



Testimony to Vermont Joint Fiscal Committee

November 13, 2025

Sarah Phillips, Board Chair for the Housing & Homelessness Alliance of Vermont

We are a statewide organization representing over 60 organizations and individuals that envision a Vermont where everyone has a safe, stable place to call home and homelessness is solved.

Our membership is diverse - they operate homeless shelters, provide mental health care, administer eviction prevention programs, build housing, advocate for farmworker housing needs, operate recovery housing, provide financing to nonprofits and developers, run food pantries, coordinate town housing committees and more.

The Housing and Homelessness Alliance of Vermont also administers the Balance of State Continue of Care funding and supports 12 local housing coalitions who plan and coordinate Vermont's homeless crisis response system in their communities. Despite our diversity, we are aligned in our advocacy for policy solutions. And with just three staff members we work to support collaboration and strengthen capacity to build a Vermont where the fundamental right to housing is enjoyed by all.

I'm joined by Michael Redmond, the soon retiring Executive Director of the Upper Valley Haven, a nonprofit providing shelter, housing, food and community services in the Upper Valley – and soon to be the interim Executive Director at the Alliance.

We are at an inflection point, not unlike the 1980s, when there were drastic federal housing cutbacks and federal withdrawal from responsibility for housing people with low incomes. At that time, Vermont created the Vermont Housing & Conservation Board and helped to pioneer the creation of permanent affordable housing in Vermont.

What will we do now?

The current housing production needs are significant – at HHAV we focus on housing equity, so I want to point out the needs with this in mind. We need **15,000 housing units affordable for low-income Vermonters by 2030.**

The National Low Income Housing Counsel estimates a current shortage of nearly **11,000 rental homes affordable and available to those with extremely low incomes.**

In addition, in September there were nearly **4,000 people experiencing homelessness (in 2,487 households).** About **800 households were homeless and in motels through the**

General Assistance Emergency Housing program as of the end of October – a quarter of these were families with children. And of those experiencing homelessness, we have seen a **more than 60% increase in unsheltered homelessness in the past year**. Our homeless shelter and service providers report (and have data to back it up) that the health acuity (or severity of needs) of those they are serving is increasing and more complex than ever – mental health, substance use disorder and physical health needs have all increased. The effect is a greater intensity of need, and one that cannot be met by the our emergency shelters entirely – it is increasing strain on an already strained system.

There is light in the darkness. The challenges of the times call for changes and more government effectiveness. We agree. But we also know what has and is working – at the Housing and Homelessness Alliance of Vermont, our members see the enormous positive impact of the historic investments that you all have made in recent years. Thank you. It has not been wasted. It has been accounted for, and we have made historic progress.

The Vermont Housing & Conservation Board reports that since 2020, more than 5,277 households have been directly impacted by VHCB investments of approximately \$409m in funding. Funding that has leveraged an additional \$742m. This includes:

- 179 newly constructed single family homes;
- 2,427 permanently affordable rental units
- 305 new and improved housing units for farmworkers
- 10 new shelters created and 14 others expanded – adding 318 new shelter beds
- 4 recovery residences
- And more

As well, deeper partnerships between our homeless crisis response network and our affordable housing partners has meant that **37% of units leased are helping people exit homelessness**. Our capital investments in deeply affordable housing create long-term community assets and help to solve our current homelessness crisis. This is how we ensure housing is a fundamental human right enjoyed by all.

With legislative support, Vermont has expanded permanent supportive housing with Medicaid funding – through programs administered by the Office of Economic Opportunity, including Family Supportive Housing. And braided those support services together with rental assistance like the HOME voucher program.

At the Federal level, funding has historically played three key roles:

- 1) Rent – Vouchers and rental assistance to make housing more deeply affordable in new housing development and to help households exit homelessness

- 2) Capital – Vermont has used one-time and ongoing federal programs wisely to invest in affordable housing development: HOME, National Housing Trust Fund, CDBG, Congressional Directed, ARPA, LIHTC, etc.
- 3) Services – Help for households to get and keep housing, including through Medicaid and Medicare.

The federal government has provided an important policy framework and funding source with nearly two decades of consensus on solutions – particularly in how we coordinate to solve homelessness. Federal investments and leadership are changing – let's be clear on the impacts.

- 1) The possibility of lost federal housing vouchers will lead to a loss of housing for those who rely on federal housing assistance to bridge the gap between their income and their rent. The cost of keeping people housed (\$11,000/year of rental assistance on average) is far outweighed by the immediate and long-term financial and social impact of inevitable eviction.
- 2) In addition, project-based vouchers play a critical role in leveraging LIHTC to provide deep affordability - ensuring tenants can pay what they can afford and the project can leverage debt. When projects lose these vouchers, our state dollars cannot go as far and as deep.
- 3) New program policy requirements regarding immigration and legal status verification are challenging to implement and undermine housing stability for our residents and communities.
- 4) There are deep cuts to homeless housing programs and significant policy shifts that will undermine our homeless response. The HUD Continuum of Care (CoC) program brings in about \$1.2m annually to Chittenden and \$6.5m to the “Balance of State” – it funds the coordination of our homeless crisis response system and several projects that provide street outreach, services, and permanent housing to households exiting homelessness. CoC funding is competitive by design, but generally, performing projects are renewed. It is expected that 30-50% of funds for existing projects may not be renewed. And projects that are gender inclusive or use evidence-informed housing first principals may be unfunded entirely.

State Policy solutions offered to our homelessness crisis in recent years have unfortunately often been stop gap, last-minute and short-term in thinking. When we make sudden shifts in policy – even if well intentioned – we can retraumatize those experiencing instability. We can and should make important improvements to our housing crisis response system – and those changes should include input from those doing the work and those experiencing housing instability. But change for change's sake will not solve the greater challenges – to many, it can feel like rearranging chairs on the Titanic – depleting limited capacity of the network to gain little, if any impact.

In housing development, much attention is being brought to regulatory reform, infrastructure investments and building more housing at large. Indeed, these are part of the broader solution. We do have a supply problem and need supply-side solutions.

But we are clear at the Housing & Homelessness Alliance, there is no “trickle-down” housing. Addressing the housing shortage for Vermonters with the lowest incomes and solving homelessness requires more than just regulatory change and supply-side solutions – it requires ongoing financial investments in all three legs of the stool – capital, rental assistance and connection to services. We need to continue to invest in solutions that make housing affordable to the Vermonters with low incomes.

As you think about your upcoming work, we urge you to consider some guiding principles for your decisions:

- Implement housing policies and make housing investments in ways that minimize the impact to Vermonters with the least – and maximize the benefits for these same groups. That is housing justice and equity.
- Be long-term – these are not problems created overnight, and they will not be solved with short-term tactical action plans or investments. And sometimes the cost may be greater upfront but reaps long-term benefits for families and communities.
- Don’t give up on what has been proven to work. We need the will to keep making these good investments.

Specifically, we urge you to prioritize support for:

- Preventing unsheltered homelessness through adequate funding for our emergency shelter system – including ensuring that General Assistance Emergency Housing provides the backstop to our community-based system of care.
- Supporting the Public Housing Authorities request to plug shortfalls to prevent the immediate loss of housing and increased homelessness.
- Invest in permanent affordable housing to keep building housing for the lowest income Vermonters and supporting vibrant communities across Vermont.
- Preserve, and where possible, grow permanent supportive housing programs that include services and rental assistance.

We are grateful for our past partnership – and look forward to the working with you during the coming session to dig into the details of what comes before you and help support your decision-making.