

Michigan State Historic Preservation Office Certified Local Government (CLG) Program Grant Program Frequently Asked Questions (FAQs)

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This document provides answers to common questions about the Michigan State Historic Preservation Office (SHPO) Certified Local Government (CLG) grant program and is intended to supplement the SHPO's grant manuals available at www.michigan.gov/CLGgrants. If you would like further clarification or have a question that is not addressed, please contact Alan Higgins, Grants Manager/Budget Specialist, at HigginsS3@michigan.gov.

GENERAL QUESTIONS

Who can apply for funding?

Only local units of government that have been entered into the Certified Local Government (CLG) program prior to the grant application deadline (February 2, 2024) may apply for grant funding. CLGs must be in good standing with SHPO to be eligible for grant funding. A list of current CLGs can be found here.

CLGs can also elect to sponsor a grant application on behalf of a non-profit organization or public entity within its boundary. CLGs cannot sponsor applications for private persons or for-profit entities. When a CLG sponsors an application for another entity, the CLG is still the applicant and ultimately responsible for project administration and completion unless another arrangement is requested and approved by SHPO (see third party administration below). When a CLG sponsors an application for another entity, the CLG and project partner must have a signed agreement outlining their respective project responsibilities.

Can a CLG apply for more than one project in the same grant cycle?

Yes, a CLG may apply for more than one project during a single grant cycle as long as each application is for a different project type. For example, a CLG could submit separate applications for a survey project and a rehabilitation project but could not submit applications for two survey projects. However, applicants are strongly encouraged to submit only one application and to focus on making that application as strong as possible. If a CLG submits applications for multiple projects, each application will be reviewed on its own merits.

Can multiple CLGs partner to apply for a grant?

Yes, two (2) or more CLGs can submit a joint application as long as the proposed project provides a benefit to all CLGs involved. For example, this could include joint training programs or projects that cross municipal boundaries. In such instances, one of the CLGs must be designated as the primary applicant responsible for project administration. If you are considering a joint project, you must contact SHPO prior to submitting an application to discuss application requirements.

Can a CLG designate a third party to administer its grant?

Yes, a CLG may elect to designate a third party to administer its grant, subject to SHPO approval. Such party may be another local unit of government, a non-profit organization, a business, or educational institution. If a CLG wishes to use a third-party administrator, it must identify this in the grant application and include a letter of concurrence from the third-party entity. If a grant is awarded, SHPO will execute a grant agreement with the designated third-party administrator, which will be responsible for all project administration and reporting.

Can CLG grants be used on projects where there is other federal involvement?

In general, CLG grants cannot be matched with other federal funds. The only exception is that CLG grants can be matched with federal Community Development Block Grants (CDBG).

CLG grant funds cannot be used for Section 106 projects, mitigation activities, or tax credit projects.

Do CLG grants require a local match?

No, CLG grants for fiscal year 2024 **do not** require a local match. CLGs may still elect to show a match if desired to show buy-in and support from the local community, but matching funds must meet the same requirements as grant funds. Such applications may receive additional consideration as part of the scoring process.

What are the minimum and maximum funding amounts?

The minimum request for a planning, documentation, or education project is \$2,500. The minimum request for a rehabilitation planning or rehabilitation project is \$5,000.

The maximum grant award is \$100,000. However, most awards will fall within the range of \$2,500-\$50,000. An applicant seeking more than \$50,000 must demonstrate why their project needs additional funding (e.g., the project is particularly complex, urgent, and/or impactful). Applicants are encouraged to carefully consider the scale and scope of their projects to ensure they are feasible and practical. Applicants are also encouraged to get cost estimates from contractors and include them as part of the application.

How many recipients will be awarded grants?

There is no set number of grant awards. The number of grant awards will depend on the number of eligible applications received, SHPO competitive scoring, and available funds.

How will projects be selected for award?

Applications are first reviewed for completeness and feasibility by SHPO program staff. Following, applications are competitively scored by an interdisciplinary review panel based on the identified selection criteria set forth in the grant manuals available at www.michigan.gov/CLGgrants. Broadly speaking, projects will be scored on clarity and appropriateness of their scope, budget, and timeline; project readiness and urgency; project impact; educational value; and relationship to local and state preservation priorities. Projects that address one or more of SHPO's funding priorities may receive extra points during the selection process.

When will we find out if we are awarded a grant?

Applicants will be notified of their status in spring 2024.

Do you have a list of projects that have been funded in the past?

Yes, a summary of CLG grant projects funded since 2003 is available here.

PROJECT ELIGIBILITY

What activities are eligible for grant funding?

Grant funds are provided to CLGs for two categories of projects, described briefly below. For additional information, see the descriptions of representative project types provided in the grant manuals at www.michigan.gov/CLGgrants.

Rehabilitation Planning and Rehabilitation Projects

Funds can be used for rehabilitation planning projects for properties that are individually listed in the National Register of Historic Places, identified as a contributing resource to a National Register-listed historic district, or eligible for listing in the National Register. Eligible project activities include but are not limited to: Plans and specifications; Historic Structure Reports (HSRs); Cultural Landscape Reports (CLRs); Façade studies; Feasibility studies; Marketing studies; Engineering studies; and Condition Assessment Reports (CARs).

Funds for rehabilitation projects (physical "bricks and mortar" work) can be used for stabilization or rehabilitation of properties that are individually listed in the National Register of Historic Places or identified as a contributing resource to a National Register-listed historic district.

Planning, Documentation, and Education Projects

Funds can be used for preservation planning, documentation, and education projects that enhance the ability of a CLG to move forward its preservation program and effectively identify, evaluate, plan for, protect, and tell the story of important historic resources in the community. Eligible project activities include, but are not limited to:

- Reconnaissance-level, intensive-level, or thematic surveys of historic resources
- Archaeological studies
- Historic context studies
- National Register of Historic Places nominations (individual, district, and multiple property nominations)
- Study Committee reports for local historic district designation
- Writing or amending local historic district ordinances
- Community preservation plans
- Revitalization plans
- Design guidelines and related technical materials
- Educational activities such as workshops and special events or the preparation of booklets, brochures, websites, applications, or other media that promote heritage tourism, educate the public about preservation, or provide access to information on historic resources in the community
- Studies on economic and other factors that impact preservation
- Hands-on educational activities such as window repair workshops
- Training activities that support the capacity of CLG staff and HDC commissioners

Does my property qualify for a Rehabilitation Planning or Rehabilitation grant?

In addition to meeting the applicable National Register requirements described above, properties identified for Rehabilitation Planning or Rehabilitation grants must be owned by the local unit of government (the CLG), a non-profit organization, or public entity. Properties owned by private persons or for-profit entities are not eligible.

Can exceptions be made to the requirement that a property be listed in the National Register to receive a rehabilitation grant?

No, this is a federal program requirement, and there are no exceptions. If your property is not currently listed in the National Register, you may wish to consider a documentation grant that will allow to get the property listed so that you can apply for rehabilitation funds in the future.

Can CLG grant funds be used for work that is already completed or in progress?

No, CLG grant funds cannot be used for projects that have already been completed. Likewise, grant funds cannot be used for work that is already in progress. However, if you have a large project with multiple phases, you can use grant funding for a discrete phase of a project even if a previous phase has already been completed. For example, CLG funds could be used for the final phase of

rehabilitation work on a National Register-listed property or on the second phase of survey for a countywide survey.

Are there project standards that we must follow?

All CLG grants must produce a completed, tangible product or measurable result and must be carried out in accordance with applicable federal (i.e. Secretary of the Interior and National Park Service) and Michigan SHPO standards and guidelines, such as SHPO's survey manual and National Register guidance.

Planning, documentation, and education projects must follow the <u>Secretary of the Interior's Standards</u> <u>for Archaeology and Historic Preservation</u>. Rehabilitation Planning and Rehabilitation projects must comply with the <u>Secretary of the Interior's Standards for Rehabilitation</u>.

PROJECT FUNDING

How are grant funds distributed to selected CLGs?

All grant funds are paid on an **EXPENSE REIMBURSEMENT** basis only, meaning that grant recipients must first pay all vendors, contractors, and personnel as part of project completion. The grantee must have funds available for expenditure amounting to 100% of the project cost at the time of a grant application submittal. The grantee will be reimbursed for eligible expenses incurred up to the grant amount following the successful completion of the grant project.

What do I need to submit to receive reimbursement for the project?

At the completion of the project, you must submit a completion report and reimbursement request that describes the results of the project and documents project expenses, including invoices and proof of payment. All final products and work also must be approved by SHPO prior to reimbursement.

How long does it take to get reimbursed once I submit the necessary paperwork?

Reimbursement may take up to 30 days following SHPO's review and approval of the submitted completion report and reimbursement request.

How will I receive my reimbursement?

Reimbursement is paid as an Electronically Funds Transfers (ETF) through SIGMA, the State of Michigan's financial payment system. Instead of mailing a check for payment of your invoices, SHPO will electronically transfer the payment to your bank account. This will benefit your cash flow by getting funds into your bank account faster and avoid problems with lost or stolen checks and postal disruptions. The CLG must be a registered vendor in SIGMA to receive payment.

To register as a vendor or update bank account information in SIGMA, please visit the SIGMA Vendor Self-Service (VSS) System at https://sigma.michigan.gov/webapp/PRDVSS2X1/AltSelfService.

Is paid staff time allowable as a reimbursable expense or match?

Yes, paid staff time is allowable as a reimbursable expense or as a project match. If staff time is included in the application, the applicant must include a resume of the personnel providing the services; a proof of earnings statement reflecting hourly rate of pay; and documentation of fringe benefit costs. For reimbursement, personnel that work on the project must maintain timesheets of hours worked on the project for submission with the reimbursement request. For additional discussion, see the CLG program grant manuals at http://www.michigan.gov/CLGgrants.

Are volunteers or donated services and materials eligible as reimbursable expenses or match?

Volunteer time may be accounted for as <u>project match only</u>. All volunteer services must be substantiated at the conclusion of the project by time sheets that show the actual hours worked, the rate of pay, and the specific duties performed. If volunteer time is being included as part of the grant application, the application must include a written justification of the volunteer rates used:

- If a volunteer is a professional (e.g., an architectural historian meeting 36 CFR 61 qualifications) and is performing duties corresponding to their profession, their normal rate of pay is acceptable as long as it does not exceed the allowable federal maximum.
- For all other volunteers, time is valued at \$28.35/hour, which is the value assigned to volunteer time in Michigan by the Independent Sector as of 2021.

Are there certain activities that are not eligible for funding?

Yes, certain activities cannot be funded as part of the CLG grant program. Since the grants are provided for through federal funds, all grants must comply with standards for funding allowability. If you have questions about whether certain activities can be funded, please contact SHPO.

A list of common items that **cannot** be funded under SHPO's program, include but are not limited to:

- Property acquisition
- Development projects for church-owned properties
- Total reconstruction of demolished resources (some specific features may be eligible for funding if historical documentation is provided)
- New additions, code improvements, and routine maintenance activities
- Landscaping in relation to site improvements for parking lots, sidewalks, street paving, street lighting, etc.
- Mitigation activities as a condition or precondition for obtaining a federal permit, license, or funding.
- Rehabilitation work on properties not listed in the National Register of Historic Places
- Historical markers and commemorative plagues
- Archaeological salvage
- Ongoing public education efforts such as operation of a house museum
- Extensive survey, testing, and data recovery of archaeological sites beyond necessary to determine National Register eligibility
- Curation of objects outside of grant-assisted projects
- Archival and collections management
- Operating or overhead support

PREPARING AND SUBMITTING AN APPLICATION

Do I need to notify SHPO if I intend to submit a grant application?

Applicants are not required to notify SHPO before submitting an application. However, applicants are **strongly encouraged** to discuss their project with SHPO prior to applying for a grant. SHPO can provide guidance about the scope of work and identify any preliminary concerns or issues.

SHPO is also available to review preliminary applications in advance of the grant deadline. SHPO will review the draft application for omissions or inconsistencies and provide feedback on any concerns with the scope of work. If you wish to have SHPO provide preliminary feedback on your application, it must be submitted by December 8, 2023.

Are there parts of the application process that might take more time than expected to complete?

Yes, supporting documentation is extremely important for the application and may take some time to collect, especially financial information, estimates from consultants/contractors for the proposed work, letters of support, and signed resolutions from the local governing body. Proposals prepared at the last minute often lack the necessary documentation and details associated with a strong application. Work with your staff early in the grant application process to begin collecting necessary information and gain project support.

How do I determine how much money to request?

As part of the scoring process, the review committee reviews the proposed project budget for appropriateness. It is important to make sure that you have allocated an appropriate budget for your project. Once you are awarded a grant, you cannot change the dollar amount available to complete a project. Underfunding a project makes it difficult to complete a project and/or make sure that it results in a meaningful, high-quality product.

SHPO cannot tell you how much to request for your project. However, we **strongly encourage** you to send a summary scope of work to several qualified consultants and request ballpark estimates for the project to help determine accurate costs. You should include the estimates as supporting documentation with your application. This helps reviewers understand the requested funding associated with your project.

Can you provide example applications?

Sample scopes of work for various project types are available here.

Do I need to have letters of support with my application?

All applications require a letter of support from the local Historic District Commission (HDC). Certain types of projects have additional requirements for support letters. See the CLG grant manuals for additional information.

Letters of support illustrate to the reviewers that the project has community buy-in and can help demonstrate the potential benefit of the project to community stakeholders. Letters of support should be unique, not form letters, and should be included with the application. Do not send letters of support separate from the application.

PROJECT COMPLETION

Do projects require a certified grant administrator?

No, you do not need a certified grant administrator. Most CLG grants are managed by daily staff of the municipality. If you have never worked on a grant project before, SHPO will help you navigate the process.

What are the responsibilities of the CLG's project manager?

The CLG's project manager is the person authorized to represent the subgrant recipient/project sponsor in the administration of the project. The project manager is responsible for overseeing the timely completion of project work. The project manager is also SHPO's day-to-day contact for all project correspondence. While the project manager must be a capable and reliable person with knowledge of the project, there are no academic or professional requirements for this position; they do not need to have a historic preservation background. SHPO is available to help make sure the

project manager knows what is expected and to navigate the process. Example responsibilities of the project manager include, for example:

- Coordinating the grant agreement and related documentation with SHPO
- Initiating the procurement process and coordinating consultant contracts
- Attending required project meetings
- Providing timely assistance to the consultant/contractor and SHPO
- Preparing and submitting brief quarterly progress reports
- Preparing and submitting reimbursement requests
- Forwarding products to SHPO

What obligations does a CLG have for contractor selection?

Grant recipients that wish to engage the services of a consultant or contractor must secure such services through a competitive process. At a minimum, grantees are required to demonstrate to SHPO that they have solicited quotes or proposals from multiple contractors/consultants qualified to complete the project, either directly or through postings to applicable websites, newspapers, etc. Project requirements are ultimately dependent on the total project cost. Additional details on the procurement process are described in the grant manuals at www.michigan.gov/CLGgrants.

Is compliance with the Davis-Bacon Act required?

The National Park Service has determined that use of Historic Preservation Fund (HPF) monies, including through CLG grants, does not in and of itself trigger compliance with the Davis-Bacon Act. As such, Davis-Bacon does not apply to awardees of CLG grants. Compliance with Davis-Bacon is only required other funding sources that trigger compliance (e.g., CDBG funds) are being used for the project. It is the obligation of the awardee to be aware of any such requirements associated with other funding sources for their project.

Is NEPA review required?

All rehabilitation (i.e., physical work) projects and archaeological investigations require NEPA review prior to the start of work. SHPO will submit the required documentation and coordinate this process on behalf of the awardee. NEPA review may take up to 90 days and should be accounted for in the project timeline as no physical work can start before approvals are received.

How long does a CLG have to complete a project?

CLG project grants generally have a timeline that lasts approximately 24 months, depending on the date of award and the execution of the grant agreement with SHPO. This timeline is inclusive of time necessary to solicit bids and execute contracts with consultants/contractors after the grant award. Grant recipients are strongly encouraged to act with expediency for such tasks to allow for as much time as possible for project completion.

Projects are anticipated to start in summer 2024, but the start date is dependent upon receipt of SHPO's allocation from the Historic Preservation Fund; all work must be complete by August 31, 2026. No exceptions will be made.

What happens if my project changes, we need additional funds, or we do not anticipate using all of the funds allocated to the project?

Grants are provided explicitly for the specific purpose and budget stated in your application, which should be based on a thorough assessment of project needs and potential costs. Changes to the project scope and/or budget can only be made with SHPO approval. If you a need to modify the project or budget, you must contact SHPO as soon as possible to discuss your situation.

What happens if the CLG cannot finish its project?

Grants are provided through the Historic Preservation Fund, overseen by the National Park Service, and <u>must</u> be expended by a certain deadline or the CLG risks the loss of grant funds. Grant extensions are not possible.

It is rare that a project cannot be completed once awarded. However, it is important that you communicate with SHPO early and often, particularly if potential issues are identified. We will work with you to determine the best path forward to complete the project in a satisfactory and timely manner. If we cannot reach an agreement, we may have to terminate your project and redirect your grant award to another CLG.