

June 27, 2025

New Funds Available for Flood Recovery



New funds from the Department of Housing and Urban Development (HUD) will provide over \$67.8 million for communities affected by July 2023 flooding. Coming in the form of a [Community Development Block Grant](#), these funds will help communities with disaster relief, long-term recovery, and the restoration of infrastructure and housing.

The funds will be managed and distributed by the Department of Housing and Community Development (DHCD) of the Vermont Agency of Commerce and Community Development (ACCD). The Federal Register mandates that \$54.2 million of the sum must be used to serve communities in Lamoille and Washington counties, areas federally identified as most impacted and distressed (MID). The remaining \$13.5 million may be used to address unmet needs in Caledonia, Orleans, Rutland, Windham, and Windsor counties, which are state-identified MID areas.

All eligible projects **MUST** have an unmet need with a direct tie to July 2023 flooding ([DR-4720-VT](#)) and must primarily benefit low and moderate income (LMI) households and individuals.

ACCD is currently providing technical assistance for prospective Disaster Recovery projects located within the identified MID areas. Contact staff from the Department of Housing and Community Development at ACCD.CDBGDR@vermont.gov **to schedule a technical assistance call.**

DHCD formally submitted their Action Plan to HUD on June 6, 2025. HUD has 45 days to approve the plan. Once approved, DHCD will provide additional guidance and guidelines for applying for the funds.

Visit [**ACCD's Community Development Block Grant Disaster Recovery website**](#) for additional information and to download a copy of the Action Plan as submitted to HUD.