

House Committee on General and Housing



**Office of the State Treasurer
January 6, 2026**

Housing Shortage in Vermont

Increased Demand on Housing:

- Population Growth
- Household Size Shrinking
- Older Housing Stock - Dilapidation of Homes - Removed from Housing Stock
- Short-Term Rentals - Removed from Housing Stock

Housing Elasticity:

Measures how responsive the quantity of housing supplied (new housing construction) is to changes in housing demand (and therefore prices), with low elasticity meaning prices rise significantly with demand due to slow building, while high elasticity means more supply keeping prices in check.

Housing Elasticity

Region	Elasticity Type	What Happens When Demand Rises	Key Factors
California	Low	Prices surge, limited new construction	Strict zoning, land scarcity, long permitting
Vermont / Northeast	Low-Moderate	Prices increase faster than supply	Land use policy - state and local, labor shortages
Texas	High	Supply expands, prices stay more stable	Flexible zoning, abundant land, faster permitting
Southeast (e.g. Florida, Georgia)	Moderate-High	Prices rise modestly, new housing follows	Pro-growth policies, available land

Vermont Needs More Housing

Two Critical Factors:

- Speed of Construction
 - We need the housing now
 - Costs continue to rise
- Cost of Construction
 - Makes housing investments go further - i.e. more homes built
 - Makes more housing developments “pencil out”

10% in Vermont

Tackling the Cost of Construction

Money collected through
taxes, federal funds etc

Treasurer's Office

Manages cash on hand
through short term
investments

Money appropriated
& spent

10% in Vermont

Tackling the Cost of Construction

In 2023, we enhanced the program in three critical ways

- Increased by \$100 million: recognizing the significant jump in cash on hand
 - Pre-Pandemic: \$250 million
 - Post-Pandemic: \$1.5 billion +
- Prioritized Housing
- Below Market Interest Rates
 - 0 to 5 years: 1.0%
 - 5 to 10 years: 1.5%
 - 11 to 20 years: 2.0%
 - 20+ years: 2.5%

Housing Investments

Project Name	Town	County	Amount Awarded
Armistice House	Vergennes	Addison	\$1,095,000.00
Stonecrop Meadows	Middlebury	Addison	\$5,000,000.00
Stonecrop Apts	Middlebury	Addison	\$1,350,000.00
Benn High (VHFA)	Bennington	Bennington	\$4,170,649.00
Willows MHP	Bennington	Bennington	\$285,000.00
Cambrian Building H	Burlington	Chittenden	\$1,360,000.00
Winooski Falls East	Winooski	Chittenden	\$8,000,000.00
Milton Cooperative	Milton	Chittenden	\$3,198,636.00
Reid Commons	St. Albans	Franklin	\$300,000.00
Fonda Property	St. Albans	Franklin	\$8,000,000.00
61 N Pleasant St.	Bradford	Orange	\$325,000.00
Chapman's Place	Fairlee	Orange	\$464,000.00
Salisbury Square	Randolph	Orange	\$364,247.00
Newport Crossing	Newport	Orleans	\$2,425,000.00
133 Forest Street	Rutland	Rutland	\$1,300,000.00

Project Name	Town	County	Amount Awarded
East Creek Commons	Castleton	Rutland	\$246,915.00
Mahoney Grove	Rutland	Rutland	\$300,000.00
Mahoney Grove	Rutland	Rutland	\$550,000.00
Marble Village	West Rutland	Rutland	\$750,000.00
Fox Run	Berlin	Washington	\$1,200,000.00
Marsh House	Waterbury	Washington	\$768,292.00
Alice Holway Drive	Putney	Windham	\$700,000.00
Delta Campus	Brattleboro	Windham	\$900,000.00
Tri-Park Cooperative	Brattleboro	Windham	\$3,016,364.00
Renew Windsor Co	Springfield	Windsor	\$2,025,000.00
Vergennes Grand	Vergennes	Addison	\$5,000,000.00
560 Railroad St.	St. Johnsbury	Caledonia	\$500,000.00
Rutland / Heritage	Rutland	Rutland	\$8,000,000.00
Benn High (VEDA)	Bennington	Bennington	\$5,400,000.00
Northern Stage	WRJ	Windsor	\$500,000.00

Impact and Future Investments

- **2023 to 2025 Investments**
 - \$100 million in housing related investments
 - 1,300 units of housing supported & over 100 permanent new jobs
- **2026 Investments**
 - \$30 million in housing related investments
 - 452 units of housing supported & over 40 permanent new jobs

Vergennes Grand



\$5 Million investment through Vermont Economic Development Authority into Vergennes Grand (65 units)

- 65 new units
 - Medicaid eligible
- 40 new jobs
- Downtown Vergennes
- Opens up housing in Addison County

Roofs Over Rutland



\$8 Million partnership with City of Rutland, Heritage Family Credit Union and Treasurer's Office (100 units)

- Carries out local housing vision
- Makes infill investments easier
- Assists with building conversions to housing
- Supports smaller housing development