



2026 Downtown Transportation Fund: Grant Program Guidance

The Downtown Transportation Fund (DTF) has funding available to help municipalities make a variety of transportation-related capital improvements (within or serving eligible designated downtown centers and supporting economic development, as allowed by [24 V.S.A. §2796 \(c\)](#) pursuant to [§B.1103\(a\)\(1\)](#) & [§G300\(b\)\(8\)](#)). The Downtown Transportation Fund is intended to support safe, multi-modal, and resilient transportation systems that reinforce downtown center economic development and revitalization efforts.

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Contact Information

To receive this information in an alternative format or for other accessibility requests, please contact:

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Program Guidance

Eligible Municipalities

Eligible municipalities include:

- ▶ Municipalities with a State Designated Downtown Center.
- ▶ Proposed projects must be on municipally owned land.
- ▶ Projects must be within or serving an eligible State Designated Downtown Center.

Timeline

- ▶ Grant Announcement: December 2025
 - State Historic Preservation Review completed prior to application deadline (allow 30 days)
 - Applicants are encouraged to set up a pre-application meeting to discuss project ideas and eligibility with Natalie Elvidge, ACCD Planning Coordinator at natalie.elvidge@vermont.gov or 802-261-0681.
- ▶ Application Deadline: February 13, 2026 @ 5:00 p.m.
 - Please submit one electronic copy of the complete application to accd.cpr@vermont.gov
 - **!** Please note that Downtown Transportation Fund Historic Preservation Project Review Form should be submitted complete in the application package with HP approval. The review form, project plans and maps, and site photographs should be submitted to VDHP a minimum of 30 days prior to the DTF application deadline to allow for sufficient review time to identify if an architectural historian or archaeological consultant (qualified preservation consultant) will be required.
 - Application limit: 50 pages
- ▶ Award Decisions: April 2026



Standard Provisions and Eligible Costs

Standard Provisions:

- ▶ **The maximum grant award for a municipality is \$125,000.**
- ▶ Municipalities are ineligible to receive funding if they have two or more active Downtown Transportation Fund grants.
- ▶ Grantees are ineligible to receive funding if they are (a) suspended or debarred by the State or Federal Government; (b) delinquent in submitting their sub-recipient annual reports; or (c) delinquent in submitting their Single Audit Reports (if required).

Eligible Costs:

- ▶ Eligible costs may include acquisition, demolition, design and engineering, project management, implementation, permitting, and environmental remediation when an essential element of an eligible project and cost is incurred after grant agreement is in place. Historic preservation review (building project assessments and archaeological investigations) costs are also eligible.
- ▶ Common project examples include:
 - ▶ Bicycle and pedestrian enhancements (*ex: sidewalks and crosswalks*)
 - ▶ ADA modifications
 - ▶ Streetscape improvements
 - ▶ Parking facilities
 - ▶ Rail or bus facilities
 - ▶ Wayfinding signage
 - ▶ Lighting improvements
 - ▶ Safety improvements
- ▶ All applications must include implementation. The project scope cannot be planning and design only.
- ▶ In-kind costs are an eligible source of matching funds. Matching funds (20% of the project) are funds that are set to be paid from other sources. Matching funds may consist of local, federal, and in-kind costs (up to 20%).
 - ▶ In-kind contributions are non-cash and may consist of municipal goods and/or services. Allowable in-kind contributions from the



grantee include municipal machinery hours, staff hours, and material costs.

Ineligible Costs:

- ▶ Grant funds may **not** exceed 80% of the overall project cost and a 20% match is required (see Attachment A for an example of match calculation).
- ▶ Grant funds may **not** be used to pay for costs incurred prior to the grant award.
- ▶ Grant funds may **not** be used for general operating and maintenance costs such as repaving or administrative costs.
- ▶ All applications must include implementation. The project scope cannot be planning and design only.

Amendment Policy

Minor alterations to the work plan, approved budget, or schedule may be allowed but only upon written request and approval. Substantial alterations are not allowed, and the end product must remain the same. Projects that cannot be completed within the grant period under the terms of the grant agreement will be rescinded. The grant will cover eligible work completed and documented costs, however, ineligible or undocumented costs will not be funded, and associated funds must be returned.

Staff can provide an administrative amendment to extend agreements up to an additional 9 months, but longer amendments require approval by the Community Investment Board.

Funding Alternatives

Additional project funding may be available through the [Vermont State Infrastructure Bank](#) that provides below market rates, currently 1%, to municipalities for qualified transportation related improvements. For additional information please contact the Vermont Economic Development Authority at info@veda.org or 802-828-5627.

The [Designated Downtown and Village Center Funding Directory](#) provides a list of other grant programs and funding sources that can support your community and project. You can also keep up to date on new grant opportunities and initiatives by subscribing to our newsletter [here](#).

Project Readiness

Projects must be under construction within 24 months and completed within 36 months of the date of award. Projects involving Right of Way (ROW) acquisitions or railroad crossings, must provide evidence that necessary permits and property agreements are



in place. A list of other required permits necessary for the project and the status of the permits is a component of the application. Applications without clear evidence to prove project readiness will be invited to re-apply at a subsequent application round.

Phased Projects

Phased projects are allowed, provided that each phase of the project is self-contained and does not require completion of another phase to serve the project's intended function.

Applications for subsequent phases compete with other applications on an equal basis. When planning a phased project, keep in mind that municipalities are ineligible to receive funding if they have two or more active Downtown Transportation Fund grants.

Historic Preservation Review

The Vermont Historic Preservation Act (22 V.S.A. Chapter 14) requires consultation for projects with state funding, licenses, or permits with the Vermont Division for Historic Preservation (VDHP). The project review consists of evaluating the project's potential impacts to historic buildings and structures, districts, landscapes and settings, and known or potential archaeological resources.

! To aid in this review, a DTF Historic Preservation Project Review form is a component of the application. The review form, project plans and maps, and site photographs should be submitted to VDHP a minimum of 30 days prior to the DTF application deadline to allow for sufficient review time to identify if an architectural historian or archaeological consultant (qualified preservation consultant) will be required. Any associated costs should be included in the application project budget. If awarded a grant, final plan review by VDHP or other conditions may be included in your grant agreement if it has been determined that the project has the potential to impact historic resources.

Please note if the project involves federal or other state funding or permitting (therefore subject to Section 106 or Act 250), the historic preservation review by VDHP will need to be coordinated with the appropriate agencies.

Please contact VDHP for consultation and review of your Historic Preservation Project Review Form and include the form (Appendix G) in your application. Please contact VDHP at accd.projectreview@vermont.gov.



Vermont Agency of Transportation (VTrans) Review

Staff from the Vermont Agency of Transportation will review applications after submittal to access project schedule and readiness, budget, and other technical aspects of the project.

When developing projects, it is important to provide enough detail to ensure that state and national design standards (e.g. sidewalk width, bike lane width, accessibility requirements) are complied with.

For more information see Vermont Agency of Transportation's [Bicycle & Pedestrian Design Resources](#) specifically the section "Cost Estimating Resources".

How to Apply:

Pre-Application Meeting

Applicants are encouraged to set up a pre-application meeting to discuss project ideas and eligibility with Natalie Elvidge, ACCD Planning Coordinator at natalie.elvidge@vermont.gov or 802-261-0681.

Application Submission:

Please **submit one electronic copy (PDF) of the complete application** to accd.cpr@vermont.gov. Application materials are located on the Downtown Transportation Fund website.

Applications may not exceed 50 pages.

! Please note that Downtown Transportation Fund Historic Preservation Project Review Form should be submitted complete in the application package with HP approval. The review form, project plans and maps, and site photographs should be submitted to VDHP a minimum of 30 days prior to the DTF application deadline to allow for sufficient review time to identify if an architectural historian or archaeological consultant (qualified preservation consultant) will be required.

Applications should contain the following components:

- **Attachment A:** Budget Worksheet and Funding Sources
- **Attachment B:** Project Schedule
- **Attachment C:** List of Required Permits
- **Attachment D:** Municipal Resolution



- **Attachment E:** Good Standing Certificate
- **Attachment F:** DTF Historic Preservation Project Review Form (allow 30 days for review)
- **Attachment G:** ANR Permit Navigator Results
- **Attachment H:** Project Site Plan
- **Attachment I:** Conceptual Design(s)
- **Attachment J:** Color Photographs
- **Attachment K:** Quotes Received (optional)
- **Attachment L:** Letters of Support (optional)

Competitive Scoring Criteria

All applications are scored based on the following scoring criteria that correspond to sections of the program application. Scores for each of the criteria may land anywhere within the range of points (i.e. a max score of 15 for one of the criteria may be scored anywhere between 1-15 points). The point maximum is 75 points.

1. Project Scope (15 points)

The application clearly explains the project scope, how the project will be implemented, and identifies what changes or improvements will be made that benefit the downtown center. The application describes the existing conditions and how the project intends to improve these conditions such as safety enhancements, improved access for pedestrians and bicyclists, fill missing links in transportation networks, expand or improve multi-modal infrastructure, create new streetscape amenities, etc.

0 - Project scope not included in application or unrealistic scope lacking detail on what changes or improvements will be made and how it will benefit the downtown district.

8 - Less-informative project scope, but with some details that explains what changes or improvements will be made and explains how it will benefit the downtown.

15 - Well developed, clear and focused, well-documented project scope with strong description of what changes or improvements



will be made and clearly explains how the project will benefit the downtown.

2. Budget (5 points)

The application provides a detailed budget narrative and work sheet that includes all funding sources and expected expenses including labor, material, contingencies, and other eligible project expenses. The proposed budget matches the scope of the project and budget estimates are based on credible construction costs.

0 - Uninformative and/or unrealistic budget that lacks details on project expenses.

3 - Complete budget outlining expenditures but shows discrepancies and/or project expenses are unrealistic or not clearly documented or explained.

5 - Well developed, well-documented budget that clearly explains all funding sources, project expenses are logical and match the scope of the project.

3. Project Readiness (5 points)

The application provides a detailed schedule that includes a list of tasks with dates for key project activities like securing funding, municipal authorization, permitting, design, construction, and other project details. The application provides a feasible and realistic project timeline demonstrating the project can be completed within the required time frame. If the project is phased, the phases are self-contained, are logical and well-defined.

0 - Uninformative and/or unrealistic schedule, incomplete items and lack of details.

3 – Fairly well developed and documented with list of scheduled tasks but lacks detail demonstrating project readiness and/or phases are not self-contained.

5 - Well developed, well-documented schedule with a detailed list of tasks with dates identified for key project activities. Demonstrates project readiness and ability to complete the project within grant terms.

4. Public Benefit (25 points)

The application identifies a clear need in the downtown that will have a long-term positive impact on community revitalization and development efforts beyond a singular transportation investment. The project clearly describes the intended transportation benefits related to economic, social, and community impacts.



0 - Poorly developed and does not describe the intended economic, social, or community impact nor its impact on community revitalization and development efforts.

10 - Describes the intended economic, social, and community impact but responses are not well developed or connected to local community revitalization or community development efforts.

18 - Clearly explains the intended economic, social, and community impact and explains the overall impact on local community revitalization and development efforts.

25 - Excellent connection to public benefit that identifies how project will address multiple needs and have multiple impacts and includes data/facts to back up any needs met, or impacts made by the project.

5. Prior Planning (15 points)

The application clearly describes how this project will implement the ideas and actions identified in other planning efforts or how it will build on previous planning efforts and/or complimentary efforts of activities. Excerpts are provided from prior community planning processes and documents identifying the project as a clear community priority.

0 - Application does not clearly describe how this project implements ideas and actions identified in other community efforts or activities.

8 - Application mentions previous planning and project efforts but relevancy to proposed project is weak and/or previous efforts are over 10 years old.

15 - Application clearly builds off ongoing community efforts and relevant planning efforts. Previous planning document/report excerpts are provided that identifies project as a major priority. There is momentum, a clear sense of direction, and success in past efforts.

6. Public Outreach (5 points)

The application identifies how the project has and will engage with and serve community members in an equitable and inclusive process that connects with diverse socioeconomic groups, underserved, and under-represented populations in the community. Competitive applications will demonstrate how public outreach demonstrated direct support of the project.



0 - No community engagement or public outreach; or only required public hearings or routine meetings. No mention of equity and/or inclusiveness.

3 - Some community engagement or public outreach; documentation is fair but not convincing, demonstrating community support of the project

5 - Active outreach with the community throughout the project lifecycle demonstrating strong support of the project. A clear description of how the project engaged with the community, including under-represented community members, is identified.

7. Project Partnerships (5 points)

The application identifies the project team, the community partnerships, and supporting organizations working together to advance the project.

0 - Key partnerships are not outlined. Coordination with local stakeholders or partner organizations not mentioned or explained. Local support is weak or not clearly documented.

3 - Partnerships are identified but support or coordination is not clearly defined or convincing.

5 - Partnerships with key stakeholder groups are described and integrated into the project. Coordination efforts with local stakeholders and partner organizations are detailed. Local project support is clearly identified and documented.



Application Resources and Samples

Please find below the application resources and samples.

Attachment A: Budget Worksheet and Funding Sources

Complete the budget form, itemizing the scope of work and the sources and amounts of all project funds. Indicate the unit cost and total cost of each item in the budget. Please indicate the status of each funding source. For larger projects, clearly identify the portion of work that this grant will be applied to.

Match Calculation

The amount requested may not exceed 80% of the total project cost. There is a required 20% match. Federal, state, local and in-kind costs may be used as part of the match requirement. Match funds as part of the DTF project, cannot be used as match for any other projects.

You must provide 20% of total project costs, so that 20% of the total project costs come from the grantee and 80% from the State.

Example:

If the Downtown Transportation Fund project cost is: \$100,000.00

The match required is: \$20,000.00

The State grant is: \$80,000.00

Allowable Matching Funds Contributions

Matching funds (20% of the project) are funds that are set to be paid from other sources. Matching funds may consist of local, federal, and in-kind costs (up to 20%).



In-kind contributions are non-cash and may consist of municipal goods and/or services. Allowable in-kind contributions from the grantee include municipal machinery hours, staff hours, and material costs.

REMINDER: Documentation of all project costs, matching funds, and in-kind contributions must be submitted at close-out.

Project Cost Breakdown

Source	% of project	Uses
State Grant	80% of the Project Costs Paid to the Grantee	Of the 80%, 20% can be used for Grantee in-kind work (with appropriate documentation). The remaining 60% must be documented with invoices to vendors.
Match	20% of the Project Costs Absorbed by Grantee	Matching funds (which are not reimbursed) and can be either cash match (federal, state, town dollars) or in-kind (machinery or staff hours, material costs).



Appendix A: Sample Site Map



Figure 1: The image shows an arial satellite view of a map with labelled streets, buildings, and trees. The image indicates the project area by shading it the color red.



Appendix B: Sample Conceptual Designs



Figure 2: The image shows a simple marked crosswalk and signage and landscaping used by cyclists, pedestrians and drivers. The image shows how the project will look when completed. Source: Small Town & Rural Multi-Modal Networks





Figure 3: The image shows a conceptual design or mockup of a streetscape. It includes people walking, sitting on benches, along a fence lined walkway. On the right side, there are cars parked. The image shows how the project will look when completed.

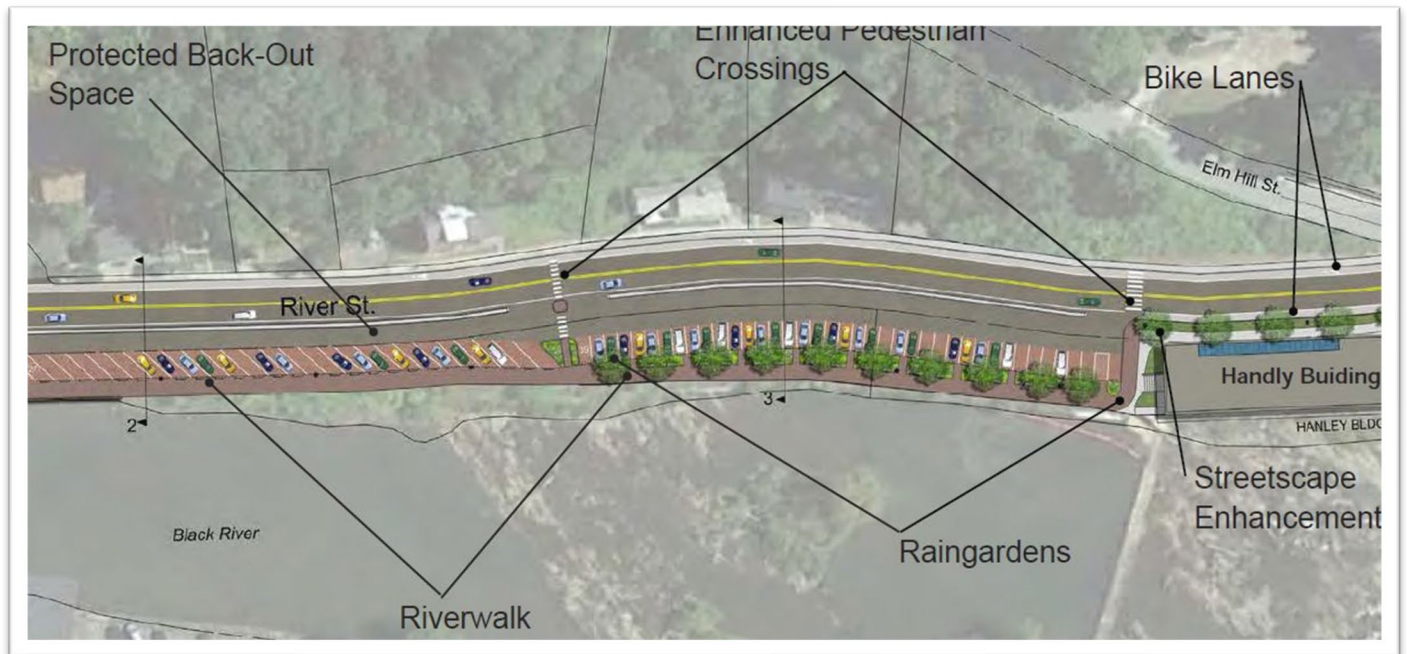


Figure 4: Diagram indicating the proposed locations of parking bike lanes, streetscape enhancements along roadway.

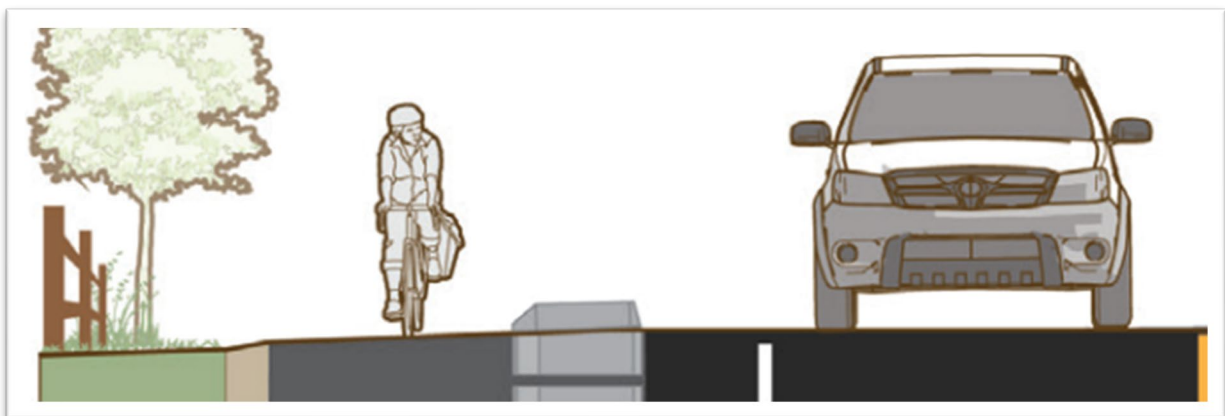


Figure 5: Image shows a separated bike lane on an existing roadway surface by using a physical barrier such as a curb or median to separate the bikeway from the roadway.
Source: Small Town & Rural Multi-Modal Networks.



Appendix C: Sample Project Schedule

Date	Item
July 2024	1. Purchased subject property (Completed). 2. Submitted brownfield application (if applicable) (Completed) 3. Submitted Environmental Review documents as required for the Community Development Block Grant – Disaster Recover II grant (CDBG-DR2) (Completed)
September 2025	4. Draft contract to develop construction and bid documents integrating both the civil and environmental elements (Completed) 5. Finalized negotiations with Vermont Rail and V-Trans Rail Division for land swap agreement (Completed)
March 2025	6. Municipality (with assistance from the downtown organization) submits application to CDBG-DR2 for \$1M for site clean-up and reconstruction of project area 7. Municipality applies for a \$100,000 Downtown Transportation Fund (DTF) grant through the Vermont Downtown Transportation Fund Program 8. Anticipate decision from DTF regarding grant application
June 2025	9. Anticipate decision from CDBG-DR2 regarding redevelopment grant
September 2025	10. Anticipate final permit decisions
November 2025	11. Distribute bid documents



December 2025	12.	Receive bids and select contractor
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May 2026	13.	Begin street reconstruction
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September 2026	14.	Complete construction
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Appendix D: Sample Budget

Item Description	Quantity	Unit Cost (\$)	Total Cost
Sidewalk Replacement			
Demolition of Existing Sidewalk	1,500	\$5.00	\$7,500.00
New Concrete Sidewalk (4" depth)	1,500	\$15.00	\$22,500.00
Curbing Replacement			
Concrete Curbing Installation	1,500	\$20.00	\$30,000.00
Lighting Installation			
Street Light Poles (with base)	10	\$1,200.00	\$12,000.00
LED Street Light Fixtures	10	\$500.00	\$5,000.00
Wiring and Electrical Connection	1	\$2,500.00	\$2,500.00
Benches			
Decorative Park Benches	6	\$1,200.00	\$7,200.00
Landscaping			
Soil Preparation and Grading	1,500	\$2.00	\$3,000.00
Planting Shrubs and Flowers	100	\$30.00	\$3,000.00
Sod or Grass Seeding	1,500	\$1.50	\$2,250.00
Mulching and Ground Cover	1,500	\$2.50	\$3,750.00
Crosswalk Lights			
Crosswalk Light Poles (with base)	4	\$1,500.00	\$6,000.00
LED Crosswalk Light Fixtures	4	\$600.00	\$2,400.00
Wiring and Electrical Connection	1	\$1,500.00	\$1,500.00
Miscellaneous and Contingency			



Site Preparation and Excavation	1	\$5,000.00	\$5,000.00
Permitting and Inspection Fees	1	\$2,000.00	\$2,000.00
Total Estimated Cost			\$109,600.00

Total Project: \$109,600.00		Reminders:
The required match is: \$21,920		Matching funds (which are not reimbursed) and can be either cash match (federal, state, town dollars) or in-kind (machinery or staff hours, material costs).
The State Grant is: \$87,680		20% of this total can come from allowable in-kind work provided by the grantee (with appropriate documentation). The remaining 60% must be documented with invoices to vendors.