



**Washington State 2017-2019  
Heritage Capital Projects Fund**

# **Grant Guidelines**

# 2017-2019 Heritage Capital Projects Fund Grant Guidelines

## INTRODUCTION

The purpose of the Heritage Capital Projects Fund (HCP) Grant Guidelines is to clarify legislative and administrative requirements governing the HCP program and to provide guidance on the application, review and contracting processes. The guidelines are based on state law and the policies of the Office of Financial Management, the State Treasurer, the Office of the Attorney General, and the Washington State Historical Society (WSHS), as well as federal arbitrage regulations. Potential applicants should review these guidelines along with the Grant Application, the 2017-2019 Grant Contract Form and General Provisions, and all applicable laws and rules.

By engaging you and your communities, the State of Washington helps ensure the continued preservation and interpretation of Washington State's heritage, and broadens public access to it. We hope that you will consider applying for Heritage Capital Projects Funding in the 2017-2019 biennium!

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## PART 1: PROGRAM OVERVIEW

### 1.1 Background

The State of Washington has a rich heritage in historical sites and artifacts. These historical treasures have the potential to provide life-long learning opportunities for citizens of the state, yet many are not readily accessible to its citizens. While heritage organizations and facilities exist that can connect individuals with heritage, challenging capital needs may prevent them from reaching their potential. The Washington state legislature formally recognized these facts, and determined that there was a need to support the capital needs of heritage organizations and facilities.

The Revised Code of Washington (RCW) is the compilation of all permanent Washington State laws now in force. With passage of [RCW 27.34.330 - Heritage Capital Projects](#) in 1995, the ongoing Heritage Capital Projects (HCP) program was established to support the capital needs and facilities that interpret and preserve Washington's heritage. The Washington State Historical Society (WSHS) was authorized to establish the processes and rules of the program, and has administered it continuously since that time. The HCP program is housed at the Washington State History Museum in Tacoma.

The Washington Administrative Code (WAC) codifies the regulations of executive branch agencies, including the WSHS, and is a source of primary law in Washington State. In 1998, WSHS established the processes and rules of the HCP program in [Chapter 255-02 - WAC - Capital Projects Fund](#). Its purpose is codified in Section 10:

“The purpose of the capital projects fund is to support capital needs and facilities of heritage organizations, tribal governments, public development authorities, and local agencies that interpret and preserve Washington's history and heritage.”

A Heritage Capital Projects Advisory Panel required by the RCW, is appointed by the Director of the WSHS. As leaders in the heritage field, the Advisory Panel provides advice to the WSHS on the development of guidelines and the establishment of a prioritized list of heritage capital projects to submit to the governor and the legislature each biennium. Advisory Panel members include representatives from the Washington Museum Association, the Office of the Secretary of State, the Eastern Washington State Historical Society, the Department of Archaeology and Historic Preservation, the Department of Enterprise Services, and citizens at-large. Advisory Panel Members independently review, evaluate and score each application, using established evaluation criteria and scoring values.

Through the competitive HCP grant program, the state provides up to ten million dollars each biennium to reimburse up to 33.33% of the eligible costs of selected heritage capital projects, and grantees must provide at least 66.67% match.

Applicants must be eligible entities with eligible projects. To meet the legislative intent of the HCP program, applicants must demonstrate significant public benefit in the form of heritage interpretation and preservation, involve property that will be held a minimum of 13 years beyond the completion of the project, and have the readiness and capacity to undertake and complete the proposed capital project by June 30, 2019. Applicants may request at least \$7,500.00 and no more than \$750,000.00.

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Since 1997, the HCP program has supported local leaders in communities across the state as they have worked to preserve Washington heritage, interpret its meaning, and serve the public. HCP grants have assisted hundreds of local heritage projects, resulting in the construction of new museums and interpretive centers, additions to heritage facilities, improvements to archives and museum collection storage, preservation and reuse of historic structures, restoration of historic ships and rehabilitation of historic railroad equipment.

## 1.2 Grant Timeline

- February 2016 – Grant application materials available
- March 2016 – Application workshops
- May 19, 2016 – Applications due (no exceptions)
- May – June, 2016 - HCP staff preliminary review and determination of eligibility
- June – July 2016 – Advisory Panel review/evaluation/scoring of applications
- August 2016 – Open public meeting for development of prioritized list of HCP projects
- August 2016 – List totaling not more than \$10 million is forwarded to the WSHS Director for review
- September 2016 – List is included in WSHS Capital Budget request and submitted to the governor
- December 2016 (estimated) – Governor releases proposed state Capital Budget
- June 2017 (estimated) – 2017-2019 state Capital Budget signed into law
- July 1, 2017 (estimated) – Announcement of grant awards (if any)
- September 2017 - (estimated) – Appropriated funds allocated to the WSHS by the state Office of Financial Management
- Grant contracts will be executed as soon as possible after the award. Only those project expenditures incurred from the date of contract execution may be eligible for reimbursement.
- June 30, 2019 – Expiration of contract and grant funding without additional legislative action

For more information, visit the [HCP Web Page](#),  
or contact Janet Rogerson, Heritage Capital Projects Manager,  
at [janet.rogerson@wshs.wa.gov](mailto:janet.rogerson@wshs.wa.gov), or 253-798-5909.

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## 1.3 Definitions

- "Agency" means the Washington State Historical Society.
- "Applicant" means any eligible entity that submits an application to the fund.
- "Cash Match" is money from the applicant organization or from other sources, which can include grants from foundations, non-state governmental agencies, individuals, corporations and others.
- "Cost Share" are those costs, including cash and in-kind, that the grantee will incur and pay from its own resources or from resources of other cooperating organizations to complete the project described in the contract.
- "Eligible Entity" means any nonprofit organization, local government agency, tribal government, public development authority, or other entity as determined by the society. State and federal agencies are not eligible to apply.
- "Grantee" is an applicant that has been awarded a grant of funds and is bound by the executed heritage capital projects contract, including any of the officers, employees, or agents lawfully represented by the grantee.
- "Heritage Capital Project" is any project that supports the preservation and interpretation of Washington's history and heritage and involves the facility of an organization or the acquisition of a property by an organization.
- "In-kind Contributions" are those contributions to a project that are not part of the cash match. They may include contributions of property, fixed assets, materials and supplies, professional consultation, legal and accounting services, architectural design fees, volunteer time, and labor.
- "Local Government Agency" is any city or county agency or port district.
- "Non-profit Organization" is an organization which has a 501 (c) (3) IRS tax determination by the Internal Revenue Service (IRS) and is incorporated under the non-profit laws of the state of Washington.
- "Real Property Value" is the fair market value of real property, when such property is acquired solely for the purpose of the project, as established and evidenced by a current fair market appraisal performed by a qualified, professional real estate appraiser; a current property tax statement; or evidence of the purchase price paid by the grantee. With agency approval, grantee may use real property value as a cash match contribution, if the real property was acquired solely for the purpose of this project.
- "Total Cost of the Project" is the amount sought from the Heritage Capital Project Fund plus the amount the applicant will provide as cost share.

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## 1.4 Eligible Applicants

Application for HCP funding of specific eligible projects may be made by any nonprofit organization, local government agency, tribal government, public development authority, or other entity as determined by the society. State and federal agencies are not eligible to apply. More detail about eligible applicants is provided in the definitions on page 5.

Two HCP contracts may not overlap. Applicants must provide HCP contract number and dates of contract execution and expiration for all prior and current HCP grants and contracts. Any current HCP contract project must be completed by June 30, 2017.

An applicant may submit simultaneous proposals to both the state [Building for the Arts](#) (BFA) grant program and the Heritage Capital Projects Fund grant program, or simultaneously seek a legislative appropriation; but, funding cannot be received from multiple state funding sources for the same project during the same biennium. If more than one funder prioritizes the project for their recommendation for funding, the applicant will have to make a choice of one funder prior to the submission of the ranked lists to the governor (approximately August 15, 2016).

## 1.5 Compliance with Applicable Law

Applicants must be aware of and comply with all applicable federal, state, and local laws, regulations, policies, including, but not limited to those related to:

- Hazardous Substances - [70.105 RCW](#)
- Governor's Executive Order 05-05 – See [Historic Preservation Laws](#)
- Prevailing Wage Law - [RCW 39.12](#) and [WAC 296-127](#)
- Industrial Insurance - [RCW 51](#)
- Nondiscrimination - [RCW 49.60](#)
- Americans with Disabilities Act - 42.U.S.C. 12101 et.esq. – See [Municipal Research and Services Center - ADA](#)
- High-performance Public Buildings (LEED) - [RCW 39.35D](#)
- Greenhouse Gas Emissions - [RCW 70.235](#)

## 1.6 What is an Ideal Project?

Successful heritage capital projects provide significant public benefit in the form of heritage interpretation and preservation, provide significant public access, and have demonstrated:

- A compelling community need for the project;
- A well-planned, cost-effective response to the need;
- Project readiness to proceed and complete the project within the 2-year contract;
- A clear and appropriate project purpose with a high degree of achievable results; and
- Financial and managerial ability to manage the contract, maintain and operate the facility, and use it for the express purpose of the grant for 13 years beyond completion of the project.

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### 1.7 Eligible Projects

[WAC 255-02](#) establishes that funds may assist in, but will not be limited to, the following eight major categories of projects and associated costs. The matrix below indicates whether those eligible for HCP grant reimbursement, and/or as Cost Share. Sub-category costs may apply under any major category.

Cost Categories 1-8 per WAC 255-02-050 and Subcategories per WSHS policies	Cost Share		HCP
	Cash	In-kind	Grant
(1) Construction of new facilities or improvements to existing facilities. (Construction / Rehabilitation)			
Building permits / fees			
Site work			
Landscaping			
Construction materials and labor			
Donated & documented materials			Ineligible
Donated & documented labor	Ineligible		Ineligible
Donated & documented professional services			Ineligible
Staff working directly on project			Ineligible
Construction management			
Construction-related legal services			
Travel directly related to project			
(2) Purchase, restoration and/or preservation of such fixed assets as historic buildings and structures, historic ships, locomotives, airplanes and other transportation conveyances			
(3) Acquisition of unimproved property for the purpose of construction of a new facility that will have a heritage mission			
(4) Acquisition, protection, stabilization development of historic or archaeological sites that are culturally or historically significant			
(5) Physical improvement of interior facility spaces for exhibitions, programs, and/or preservation activities.			
Permanent exhibits as part of a construction project			
Art that is capital in nature and integral to the project			
(6) Construction-related design, architectural, and engineering			
Pre-design	Ineligible		Ineligible
Archaeological and historic review and reports			
LEED Silver certification costs			
Professional consultants working directly on project			
(7) Purchase of equipment when necessary to accomplish the project. Documentation will be required.			
Collections storage equipment			
(8) Bridge loans, or financing, but only if the loan is obtained after the application is approved for funding by the legislature			
Market value of a lease during the two-year grant contract	Ineligible		Ineligible
Market value of temporary facility during two-year grant contract	Ineligible		Ineligible

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## 1.8 Ineligible Projects

HCP grants are intended to fund bricks and mortar. [WAC 255-02](#) establishes that funds may not assist in the following projects and associated costs. The costs associated with these may not be used for any part of a HCP project budget. They cannot be reimbursed by HCP or applied to cost share.

- General facility maintenance, repairs, supplies, salaries, or programs
- Leasing of equipment or automotive vehicles
- Museum collection work including management, computerization, or conservation
- Indirect costs for administrative functions (such as a fiscal department's processing of payroll or invoices), or any indirect cost rate
- Volunteer hours for board or committee meetings
- Hosting
- Lobbying
- Reduction of debts
- Earnest money, until it becomes part of completed property purchase
- Out-of-state travel, unless approved by WSHS
- Pre-payments for items or services not received by June 30, 2019

## 1.9 Cost Share

Cost Share is the grantee's match for the state grant as appropriated by the legislature. As established in the [RCW 27.34.330](#), the state's share of the total HCP grant project cost can be no more than 33.33%, and the grantee's share of the total grant project cost must be at least 66.67%. Cost share and the two types of cost share – cash match and in-kind contributions - are defined in 1.3.

- Applicants are required to demonstrate that they have the ability to provide for their cost share.
- Applicants must be able to document availability of all Cost Share committed to the project.
- Cost Share can include non-state cash match and in-kind contributions for the proposed project.
- Up to 50% of the cost share can be in-kind contributions.
- Document donated materials with a signed and dated invoice or statement from the donor
- Document donated general labor (valued at \$15.00/hour.) with name, date, hours and type of work.
- Document donated professional services with signed and dated invoice from the donor.
- Cost Share may include eligible project expenditures from up to six years prior to the start of the biennium in which grant is appropriated. For 2017-2019 biennium, this date is July 1, 2011.
- Cost Share funds cannot have served as match for any other state grants.
- Funds from other state sources and related match cannot be reimbursed, used as cost share or included in any way in the HCP contract.
- Historic Preservation requirements apply to all work for which expenditures will be reimbursed or applied as cost share. Grantees doing projects with National Register of Historic Places listed or eligible properties or objects must comply with the Secretary of Interior's Standards for Rehabilitation (SOI). Grantees doing projects that disturb ground or involve structures more than 50 years old, may be subject to Governor's Executive Order 05-05, and must also comply with SOI.

## PART 2: APPLICATION PROCESS

### 2.1 Preparing to Apply

- Read the entire HCP Grant Application and Grant Guidelines at <http://www.washingtonhistory.org/support/heritage/capitalprojectsfund/>
- Become familiar with all applicable laws and rules.
- Attend one of the HCP grant application workshops.
- Take the time to understand the requirements and obligations of the program.
- Please answer each question in Section 3 of the grant application, the Threshold Requirements, before continuing with the application. Only those applications that meet these requirements will be forwarded to the Advisory Panel for review.
- Don't apply if you or your project is not a good fit.
- Think through your timing and consider waiting until the next grant cycle if your timing is not right.

### 2.2 Application Format

- Application responses must be typed into the provided application form.
- Do not create your own document. Applications not using the provided form will not be reviewed.
- Requested attachments are listed in Section 13 of application, and must be labeled as instructed.
- Do not exceed word counts. Additional words, pages and materials not requested will be discarded.

### 2.3 Application Content

- The proposal described in your application cannot be changed once the application is received, and ultimately a grant contracts may be based on it.

### 2.4 Application Instructions

- Provide information that is consistent throughout the application, forms and attachments.
- Be fully responsive to all questions.
- Answer the questions accurately and honestly.
- Edit your answers so they are as clear and concise as possible. Reviewers have limited time to review many applications and appreciate being able to easily find needed information.
- Verify that all your numbers add up and are accurate and consistent.
- Follow all instructions here and within the application to provide information as requested in each of the application sections and forms:

#### SECTION 1 - CERTIFICATION OF INFORMATION

Provide all requested information and sign in blue ink once printed. Two individuals must be legally authorized by the applicant to be signatories to the application. One of them should be the signatory for

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the HCP grant contract if a grant is awarded. For local government agencies, public development authorities and tribal governments, a responsible official and a fiscal officer must sign. For non-profit organizations, the Board President and either the Executive Director or the Board Treasurer must sign.

### SECTION 2 - PROPERTY OWNER PERMISSION / ACKNOWLEDGEMENT

Provide all requested information and sign in blue ink once printed. If property is not owned by the Applicant Organization, basic information for the current owner must be provided. The owner must grant permission for the proposed project and acknowledge the lease and requirements associated with an HCP contract. The owner's signature is required. If property is owned by the Applicant Organization, this section may be skipped unless an additional signatory is appropriate.

### SECTION 3 – THRESHOLD REQUIREMENTS

Each question represents an eligibility standard that must be met at the time the application is submitted. Answer the questions accurately and honestly with “Yes” or “No”. To be eligible for an HCP grant, the applicant must have answered “yes” to each question. Question D may not be applicable to all applicants. If so, question D should be skipped.

### SECTION 4 - APPLICANT ORGANIZATION INFORMATION

Provide all applicable information for the organization as requested. If the applicant's full current legal name differs from name under which you are doing business, the DBA name must also be included.

To determine the State Legislative district, see <http://app.leg.wa.gov/districtfinder/>

A UBI number is a 9-digit number that registers you with several state agencies and allows you to do business in Washington State. A UBI number is sometimes called a tax registration number, a business registration number, or a business license number. Use the Business License Application to apply for a UBI number: <http://bls.dor.wa.gov/faqlicense.aspx>.

To determine the Federal Tax ID (TIN) number, see [http://www.irs.gov/Individuals/International-Taxpayers/Taxpayer-Identification-Numbers-\(TIN\)](http://www.irs.gov/Individuals/International-Taxpayers/Taxpayer-Identification-Numbers-(TIN)).

A Statewide Vendor Number provides the state with specific information an organization provides in order for the state to issue it a payment, such as whether a mailed check or direct-deposit is preferred and which bank account the funds should go to. The state cannot issue a payment to an organization - or to an individual without one. A Statewide Vendor Number is not required at this time, but if you have one, please enter it. If not, you will be asked to apply for one if you are awarded a grant.

HCP Lead Contact: Provide contact information for the individual designated and ready to meet the requirements associated with the application and contract processes. The Lead Contact will receive all application correspondence and should be available to answer questions about the project.

### SECTION 5 - PROPOSED PROJECT

This section simply provides decision-makers with a snapshot of the proposed project's title, scope, schedule, budget and purpose. Please provide summaries for each of A - E.

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- A.** Project Title – Be descriptive, but concise. For example: “Construction of new ABC County Heritage Museum – Phase II”, or “Restoration of Historic Vessel Kalakala”.
- B.** Project Summary – (50 word maximum) Summarize what type of work you propose to do using HCP grant funds and your cost share contributions and briefly identify how it will provide for the preservation and interpretation of the state’s history and heritage. This project description will be used to provide brief and concise information to key decision-makers. For example: “The ABC Heritage Foundation’s rehabilitate the historic Country Schoolhouse for public use as a museum. The project will include site acquisition and preparation, building relocation, restoration of original windows, doors and siding, new cedar roofing electrical and plumbing upgrades, painting and interpretive signage.” Provide images as **Attachment A**, and architectural drawings and / or site plans as **Attachment B**. (Required attachments).
- C.** Project Schedule– (50 word maximum) Using a narrative or chart, provide a brief schedule including the Project start date and end dates. Start date is the date when work being applied as the applicant’s cost share began. This date can be no earlier than July 1, 2011. Project end date for all 2017-2019 HCP grant contracts is June 30, 2017, the date on which the contract will expire. Applicant must anticipate that all proposed work will be completed by this date.
- D.** Project Budget - Provide the Total Project Cost, which includes only eligible costs that will be applied as cost share or reimbursed by the grant, and the requested information. Base your responses on information in Section 10 – Project Readiness to provide a summary of the funding. These amounts must equal the amounts in the project budget and source of available funds.  
  
Full funding may not be available. Indicate if all or part of the project could proceed without full funding, and if so, describe in 25 words or less what work elements or phases may be possible to accomplish with partial funding and what milestones would be delayed. For example, “With reduced funding, 75% of the project could be completed. Plumbing and electrical work and museum opening would be postponed pending other funding.”
- E.** Project Purpose - Summary (50 word maximum): Briefly state the how the project aligns with the legislative intent of the HCP program and the purpose for which the organization will use the project over the thirteen year period beyond completion of the project. For example, describe what will be preserved and /or interpreted, the facility’s use and the public’s access to it.

### SECTION 6 - GEOGRAPHIC INFORMATION

Provide all applicable information for the project as requested.

To determine the State Legislative district, see <http://app.leg.wa.gov/districtfinder/>

For help in determining GPS Coordinates, see <http://www.gpsvisualizer.com/geocoding.html>.

For information regarding property parcel numbers and legal descriptions, contact your county assessor or visit their website.

### SECTION 7 - ARCHAEOLOGICAL AND HISTORIC PRESERVATION INFORMATION

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This section may not apply to all applicants. Provide all applicable information as requested.

Applicants are encouraged to contact DAHP for review of their proposed project, and can earn up to 5 points for evidence of having done so ahead of submitting an application. (See application SECTION 10 – C, Project Scope of Work – Consultation) To request review, contact Nicholas Vann, State Historical Architect at the Washington State Department of Archaeology and Historic Preservation at 360-586-3079 or [Nicholas.vann@dahp.wa.gov](mailto:Nicholas.vann@dahp.wa.gov). Be prepared to provide building address, any known historic designations, project specifics and any available architectural drawings, and be aware that DAHP may need additional information. Due to the volume of projects, please allow at least 2 weeks for review.

If you are unsure of the historic status of your property, please consult with the local government and the State of WA Department of Archaeology and Historic Preservation. Specific sources of information to help you answer Section 6 questions A through F below include:

- To see if your property is already listed learn about associated requirements, see: <http://www.dahp.wa.gov/learn-and-research/find-a-historic-place>
- If the property or object central to the application is listed or eligible for listing on the National Register of Historic Places or the Washington Heritage Register, relevant *Secretary of the Interior's Standards for Treatment of Historic Properties* will need to be followed: <http://www.nps.gov/hps/tps/standguide/>.
- If the project disturbs ground or involves structures more than 50 years old, it may be subject to Governor's Executive Order 05-05. For more information on both the State of Washington Executive Order 05-05 and Section 106 review under the National Historic Preservation Act (NHPA), see <http://www.dahp.wa.gov/programs/shpo-compliance>.
- For additional assistance on these issues please contact Nicholas Vann, State Historical Architect at the Washington State Department of Archaeology and Historic Preservation at 360-586-3079 or [Nicholas.vann@dahp.wa.gov](mailto:Nicholas.vann@dahp.wa.gov).

### SECTION 8 - PROPERTY OWNERSHIP OR LEASE INTEREST

This section is to confirm that the applicant has sufficient property rights to enter into and conduct the project. Check all that apply and provide additional information as specified.

Real Property Value – (if being applied to cost share): If real property is being or has been acquired by the applicant solely for the purpose of the project after June 30, 2011, provide the fair market value. This value must be supported by a current appraisal (within 6 months) performed by a certified professional appraiser or recent purchase documents.

Lease terms description (25 word maximum) should demonstrate that the lease will be in place during the period of the contract and for a minimum of 13 years duration following completion of the project and will allow the uses described in the application.

### SECTION 9 - COMMUNITY NEED (200 word maximum)

Along with information provided throughout the application, this section should demonstrate the community's need for the proposed project and the ability of project to meet the need (200 word

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maximum). For example, note the relative historic and cultural significance of facility, any threats or urgent situations, capital needs and/or deficiencies of the facility, how the proposed project would meet these needs and why this is the best time for HCP support.

### SECTION 10 – PROJECT READINESS

Along with information provided throughout the application, the information provided in the narratives, forms and attachments of this section should demonstrate that a well-planned and cost-effective project is ready to go and that the organization has the ability and financial capacity to complete it by June 30, 2019. Define the scope, schedule, budget and purpose for the project that will be completed using both HCP grant funds and your cost share. Provide sufficient detail that an auditor can determine how state funds are being used.

Note and attach any documents that have been developed to inform the project, for example, bids, cost estimates, condition assessments, historic structures reports, etc. as **Attachment F**.

#### **A. Project Scope of Work and Schedule – Narrative** (200 word maximum)

Describe the size, scope of work and timeline of the proposed capital project to be completed. For example, provide the size of the area of work, what will be designed, constructed, rehabilitated, and/or purchased, the project milestones and target dates, whether this project is one phase of a larger project or if it is the total project, and if just one part of a multi-phased project, include brief information about all phases, schedule and cost for the entire project, and summarize stage of design and status of any project work. Anticipate - and describe if applicable - any additional work that may also be completed in the event the described work is completed and grant funding remains.

Describe any legal, planning, permitting, review processes, public debates or any other factors that could significantly change the timeline for the grant project.

#### **B. Form 1 - Project Scope of Work - By Architectural Division**

Use the form at the end of the application to list work elements that will be completed in each applicable division, indicating work being done within a building's existing footprint or as additions or new structures. Separate out work being done within a building's existing footprint from work being done in a new area, such as additions or new structures.

Delete divisions or the entire form from your application if unnecessary.

#### **C. Project Scope of Work - Consultation** (50 word maximum)

Describe any professional consultation on project design or work elements that your organization used to inform an appropriate project. For example, did you seek professional advice on the design and choices of materials, have you had professional advice on adhering to the Secretary of Interior's Standards for Historic Preservation, consulted with DAHP, an historic preservation specialist, an architect, an engineer, etc.

#### **D. Project Budget and Source of Available Funds Narrative** (200 word maximum)

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Describe how the budget and cost share amounts provided on the Project Budget Form and Source of Available Funds Form were determined. Indicate whether the available funds are cash match or in-kind, and whether the available funds are in hand, expended or pledged. Document each individual contribution or pledge over \$10,000 as **Attachment G**.

### **E. Form 2 - Project Budget Form**

Use the form at the end of the application to provide the budget for the proposed project.

List the eligible costs for the proposed project by Cost Categories 1-8 or Subcategory per Section 1.7 of these guidelines. Eligible projects and costs may be added to the Budget Form as necessary for your project. Delete those not necessary.

Enter amounts by Cost Category and by Grantee Cost Share (further broken down by cash match or in-kind) or HCP Grant Funds. Calculate and enter the percentages.

The Total Cost of the Project amount shown here must be identical to Total Project Funds amount shown in the Source of Available Funds Form, with up to 33.33% grant funds and at least 66.67% the grantee's cost share. At least 75% of the Cost Share must be available at the time of the application. Up to 25% of the Cost Share may be projected to be received by June 30, 2019.

### **F. Form 3 - Source of Available Funds Form**

Use the form at the end of the application to identify all sources of cash and in-kind funding committed for the proposed project, whether pledged, held by the applicant, expended on the project or yet to be raised. Funds held by the grantee or pledged must be dedicated or restricted for use on the proposed project. Identify cash match or in-kind; and pledged, held by the applicant or expended on the project.

In the Total HCP Funds area, list the full amount for which you are requesting a HCP grant appropriation. Keep in mind that the HCP administrative fee of 3% is deducted from each appropriation. The net available for reimbursement to the grantee is 97% of the appropriation.

In the Grantee's Funds area, list all funding sources needed to complete your HCP grant project. List cost share by contributor under Cash Match or In-kind Contributions. Note in parenthesis whether each amount is pledged, held by the applicant, expended on the project or yet to be raised.

Add or delete rows as needed. Smaller individual capital campaign contributions can be grouped.

The Total Project Funds amount shown here must be identical to Cost of the Project amount shown in the Project Budget Form.

### **SECTION 11 - PROJECT PURPOSE AND RESULTS - (200 word maximum)**

Along with information provided throughout the application, this section should demonstrate a purpose that has a state value and will result in a significant public benefit.

For example, describe what history and heritage will be preserved and /or interpreted, provide detail about how interpretation will be provided and how the project is expected to add to, expand or improve public access and services offered by your organization; the intended public use, expected audience for

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which the organization will use the project; and expected results and public benefits that will be achieved by the completed grant project.

**SECTION 12 – ORGANIZATIONAL CAPACITY** (200 word maximum)

Along with information provided throughout the application, this section should demonstrate the organization’s financial and managerial capacity to successfully manage the contract, operate the facility and continue it’s for the purpose of the grant for thirteen years beyond completion of the project.

Demonstrate the organization’s financial and managerial capacity to successfully manage the contract and sustain its use for thirteen years beyond completion of the project. For example, provide information about sources of income.

Provide dated and labeled meeting minutes or signed resolutions showing official approval of the proposed project and authorization for this application as **Attachment H**.

Provide evidence of partner commitments including contracts for facility use and operations (as applicable) as **Attachment I**.

For non-profits, provide **Required Attachments J– O** per Section 13.

Provide any business, fundraising and operations plans as **Optional Attachments**.

Provide Budget and service data:

	<u>2014</u>	<u>2015</u>	<u>2016 (est.)</u>	<u>2017 (est.)</u>
Total operating budget	\$ _____	\$ _____	\$ _____	\$ _____
Operating surplus / deficit	\$ _____	\$ _____	\$ _____	\$ _____
Paid staff, full-time equivalent	_____	_____	_____	_____
Total visitors	_____	_____	_____	_____

**SECTION 13 - ATTACHMENTS CHECKLIST**

Please use the Attachments Checklist to indicate which attachments you are including in the submittal. It is based upon 2.5 - Application Attachments.

## 2.5 Application Attachments

Label each attachment with the respective letter A through S as shown below, a description and the applicant organization’s name.

**Required of All Applicants – Attach to the master application and all copies:**

- A.** Digital photographs showing the property from the public right of way and the site and of the conditions of the property. If your project is an expansion or improvement of an existing facility or asset, please submit digital photographs that illustrate the state of the facility or asset prior to beginning the grant project work. Label and date each photo or provide a separate digital image index (up to 10 images).

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B. Architectural and site plans, which may be on 8½ x 11 or 11x17 sheets (up to 10 pages).

**Required of All Applicants – Attach one copy of each to the master application only:**

- C. Parcel number(s) and legal description(s)
- D. Verification of historic designations - if applicable
- E. Proof of site control
- F. Bids, cost estimates, condition assessments, historic structures reports, etc. that have been developed for the project
- G. Documentation of individual sources of funding over \$10,000 applied as cost share
- H. Dated and labeled meeting minutes or signed resolution showing official approval of the proposed project and authorization for this application
- I. Evidence of any partner commitments, including contracts for facility use, operations, etc.

**Required of Non-profit Applicants – Attach one copy each to the master application only:**

- J. Copy of Internal Revenue Service 501(c)(3) determination letter
- K. Copy of State Certificate of Incorporation, or other evidence of this.
- L. Current Board of Directors list
- M. Copy of current mission and goals statement
- N. Copy of Board-approved financial statements for the two most recent years - if available
- O. Copy of current operation budget - if available

**Optional of All Applicants - Attach one copy of each to the master application only:**

- P. Operations plan
- Q. Capital campaign packet or fundraising plan
- R. Project feasibility study
- S. Other – please describe.

## 2.6 Application Submittal

**PLEASE NOTE:**

**Although the HCP program is administered at the Washington State History Museum in Tacoma and grant applications will be processed at the Washington State History Museum in Tacoma.**

- Print one one-sided copy of the completed Grant Application Form and all required attachments. This is your “original” application.
- Before making required copies of the original, sign it, remove the application cover page, the blank page which follows it.
- Make fourteen two-sided and three-hole punched copies of the original application form, but only attachments A and B.
- Clip each application with its attachments together, without any binders, report covers or staples.
- A complete application submittal contains three elements rubber-banded together in one package:
  1. **A single CD containing the unsigned application form in Word version and PDF copies of all attachments**

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2. One original signed master copy of the application form and all required attachments
  3. Fourteen copies of the original application and the required attachments A and B above
- Submit the application package to  
  
**Washington State History Museum  
Attention Heritage Capital Projects Program  
Reception Office - Third Floor Lobby  
1911 Pacific Avenue  
Tacoma, WA 98402**
  
  - PLEASE NOTE: If you deliver the submittal, note that the Reception Office is only open Tuesday – Friday 10:00 - 5:00
  
  - **Application package must be postmarked by May 19, 2016 or received by 4PM May 19, 2016.**
  - Faxed and e-mailed applications will not be accepted.
  - Upon receipt, the application and all attachments become public records.

### PART 3: REVIEW PROCESS

The evaluation and review of applications is based upon the written response and support materials provided in the application. Applications are reviewed initially by HCP staff to determine if the proposal meets all Threshold Requirements. Once determined, staff reviews and prepares staff reports for each application regarding compliance with the following threshold requirements.

#### 3.1 Threshold Requirements

Each question represents an eligibility standard that must be met at the time the application is submitted. To be eligible for an HCP grant, the applicant must answer “yes” to each question.

**A. Applicant Eligibility:** Is the applicant organization an eligible entity as defined by [RCW 27.34.330](#)?

Yes or  No

Please check category that applies:  Local Government Agency;  Public Development Authority;  Washington State Non-profit Corporation with IRS 501 C3 Determination;  Tribal Government;  other entity as determined by WSHS. Please describe:

**B. Project Eligibility:** Is the proposed project eligible under [WAC 255-02](#)?  Yes or  No

**C. Property Control:** Will the applicant hold the project property for 13 years from completion of the project and use it for the express purpose of the grant?  Yes or  No

Please check the category that applies:

Ownership;  Purchase and Sale Agreement;  Lease that extends 13 years beyond project completion;  Other agreements.

**D. Archaeological And Historic Preservation Requirements:** If applicable, will applicant consult with Department of Archaeology and Historic Preservation and comply with all related laws and requirements?  Yes or  No

**E. Public benefit:** Will the project provide preservation and interpretation of history and heritage?

Yes or  No

**F. Public Access:** Will the project provide significant public access for citizens of the state?

Yes or  No

**G. Grant Request:** Is the applicant requesting HCP funds of no less than \$7,500.00 and no more than \$750,000.00?  Yes or  No

**H. Grantee Match:** Does the applicant propose to provide Cost Share of at least a 2:1 ratio? (Applicant / State) ratio?  Yes or  No

**I. Non-state Cost Share Funds:** State funds - and any match funds used for other Washington State grants - cannot be used as a Cost Share for HCP grants. Is the applicant proposing a budget with only non-state sources of Cost Share that have not been applied as match for other state grants?

Yes or  No

**J. Minimum Available Funds:** Is the applicant proposing to have at least 75% of the match in hand, already used as eligible project expenditures and/or documented as pledges at the time of application, with at least half of the 75% of this match in cash?  Yes or  No

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- K. Prevailing Wage Law Requirements:** Will the applicant pay state prevailing wages per RCW 39.12 for all labor costs as of the date the HCP contract is executed and propose a project budget that reflects this?  Yes or  No
- L. Period of Performance:** Will the applicant complete the proposed project by the contract expiration date of June 30, 2019  Yes or  No

### 3.2 Advisory Panel Review, Evaluation, Scoring and Prioritization

All applications that meet eligibility requirements are forwarded with their respective staff reports to the HCP Advisory Panel in June 2016. Panel members must step down from serving on the Panel if there is a conflict of interest involving an applicant or a specific application. Panel members independently review, evaluate and score each application, using the evaluation criteria and scoring values below.

In July 2016, a prioritized list totaling not more than \$10 million will be developed through an open and public meeting per [RCW 42.30 Open Public Meetings Act](#). The Advisory Panel considers and ranks all eligible applications, recommends funding levels and forwards the list to the WSHS director for review.

### 3.3 Evaluation Criteria and Scoring Values

- A. COMMUNITY NEED - up to 20 points**  
Evidence of a clear community need for the project and ability of the project to meet the need.
- B. PROJECT READINESS – up to 30 points**  
Demonstrated readiness to initiate and complete a well-planned and cost-effective project
- C. PROJECT PURPOSE AND RESULTS – up to 25 points**  
Clear and appropriate project purpose and a high degree of achievable results
- D. ORGANIZATIONAL CAPACITY - up to 20 points**  
Financial and managerial ability to successfully manage the contract and run the completed facility  
Clear and appropriate project purpose and a high degree of achievable results
- E. CONSULTATION ON DESIGN OR WORK ELEMENTS – up to 5 points**  
Professional consultation organization used to inform an appropriate project

### 3.4 Legislative Process

If approved by the WSHS Director, the list becomes the HCP recommendation for grant funding. It is incorporated into the WSHS Capital Budget request and submitted to the governor's office.

If approved by the governor, the list is included in the Governor's Capital Budget for the 2017-2019 biennium which will be released in December 2016.

Subsequently, the bill containing the proposed State Capital Budget is developed for consideration by the legislature. In the 2017 legislative session, the legislature makes the determination as to which projects (if any) will receive an appropriation for an HCP grant. The governor must sign the capital budget before an appropriation of funds is legally binding.

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Upon the appropriation of HCP grant funds - if any – the awards are announced. Applicants are notified and provided instructions regarding steps in the contract process.

In the months that follow, funds are allotted to the WSHS by the Office of Financial Management and become available to the WSHS for reimbursement.

### **3.5 Funding Restrictions**

Funds awarded under the HCP program originate from the sale of state capital bonds, include no federal funds, and are appropriated in the state capital budget. A grant can only be spent by the designated organization for the express purpose of the grant. Costs must fit the project description and scope of work listed in the grant application. In other words, the application becomes a controlling document that guides how a grant can be spent.

Only those project expenditures incurred after the Capital Budget is signed into law and after the effective date of the contract are eligible for reimbursement, and only if those project expenditures are consistent with the terms and conditions of the contract.

We strive to administer funds expediently and with a minimum of red tape. We do so within the policies and procedures established by the legislature, the Office of Financial Management, the Treasurer and the Office of the Attorney General.

## PART 4: CONTRACTING PROCESS

The HCP Grant Guidelines document you are reading is intended to provide guidelines only. Separately negotiated contracts constitute the formal relationship between the Washington State Historical Society (WSHS) and grantees. WSHS cannot sign contracts or otherwise financially obligate funds until the funding is appropriated.

### 4.1 Contract Development

The grant application becomes the basis for the grant contract, however additional information will be requested as required. Contracts are developed on a first-come-first-served basis, so if you are in a hurry for your funds, please submit all requested information as soon as possible. It generally takes four – six weeks to execute a contract once a grantee provides all needed information.

- WSHS reviews the grant application and all other submittals for consistency and completeness.
- WSHS will contact the grantee if requirements are not met and may request additional information.
- WSHS drafts a contract, and sends it to the grantee for signature.

The HCP Contract is made up of a four-page Contract Cover and Attachments A - H:

- A. General Provisions
- B. Scope of Work
- C. Project Purpose
- D. Project Budget
- E. Source of Available Funds
- F. Agreement to Follow All Laws
- G. Property Parcel Numbers and Legal Descriptions
- H. Leases, Contracts and Agreements

### 4.2 Contract Execution

- Grantee reviews and signs the grant contract and attachments as indicated, and returns it to WSHS.
- WSHS executes the contract by countersigning it.
- WSHS copies the executed contract and mails a copy back to the grantee, and retains the original.
- From the date the contract is executed, contract work eligible for grant reimbursement may begin, and the grantee will have access to grant funds.
- Following execution, all reimbursement materials will be e-mailed to the contract lead contact.

### 4.3 Contract Management

**Grantee Contract Management Role – Grantee is:**

- Bound by the contract to meet all contract terms and requirements
- Responsible to maintain clear and accurate project records:
  - Track eligible expenditures by cost category.

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- Retain invoices and cancelled checks.
- Track Scope of Work progress.
- Take digital photos throughout.
- Track compliance requirements.
- Obligated to have records accessible to WSHS and the State Auditor.

### **WSHS Contract Management Role**

- WSHS is as bound by the contract as the grantee is.
- Responsible to maintain clear and accurate contract records.
- Make those records accessible to the State Auditor as requested.,
- Meet all state contracting and reporting requirements.
- Conduct one or more site-monitoring visits.

## **4.4 Reimbursement Requests**

Expenditures incurred from the date of contract execution may be eligible for reimbursement. Grant funds are available on a reimbursement basis only and cannot be advanced. Reimbursable costs are those that a grantee has already incurred and paid, or that will be payable within 30 days of the invoice.

### **Grantee Role - Requests for Reimbursement submittal:**

- Certificate for Payment with the signature of one authorized individual
- State Invoice Voucher with signatures of two authorized individuals
- Supporting Documentation - We reimburse grantees only after receiving copies of the original billing documents (invoices) with check number or copies of cancelled checks or electronic transfer as applicable. Costs must be documented, presented on a spreadsheet and auditable.
- Progress Status and Closeout Reports including any review by DAHP
- Digital Photos - show your project's progress at each request for reimbursement

### **WSHS Role - Reimbursement:**

- Verification of completeness and accuracy
- Verification of eligibility of expenditures
- Verification of progress on SOW
- Verification of compliance with DAHP
- Authorization of reimbursement

## **4.5 Contract Completion**

- After final request for reimbursement and receipt of final photos and a Project Closeout Report.
- WSHS reviews and verifies completion of the project and may conduct a site visit
- WSHS sends a Contract Closeout letter and authorizes the final reimbursement.