## Funding Opportunities: Municipally Owned Historic Buildings

Is your municipality ready to renovate or rehabilitate a municipally owned historic building, such as a town hall, library, or historical museum? Below are funding opportunities we've identified to support your efforts.

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 | Resources

## **Funding Opportunities**

<u>ACCD Certified Local Government Program</u> - Supports architectural, historical, archeological surveys, and oral histories that help identify properties, conditions, or develop preservation plans; preparation of nominations to the National Register of Historic Places or local landmarks ordinances; work on preservation plans; preparation of zoning studies; development of public information and education activities, including research; training for commission members and staff; development of architectural drawings and specifications; and other preservation plans. Award range is \$500 to \$25,000. Match is 50%. Municipality must be a Certified Local Government.

ACCD Community Development Block Grants – Supports identifying and addressing local needs for housing, economic development, public facilities, public services, and handicapped accessibility modifications. Funds planning (\$3,000 to \$60,000), implementation (\$50,000 to \$1 million), and accessibility modifications (\$5,000 to \$100,000). Funds planning (\$3,000-\$60,000), implementation (\$50,000-\$1 million), and accessibility modifications (\$5,000-\$100,000). Match for economic development loans, accessibility modifications, and slums and

blight is 10%. For municipally owned facilities, no match amount is prescribed, but municipalities must contribute. The amount has a bearing on an application's competitiveness. Both the Selectboard and Planning Commission must sign a resolution for the application

Funds must primarily benefit persons of low and moderate income. Accessibility projects automatically qualify under this criterion.

<u>ACCD Historic Preservation Grant</u> – Supports restoration and repair of roofs, structural elements, windows, foundations, and other historic building elements. Properties must be list or eligible to be listed in the <u>State Register of Historic Places</u>. Ineligible uses are new construction, additions, electrical, plumbing, heating and code improvements. Awards are up to \$20,000. Match is 50% cash, which must be in-hand at the time of application.

<u>ACCD Municipal Planning Grant</u> – This annual State program supports planning and revitalization for municipalities. The program usually is announced in July with applications due in November/December. Single municipalities can apply for an amount between \$2,500 and \$30,000. A consortium of municipalities may apply for a grant of any amount between \$2,500 and \$45,000. A cash match of 10% of total project cost is required for both. Project priorities vary each year.

<u>AARP Community Challenge Flagship Grant</u> - Funds a range of projects from public places (i.e. parks), transportation and mobility options, housing options, diversity/equity/inclusion, digital connections, community resilience, civic engagement, and community health and economic empowerment. Grant range is \$500 to \$50,000 with an average grant of \$11,900. Projects should be consistent with AARP's mission to serve the needs of people age 50+. Applications are due in May annually.

<u>Efficiency Vermont Rebates & Services</u> – Efficiency Vermont has business rebates for heat pumps, HVAC controls, appliances, lighting & light fixtures, and sensors. These rebates could be used with MERP or other funding sources to lower project costs. It also offers services that can support the Town's efforts.

Utility Rebates & Programs – Green Mountain Power, Washington Electric Coop, Vermont Electric Coop, municipal utilities, and Efficiency Vermont have energy-related incentive programs, like heat pumps. These rebates could be used to lower project costs.

<u>Energy Efficient Buildings Tax Deduction (IRC § 179D)</u> - The Inflation Reduction Act of 2022 extended and expanded the energy efficient commercial buildings. Municipalities are eligible for the credit, which must be transferred to a qualified energy efficiency project designer. A building's energy efficiency must be increased by at least 25 percent with bonuses for higher efficiency improvements. Energy efficiency improvements such as improvements to interior lighting; heating, cooling, ventilation, and hot water; and building envelope are eligible. VLCT is working to determine whether using this tax incentive is realistic for municipalities.

Northern Borders Regional Commission Catalyst – Supports projects that address transportation, telecommunications, energy, and basic public infrastructure; business and workforce development; health care, nutrition and food security, and other public services; resource conservation; tourism; recreation; and open space preservation consistent with economic development. New in 2023, this grant will fund basic public infrastructure, including public meeting spaces. Incorporating the project's relationship to economic activity will increase application competitiveness.

Applications are accepted in the spring and fall. NBRC prioritizes construction-ready projects and prefers job-creation projects that help reduce poverty, unemployment, and outmigration. Focusing on project benefits in these areas helps an application be more competitive. Letters from businesses with expansion potential provide excellent supporting documentation. Other elements that can increase a project's competitiveness include a project's listing as a Regional Project Priority as and incorporating the project's relationship to job retention in the Designated Village Center.

<u>Preservation Trust of Vermont (PTV) Robert Sincerbeaux Fund Grants</u> – Helps off-set the cost of hiring a preservation consultant or architect to evaluate the condition of an historic building and make recommendations for its care. The resulting report is important for accessing other PTV grants to implement improvements and to other prospective funders. Sincerbeaux grants also can be used for other assistance that helps a project progress. PTV can direct you to additional funding sources that match with the Wiley Building.

<u>Preservation Trust of Vermont (PVT) Paul Bruhn Historic Revitalization Grants</u> – Supports preserving and restoring buildings and community gathering spaces of economic and social significance. Project examples are roof replacement or repair, structural repairs, facade, window and door restoration or repair, and code improvements. This grant is particularly

interested in projects that enhance economic and community activity in village centers. Awards are up to \$100,000.

<u>USDA Rural Development Community Facilities Direct Loan and Grant Program</u> – Provides affordable funding to develop essential community facilities in rural areas, which is defined as a community of 20,000 or less in population. Examples of essential community facilities include health care facilities; public facilities; community support services; public safety services; educational services such as museums, libraries; private schools; utility services such as telemedicine or distance learning equipment; and local food systems. We recommend discussing the project with <u>USDA staff</u> prior to initiating an application.

If a community's grant eligibility is 15% or less, it can be beneficial for the community to pursue a traditional loan. Changes to federal requirements in 2021 may raise project costs sufficiently to offset the benefits of the grant funds. It is beneficial to discuss a project with <a href="USDA staff">USDA staff</a> prior to initiating an application. USDA updated income information to reflect 2020 Census information in October 2023. This modified grant eligibility for some municipalities.

<u>VCF Walter Cerf Community Fund</u> – Priority interests are the arts, education, historic preservation, and social services. Within these issue areas, there is a strong desire to support work that addresses the needs of underserved populations. Prefers proposals that encourage cooperation, collaboration, and community building. 70% of funds are awarded to Addison County and the Brandon area. Input of the Preservation Trust of Vermont is strongly encouraged before applying. Award range is Small \$500 to \$5,000 and Large up to \$25,000. Organizations must be serving Addison County or Brandon to be eligible for the large grant.

<u>Vermont Arts Council Cultural Facilities Grants</u> – Works to enhance, create, or expand the capacity of an existing building to provide cultural activities for the public. Examples of eligible projects include improvements such as wiring, heating, accessibility features, lighting, and stage improvements; building improvements, permanent display panels or exhibit cases, permanent infrastructure or fixed equipment; and hazard mitigation efforts such as flood gates, rain gutters, and sprinkler systems.

<u>Vermont Bond Bank Pooled Loan Program</u> – This program provides low-cost loans to Vermont governmental units for long-term capital projects. Loans are primarily funded through the issuance of highly rated tax-exempt bonds by the Bond Bank. Common uses of loans issued through the program include facilities renovation and construction projects, road and highway improvements, energy efficiency upgrades, equipment purchases, and general infrastructure. Voter approval is required. The Bond Bank assists municipalities with determining their debt capacity. Contact Ken Linge at ken@vtbondagency.org for assistance.

Vermont Buildings and General Services Municipal Energy Resilience Program (MERP) -

Provides funding for community capacity building, building assessments, project implementation, and staff support for application writing and for other assistance. The Addison County Regional Planning Commission's <a href="MERP webpage">MERP webpage</a> provides a digestible summary of the MERP program. Contact your Regional Planning Commission for assistance with this program. Regional Commissions received funding to assist municipalities with the program. The grant can be used for improvements to multiple buildings.

Vermont Buildings and General Services Municipal Energy Loan Programs – The Legislature authorized a Municipal Energy Loan Program and a Municipal Energy Revolving Fund as part of Act 172 in 2022. The funds are being capitalized with funding the State will receive through the Infrastructure Investment and Jobs Act. Eligible activities for the loan program are equipment replacement, studies, weatherization, construction of improvements affecting the use of energy resources, the implementation of energy efficiency and conservation measures and the use of renewable resources. The programs will be developed following the launch of the other MERP components that have a spending deadline.

<u>VHCB Historic Preservation</u> – Supports acquisition and/or restoration of historic buildings with public use. The building must be on or eligible for listing in the <u>National Register of Historic Places</u>. Historic preservation easements are required on buildings funded through VHCB, and restoration projects must meet the Secretary of Interior's Standards for Historic Preservation. VHCB's <u>Project Feasibility Fund</u> may cover predevelopment project costs. Evaluation of feasibility fund requests is completed by VHCB staff.

<u>VHCB Rural Economic Development Initiative</u> - REDI provides consultant-based services to rural communities and working lands businesses interested in applying for federal funds and other funding sources when applicable. REDI can hire a grant writer, complete a necessary step to make a grant application more competitive (such as a business plan or engineering), and in some cases to help make a fundraising plan for a project.

<u>VNRC Small Grants for Smart Growth</u> – Supports advocacy for better land use, advancing transportation choice, supporting housing choice and affordability, promoting downtown or

village center revitalization, conservation and natural resources, public outreach and engagement. Awards can be useful for project planning, as well as outreach and education activities around community revitalization efforts. Awards cannot be used for capital improvements. Awards range from \$500 to \$1,500.

Local Government ARPA Allocation - The American Rescue Plan Act of 2021 established the Coronavirus State and Local Fiscal Recovery Fund (CSLFRF, aka ARPA). It provided \$350 billion to state and local governments for response to and recovery from the COVID-19 pandemic. Over \$200 million was allocated to Vermont municipalities. These funds can address municipal needs and/or serve as a local match to State and Federal funding. Legislative bodies (Selectboards, City Councils, Village Trustees) have discretion and flexibility over how to spend their local ARPA funds. These funds can assist municipal projects and/or serve as a local match to State and Federal funding.

Congressional Directed Spending Requests (Earmarks) - Congressionally Directed Spending Requests (CDS), formerly known as Earmarks, are projects selected 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. The House and Senate have different rules for their members' requests. Projects are usually submitted in late February through mid-March annually.

## Additional funding opportunities may be available if any of the following applies:

- if the project contains components, such as brownfields, hazard mitigation, generator, alternative transportation, records storage/vault, renewable energy generation, or cybersecurity.
- if the building supports outdoor recreation, such as restroom facilities, warming hut;
  and/or
- if the building houses multiple users, such as a childcare, library, events space, arts performances or exhibits, electric vehicle charging infrastructure, stormwater improvements.

## Resources

<u>Secretary of Interior's Standards for the Treatment of Historic Properties</u> – When using grants for historic properties, the grants usually require that all work confirms to the Standards for the Treatment of Historic Properties. The Standards are basic principles for addressing four treatments: preservation, rehabilitation, restoration, and reconstruction. They are intended as general guidance to help preserve the distinctive character of historic buildings and their sites, while allowing for reasonable changes to meet new needs.

Grant and Project Management Capacity – Grant writing and management can tax municipal capacity. VLCT's <u>Increasing Municipal Grant Research and Writing Capacity</u> offers ideas for assistance with grants. Many of the sources mentioned will provide project management services. Hiring experienced project management assistance can increase the speed of project development and help avoid cost, permitting, and other development surprises.

Capital Planning – Municipal budgets often include capital costs – constructing a new fire station or garage, repairing or replacing the town office, purchasing a new vehicle, water or wastewater system replacement, etc. A capital plan looks at annual costs for capital projects for the next five to ten years and then proposes a means of paying for them. Municipalities use capital planning to avoid large jumps in unexpected costs and to help stabilize their tax rates. VLCT recommends that municipalities adopt a capital plan or, at minimum, establish a capital planning schedule.

The Two Rivers-Ottauquechee Regional Commission has a <u>presentation and resources</u> on its website that are useful for capital budgeting. Municipal Planning Grants (see above) can be used to develop a capital plan. The Vermont Bond Bank has a <u>capital planning resource page</u> with videos and sample templates, policies, and plans. The Bond Bank assists municipalities with determining their debt capacity. Contact Ken Linge at <u>ken@vtbondagency.org</u> for assistance.

Publication Date 10/11/2023