



Contact: Frank Knaack
Executive Director
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April 8, 2025

Dear Chair Perchlik and members of the Senate Committee on Appropriations,

As your Committee considers funding priorities for FY26, we urge you to maximize investments in affordable housing. Vermont's housing and homelessness crisis is the result of multiple factors, the core of which is the severe shortage of homes affordable to people with the lowest incomes¹ and a widening gap between incomes and housing costs. To address this crisis, we ask the Committee **to support \$25 million in funding for the Vermont Housing and Conservation Board (VHCB)**. This allocation would be in addition to funding VHCB's full statutory share of the Property Transfer Tax.

While we acknowledge this request may appear bold given these difficult financial times, we need bold solutions when the problem is so big. Just in FY 26 alone, VHCB anticipates they will receive funding requests between \$60-70 million, far more than the amount allocated in the House passed FY26 budget.

Because Vermont's housing and homelessness crisis is the result of multiple factors, the core of which is the severe shortage of homes affordable to people with the lowest incomes, we can't afford to wait to support the building of additional affordable housing. Additional state investment in affordable housing will help Vermont solve its housing and homelessness crisis, with the added benefit of allowing our state to reduce our need for and costs related to our homelessness response system, which is currently in very high demand.

In addition to lowering the costs of our homelessness response system, these investments will better enable our state to maximize federal voucher dollars and allow Vermont to leverage additional federal credits, which over the past five years have allowed our state to invest in approximately 1,000 homes that would not have otherwise been built.

Finally, in addition to supporting VHCB's funding requests, we ask that the Committee continue to support the General Assistance Emergency Housing program (GA Program). Vermont has one of the highest rates of unhoused people in the country. When compared with states across the United States, last year Vermont had the 4th highest rate of unhoused people per capita in the country. Without the GA Program there would be no safe place for these vulnerable Vermonters to go.

The strategy we have set out on is working and we urge your Committee to continue the sustained long-term investments needed to fully solve this crisis. At the same time, we urge you to continue to support the necessary emergency shelter and supports while we get there. Together, these investments will protect vulnerable unhoused Vermonters in the near term while also moving Vermont toward a future where all Vermonters have safe and secure housing.

Sincerely,

A handwritten signature in black ink, appearing to read "Frank Knaack", is positioned above the printed name.

Frank Knaack
Executive Director

¹ National Low Income Housing Coalition, No State Has an Adequate Supply of Affordable Rental Housing for the Lowest-Income Renters, available at <https://nlihc.org/gap>.