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Vermont Bond Bank Launches the Housing Infrastructure Loan Program

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The Vermont Bond Bank has announced the launch of its **Housing Infrastructure Loan Program**, a new initiative to support the creation of housing by lowering the cost of expanding municipally owned water, wastewater, and transportation infrastructure.

This initiative supports projects linked to tax increment finance (TIF), community and housing Infrastructure Program (CHIP), and other municipal efforts to expand housing in Vermont. The pilot round will be awarded at the end of March 2026, with quarterly applications and awards starting mid-2026. Contact Vermont Bond Bank loan officer, Ken Linge, to express interest. Potential borrowers will be invited to apply following a preliminary review of the proposed project.

The Housing Infrastructure Loan Program offers Vermont municipalities loans up to $3.5 million (that can be combined with other Bond Bank programs), with terms up to 30 years and below-market interest rates starting at 2.75% for twenty years. Funds can be used for engineering, construction, and acquisition of water, sewer, and mobility improvements.

The program was created in partnership with the Department of Housing and Community Development of the State of Vermont. The Bond Bank received $7.5

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million under Act 69 of 2025 to create the program. The Bond Bank will leverage this investment to double the program's capacity while also using repayments in the program for future loans.

Among other criteria, priority will be given to projects that are ready to proceed, closely tied to housing development, and align with local and statewide housing goals. Please visit www.vtbondbank.org/hilp or download the program summary for more information.

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