



# Department of Housing and Community Development 2026 Housing Targets Report

*Per Act 181, Section 93, this report is an update on progress towards developing tools to measure and track new housing units being built statewide.*

**Submitted To:**

House Committee on General and Housing, House Committee on Environment, Senate Committee on Economic Development, Housing & General Affairs, and Senate Committee on Natural Resources & Energy

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# Acknowledgements

The Vermont Department of Housing and Community Development (DHCD), within the Agency of Commerce and Community Development (ACCD), wants to recognize the partnership and collaboration that is underway to develop housing production targets at the state, regional, and municipal levels. As housing targets are established, there is no definitive tool or data set that exists to track housing development and progress towards those targets. DHCD recognizes and is grateful for the collaboration of our partners in their work alongside DHCD to establish such a tool:

- The Vermont Center for Geographic Information
- The Vermont Department of Taxes
- Vermont Association of Planning and Development Agencies
- Vermont Enhanced E-911 Board
- The Vermont Housing Finance Agency

# Introduction and Background

In Act 47 of 2023 (HOME Act), the legislature tasked DHCD and Vermont Association of Planning and Development Agencies (VAPDA) with establishing statewide and regional housing targets or target ranges as an appendix to the Statewide Housing Needs Assessment.

DHCD and VAPDA contracted with the Vermont Housing Finance Agency (VHFA) to support that analysis and target development. The statewide targets were then disaggregated to the regional level as part of the work. The regional areas are based on [Vermont's eleven Regional Planning Commission \(RPC\) boundaries](#).

[Appendix 1 - Statewide and Regional Housing Targets](#) to the Statewide Housing Needs Assessment was published in February of 2025. The appendix produced targets for both 2030 and 2050, creating an upper and lower range for target numbers. [Please refer to the appendix](#) for more information on methodology used to develop the statewide and regional targets.

Beyond the regional breakdown, Act 47 also tasked RPCs with disaggregating the regional targets to the municipal level. RPCs are developing those municipal level targets as part of the regional plan adoption and approval process being overseen by the Land Use Review Board (LURB). That LURB process will continue through calendar year 2026. To date, 7 of the 11 RPCs have submitted draft regional plans that include

municipal level targets. No plans have received formal approval by the LURB as of the submission of this report.

## Progress Towards Tracking Housing Targets

As part of Act 181 of 2024, the legislature tasked DHCD with developing metrics to measure progress towards the established statewide and regional housing targets. No tool for tracking and measuring all housing development in the state existed. Traditionally, the state has utilized building permit data collected by the US Census Bureau to measure the number of units permitted, but that data does not necessarily capture the number of units that are ultimately built. Additionally, the US Census Bureau building permit data is released once per year and reports on prior year activity creating a reporting lag.

DHCD partnered with the Vermont Center for Geographic Information (VCGI) to create a new data dashboard. The [Housing Development Dashboard](#) utilizes data from a variety of sources to determine when, where, and how many new housing units are being built across the state.

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### Current Data Sources:

- Enhanced 911 Address Points
- [VHFA Directory of Affordable Rental Housing](#)
- [VHFA Pipeline Report](#)
- [Vermont Housing Improvement Program](#)
- Chittenden County Regional Planning Commission
- Direct Municipal Reporting
- Verified Public Feedback Submissions

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### Potential Future Data Sources:

- Computer-Assisted Mass Appraisal (CAMA) systems for municipal-level data
- UVM Spatial Analysis Lab: VT Construction and Land Mapping (VCALM) project using monthly satellite imagery and to flag potential new housing construction

As all these sources are being vetted and considered, the E911 data is relied on most heavily at this time. The data refreshes weekly and is most easily imported into the dashboard's backend. Other sources require a more manual process and are not refreshed at the same cadence. This new tool is now tracking where housing units are being generated in Vermont, as close to real time as the State has ever been able to achieve before.

The Statewide and Regional Housing Targets have also been incorporated into the dashboard, and it is beginning to show progress the state, regions, or municipalities are making toward the 2030 targets.

## Vermont Housing Data Advisory Group

As the Housing Development Dashboard was being built, DHCD/VCGI/VHFA engaged a larger group of organizations that all had an interest in tracking and improving housing data. The group was established in January 2025 and meets every other month.

Members include:

- Department of Housing and Community Development
- The Vermont Center for Geographic Information
- The Vermont Department of Taxes
- Vermont Association of Planning and Development Agencies
- Vermont Enhanced 911 Board
- The Vermont Housing Finance Agency

The mission of the group is to enhance the accessibility, accuracy, and transparency of housing data to inform policy decisions, empower communities, and measure progress towards housing goals. To achieve this, the group focuses on establishing standardized collection methods and guidance to ensure data reliability, while coordinating across federal, state, and local governments.

As an example, the largest lift thus far has been undertaken by the Vermont Enhanced 911 Board. When construction of any housing project, from a single-family home to a multi-family apartment building, gets underway, those projects must register for inclusion in the emergency 911 system. As a result of engaging with the Housing Data Advisory Group, the Enhanced 911 Board added fields to their intake form to provide more context on the type of housing being built, the number of units at an address, and when each unit is built. The Board implemented these new fields recently and that additional data will be brought into the Housing Development Dashboard to improve data accuracy.

## 2025 Housing Data Report Out

*Disclaimer: As stated above, VCGI, DHCD, and other data partners are continuing to assess, refine, and ensure accuracy of the data. This process of refinement will take time, and the numbers below should not be considered official or final.*

The Housing Development Dashboard reports on three different types of housing units:

- Single Family Dwelling
- Multi-Family Dwelling
- Other residential

“Other Residential” refers to a variety of housing types, including accessory dwelling units (ADUs), mixed-use structures, non-traditional structures, seasonal homes, or institutional group quarters such as college dorms and nursing homes.

It should be noted that when the Statewide and Regional Housing Targets were developed, a margin was established within the numbers to address that 15% of Vermont’s housing stock would remain seasonal and second homes.

In 2025, the Housing Development Dashboard shows a dip in housing production compared to previous years. Between fiscal year 2021 and fiscal year 2026, over \$700 million of state and federal funds were invested in housing unit creation across the state. This influx of public money may help explain the 2024 increase in units created, particularly in multi-family units.

When looked at side by side, unit counts in the dashboard generally mirror US Census building permit counts, typically within 300 to 400 units. This is an encouraging sign as data accuracy of the dashboard continues to be honed.

Year	New Housing Units via Dashboard	Building Permits via US Census Bureau
2022	2,092	2,403
2023	2,171	2,456
2024	3,057	2,654
2025	1,598	2,294

## Future Updates

The Housing Data Advisory Group and VCGI will continue to refine data over the next year to improve the reliability of the dashboard moving forward. In tandem, the LURB will continue reviewing and approving future land use maps that will establish the tiered Act 250 jurisdiction in centers and neighborhoods around the state. As those maps are finalized, a deeper analysis can be performed on the specific areas where housing is being built, if a majority of it is happening in Tier 1 areas, and what further policy changes will drive more housing production across the state.

## DHCD Overall Assessment

Act 181 of 2024 asked DHCD to deliver “an overall assessment whether, in the Department’s discretion, annual progress toward the statewide and regional housing targets is satisfactory” and “if the Department determines pursuant to subdivision (3) of this subsection that annual progress toward the statewide and regional housing targets is not satisfactory, recommendations for accelerating progress.”

The focus of the last year has been on the development of the dashboard and ensuring quality data is behind it. DHCD again thanks VCGI and many other partners mentioned in this report for their work on this project.

While data is still being refined, it is clear that the State remains behind the construction pace needed to reach the 2030 targets. As the dashboard shows, in order to reach between 27,900 (low target) and 41,200 (upper target) new housing units, the average annual pace of construction needs to be between 5,600 and 8,200 units. Currently, the State is averaging 2,300 units a year.

## DHCD Suggestions to Increase Housing Production

As directed by statute, DHCD suggests a variety of actions to improve the environment for homebuilding. This is not an exhaustive list, but rather a sampling of key initiatives recommended to the legislature for further examination.

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### State Permitting and Land Use Regulations

DHCD recommends continued regulatory relief to encourage home construction, particularly in areas served by water and wastewater and identified for growth in the Future Land Use Maps of Regional Plans. Specifically, these recommendations include:

- lower barriers for communities to obtain Tier 1A and 1B status through the Future Land Use Mapping and Regional Planning process,
- examine broader applicability of 'single-stair' in fire safety regulations,
- modify Wetlands permitting to enable greater density in designated areas and Tier 1A and 1B areas by reducing Class II Wetlands buffers from 50 ft to 25 ft and by limiting Class II Wetlands in those areas to features identified on the most current VSWI maps.

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## Local Zoning, Permitting, and Land Use

DHCD recommends continued action to shift local zoning to be more permissive of housing development and greater density in areas served by water and wastewater and identified for growth in the Future Land Use Maps of Regional Plans.

- Enact 'by-right housing development' provisions in statute to relieve certain homebuilding activities from local discretionary review.
- Incentivize municipalities to increase allowable density in local zoning, including (but not limited to) raising allowable building height, increasing allowable lot coverage, and implementing density bonuses for certain housing types.

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## Construction Incentives

DHCD recommends enacting a Tax Stabilization incentive to allow future increased property value to fund the new construction or improvement of housing.