



**To:** Senate Appropriations Committee

**From:** Let's Build Homes Steering Committee

**Date:** April 11, 2025

**Re:** H.493 FY 2026 Budget Bill

Let's Build Homes (LBH) is dedicated to creating a future where every household in Vermont, regardless of background or income, can access affordable, safe and abundant housing. Rooted in a deep respect for the state's unique character and cherished landscape, LBH is committed to transforming public policies and inspiring community action to make Vermont more affordable, vibrant and inclusive.

Though still in its early stages, the LBH coalition already includes over 700 Vermonters and more than 200 organizations. Together we are driving impactful change through regulatory, mapping and infrastructure reforms aimed at dramatically increasing Vermont's housing supply.

While there are many priorities facing the state, **investments in housing** will make Vermont more affordable and vibrant. By addressing the housing crisis Vermont can strengthen the state's

health care, education, economic development, child care, and transportation sectors.

The need for additional housing was clear in VHFA's recent **Housing Needs Assessment**, which called for 24,000 to 36,000 homes in the next five years. This is why our grass-roots campaign is focused on five targeted areas to increase the overall supply of homes. That said, the need for housing does not affect all Vermonters equally. **The report notes:**

- *Rising rents and home prices have hit low- and middle-income Vermonters hardest. A quarter of renters are severely cost burdened and fewer renters can afford to buy a median-priced home, further stressing the supply of rental homes.*
- *In 2021, 32% of renters had the income needed to buy a median-priced home but this plummeted to 6% in 2023.*

It is a core principle of the LBH coalition that Vermont continues to invest public resources to create permanently affordable housing for people with economic barriers preventing them from securing housing, or for those who are unhoused or disabled. LBH supports the thoughtful work of **the House General and Housing Affairs committee's recommendations** to the Appropriations Committee on the FY2026 proposed budget. Similarly, **the House Commerce and Economic Development committee's recommendations** to the Appropriations Committee on the FY2026 budget included

strong support for many of the same affordable housing programs because of the key linkage between housing and economic development.

**We strongly support sustained funding for affordable housing. The House-passed FY 2026 budget is a good start and includes full statutory funding for the Vermont Housing and Conservation Board (VHCB), appropriations for Vermont Housing Finance Agency's middle-income programs and resources to complete a housing pilot for those with developmental disabilities. However, we ask that more one-time dollars be allocated for VHCB to create vital deeply affordable housing options for Vermonters.**

Ensuring there is additional funding to create housing for the lowest-income Vermonters through the VHCB will help those living in deeply subsidized apartments. Additionally, the middle-income programs noted need state support to re-open. This would allow employers – like the ones in our coalition – to make direct housing investments that could be matched with state resources. Lastly, the unmet housing needs of the Developmentally Disabled community are well documented and continued support for the pilots that have begun this community-based housing work are important to continue.

To address the housing shortage in Vermont, LBH believes strongly in a multi-pronged strategy that looks at new investments in infrastructure, innovative housing models, maximizing density and

housing opportunities, reforming the appeals process, and investing public resources to create permanently affordable housing. **The House Committee on General and Housing's 2026 budget recommendations are critical to that investment.**