

**LET'S**  
**BUILD HOMES**

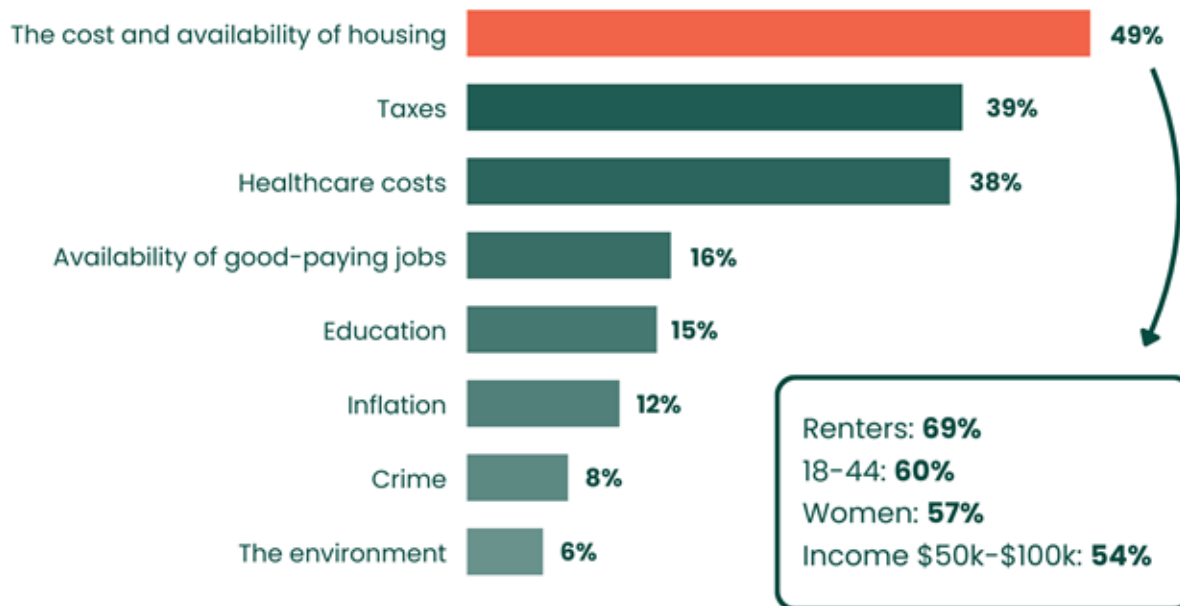
**House General and Housing Committee**  
**May 12, 2026**

# **Vermont has a housing shortage and we must build more homes.**

*Young people are leaving the state, families are delaying having children, workers can't afford to stay, and since the pandemic we have consistently had one of the highest rates of homelessness in the country.*

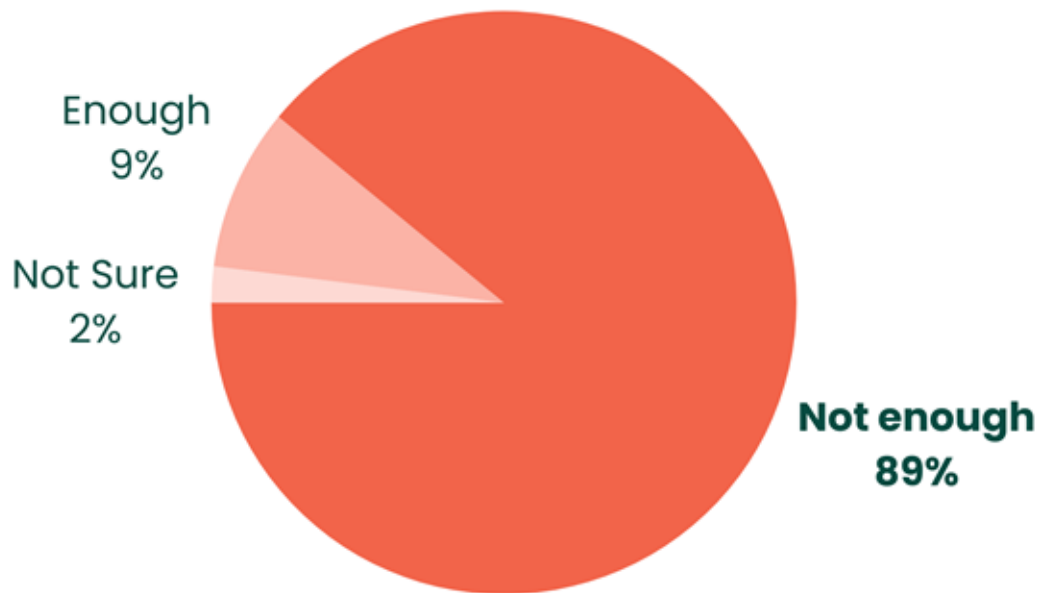
# Housing is the #1 issue in Vermont.

49% of voters named housing as a top concern, beating out taxes, healthcare, jobs, and every other issue tested.



*"Most important issues or challenges facing Vermont" (1 to 2 chosen)*

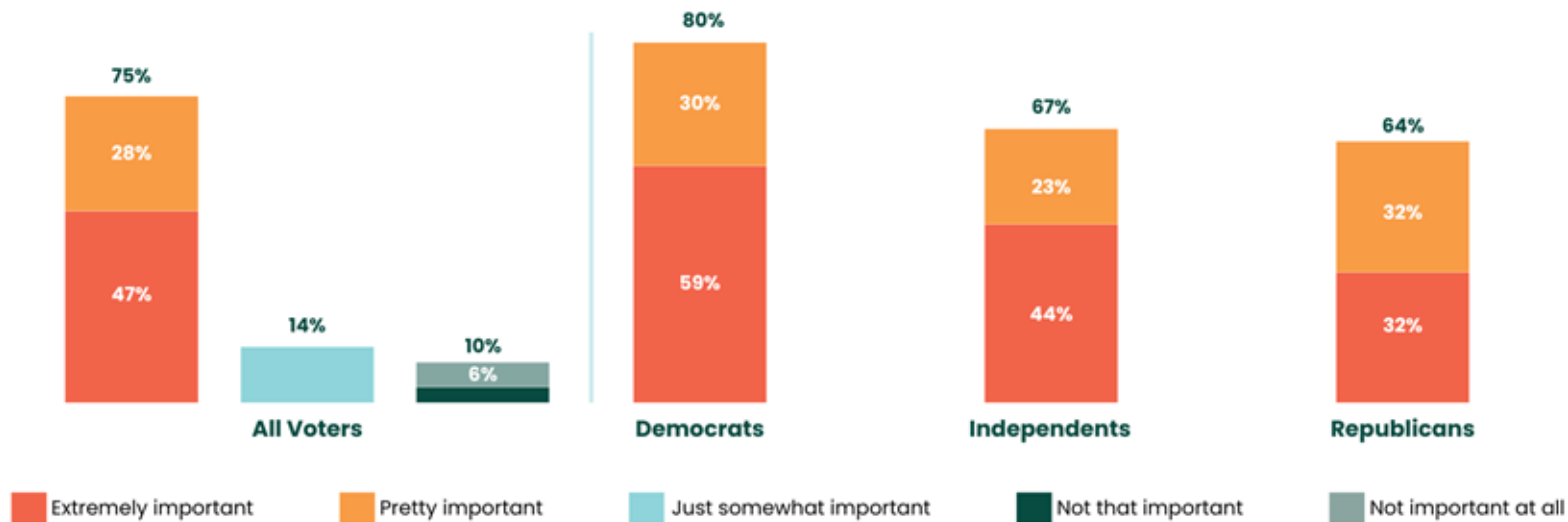
**There is no debate among Vermonters: there is not enough housing that people can afford.**



*"Generally speaking, do you think Vermont has enough homes that are affordable for average people to buy or rent, or not enough?"*

# Three in four Vermonters say it's important for the legislature to take action on housing

*How important do you think it is that the state legislature takes action to deal with the housing situation in the state?*



## **Consensus among Vermont Housing Experts is that we need 30,000 homes by 2030**

*This is roughly doubling our current rate of housing production*

- **Vermont Housing Finance Agency (VHFA)** — the 2025 Vermont Housing Needs Assessment calls for up to 36,000 units by 2029 to meet projected household formation and replace aging stock
- **Affordable housing developers across the state** — including Champlain Housing Trust, Windham and Windsor Housing Trust, and Addison Housing Works, have consistently cited the shortage as the central barrier to their work
- **Vermont Department of Housing and Community Development (DHCD)** — state housing policy is organized around the same production gap figure
- **Employers and regional planning commissions** — from the Northwest Regional Planning Commission to the Windham Regional Commission, the shortage of workforce housing is cited as the primary economic constraint in every region of the state

**“This study should not drive policy.** We have high quality evidence from other economics research that shows that housing prices very much *\*are\** about supply.

“While it may be ideologically tempting for some people to want to blame investors or rich people, **if we want housing to be affordable in this state, if we want working class and middle class families to be able to afford to stay here, we’re going to need to build a lot more homes.”**

**Housing Costs Are About Supply**

*A Response to a Recent Housing Study in Burlington Vermont*

**Gary Winslett**, Johnson Fellow in Modern Political Thought; Associate Professor, Political Science, Middlebury College

## Winslett Response: Limitations of UVM Paper

*Despite title, paper acknowledges that significant increased supply will drive down costs: "**Were 300 homes to be built, it would likely exert downward pressure on housing prices.**"*

- **Excludes the entire rental market** — Burlington's rental vacancy rate hovers near 0.4%, roughly one-tenth of a healthy market. The study has nothing to say about the crisis most working Vermonters actually face.
- **Limited to Burlington city limits only** — excludes South Burlington, Winooski, Williston, Essex, Shelburne, and Colchester, where much of the housing development debate actually plays out
- **Excludes the bottom 20% of home sales** — removing the most affordable segment of the market from a study claiming to be about affordability
- **Rests on 12 investor purchases in 2023** — in a city of 44,000 people. The study's central argument about investor-driven prices rests on this number

- **The authors ran 60 regression specifications and selected three as their preferred models** — but offer no adequate justification for why those three were chosen over the other 57
- **The authors' own models find that higher interest rates are associated with higher prices** — a result they acknowledge is "surprising." When a key variable contradicts basic economic theory, it raises serious questions about whether the model captures causation or spurious correlation.
- **The study's own data contradicts its headline claim** — Model 29 finds each home built is associated with a \$2,695 decrease in expected house price
- **The proposed policy fix is orders of magnitude too small** — eliminating every investor purchase would free up 2-12 homes/year against a city that needs to be producing 250 homes/year to meet its housing goals

# Investors Are a Symptom, Not the Cause

- Paper doesn't determine whether investor activity is correlational or causal
- **Investor activity is a symptom, not a cause. When housing is scarce, prices rise and rising prices attract investors seeking returns.**
- In competitive, supply-constrained markets, cash offers win. In tight markets, large down payments are simply the price of competing.
- Minneapolis shows what happens when you actually build. After legalizing duplexes and triplexes city-wide and removing parking minimums, investor demand fell and prices decreased relative to national trends — exactly what supply theory predicts.

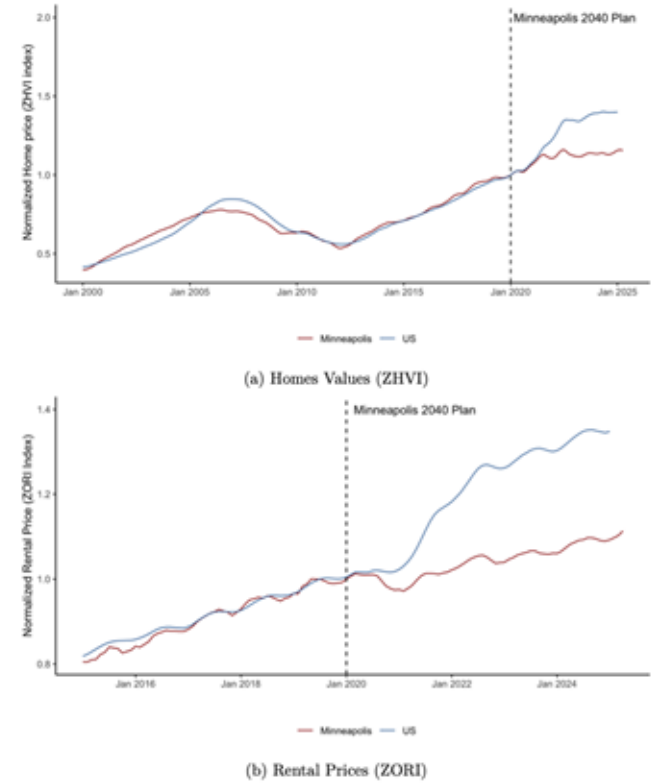


Figure 1: Zillow data for home and rental prices, Minneapolis vs. U.S., normalized to January 2020 values.

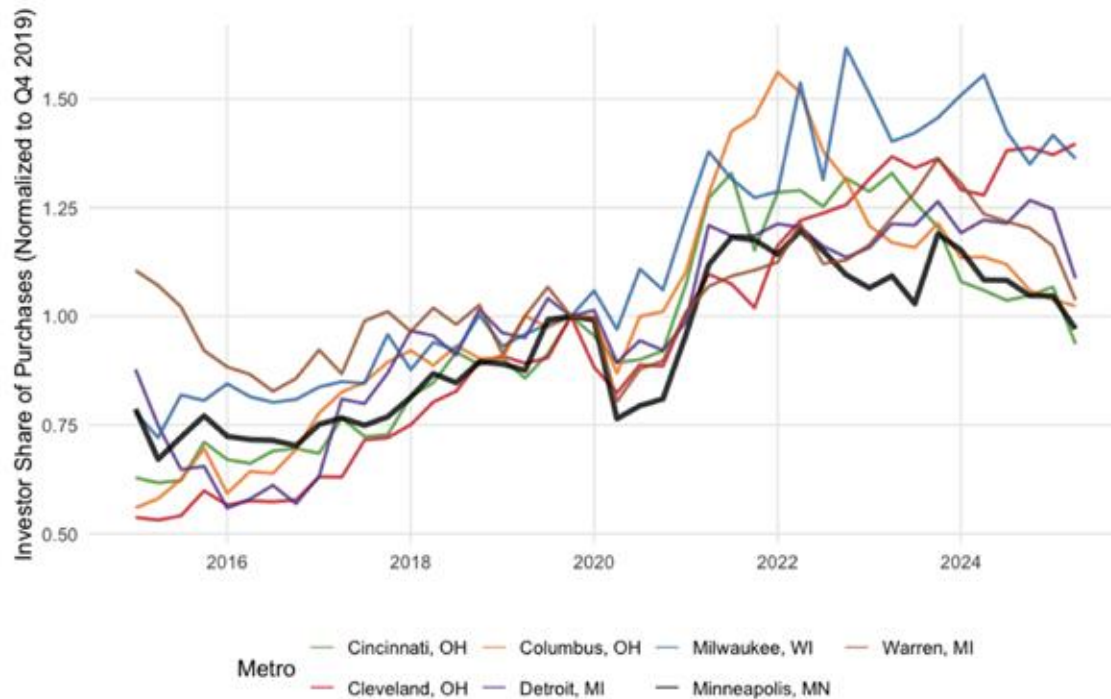


Figure 11: Normalized investor share of home purchases, small and medium-sized Midwestern cities, 2015-2025. Minneapolis bolded.

Year	2 Family	Apartments	Com/Resident	Res Condo	Single Fam
2010					1,160,689
2011		21,474,900			937,900
2012	669,800	1,905,300	17,449,920		620,525
2013	546,283	5,679,665			1,450,000
2014		2,309,547	583,880	305,671	537,267
2015		3,877,750		492,500	596,630
2016	608,900	4,038,700	800,442		593,650
2017	781,550				921,067
2018		12,677,593	Bayberry	277,475	1,059,240
2019		7,170,950		363,625	603,950
2020		6,327,213	Cambrian		1,316,163
2021					1,279,500
2022		11,683,200	Nest	242,600	441,760
2023		8,002,100		632,550	980,788
2024	493,900	1,204,700	47,102,980	CityPlace	447,100
2025					978,633

## Slide from Dr. Ament's testimony last week



# **Burlington's Neighborhood Code policy is working to build small scale infill housing.**



**Home of LBH  
Deputy Director  
Jordan Redell**



**Duplex built by  
Essex-area small  
scale developer  
entrepreneurs**

# Supply Skeptics' Arguments Are "Inconsistent with the Evidence" — and Likely to Cause "Significant Harms" (NYU Furman Center paper)

- [Housing Supply and Housing Affordability, National Bureau of Economic Research](#) (Baum-Snow & Duranton, April 2025) — Two leading economists conducted a comprehensive review of the housing supply literature for a major economics handbook and reached a clear verdict: housing affordability has been declining because supply constraints are increasingly binding, and increasingly strict local zoning and land use regulations are the primary reason why. Where communities make it easier to build, prices moderate, and where they don't, the shortage deepens.
- [Supply Skepticism: Housing Supply and Affordability](#), NYU Furman Center (Been, Ellen, O'Regan, 2018) — Researchers at NYU reviewed dozens of housing studies and reached a clear conclusion: restricting housing supply raises prices, and building more housing makes it more affordable. Market-rate construction alone won't solve the problem, but it's a necessary part of the solution.
- [Thinking about the growing housing affordability problem](#), Wharton/Brookings (Gyourko, March 2026) — A Wharton School economist working with the Brookings Institution examined housing markets across the country and found one consistent culprit: we aren't building enough homes. Local zoning and permitting restrictions have made it nearly impossible for builders to keep up with demand, even when prices are skyrocketing.

## What Supply Skeptics Say

Vermont may not have a shortage – out-migration suggests a surplus

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Rapidly building more homes could make Vermont “ugly”

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Vermont is built-out, and there is no land left to build on

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New housing just attracts wealthier people and prices stay high

## What the Research Shows

Demand for Vermont homes is at record levels. Out-migration is partly caused by the housing shortage. People leave because they cannot afford to stay.

67% of Vermonters disagree (according to the Let’s Build Homes statewide poll). When asked to choose between that vision and one that says we can build homes, protect the environment, and create a more affordable and vibrant state, Vermonters chose the latter by more than two-to-one.

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Land is fixed, but it can be used more intensively. Allowing duplexes, triplexes, and apartments on land already zoned residential dramatically increases housing capacity. Currently, Approximately 2% of the State is designated as housing growth areas (Tier 1).

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Building more homes does attract some new households, which puts kids in schools and addresses our workforce challenges, and is the difference between a Vermont that grows and one that slowly empties out.

# Supply Works: Austin, TX

From 2015–2024, Austin added 120,000 homes, growing its housing stock 30%, more than 3x the U.S. rate.

Median rents fell 4% while U.S. rents rose 10%. Rents in older, lower-cost buildings dropped 11%, directly benefiting lower-income renters.

This happened even as the city's population grew.

Pew Q | ☰

## Austin's Surge of New Housing Construction Drove Down Rents

Amid robust demand and a wave of policy reforms, Texas capital added 120,000 new homes from 2015 to 2024

Authors: [Liz Clifford](#), [Seva Rodnyansky](#), and [Dennis Su](#)

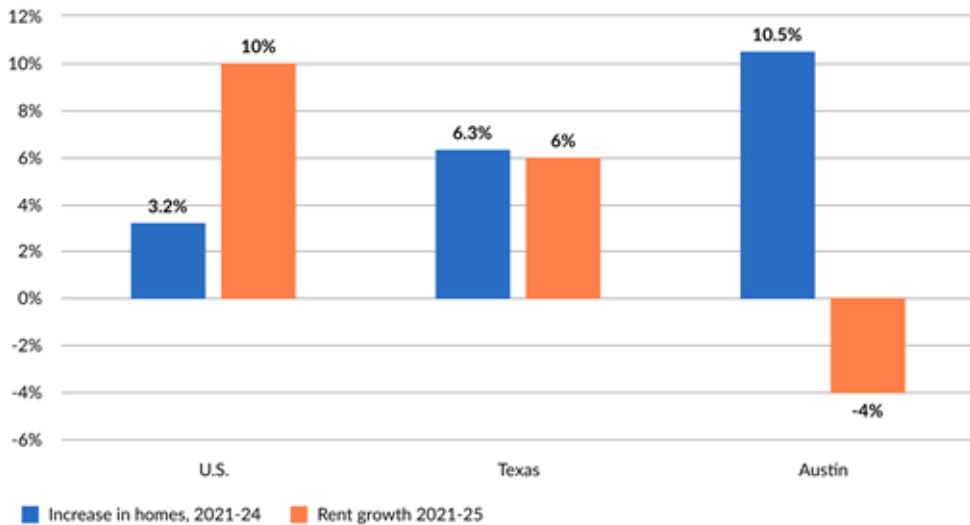
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Article | March 18, 2026 | 10 min



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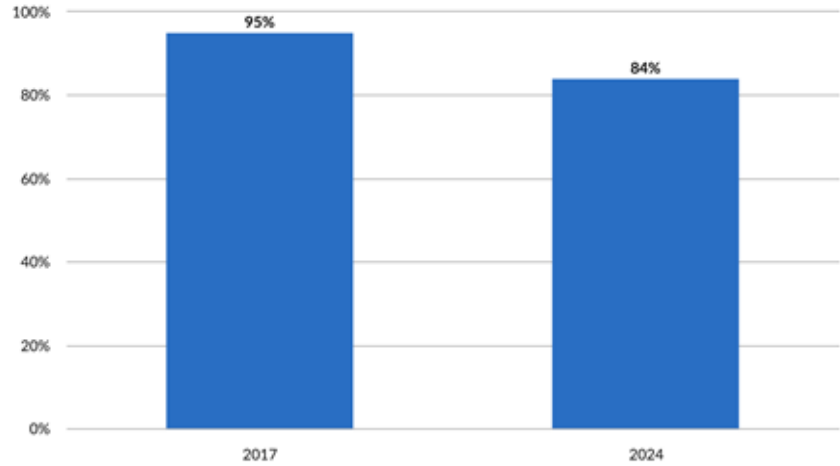
Figure 1  
**Housing Affordability in Austin Has Improved as More Homes Have Been Built**  
 Home production in Austin outpaced that in Texas and the U.S.; rents fell



Sources: Pew's analysis of the U.S. Census Bureau's American Community Survey one-year estimates, 2021 and 2024, and annual averages of Apartment List rent estimates data from 2021 and 2025, downloaded Feb. 26, 2026

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Figure 2  
**With More Housing Supply, Austin's Median Rent Became Affordable to Those Earning Lower Incomes**  
 Share of Austin's median income needed to afford Austin's median rent, 2017 and 2024



Notes: The above figures assume affordability based on a household spending 30% of its income on rent. Rental unit affordability is calculated as follows: Numerator is monthly rent for a one-bedroom unit (from Apartment List) x 12 months / 0.3 (the 30% of income going toward rent); denominator is Austin city area median income for a one-person household.

Sources: Rent data from Apartment List downloaded Dec. 23, 2025; AMI for a one-person household from U.S. Census Bureau's American Community Survey 2024 one-year estimates

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# When supply runs short, wealth decides who gets a home



The housing market is like a game of musical chairs, except instead of being fast, you have to be rich.

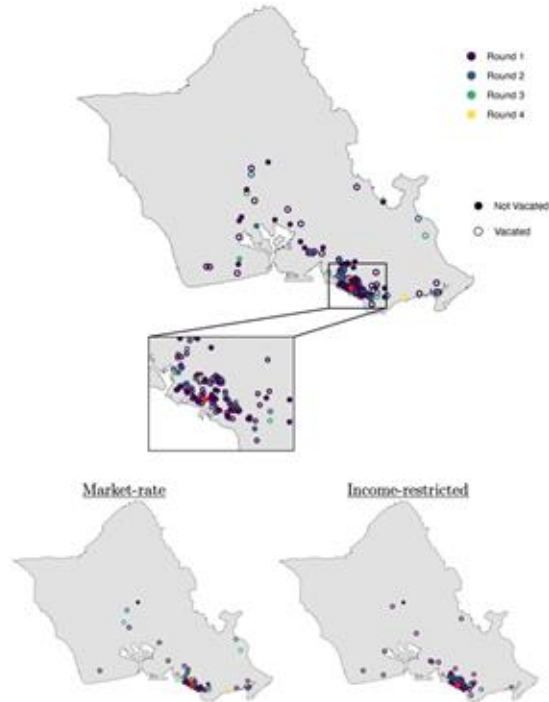
When there aren't enough homes, everyone scrambles for what's available, prices rise, and the families with the least money get left out entirely.

But when a new home gets added, even a fancy one, a chain reaction follows: the wealthy family moves up, the middle-class family spreads out, and the family with the least money finally finds a place to land.

The same logic works city-wide: build enough homes of all shapes and sizes, and more people get to stay and thrive in the communities they love.

# Filtering is Real and Documented: Honolulu, HI

Figure 8: Location of Moving Households



Notes: All properties identified as part of a moving chain, on O'ahu, are shown. The location of The Central is indicated by a red square.

## The Downmarket Impact of New Multifamily Housing: Evidence from a Honolulu Condo Tower

Fang, Kim & Tyndall – March 2026 (UBC, Harvard GSD, U. Hawai'i)

- Researchers tracked every household that moved into a new 512-unit mixed-income condo tower in Honolulu and followed the chain of moves that resulted
- One new building freed up more than 500 older, more affordable homes across the city
- The homes people left behind were approximately 40% cheaper than the new units
- Both market-rate and income-restricted units drove vacancies, but in different ways: market-rate units generated more total vacancies; income-restricted units reached further down the price ladder
- Adding housing at any price point creates vacancies and improves affordability throughout the market