



April 24, 2026

VHFA  
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Re: QAP Public Comment

To the Development Department of the Vermont Housing Finance Agency,

We are Board members of Homes for Norwich, a nonprofit based in Norwich, VT that seeks to increase the affordability of housing in Norwich through education and advocacy. We congratulate you and the Department on your progress in preparing an updated Qualified Allocation Plan (QAP). We understand that it takes a lot of work to develop, refine and implement Vermont's QAP and greatly appreciate the work that you do as well as your openness to considering our comments on the draft document.

As you know, the housing landscape has changed in important ways in recent years. Among other shifts, there have been huge increases in housing production costs, growing awareness of the challenges posed by the state's limited housing supply and a growing willingness of state policymakers to adopt new legislation to address barriers to new development. The growing severity of the problem and the open-mindedness of policymakers to new approaches suggest it's a good time to take a step back and determine whether changes to the QAP are needed and appropriate to ensure there are sufficient sites on which to locate future LIHTC developments and to align LIHTC siting with the state's economic development, fair housing, and open space preservation goals.

### **Summary of Recommendations**

In this comment letter, we offer two recommendations for strengthening the location criteria in the draft QAP. Our comments are motivated by a desire to ensure the QAP addresses the high housing costs in Norwich and the broader Upper Valley that are driven by a strong job market in Vermont and just over the border in Lebanon and Hanover, NH, and a strong demand for housing in high-performing school districts. While motivated initially by our region's experiences, we expect these recommendations, if adopted, will help expand the availability of affordable

housing in key locations throughout the state, ensuring workers can find housing close to where they work and low- and moderate-income households can better access areas of opportunity.

In brief, we recommend that the draft QAP be revised to:

- 1. Add “areas in close proximity to major job centers” to the list of areas where development is incentivized in section 4.01 (page 12) of the draft Plan and elsewhere in the Plan.** This will level the playing field by ensuring that areas in close proximity to major job centers have equal priority for receiving Low-Income Housing Tax Credit (LIHTC) allocations as designated places located far from job opportunities.
- 2. Add “opportunity-rich areas” to the list of areas where development is incentivized in section 4.01 (page 12) of the draft Plan and elsewhere in the Plan.** This will help to affirmatively further fair housing by ensuring that at least some affordable housing is developed in areas with high-performing schools and low poverty rates.

We explain our recommendations in more detail below.

## Discussion

### **1. Add “areas in close proximity to major job centers” to the list of areas where development is incentivized in section 4.01 (page 12) of the draft Plan and elsewhere in the Plan.**

While there is a housing crisis across Vermont, areas close to major job centers have been particularly hard hit, with workers seeking housing close to where they work driving housing costs up to unaffordable levels. Among other adverse effects, this forces many workers to move far from where they work, increasing vehicle miles traveled and associated energy use and greenhouse gas emissions. Those workers who do find housing near where they work often pay excessive shares of their income for housing, potentially contributing to food insecurity and other health issues. The lack of affordable housing options in job-rich areas also makes it hard for employers to find workers, inhibiting economic growth and opportunity.

To address these problems, we recommend that the State add “areas in close proximity to major job centers” to the list of areas where development is incentivized in section 4.01 (page 12) of the draft QAP and other parts of the document that prioritize specific locations, such as in Section 5.2 Vermont State Homeownership Tax Credits (SHOTC). Focusing development on the State’s designated downtowns, village centers, neighborhood development areas and other designated areas advances important economic development objectives,<sup>1</sup> but there is far too

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<sup>1</sup> We understand and appreciate that the state’s land use policies are in flux and that Act 181 provides an interim exemption under Act 250 for priority housing projects within half a mile around a designated downtown, neighborhood development area (NDA) or growth center. While this is modestly helpful in facilitating development outside the boundaries of designated places, it still leaves many areas within close proximity to jobs outside the scope of prioritized areas. We look forward to seeing the Future Land

little land in these areas to meet the state's needs for an expanded housing supply. Extending the preference to growth centers not associated with a downtowns or village center is helpful, but there is a limited number of such areas and they do not include all of the state's main job centers. To help reduce vehicle miles traveled and associated energy use and greenhouse gas emissions, help support the state's economic development by making it easier for employers to find workers, and ensure that residents of LIHTC developments have good access to job opportunities, it is important to give equal priority in siting decisions to locations that are in close proximity to major job centers.

There are a number of different ways this concept can be operationalized. The state could choose to leave it undefined and require grantees to establish that they are close to major job centers, but this could be challenging to administer. Alternatively, and preferably, the state could define what it means by a major job center and specify that the preference applies to sites that are within a designated distance of these areas or a specific number of minutes by car representing a brief yet reasonable commuting distance.

One option would be to specify that proposed housing projects within the following areas are within close proximity of a major job center and thus receive an equal priority as applications from the designated places specified in the draft Plan if they are within 5 miles of the centroid of a census tract that has at least 4,500 jobs.<sup>2</sup>

Since jobs located just over the border in a neighboring state drive up housing demand in Vermont just as jobs located in Vermont do, we recommend including job-rich census tracts in Vermont or in close commuting distance to Vermont as the basis for this preference. There are at least 17 census tracts within Vermont or within close commuting distance to Vermont that meet this definition, as shown in the Appendix. Three of these are in the Upper Valley, and seven are in Chittenden County.

If desired, smaller zones (such as within 3 or 4 miles) could be established around the centroids of census tracts with a smaller number of jobs (such as 3,000 to 4,499). It would also be important to consider for inclusion two or more adjacent census tracts that fall below the relevant thresholds for a single tract but combine to have a substantial job impact on the region.

In considering the appropriate size of these commuting sheds, please remember that it may be difficult to find vacant property on which to site affordable homes within too narrow a land area. It is important to have a large enough zone to allow communities and nonprofit developers to be opportunistic in identifying sites that are available and appropriate for development while still

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use maps that Regional Planning Commissions develop but worry that these maps similarly will not effectively enable and incentivize the development of affordable housing near jobs.

<sup>2</sup> These thresholds were calculated based on a review of data for all jobs by census tract, U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics. That analysis was performed on March 19, 2026 using version 8.4 (20251202\_1657) of the Longitudinal Employer-Household Dynamics database.

keeping the zone tight enough to preserve open space. Affordable housing developed within these zones will be within about a 10-minute commuting distance or less of major job centers, greatly shortening the commutes and related energy use and greenhouse gas emission of working families.

If it would be helpful, we'd be happy to share a map of these areas to facilitate your decision-making.

## **2. Add “opportunity-rich areas” to the list of areas where development is incentivized in section 4.01 (page 12) of the draft Plan and elsewhere in the Plan**

Raj Chetty and his collaborators at Opportunity Insights have conducted foundational resources underscoring the importance of the neighborhood conditions in which children grow up. As Chetty has [summarized](#): “[W]hat we've learned is where you grew up really matters for your chance of achieving the American dream . . . Where you lived from birth to, say, your early 20s seems to matter a great deal. . . Every extra year that you grew up in a better neighborhood, a neighborhood with better schools, with better access to opportunities, the better you end up doing in the long run.”<sup>3</sup>

To provide children with the best possible foundation for future academic and occupational success, we recommend that “opportunity-rich areas” be added to the list of areas where development is incentivized in section 4.01 (page 12) of the draft QAP and other parts of the document that prioritize specific locations, such as in Section 5.2 Vermont State Homeownership Tax Credits (SHOTC). This can be operationalized in a number of different ways. One approach would be to define an opportunity-rich area as a municipality that is both (a) in the quartile of Vermont municipalities with the lowest child poverty rate and (b) in the quartile of municipalities with the highest elementary school test scores. Alternatively, you could use the [Child Opportunity Index](#) to identify the Vermont census tracts that are rated mostly highly on their index (either normed to the U.S. as a whole or normed to Vermont specifically).

## **Conclusion**

We readily acknowledge that these recommendations will help to facilitate the development of affordable housing in Norwich. But this is for good reason – Norwich is very close to three of the biggest job centers in or within easy commuting distance of Vermont and has high-performing schools and low poverty rates. The median home sales prices in Norwich in 2025 was \$943,382 and there are very few affordable rental units.<sup>4</sup> Norwich – and communities like Norwich in other parts of the state – are excellent locations for affordable and workforce

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<sup>3</sup> For more information, see Chetty, R., Friedman, J., and Hendren, N., Jones, M., and Porter, S. 2020. [The Opportunity Atlas: Mapping the Childhood Roots of Social Mobility, Executive Summary](#). Cambridge, MA: Opportunity Insights and the US Census Bureau.

<sup>4</sup> <https://www.snyderdonegan.com/blog/posts/2026/01/17/norwich-vermont-real-estate-market-report-full-year-2025/>

housing. The benefits of siting affordable housing in Norwich do not stop at the boundaries of our very small designed village center or of the immediately adjacent areas. A wider conception of a desirable site location is needed to ensure that housing is well located near jobs and in opportunity-rich areas.

We also understand that the state's funds are limited and the addition of geographical priorities beyond the ones already included in the QAP could increase the number of projects seeking funding and the need to winnow projects down further to the projects for which funding is available. We acknowledge that there are important housing needs across the state, but we do not think that the limited availability of funding is a sound reason to elevate projects within designated places that are far from job centers over projects in close proximity to major job centers or in opportunity-rich areas. Certainly, the need for funding to support affordable housing in the state exceeds available resources. But that is a reason to supplement the federal government's resources with additional state resources, rather than artificially constraining the priority project list. Without additional resources, difficult choices will be needed to select among eligible projects, but the state does not avoid those choices by excluding areas of opportunity and near job centers from the QAP's list of priority areas.

Thank you for considering our recommendations. If it would be helpful, we'd be pleased to discuss these ideas with you further. To discuss further, please contact Jeffrey Lubell at [jefflubell@gmail.com](mailto:jefflubell@gmail.com) or 857-259-2795.

Respectfully submitted,

Homes for Norwich

by Board members: Susan Barrett, Linda Gray, Barbara Landau, Jeffrey Lubell, Karen Lubell and Marsha Price

## Appendix

### Census tracts with the most jobs in Vermont or close commuting distance to Vermont

Census Tract ID	Number of Jobs	Centroid Latitude	Centroid Longitude
9617.01 (Grafton, NH)	13,077	43.658148	-72.2475
39 (Chittenden, VT)	11,878	44.472432	-73.1973
31.01 (Chittenden, VT)	11,091	44.454154	-73.0937
10 (Chittenden, VT)	10,773	44.472671	-73.216
9656 (Windsor, VT)	8,751	43.657327	-72.3194
40.02 (Chittenden, VT)	7,490	44.467673	-73.1626
9633 (Rutland, VT)	6,768	43.599613	-72.9732
9608 (Addison, VT)	6,752	44.008599	-73.1722
9616.04 (Grafton, NH)	6,069	43.697909	-72.2833
22.01 (Chittenden, VT)	5,858	44.501062	-73.162
33.04 (Chittenden, VT)	5,463	44.439268	-73.205
9685 (Windham, VT)	5,121	42.845187	-72.5634
9545 (Washington, VT)	5,058	44.218085	-72.587
9536 (Lamoille, VT)	4,869	44.470488	-72.6961
36 (Chittenden, VT)	4,860	+44.459034	-73.176692
106 (Franklin, VT)	4,606	+44.810334	-73.101151
9535 (Lamoille, VT)	4,550	44.550852	-72.6063

Source: Data for all jobs in Vermont and Grafton County, NH by census tract, U.S. Census Bureau, OnTheMap Application and LEHD Origin-Destination Employment Statistics. Analysis was performed on March 19, 2026 using version 8.4 (20251202\_1657) of the Longitudinal Employer-Household Dynamics database.