

**CODE OF MARYLAND REGULATIONS**  
**TITLE 14 INDEPENDENT AGENCIES**  
**SUBTITLE 29 MARYLAND HERITAGE AREAS AUTHORITY**  
**CHAPTER 02 MARYLAND HERITAGE AREAS GRANT PROGRAM**  
Complete through Maryland Register Vol. 35, Issue 26, dated  
December 19, 2008.

Authority: Financial Institutions Article, §§13-1107(6) and (12),  
13-1111(b), and 13-1113, Annotated Code of Maryland

.01 General.

This chapter prescribes the policies, procedures, and authorizations for administering the Maryland Heritage Areas Grant Program and providing grants from the Maryland Heritage Areas Authority Financing Fund of the Maryland Heritage Areas Authority, an independent unit of government that operates in the Department of Housing and Community Development.

.02 Objective.

The objective of the Program is to provide a source of funding, including grants to local jurisdictions or other appropriate entities, to assist and encourage preservation and economic development of heritage areas recognized or certified by the Maryland Heritage Areas Authority.

.03 Definitions.

A. In this chapter, the following terms have the meanings indicated.

B. Terms Defined.

(1) "Act" means Financial Institutions Article, §§13-1101-13-1124, Annotated Code of Maryland.

(2) "Authority" means the Maryland Heritage Areas Authority established under Financial Institutions Article, §13-1103, Annotated Code of Maryland.

(3) "Capital project" means the acquisition, development, preservation, or restoration of real property.

(4) "Certified heritage area" means a recognized heritage area designated as a certified heritage area by the Authority under Financial Institutions Article, §13-1111, Annotated Code of Maryland.

(5) "Fund" means the Maryland Heritage Areas Authority Financing Fund established under Financial Institutions Article, §13-1114, Annotated Code of Maryland.

(6) "Grant" means an award of financial assistance from the Fund.

(7) "Grant documents" means the grant agreement and other documents between a grantee and the Authority which evidence the terms and conditions of a grant.

(8) "Grantee" means the recipient of a grant.

(9) Heritage Area.

(a) "Heritage area" means a developed area of public and private uses that:

(i) Ranges in size from a portion of a county or municipal corporation to a regional area with a special coherence;  
(ii) Is distinguished by physical and cultural resources which have played a vital role in the historic life and development of the community and contribute to the public through interpretive, educational, and recreational use; and

(iii) Is composed of contiguous or noncontiguous geographic areas.

(b) "Heritage area" may include traditional parks or historic places or property on the National Register of Historic Places or the Maryland Register of Historic Properties.

(10) "Local jurisdiction" means any of the 23 counties of the State, the city of Baltimore, any municipal corporation in the State subject to the provisions of Article XI-E of the Maryland Constitution, or any of their authorized agencies or instrumentalities.

(11) "Management plan" means a document prepared in accordance with Financial Institutions Article, §13-1111, Annotated Code of Maryland, that includes a comprehensive statement in words, maps, illustrations, or other media of communication of the objectives, policies, and standards to guide public and private action for the preservation, interpretation, development, and use of the cultural, historic, natural, and architectural resources of a heritage area certified under Financial Institutions Article, §13-1111, Annotated Code of Maryland.

(12) "Noncapital project" means a planning, design, interpretation, marketing, or programming activity.

(13) "Nonprofit organization" means a corporation, foundation, governmental entity, or other legal entity, no part of the net earnings of which inures to the benefit of a private shareholder or individual holding an interest in the entity.

(14) "Program" means the Maryland Heritage Areas Grant Program of the Authority established by this chapter under the provisions of the Act.

(15) "Project" means one or more of the eligible activities set forth in Regulation .05 of this chapter.

(16) "Recognized heritage area" means a heritage area that the:

(a) Local jurisdictions within the heritage area have nominated for designation by the Authority as a recognized heritage area under Financial Institutions Article, §13-1110, Annotated Code of Maryland; and

(b) Authority has designated , without conditions, as eligible to apply for designation as a certified heritage area under Financial Institute Article, §13-1111, Annotated Code of Maryland.

.04 Eligible Grantees.

A. The following are eligible to apply for a grant under the Program:

(1) Local jurisdictions; and

(2) Nonprofit organizations.

B. A local jurisdiction shall submit an application together with all other local jurisdictions within the recognized or certified heritage area that will benefit from the grant.

C. A nonprofit organization shall:

(1) Be authorized to submit an application by the entity designated to manage a recognized or certified heritage area by all local jurisdictions, within which a recognized or certified heritage area is located, which will benefit from the grant;

(2) Be in good standing and be qualified to do business in Maryland; and

(3) Have the legal capacity and all necessary legal authority to incur the obligations involved in the grant.

.05 Eligible Activities.

A. Eligibility Generally. The Authority may provide grants from the Fund to eligible grantees to:

(1) Develop management plans for designating a recognized heritage area as a certified heritage area by the Authority;

(2) Assist noncapital projects which:

(a) Are located within certified heritage areas; and

(b) Address or complete priority activities which are:

(i) Identified in the management plan approved for the certified heritage area, and

(ii) Consistent with the goals, objectives, strategies, and actions outlined in the management plan; or

(3) Assist capital projects which:

(a) Are located within target investment zones identified in the management plan approved for the certified heritage area; and

(b) Address or complete priority activities which are:

(i) Identified in the management plan approved for the certified heritage area, and

(ii) Consistent with the goals, objectives, strategies, and actions outlined in the management plan.

B. After 5 years from the date the Authority approves the management plan for a certified heritage area, the Authority may make a grant for a capital project within the certified heritage area only if the Authority first determines that the project is essential for the success of the management plan.

#### .06 General Grant Allocation Procedures.

##### A. Application.

(1) An application shall:

(a) Be made upon standard forms prescribed by the Authority;

(b) Include sufficient information and documentation to:

(i) Verify that the applicant has obtained all authorizations to submit the application required under Regulation .04 of this chapter.

(ii) Evaluate the nature and cost of the proposed activity,

(iii) Evaluate the extent, if any, to which the proposed activity will change the type of use or increase the intensity of the existing use of properties within the recognized or certified heritage area,

(iv) Evaluate the readiness of the applicant to initiate the activity and to complete the activity within an established time frame,

(v) Evaluate the administrative capability of the applicant, and

(vi) Determine the level of contribution to the cost of the activity by the local jurisdiction or jurisdictions in which the recognized or certified heritage area is located; and

(c) Include any other information requested by the Authority.

(2) The Authority may fund applications at levels lower than requested. Not all applicants may be funded.

B. Selection Criteria.

(1) The Authority shall review and evaluate grant applications in accordance with the following selection criteria:

(a) Administrative capability of the applicant;

(b) Readiness of the applicant to initiate the activity and to complete the activity within an established time frame;

(c) Extent to which there is any proposed contribution to the cost of the activity by the local jurisdiction or jurisdictions in which the recognized or certified heritage area is located; and

(d) Additional criteria which the Authority considers appropriate, such as the need for grant assistance, and the complexity and level of effort required to plan for preservation, tourism, and economic development in the heritage area.

(2) The Authority may assign differing weights to the criteria set forth in §B(1) of this regulation, and the weights may vary from time to time.

.07 Authority Approval.

A. After analysis by Authority staff, the Authority shall review each proposed grant, including any proposed special terms or conditions for the activity, and approve or disapprove each grant.

B. If the Authority does not approve a grant, the Authority shall notify the applicant in writing.

C. A decision to approve or disapprove a grant is not a contested case within the meaning of State Government Article, Title 10, Subtitle 2, Annotated Code of Maryland, or COMAR 05.01.01.

.08 Grant Terms and Conditions.

A. Matching Requirements. A grant shall require a match in an amount at least equal to the grant. The match shall consist of cash and any in-kind contributions to the activity acceptable to the Authority. In-kind contributions may not comprise more than 25 percent of the match. State funds may not be used for any part of the match for a grant.

B. Grant Disbursement. Disbursement will be made as the activity progresses based upon requests for disbursement submitted by the grantee in a form satisfactory to the Authority.

C. Expenditure Rate. The Authority may:

(1) Cancel the grant and withhold any funds not yet disbursed if the grantee has not expended all grant funds within:

(a) 24 months of the effective date of the grant documents, or

(b) A shorter period of time prescribed in the grant documents that the Authority determines circumstances warrant;

(2) Extend the time limit if the grantee demonstrates that an extension is warranted by factors such as an inability to satisfy the time limit because of circumstances beyond the grantee's control.

D. Other Requirements. The Authority may establish other terms and conditions in the grant documents as the Authority considers reasonable and necessary.

.09 Grantee Administration.

A. Books, Accounts, and Records.

(1) A grantee and the grantee's contractors and subcontractors shall maintain those books, accounts, and records, and shall file with the Authority those financial and other reports the Authority may require from time to time. The books, accounts, and records shall be open for inspection by representatives of the Authority or the State during reasonable working hours, before, during, or after the period of time during which the grant proceeds are expended. Grantees shall make their administrative offices and personnel, whether full-time, part-time, consultants, or volunteers, available to the Authority or the State upon request.

(2) Books, accounts, and records of a grantee's contractors and subcontractors shall be maintained and made available for inspection up to 3 years after either the date of grantee's final expenditure of grant proceeds or the termination of the contractual relationship between the contractor and the grantee, whichever is later.

B. Reports. A grantee shall submit a final report and interim reports as may be required by the Authority, documenting progress of the activity and evaluating effectiveness of the grant.

C. Nondiscrimination.

(1) A grantee may not discriminate on the basis of age (except with respect to residents in elderly projects), race, color, religion, national origin, sex, marital status, or physical or mental handicap in any aspect of the activity financed or assisted under the Program or in any aspect of employment by the grantee or a contractor for the activity.

(2) A grantee shall comply with all applicable federal, State, and local laws and Authority policies and programs regarding discrimination and equal opportunity in employment, housing, and credit practices including:

(a) Titles VI and VII of the Civil Rights Act of 1964, as amended;

(b) Title VIII of the Civil Rights Act of 1968, as amended;

(c) The Governor's Code of Fair Practices, as amended; and

(d) The Authority's Minority Business Enterprise Program, as amended, if the grantee does not have a minority business participation program which is acceptable to the Authority.

.10 Program Administration.

A. Except for waivers, any action or decision required or permitted to be taken or made by the Authority under this chapter may be taken or made by the Authority's designee.

B. The Authority may terminate a grant or refuse to make additional disbursements under the grant documents if it finds that the grantee is not complying with any of the requirements of the Program or the grant documents.

C. The Authority may establish from time to time operational handbooks or manuals governing matters relating to the Program including descriptive statements of Program procedures which do not directly affect the rights of the public or procedures available to the public.

.11 Waiver.

The Authority may waive or vary a provision of this chapter if:

A. The waiver or variance is not inconsistent with the Act; and

B. In the written determination of the Authority, applying the provision in a specific case or emergency situation would be inequitable or contrary to the purposes of the Act.

.12 False Statements.

A. A person may not knowingly make, or cause to be made, a false statement in any document submitted to the Authority in connection with an application for a grant or affecting an existing grant.

B. A person who violates any provision of this chapter is subject to:

- (1) Immediate cancellation and reimbursement of the grant; and
- (2) Any penalties authorized by law.

ADMINISTRATIVE HISTORY

Effective date: October 20, 1997 (24:21 Md. R. 1452)

Regulation .03B amended effective December 25, 2000 (27:25 Md. R.2283);  
August 18, 2003 (30:16 Md. R. 1076)

Regulation .04 amended effective December 25, 2000 (27:25 Md. R. 2283); June  
10, 2002 (29:11 Md. R. 890); August 18, 2003 (30:16 Md. R. 1076)

Regulation .05 amended effective September 7, 1998 (25:18 Md. R. 1437);  
December 25, 2000 (27:25 Md. R. 2283)

Regulation .06 amended effective September 7, 1998 (25:18 Md. R. 1437);  
December 25, 2000 (27:25 Md. R. 2283)

Regulation .08A amended effective September 7, 1998 (25:18 Md. R. 1437);  
December 25, 2000 (27:25 Md. R. 2283)

Regulation .09B amended effective December 25, 2000 (27:25 Md. R. 2283)