Funding Opportunities for Fire Station Construction

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Vermont's municipalities are modernizing fire stations to enhance safety for firefighters, improve operations and efficiency, and meet equipment size for growing communities. Below are funding opportunities we've identified to support your efforts. Another VLCT resource, Funding Opportunities: Firefighting Gear and Equipment, may interest you too.

Consult program-specific guidance for additional information. Links to other sites offered in this document are provided to assist municipalities: the inclusion of a link does not imply endorsement or approval of the linked site or product.

Funding Opportunities

USDA Rural Development Community Facilities Direct Loan and Grant Program - The U.S. Department of Agriculture's (USDA) Community Facilities Direct Loan and Grant Program can help fire departments in rural communities build new stations. This funding can pay for public safety buildings, such as fire stations, among other types of facilities that a community's residents benefit from. To be eligible for the program, applying government officials must have 20,000 or fewer people in their town or city. Communities with 5,000 or fewer people receive top priority for the grants. Funding awards range from 75% grant or 25% loan to 0% grant and 100% loan depending on the community's population and Median Household Income. In rare cases, USDA may issue a grant/loan combination. The program's website includes a document showing grant eligibility by town.

If a community's grant eligibility is 15% or less, it may be more beneficial for the community to pursue a traditional loan because new federal requirements may raise project costs enough to offset the benefits of the grant funds. It is beneficial to discuss a project with USDA staff prior to initiating an application.

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Vermont Bond Bank Pooled Loans - Fire departments that are a municipal department or organized as a fire district under 20 V.S.A. Chapter 171 are eligible for loans through the Vermont Bond Bank.

The Pooled Loan Program has provided over $2 billion in low-cost loans to Vermont governmental units for long-term capital projects over its 50-year history. Loans are primarily funded through the issuance of highly rated tax-exempt bonds by the Bond Bank.

FEMA Assistance to Firefighters Grants - The Federal Emergency Management Agency, through the U.S. Fire Administration, awards Assistance to Firefighters Grants (AFG) to help fire departments reduce their response times and improve their quality overall. AFG provides funds to equip and train emergency personnel to recognized standards, enhance operational efficiencies, forester interoperability, and support community resilience.

New fire station construction is not eligible under this grant, but modifications to fire stations and other facilities for operations and safety are eligible. No modification may change the structure's footprint or profile. Eligible modification projects must have a direct effect on the health and safety of firefighters. Eligible activities include:

- new source capturing exhaust systems, sprinkler systems, carbon monoxide alarms, or smoke/fire detection systems – only for these types of systems and not multi-purpose systems that encompass ineligible features like station maintenance, resurfacing bay floors, interior remodeling not pertaining to the requested project, food and beverages, and security or other alerting systems;
- replacement or updates to existing source capture exhaust systems, sprinkler systems, or carbon monoxide or smoke/fire detection systems are considered lower priority over requests submitted for new systems; and

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- emergency generators and air quality systems (fixed equipment that is purifying, scrubbing, and/or air exchange system).

Priority is given to facilities that are staffed full-time and facilities with sleeping quarters. Facilities without sleeping quarters or with part-time occupancy will receive subsequent consideration. Training facilities, marine fire facilities, and intermittently occupied facilities will be considered next.

FEMA Hazard Mitigation Assistance Grant - Fire stations that have sustained damage from a federally declared disaster may be eligible for a grant through the Hazard Mitigation Grant Program (HMGP). The HMGP is funded through the Federal Emergency Management Agency (FEMA) and is administered by Vermont Emergency Management on behalf of the state. Projects must result in prevention or reduction of future damages. Example fire station mitigation projects include relocation of the facility and structural elevation or other flood proofing. Projects do not need to be directly connected to damage incurred from the most recent disaster.

Federal funds cover up to 75% of approved project costs and have a 25% local match requirement. In some circumstances, applicants receive a 90% federal cost share, requiring only a 10% local match. Projects are subject to a benefit cost analysis.

Congressional Appropriation - Congressional appropriations were formerly known as *Earmarks* and are currently known as *Congressionally Directed Spending* for the Senate and *Community Project Funding* for the House of Representatives. Projects are nominated by Members of Congress for funding through the appropriations bill. The Senate and House have different rules for these requests. Projects benefit from advanced discussion with Congressional staff. If selected, funds pass through a federal agency with that agency's associated grant terms and conditions. Funds may not be available for 1-4 years based on agency capacity. Information is available on websites of Senator Sanders, Senator Welch, and Representative Balint. Projects are

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usually submitted in late February through mid-March annually.

Other Grant Opportunities

Portions of fire station projects may be eligible for other grants based on standalone components of the project. For example:

- Sites with stormwater challenges or along streams may be eligible for grants from the Vermont Department of Environmental Conservation.
- Structures that need accessibility modifications to comply with the Americans with Disabilities Act may be eligible for grants from the Vermont Community Development Program.
- Municipal facilities that need energy efficiency improvements are eligible for Municipal Energy Resilience Program grants.

Where to Find Help

Municipalities are welcome to use VLCT's *Ask a Project Pro* service to discuss potential funding sources for a project or for project development advice. Through this service, VLCT narrows funding opportunities to those most pertinent to a project, saving municipalities time and resources. We also provide coaching for project development and grant management.

Many municipalities lack capacity for grant writing and administration. VLCT published a resource, *Increasing Municipal Capacity for Grants*, that offers ideas for assistance with grants.

Disclaimer: This resource was created by Municipal Operations Support (MOS) staff of non-legal professionals with expertise of the subject matter. It is only intended to

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