TN Department of **Economic & Community Development**

HISTORIC DEVELOPMENT GRANT PROGRAM

Application Webinar

May 2024

Agenda

- Overview

- Timeline

- Grant Requirements

- Financial Requirements

- Questions and Contact Info

Overview

- Created in 2021. The Historic Development Grant Program was created to preserve historic buildings, create new employment opportunities and revitalize communities.
- The Program is administered in partnership between TNECD & THC
- This is the last round of funding approved by the Tennessee General Assembly

Overview

- Applications are open to LOI's approved in April.

- Applications must be submitted online **by June 28th** https://stateoftennessee.formstack.com/forms/historic_development_grant_program_app24

- One application will be accepted from each entity

- If applicant is not the person or entity who holds legal fee or leasehold title to a certified historic structure, or an identifiable portion of the certified historic structure, then a letter from the owner must be uploaded to the application.

- TNECD reserves the right to make adjustments to the scope and/or budget based on funding availability and scoring

Eligibility Overview

Who is Eligible?

- Any for-profit, non-profit, governmental, or individual entity who has a property
  - Listed in the National Register of Historic Places (NRHP) individually or within a NRHP historic district OR is eligible for NRHP listing individually or within a NRHP historic district AND that property will be used for commercial activity.
  - **and** are in a distressed or at-risk county as determined by TNECD;
  - **or** federally qualified opportunity zone (see the TNECD Opportunity Zones directory for a map of opportunity zones in Tennessee);
  - **or** state and nationally accredited Tennessee Main Street community or Tennessee Downtown community (Information can be found here);
  - **or** Certified Local Governments (Information can be found here) approved by the National Parks Service in counties with a population of no more than 200,000 persons**,**
  - also eligible are Courthouses that are listed on the National Register of Historic Places and that are in a tier three (3) or four (4) county

- **If you have made it this far – your property is eligible!**

2024 Timeline

- April 30th– Applications available
- May 15th – Application webinar
- June 28– Applications due
- August/September – **Competitive application scoring**
- September/October – Awards announced
- October/November – Contracts in place

- Projects must start after the contract start date and be complete by the end date. Only expenses incurred during the contract period will be eligible for reimbursement.

Grant Requirements

- Financial
  - This is a **100% REIMBURSABLE grant**; you must have 100% of the project financing up front.

- Procurement
  - Procurement must be fair and transparent
  - Grantees must document compliance with local procurement laws (Example: Competitive Bids for anything over $25K and/or 3 written quotes for anything less than $25K)

- Files
  - Can keep files electronically or in hard copy
  - TNECD must be able to access them on the monitoring visit
  - Keep contract, invoices, bid documents, all TNECD communication, and all other relative documentation
  - Keep files for 5 years after the close of the contract

- Reporting
  - Reports will be required **monthly** with a **comprehensive final report**
  - Reporting on metrics and outcomes will continue after the project is complete and closed out for 2 years

- Closeout
  - Final invoice submitted at the end of the project – this is a reimbursable grant. **You will be required to submit the NPS Part 3 form and certificate of occupancy.**

Financial Requirements

- Maximum grant up to $500,000,minimum grant $50,000

  - Reimbursable at a 30% rate in Tier 1 and 2 county
    Total Project Cost – $1,666,666.00
    Grant - $500,000
  - Reimbursable at a 50% rate in Tier 3 county
    Total Project Cost - $1,000,000
    Grant - $500,000
  - Reimbursable at a 70% rate in Tier 4 county
    Total Project Cost - $714,285.00
    Grant - $500,000

- Want to know your county tier level? Tennessee Jobs Tax Credit Enhancement Counties (tn.gov)

Financial Requirements

- Reimbursable grant - work **must** be completed in order to submit an invoice to the State at project closeout

- All back-up documentation for reimbursement **must** show dates of service and include a description of the service provided or work completed

- Expenses **must** be paid by contract grantee and proof of payment must be included in reimbursement request

- After grantees are selected, another webinar will be held to cover invoicing, compliance, etc.

Grant Payment Setup Form & W-9

- All applicants must submit a Grant Payment Setup Form & W-9 with their application.
  - If the requested bank account is not on file with the State, a SDDA form will also need to be completed and sent to the State's Supplier Maintenance Office.

- The legal entity listed on the forms should be the one that will pay for and execute the project.

- Ensure that the information provided is consistent across all submitted forms (Names, FEINs, Bank Account #s, and Addresses)

- Ensure that all instructions are followed for each required form. Detailed instructions and links to each form can be found in our Grant Compliance Packet.

Eligible Expenses

- **Any expenditure for a structural component of a building is eligible for grant funds**. Treasury Regulation 1.48-1(e)(2) defines structural components to include walls, partitions, floors, ceilings, permanent coverings such as paneling or tiling, windows and doors, components of central air conditioning or heating systems, plumbing and plumbing fixtures, electrical wiring and lighting fixtures, chimneys, stairs, escalators, elevators, sprinkling systems, fire escapes, and other components related to the operation or maintenance of the building.

- In addition to the above named "hard costs," there are "soft costs" which also qualify. These include construction period interest and taxes, architect fees, engineering fees, construction management costs, reasonable developer fees, and any other fees paid that would normally be charged to a capital account. More information on soft costs can be found on the Technical Preservation Services website.

Scoring

Project Need: 35
Project Impact: 15
Project Plan: 20
Project Financing: 20
Project Feasibility: 10
Community Support: 10
Project Location: 10
TOTAL MAXIMUM: 120

Other Reminders

- As a reminder, we cannot pay for any expenses made outside of an executed and approved grant contract. Any work completed prior to that will not be eligible under this grant program.

- All documents must be submitted electronically.

- Ask when you have questions as soon as they arise, rather than waiting until too late.

Questions?

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https://www.tn.gov/ecd/rural-development/historic-development-grant-program.html