

BURKE AREA Chamber
Monday, November 18 at 6:00

Thank you so much for inviting me here tonight. I'm honored to participate in the Burke Area Chamber of Commerce annual meeting and awards presentation.

Unfortunately, Governor Scott could not be here tonight, but he wanted me to assure you that he appreciates all that you do to boost economic activity in this part of the Northeast Kingdom. And I want to congratulate the awardees for your contribution to your community and applaud your success as business owners, employers and leaders in the Northeast Kingdom.

I'll take just a moment here to talk about the Agency of Commerce and Community Development and what our teams are doing to support this area.

During our "Capital for a Day" tour of Caledonia County in August we visited several businesses harmed by flooding – and participated in a roundtable run by Kingdom Trails. We're working very hard to support those businesses. We're doing that by putting the Business Emergency Gap Assistance Program to work – giving them financial support to repair their properties, reopen their doors, and get their employees back to work.

After this summer's floods – we worked with lawmakers to get a 7-million dollar infusion into the BEGAP program to help 2024 victims. That's on top of the 20-million dollars originally set aside for the 2023 floods which helped about 5-hundred-50 businesses that were physically damaged.

In the last year we have launched the Rural Industry Development Program. The first four grants totaling 2-point-3 million dollars were announced earlier this month. That program awards funds to regional and local development corporations to develop move-in ready sites for new employers and help existing businesses expand. That first round of funding is expected to retain 2-hundred-35 Vermont jobs and create 1-hundred-35 more.

We're also using tools like the Brownfield Revitalization Fund to clean up contaminated sites so that those properties can be redeveloped. For example, in the last three years just down the road in St. Johnsbury, the state has invested 620-thousand dollars in two projects that will create 40 new units of housing.

We know housing is a big issue in Caledonia County and all across Vermont. It is THE top issue on the Governor's Affordability agenda. The recent Housing Needs Assessment finds that Vermont needs to ADD between 24-thousand and 36-thousand homes by 2029. In Caledonia County, the study finds you need between 11-hundred and 16-hundred new homes by 2029 to meet demand.

Vermont's 21-thousand mobile homes are an important part of the state's affordable housing mix, so the Rapid Response Mobile Home Infill Program is working on adding 1-hundred-50 ***new*** mobile homes by January 2026. This program – which is a cross-agency effort – uses state money to identify vacant lots in mobile home parks across the state and construct new foundation pads on them. Then the Vermont State Housing Authority identifies qualifying homebuyers who can purchase – at cost – designated energy efficient mobile homes placed on those foundations. It's a really special program we're just getting off the ground that will help hundreds of Vermonters achieve their dream of homeownership. We hope to have the first 30 in their new homes by January 1st, 2025.

Keeping people in their homes is another important piece of our housing efforts. The Mobile Home Improvement and Repair Program funds repairs to existing homes as well as helps park owners make upgrades that will benefit residents.

Another tactic is to revitalize rental units that have fallen into disrepair and gone offline. It's estimated Vermont loses between 25-hundred and 3-thousand units annually that way – further eroding our housing stock. A program called the Vermont Housing Improvement Program – or VHIP – is instrumental in making them livable again. The average VHIP grant is 44-thousand dollars per apartment. That's extremely

cost effective when you consider that building a new apartment costs half-a-million dollars. More than one-hundred apartments have come back online in Caledonia County thanks to VHIP.

These investments are great, but the Scott Administration recognizes there is much more to do – and we won't fix this problem overnight. It's taken decades of underbuilding for us to get here. We cannot buy our way out of this by asking taxpayers to fund all new housing. We need the private sector's help, too.

So, we are going to work hard in this next legislative session to make further regulatory changes to spur more housing development and continue funding proven programs that keep people in their homes and bring defunct apartments back online. We are still working on our budget proposals – and nothing is definite yet – but we are seriously considering aiding in infrastructure expansion. Having water and sewer in place is imperative when it comes to adding housing in a timely manner.

And there is a way you can help add housing in this area, too. Last year the legislature passed a bill revamping Act 250. It requires mapping of the entire state into various tier levels. Regional Planning Commissions are in charge of making these maps. They will go into effect in 2027.

We are strongly encouraging community leaders to engage with their Regional Planning Commissions so that

the tier map reflects your needs and wants. Because once that map is set – it will be very difficult to change and could remain in effect for decades. Building out your infrastructure will help you be assigned to a less restrictive tier. So, if you want to take advantage of opportunities to create housing – please get involved in this mapping process.

We are also encouraging municipalities to get their subdivision bylaws in place. Having your own bylaws will also help efforts to have your community be assigned a less restrictive tier. My agency has planning grants that can help defray the cost of that crucial investment.

Thank you again for inviting me here tonight. As always, we want and need your input. If you have ideas on how to encourage more housing or how we can better support businesses and their employees, please find me later. I am here to listen and learn.

I would also like to encourage you to please reach out to your legislators. Share your needs and suggestions. You are job creators. Vermont cannot bend the affordability curve without your help and involvement. Tell your lawmakers that this area needs more housing NOW – and tools to encourage employers to set up shop in this area. You are their constituents. They will listen to you.

I want to close by thanking all of you for everything you do to as community members, business owners, and employers – and your hard work to help this region bounce

back from the wrath of Mother Nature. Your leadership and devotion to Vermont help make this a great place to work, live and play.