Funding Opportunities for Highway Garages and Public Works Buildings

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Vermont's municipalities are modernizing public works buildings to enhance working conditions for staff, improve operations and efficiency, and meet equipment sizes for growing communities. Below are funding opportunities we have 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 here does not imply endorsement or approval of the linked site or product.

Funding Opportunities

***Municipal Budget* –** Most municipalities fund highway garages and public works buildings through annual municipal budgets or reserve funds.

***USDA Rural Development Community Facilities Direct Loan and Grant Program* –** Provides affordable funding to develop essential community facilities in rural areas. Examples of essential community facilities include health care facilities; public facilities; community support services; public safety services; educational services such as museums and libraries; private schools; utility services such as telemedicine or distance learning equipment; and local food systems.

Awards range from a 0% grant to up to a 75% grant based on a community's Median Household Income, which is available on the program website. If a community has 15% or less grant eligibility, other loan programs may be more attractive. Changes in federal requirements related to Build America, Buy America and workforce requirements (Davis-Bacon wages plus apprenticeships) can increase project costs.

***Vermont Bond Bank Pooled Loans* –** 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

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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. Loans are made in the winter and summer following the receipt of an application and approval by the Bond Bank's board.

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 usually submitted in late February through mid-March annually.

Other Funding Opportunities

Portions of municipal garages and public works buildings may be eligible for other grants based on standalone components of the project. For example:

- Salt and sand sheds may be eligible as an environmental mitigation activity under VTrans' **Transportation Alternatives Program** or **Municipal Highway and Stormwater Mitigation Program** if the sheds help prevent water pollution.
- Communities under 5,000 population may be eligible for free consultant assistance through VHCB's **REDI program**.

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- Existing structures that need energy improvements or new structures may be able to use energy incentives from **electric utilities** or **Efficiency Vermont** to lower project costs. They also might be able to access a loan through the Vermont Department of Buildings and General Services' Municipal Energy Revolving Fund. The Revolving Fund is expected to be established in fall 2025.
- If the current structure has experienced damages from natural disasters, mitigation actions, including disaster proofing the current structure or relocating to a new location, may be eligible for **hazard mitigation** grants.
- Structures that need accessibility improvements may be eligible for **Community Development Block Grants** from the Vermont Agency of Commerce and Community Development.
- Sites with stormwater challenges may be eligible for grants from the **Vermont Department of Environmental Conservation**.
- Sites that may have environmental challenges may be eligible for **brownfield assessment or remediation** grants.
- Buildings that incorporate electric vehicle charging infrastructure may be eligible for multiple **grants and tax incentives**.

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.

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