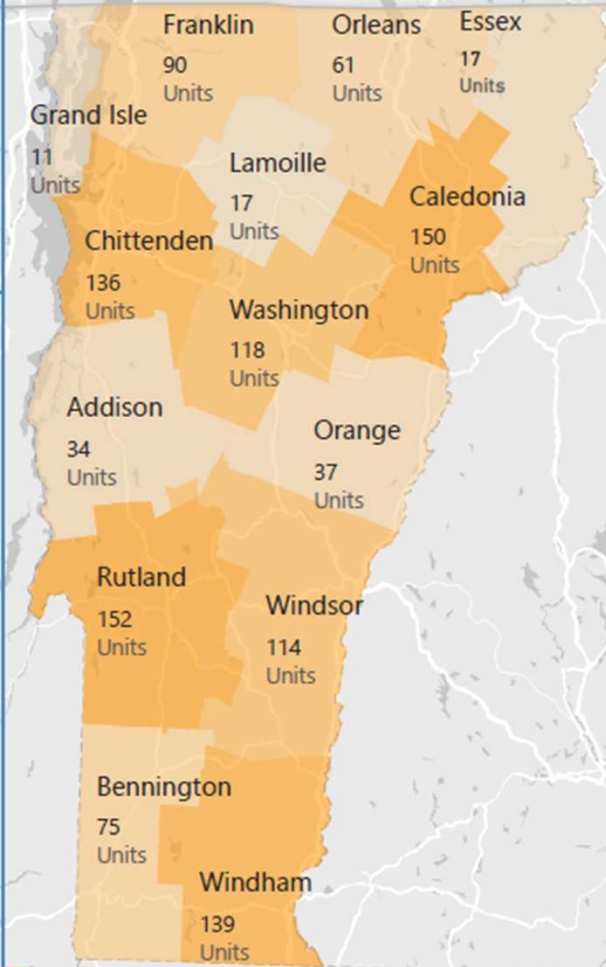
1,151

Units Funded

\$39K

Average Award per Unit

## Completed & Upcoming



Microsoft Bing © 2025 TomTom, © 2025 Microsoft Corporation

# CONTEXT: What have we done?

## **HOME Act (Act 47 of 2023)**

**Primary focus:** Municipal Planning & Bylaws

**Goal:** Reduce barriers to housing at the local level, enabling greater housing density, especially in areas with municipal water and sewer.

**Reforms:**

- Duplexes in all residential zoning areas
- Mandatory Density Standards, including 1/5-acre cap on minimum lot size in W&S areas
- Multi-unit up to 4 units in areas served by municipal sewer and water
- Caps on minimum parking requirements in zoning (1 per unit in W&S area, 1.5 per unit elsewhere)
- Statewide and Regional Housing Targets established

# CONTEXT: What have we done?

## **Act 181 of 2024**

**Primary focus:** Statewide Land Use Permitting (Act 250 jurisdiction)

**Goal:** Reduce barriers to housing at the state level, streamline permitting, enable greater density.

### **Reforms:**

- Establishes new Land use Review Board (LRB) to replace Natural Resources Board (NRB)
- Enacted immediate 'Interim Exemptions' to Act 250 for Housing
- Established new location-based jurisdiction of Act 250
  - Tier 1A & 1B: New Exemptions for Centers
  - Tier 2: Maintained Jurisdiction + Road Rule (outside of Tier 1A & 1B)
  - Tier 3: New Expanded Critical Resource Jurisdiction
- DHCD must measure progress toward the Housing Targets



# CONTEXT: What have we done?

## **Act 69 of 2025**

**Primary focus:** Housing Infrastructure Investments

**Goal:** Provide financing and funding mechanisms for infrastructure to support housing development.

### **Reforms:**

- Established a project-based TIF program, the Community & Housing Infrastructure Program (CHIP)
  - Up to **\$2B** of financing (\$up to \$200M per year) over 10 years
- Funded the Vermont Infrastructure Sustainability Fund (VISF)
  - \$7.5M for Bond Bank fund

# CONTEXT: Executive Order 06-25 Overview

## **Regulatory Relief for Residential Construction**

- Wetlands – rulemaking underway
- Energy Codes – rulemaking underway

## **Permitting Process Improvement**

- Permitting Timelines and Priority
- Fee relief
  - Deferred Payment of fees
  - Requests proposals to reduce fees

## **Permitting & Housing Teams**

- Permit Modernization task force & Multi-Disciplinary Team
- Governor's Housing Leadership Team

## **State-owned lands**

- Inventory of state-owned lands potentially suitable for housing
- Develop Expedited Disposal Process

## **Brownfields**

- BERA Program extended
- Requests proposals to improve DEC's method for adopting soil standards

## **Appeals Recommendations to Judiciary**

# Statewide & Regional Housing Targets

## Housing Targets established in Act 47 of 2023 (the HOME Act):

“To establish housing needs, the Department of Housing and Community Development shall publish statewide and regional housing targets or ranges as part of the Statewide Housing Needs Assessment. The regional planning commission shall consult the Statewide **Housing Needs Assessment**; current and expected **demographic data**; the current **location, quality, types, and cost of housing**; other local studies related to housing needs; and data gathered pursuant to subsection 4382(c) of this title... The regional planning commission’s assessment shall estimate the total needed housing investments in terms of price, quality, unit size or type, and zoning district as applicable and shall disaggregate regional housing targets or ranges by municipality. The housing element shall include a set of recommended actions to satisfy the established needs.”

## Report on Housing Targets Progress established in Act 181 of 2024:

“(a) Upon publication of the Statewide Housing Needs Assessment setting out the statewide and regional housing targets required pursuant to 24 V.S.A. § 4348a, the Department of Housing and Community Development, in coordination with regional planning commissions, shall develop metrics for measuring progress toward the statewide and regional housing targets,”



# Housing Targets

To accommodate **projected household growth** and meet other **current housing market needs**, Vermont will need to produce between 3,160 and 6,880 homes per year.

In 2010-2020, Vermont's housing stock increased by an average rate of 0.4% (1,178 homes per year).

*Total additional home targets, 2025-2030 and 2025-2050*

	2025-2030		2025-2050	
Region	Lower	Upper	Lower	Upper
Addison County	1,296	1,978	4,103	8,088
Bennington County	1,453	2,188	4,483	8,836
Central Vermont	2,540	3,864	8,045	15,856
Chittenden County	7,301	10,537	15,783	47,407
Lamoille County	1,387	1,959	3,359	6,621
Mount Ascutney	1,207	1,781	3,750	7,391
Northeastern Vermont	2,836	4,193	9,014	17,768
Northwest Vermont	2,144	3,249	6,755	13,315
Rutland Regional	2,707	4,065	8,100	15,965
Two Rivers-Ottawquechee	2,424	3,640	7,692	15,162
Windham Regional	2,571	3,730	7,933	15,635
<b>Vermont</b>	<b>27,867</b>	<b>41,185</b>	<b>79,018</b>	<b>172,044</b>
2025-2030: "Lower" assume VT year-round households increase at the 2016-2019 average annual rate of 1.02%. "Higher" assume the 2019-2022 rate of 1.77%. 2025-2050: "Lower" based on population projection. "Higher" assume VT year-round households increase at the long-term annual average rate of 1.4%. All targets include additional projected year-round households plus homes needed to normalize vacancy rates, eliminate homelessness, replace destroyed homes, and provide a margin to address Vermont's 15% seasonal home rate.				

# Local Housing Targets - CCRPC

	EXISTING HOUSING UNITS (2023)	2050 HOUSING TARGET RANGES						ANNUAL HISTORIC GROWTH (2000-23)	2050 ANNUAL #S*		
		LOW # and %		MID # and %		HIGH # and %			LOW	MID	HIGH
BOLTON	550	59	11%	118	21%	177	32%	6	2	5	7
BUEL’S GORE	12	1	11%	3	21%	4	32%	0	0	0	0
BURLINGTON	18,245	3,557	19%	7,120	39%	10,683	59%	77	142	285	427
CHARLOTTE	1,643	176	11%	353	21%	530	32%	6	7	14	21
COLCHESTER	7,673	848	11%	1,697	22%	2,546	33%	39	34	68	102
ESSEX	4,889	1,233	25%	2,467	50%	3,702	76%	51	49	99	148
ESSEX JUNCTION	4,955	1,462	30%	2,927	59%	4,392	89%	52	58	117	176
HINESBURG	2,071	375	18%	752	36%	1,128	54%	16	15	30	45
HUNTINGTON	876	94	11%	188	21%	282	32%	6	4	8	11
JERICO	2,014	210	10%	419	21%	629	31%	10	8	17	25
MILTON	4,515	640	14%	1,282	28%	1,923	43%	42	26	51	77
RICHMOND	1,729	202	12%	404	23%	606	35%	8	8	16	24
SHELBURNE	3,529	802	23%	1,605	45%	2,409	68%	33	32	64	96
SOUTH BURLINGTON	9,921	3,788	38%	7,583	76%	11,378	115%	142	152	303	455
ST. GEORGE	314	34	11%	67	21%	101	32%	2	1	3	4
UNDERHILL	1,313	141	11%	282	21%	423	32%	9	6	11	17
WESTFORD	899	96	11%	193	21%	290	32%	6	4	8	12
WILLISTON	4,725	1,402	30%	2,807	59%	4,212	89%	70	56	112	168
WINOOSKI	3,665	663	18%	1,327	36%	1,991	54%	27	27	53	80
COUNTY TOTAL	73,538	15,783	21%	31,595	43%	47,407	64%	602	631	1,264	1,896



☒

Filter Map

☒

2021-Cu

## 2025-2030

Target

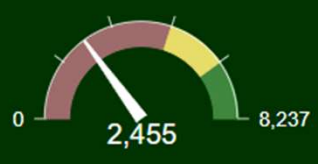
 **41,184**

Annual need: 8,237

On Pace to Build

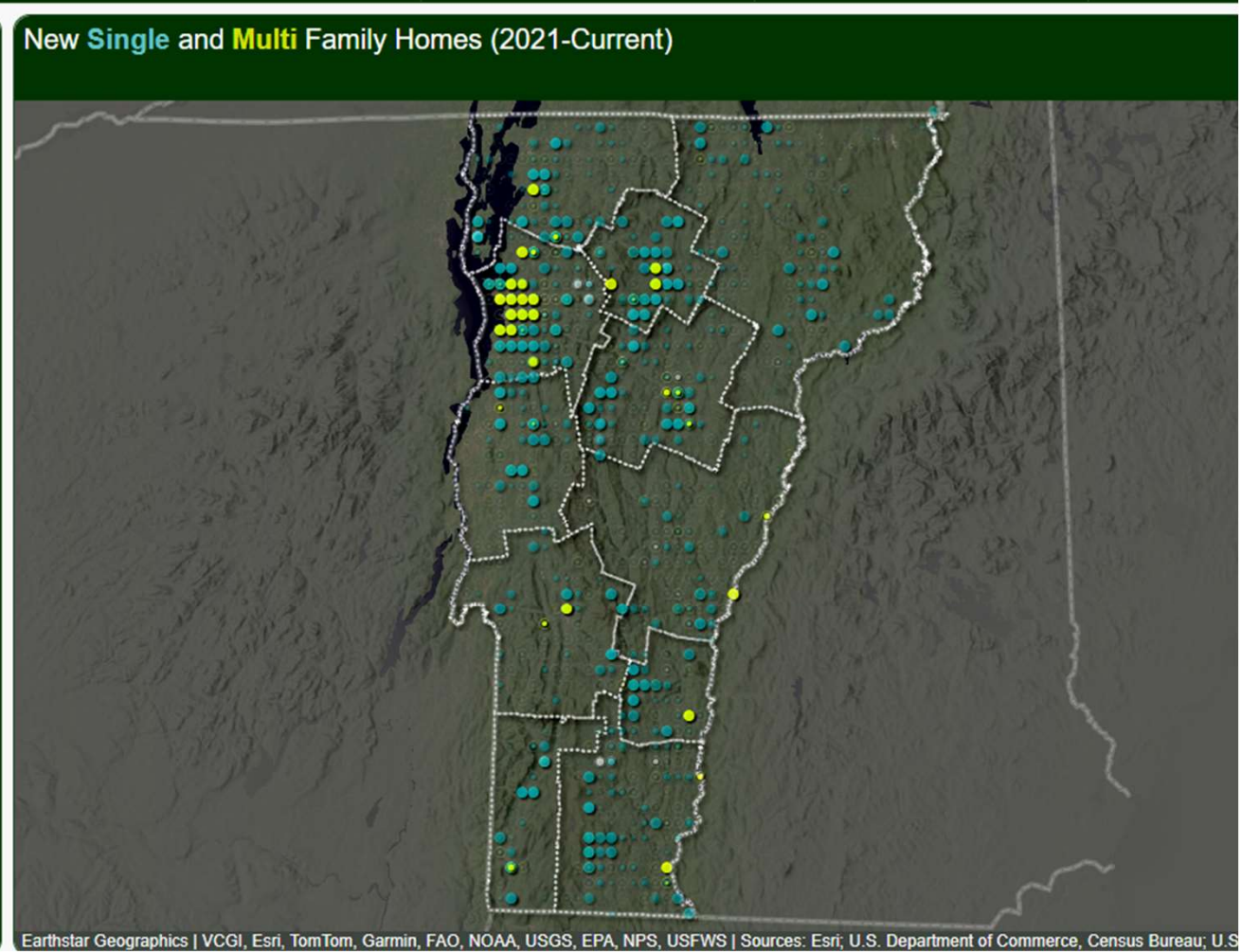
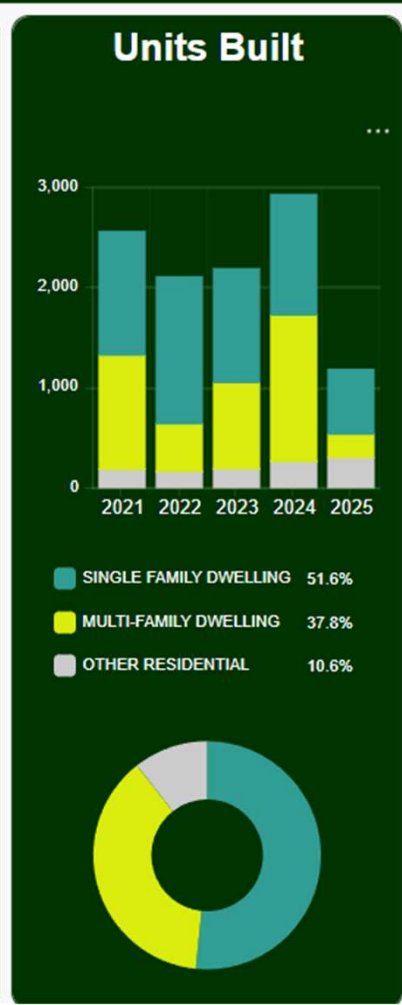
 **12,273**

Annual avg: 2,455



0 2,455 8,237

Annual Home Construction: 2021-2024  
Average vs Target



What are we doing to leverage these reforms,  
and where are we heading next?

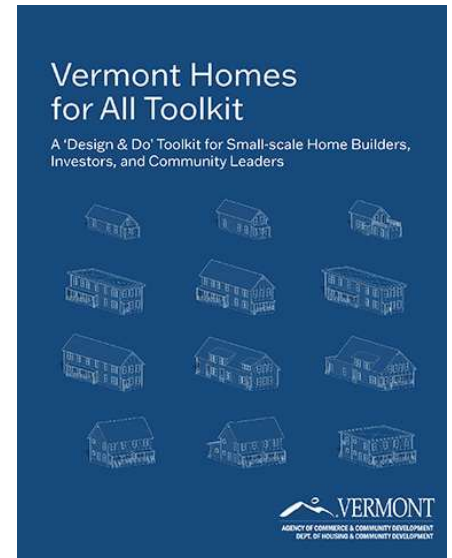
# UNDERWAY: Homes for All Initiative



**Homes for All phase I:  
Design & Do Toolkit**  
*Published: March 2024*

**Homes for All phase II:  
H4A Training Cohort**  
*Workshops begin February 2026*

**Homes for All phase III:  
802 Homes catalogue of pre-  
approved 1-4 –unit designs**  
*Pilots underway in Essex Junction,  
Hartford, and Manchester*





## **SOUTH BEND NEIGHBORHOOD INFILL**

Pre-approved, ready-to build housing



# 802 Homes



### Age-In-Place



### Narrow Lot



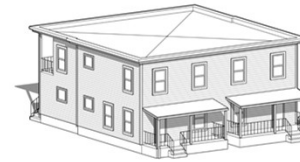
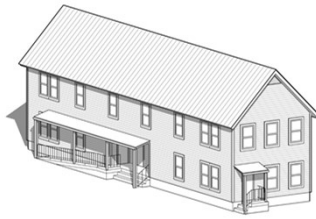
### Village



### Side-by-Side



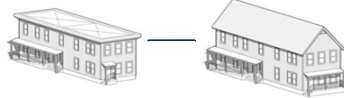
## “Telescoping Home” Aggregation Pattern



**Illustration Credit:** *Big House, Little House, Back House, Barn: The Connected Farm Buildings of New England* by Thomas C. Hubka



### Variants on Base Model



### **Variants on Base Model**

# Neighborhood Infill Case Studies

## Rutland City

Vermont Agency of Commerce & Development

### Rutland City Case Study Parcel


Parcel Address: 104 South Street

#### Context & Goals

This vacant corner site is walking distance to Rutland's train station and bike path, shopping, dining, and downtown commercial center. This gridded neighborhood is highly walkable with many existing small-scale units ranging from one to two and a half stories. The owner of this site is already engaged in a gut rehab of a property a few blocks away and is interested in developing this site to maximize its potential as a rental property for one and two-bedroom units.

#### Siting Considerations

The site is flat and relatively unconstrained for a denser neighborhood like this one. South Street is the primary frontage and has an existing sidewalk and parking pad. Primary siting considerations are preserving and activating South Street as the primary frontage, preserving existing mature trees to the extent possible, and arranging the parking to allow for the preservation of some yard space while ensuring convenient and accessible access to the rear unit.



#### Home Typology Considerations

The Side-by-Side Plus One, with its square footprint and naturally efficient interior layout, was chosen for this site for three reasons:

1. Its dimensions fit the developable lot area well.
2. The unit types and sizes are a good fit for local housing need.
3. It works well with a corner lot that can accommodate efficient side parking, preserving more usable open space.

Development Metrics	
Number of Units	3 Units
Number of Bedrooms per Unit	(1) Bedroom, (2) 2 Bedroom
Unit Types (Accessibility/Flexibility)	(1) Accessible, (2) Conventional
Gross Square Footage per Unit	634 sf / 1,000 sf / 1,000 sf
Building Footprint	40' x 40'



Vermont Department of Housing & Community Development

### Site Plan

The site plan anticipates the building sitting close to the street to activate the South Street sidewalk and anchor the corner in this walkable neighborhood. This position on the parcel also helps preserve an efficient side parking layout with an integrated ramp to the rear accessible unit and ample usable open space associated with each unit. Additionally, by siting the building to the northern side of the site we maximize the chance of preserving south-facing kitchen garden opportunities.

### Buildout Visualization

A pitched roof form has been selected to align with the norms of nearby homes. The typology could be further tailored to its context by adding deeper front porches to support a more social neighborhood front porch culture. This typology also allows for the integration of rear-facing second floor outdoor decks extending over the rear unit on the first floor if desired at a future point.

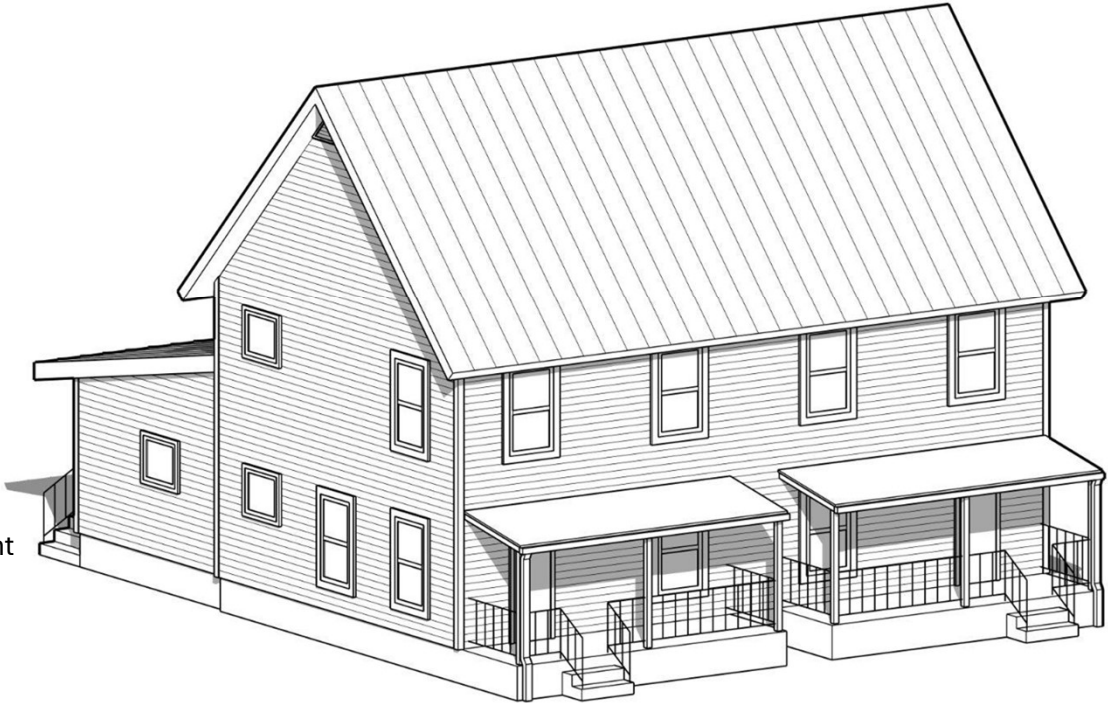


**Disclaimer:** In most cases, the infill parcel case studies shown in this Toolkit would not be possible under the by-right zoning in their communities. However, the intent here has been to develop typologies that respect the norms of existing development patterns and showcase, as well as inspire, the kind of development that would be possible with sensible zoning reforms.

## Home Typology Considerations

The Side-by-Side Plus One, with its square footprint and naturally efficient interior layout, was chosen for this site for 4 reasons:

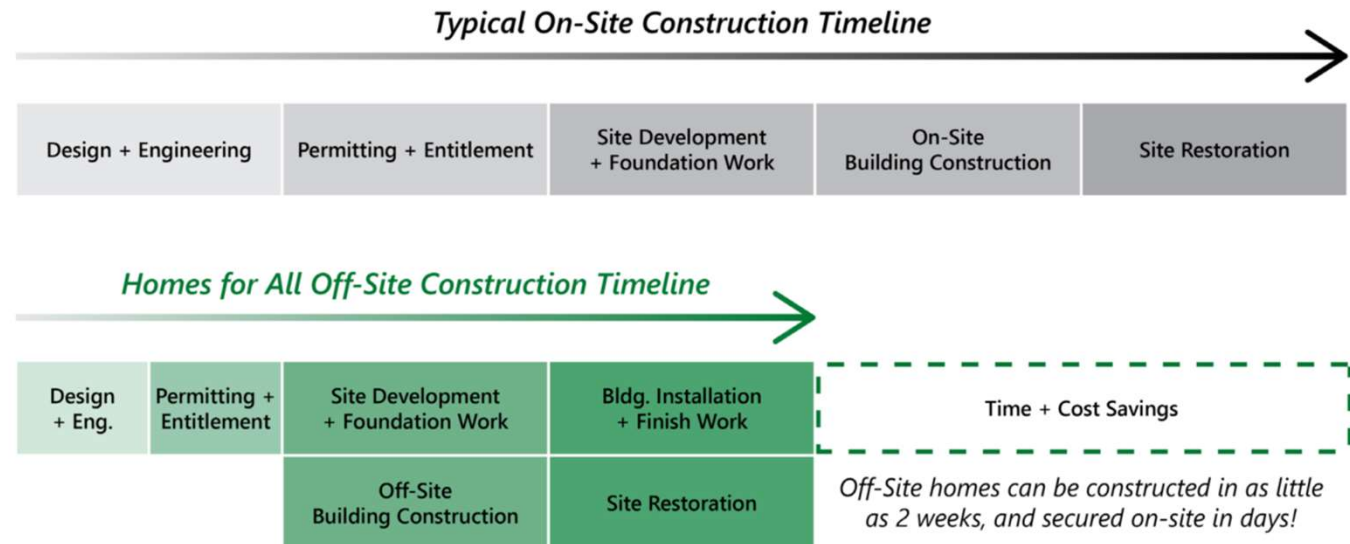
- Its dimensions fit the developable lot area well.
- The unit types and sizes are a good fit for local housing need.
- It works well with a corner lot that can accommodate efficient side parking, preserving more usable open space.
- The pitched roof form aligns with the norms of nearby homes



# UNDERWAY: Off-Site Construction Efforts

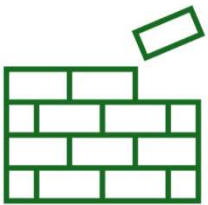
## Steps to foster more off-site construction in Vermont:

- Improve lender familiarity and underwriting comfort through education
- Adopt statewide off-site construction code
- Align state & local permitting and inspection processes with in-factory construction (shift inspection and other processes to the factory)
- Statewide pre-approved designs
- Signature modular demonstration project



\*Diagram adapted from T. Salama, Modular Building Institute, 2016

# Up next: 2026 Legislative Proposals



## Expand by-right housing for infill housing designs to all municipalities statewide

- The **802 Homes** initiative will put 10 construction-ready, context-sensitive plans of **ADUs, Single-family homes, and 3- and 4-unit multifamily buildings** in the hands of small-scale developers to accelerate the timeline from site selection to move-in day.
- This proposal will make certain designs pre-approved statewide – including 802 Homes designs – as of July 1, 2027, providing greater predictability, and reduced time and cost for new housing construction.
- Timeline includes 1-year comment and feedback period following current pilot.



## Incorporate Housing Targets in municipal planning

Act 47 of 2023 (the HOME Act) established statewide and regional housing targets which have been used to establish municipal housing targets statewide. This provision will require that municipal plans:

- demonstrate how the municipality will accommodate their housing targets, *or if they cannot,*
- the municipality must catalogue the constraints to achieving the housing targets.