

Funding Opportunities for Highway Garages and Public Works Buildings

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'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.

Traditional Funding Opportunities

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

Local ARPA Award – Municipalities that elected the standard allowance for revenue replacement can use local ARPA funds to fund municipal garages and public works buildings. Many municipalities established ARPA advisory committees to gather input from the community and municipal staff about needs. The municipal legislative body (Selectboard, City Council, Village Trustees) makes the decisions about allocation of local ARPA funds. Local ARPA funds must be [obligated](#) by December 31, 2024.

[*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, libraries; private schools; utility services such as telemedicine or distance learning equipment; and local food systems.

Awards range from 0% grant/100% loan ratio to 75% grant/25% loan ratio based on a community's Median Household Income, which is available on the program website. Income information was updated in 2023 to reflect 2020 Census information. This changed grant eligibility for many Vermont communities. 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 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 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](#). 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:

- 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 grant from the [Municipal Energy Resilience](#)

[Program \(MERP\)](#) or a loan through Municipal Energy Revolving Fund. Both programs are through the Vermont Department of Buildings and General Services. The Revolving Fund is expected to be established in late 2024/early 2025.

- Sites that have suffered damage from natural disasters, such as flooding, may be eligible for funding through [hazard mitigation programs](#).
- 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 [Consult on Call](#) services to discuss potential funding sources for a project or for project development advice. Through Consult on Call, 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 Writing Capacity for Grants](#), that offers ideas for assistance with grants.

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