Manual of Program Requirements

MHT Capital Grants, MHT Capital Loans, & AAHPP Grants

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Grant / Loan Start-Up

Grant Agreement / Loan Closing

If you are a loan recipient, you will receive paperwork from MHT and the loan servicer to assist you with loan closing.

If you are a grant recipient, MHT's financial team will send you a grant agreement and related documents. Sign the documents as instructed and return them to MHT. Once MHT's director has also signed the grant agreement, the MHT financial team will set up the state payment account and send you a copy of the fully executed grant agreement. This process usually takes about two months.

Most projects will not be able to start hiring a contractor or requesting payments until the grant agreement is fully executed. Contact your project monitor if there is an emergency and you need to get started early.

Easement Conveyance / Modification

If you are required to convey a new preservation easement or modify an existing easement, you will be contacted by MHT easement staff to start the process. This process usually takes six to nine months, but can take as little as two months if you submit the required materials to MHT quickly. Most projects will not be able to receive grant or loan funds until the easement is conveyed, but contact your project monitor if there is an emergency.

Procurement Process

Any services that are to be paid, in whole or in part, with funds from an MHT Capital Grant, MHT Capital Loan, or African American Heritage Preservation Grant **MUST** be selected on the basis of competitive proposals unless otherwise determined by MHT. The following guidelines outline our typical process for securing professional services from architects, engineers, contractors, and other consultants.

The basic procurement steps include:

- getting your scope of work approved by MHT
- getting your Request for Proposals (RFP) and ad (if required) approved by MHT
- soliciting bids according to MHT's procurement requirements
- selecting the winning bid and getting that approved by MHT

1. *Getting Started*

Consult with your MHT project monitor (see the cover sheet for contact information) about what type of services you will need to begin your project. Some grant/loan recipients begin by hiring an architect, engineer, or other consultant who will create a plan for construction work. Some grant/loan recipients already have construction documents and can immediately hire a contractor to begin work. Your project monitor will help you determine where you need to start.

2. *Scope of Work Approval*

If you are hiring an architect/engineer for pre-development, skip this step and go straight to "Preparing the RFP and Ad."

For all other work, MHT must approve your scope of work before you send out your RFP. Your project monitor will guide you to ensure that all work is eligible for grant funding and meets the Secretary of the Interior's *Standards for Rehabilitation*. For this reason, **your final scope of work may differ somewhat from the project you described in your application**. For grant projects, unless written approval is obtained from MHT, you must use the grant funds and grantee's contribution (matching funds) as detailed in the grant agreement.

Contact your project monitor to help determine your scope of work and guide you through the approval process. If MHT holds a preservation easement on your property, you will need to submit an Application for Change/Alteration to an Easement Property (http://mht.maryland.gov/easement_existing.html).

3. *Preparing the RFP and Ad*

For any work that will be paid for using grant funds, you will need to hire a professional through a process approved by your MHT project monitor. Usually this will be by sending out a Request for Proposals (RFP) to at least six firms. You will also need to prepare an ad if the anticipated cost of the contract will be above $25,000 for an architect or engineer or above $40,000 for a contractor. Your MHT project monitor will need to review and approve both the RFP and the ad (if required) before they are made public for bids.

Your RFP will include general information about the property, the scope of work, the pre-proposal conference (if you are holding one), what materials should be submitted for a complete bid, and how to submit the bid. On the next page is a checklist of items to include in your RFP. Digital RFP and form templates are available to grantees and borrowers upon request. You may also use your own RFP template if you prefer, so long as you meet your project monitor's requirements.

4. *Soliciting Bids*

Once your RFP and ad have been approved by your project monitor, you may send them out for bid.

If you are not required to publish an ad, request bids from at least SIX firms or professionals. There is no minimum required number of responses.

If you are required to publish an ad, you will need to publish the ad either three days in the same newspaper or on one day in three different newspapers. Consult with your MHT project monitor to determine which newspaper(s) to use.

Once you release your approved RFP and ad, send copies of the following to your MHT project monitor:

1. A final copy of the RFP, with correct dates and all forms.
2. A copy of the final ad, if required, as well as a copy of the ad including the dates it ran and the publications it was printed in. A screen shot or digital notification including dates from the publisher will be acceptable if the ad runs online.

When a proposal is received, store it unopened in a secure place until all bids are opened.

5. *Selecting a Firm*

The contract is to be awarded to the responsible and responsive firm whose proposal meets the requirements and evaluation criteria set forth in the RFP, and offers the lowest qualified price. A PROPOSAL MAY NOT BE EVALUATED FOR ANY REQUIREMENT OR CRITERION THAT WAS NOT DISCLOSED IN THE RFP.

Once you have determined the firm you wish to hire, email your selection to your MHT project monitor along with the following:

1. A list of all firms that you requested a bid from and / or who responded to your ad requesting an RFP package.
2. A copy of all responses received, including any "No Reply Forms" or emails stating that a firm does not plan to submit a bid.

Your MHT project monitor must approve your selection before you enter into a contract with the successful firm. Send a copy of the fully signed contract to your MHT project monitor so that payments can be approved.

You should also send written notification to the unsuccessful respondents.

RFP Checklist

Use this checklist to include the following in your RFP:

1. The name of the grant/loan recipient.
2. The name and address of the project property. While optional, a brief description of the property and project along with a photo or two may be helpful.
3. The date the RFP is being issued and the deadline for receipt of bids. See items #7 and #8 below for additional information on dates related to the RFP.
4. The name, phone number, and email address of the project contact.
5. A description of the services that you anticipate will be required (for an architect or engineer) or the MHT-approved scope of work (for a contractor).
6. The proposed project schedule or deadlines.
7. How potential bidders can inspect the project property (e.g. by contacting you for an appointment). If there will be a required pre-proposal conference, it MUST be at least 15 days after the date the RFP is issued, and at least 15 days before the bid deadline.
8. RFP submission requirements (what forms are required, how many copies, etc.; see below for a list of forms required by MHT), the deadline for submission of proposals (which MUST be at least 30 days after the RFP is issued), and the location to which proposals are to be delivered or emailed.
9. Your RFP should include all evaluation factors and should reflect the weighting of criteria (the evaluation criteria should be listed in descending order of importance, see examples below). You cannot evaluate the proposal on any criteria that are not included in the RFP. Sample criteria for evaluation (alter based on the needs of your project):
   - completeness
   - responsiveness to the program
   - project-related qualifications
   - previous relevant (i.e. historic preservation or specialty services) experience
   - ability to meet project schedule
   - cost
10. The following statements must be included in your RFP:
    - This project will be partially funded by a grant through the Maryland Historical Trust (MHT). All work must be acceptable to MHT and must meet the Secretary of the Interior's Standards. Payment make take up to 45 days.
    - The contract will be awarded to the lowest qualified proposal.
    - The contract will be a lump sum, fixed price contract. (Unless a different type of bid is approved by your MHT project monitor.)
    - Minority Business Enterprises are encouraged to respond.
    - The successful firm must be an Equal Opportunity Employer.
    - All amendments, addenda, and changes, and the receipt thereof, be acknowledged in writing.
11. Require firms to submit the names and locations of comparable projects that they have successfully completed, as well as references for those projects, so that you can evaluate each firm's qualifications.

RFP Package

RFP packages include the RFP itself, other documents or drawings that describe the project, and forms that the responding firm needs to fill out and submit to you. The following forms must also be included:

- Financial Proposal Form
- Qualifications Form
- "No Reply" form (so that the firm can notify you if <u>not</u> submitting a proposal)
- Conflict of Interest Affidavit Form

Your MHT project monitor will send you digital templates for all of these forms. You should customize them for your project and property. You may use your own templates for the financial proposal, qualifications form, and/or no reply form, but you should use MHT's template for the conflict of interest affidavit.

Disbursement Request Process

Fund disbursement will generally only take place after a preservation easement has been conveyed (if required), a grant agreement has been fully executed (for grant projects) or the loan closing has occurred (for loan projects), and the scope of work has been approved by MHT. With the exception of acquisition projects and deposits approved by your MHT project monitor, payment can only be released for completed work. For acquisition projects, MHT staff will provide the check at settlement.

Payments will ONLY be made to the grantee or loan recipient, NOT to a contractor or consultant. This may delay your payment to the contractor or consultant beyond the customary 30 days most firms request. Please be sure your contractor or consultant is aware of this and make any necessary arrangements. We recommend signing up for Direct Deposit with the State Comptroller to hasten the payment process (see the "Resources" section of this manual for sign-up information).

To request a payment, email your MHT project monitor the following:

1. A copy of the invoice for complete work or materials purchased. The complete work should be approved by both the grantee/loan recipient and, if applicable, the project architect/engineer.
2. A brief description of the work or materials (1-2 sentences is typically sufficient).
3. A few photos of the work or the materials (for construction) OR a copy of the completed report, drawings, etc. (for pre-development) for which payment is being requested.

Your MHT project monitor will confirm that all work/materials are eligible grant/loan expenses and that all work is approved. This may require a site visit from your MHT project monitor.

When reviewing your request for disbursement, your MHT project monitor will consider the following questions:

1. **Is the cost eligible? Has it been incurred in the grant period? Is it related to the approved scope of work and/or budget?** (See your grant agreement for approved grant period, project scope and budget, if applicable.)
2. **Is the cost necessary?** – If there were no grant funds involved, would the cost have had to be incurred, or incurred at the amount stated?
3. **Is the cost reasonable?** – Is it in line with costs for the same item or service in your area? (Reasonable and necessary often go hand in hand, but you always ask if it is necessary before you ask whether it is reasonable.)
4. **Is the cost verifiable**? – Do you have proof of the project expense? (Invoices, receipts, contracts, and so on).

You must retain records of your project expenditures for 3 years after grant project completion or loan payoff.

Documentation of Match (grants only)

See Exhibit A of your grant agreement to see if you have committed match for your grant project.

If you have committed <u>cash match</u>, you will need to provide copies of invoices and cancelled checks to substantiate the cash spent **on the defined project**.

If you have committed <u>in-kind match</u>, you will need to substantiate the materials or services donated **for the defined project**.

- For <u>donated materials</u>: an invoice for materials or a signed statement from the donor is required.
- For <u>donated services</u>:
    - General volunteer services must be documented with a timesheet that includes the date, time, and task, and must be signed by both the volunteer and the grant project manager. The hourly rate for volunteer time is valued based on the rate for Maryland noted on the Independent Sector website at http://www.independentsector.org/volunteer_time
    - Donated professional services should be documented with a signed statement from the donor, including the donor's customary hourly rate and number of hours donated.
    - Board Members (or equivalent) donating their services may use their customary hourly rate **only** when donating relevant professional services. For example, a Board Member who is an architect may use their standard hourly rate for drafting construction documents, but must use the general volunteer rate from the Independent Sector website for time spent administering the MHT grant.

Match should be expended proportionately to grant funds, unless otherwise approved by your MHT project monitor.

For additional information about eligible match expenditures, see the grant program Guidelines.

You must retain records of your match expenditures for 3 years after grant project completion.

Project Extensions & Completion

Extensions

If you are making progress but your project will not be complete by the Project Completion Date listed in Exhibit A of your Grant Agreement, you can request an extension by emailing your project monitor. If your project monitor determines that you are making appropriate progress, you will receive an extension letter by email. Your project monitor may also contact you prior to your Project Completion Date to offer you an extension. If you do not respond to an extension offer within two weeks, at MHT's discretion, your grant deadline may be automatically extended by your project monitor.

Project Completion

The Project Completion Report is intended to provide a photographic record and capsule summary of the grant or loan project. The final 10% of project funds will be withheld until the Project Completion Report has been initiated in coordination with your MHT project monitor. See your project schedule in Exhibit A of your Grant Agreement for the deadline for submitting the final Project Completion Report.

The Project Completion Report should be submitted on the form on the next page, which will be provided to you as a digital template by your MHT project monitor.

Along with your Project Completion Report, you should be certain the following have also been submitted to your MHT project monitor:

1. A copy of all test results, consultants' reports, and final drawings associated with the project. These may be provided in digital format.
2. <u>Photo documentation</u> (unless otherwise indicated by your MHT project monitor):
   a. Please provide good quality digital images in digital format. Images should include at least one overall photograph of each side of the building; representative interior photos; and several photos highlighting specific details or areas of interest, especially of elements for which State funds were used.
   b. All images must be taken AFTER the completion of grant- or loan-funded work, even if construction on another phase of the project is still underway.
   c. Indicate the name of the photographer and label each photo with a brief description of the photo content (e.g. "rear of property after reconstruction of porch)

Final payment may be held until your MHT project monitor has completed the final site inspection.

Project Completion Report Form

1. Property Data

Property Name	
Property Address	
City, State, ZIP	
County	

2. Type of Funding

(check one)	African American Heritage Preservation Grant ☐	MHT Capital Grant ☐	MHT Capital Loan ☐

3. Project Summary (approximately 60 words)

	Grant Funds Received	$
	Actual Cash Match	+$
	Actual In-Kind Match	+$
	Other Project Costs	+$
	Total Project Costs	=$

4. Grant Applicant Data

Organization				
Type (check one)	Nonprofit ☐	Local government ☐	Business entity ☐	Individual ☐
Federal Identification Number				
Contact Name				
Address				
City, State, ZIP				
Phone		Fax		
E-mail		Website		

5. Property Owner Data (if different from Grant Applicant)

Organization			
Contact Name			
Address			
City, State, ZIP			
Phone		Fax	
E-mail		Website	

Resources

I need to know about…	… where do I find this information?
Historic Preservation	
General preservation principles; how MHT evaluates changes to historic properties	**The Secretary of the Interior's Standards** http://www.nps.gov/tps/standards.htm
Specifics of preservation "best practice", for example, guidance on how to repoint masonry or restore plaster, or how to adapt for accessibility, among other subjects	**National Park Service Preservation Briefs** http://www.nps.gov/tps/how-to-preserve/briefs.htm
I need technical preservation advice above and beyond the written materials referenced above. Can MHT help?	Yes, MHT offers technical preservation assistance through the Office of Preservation Services. Contact your project monitor for more information.
Lead Paint	http://www.epa.gov/lead/ http://mde.maryland.gov/programs/Land/LeadPoisoningPrevention/Pages/index.aspx

Easements	http://mht.maryland.gov/easement.shtml
What is a preservation easement? Do you have a sample easement?	**MHT Easement Conveyance Packet** http://mht.maryland.gov/documents/PDF/easement/easement_procedures_conveyance_grants.pdf
What documents do I need to provide to MHT so MHT can create an easement on my property?	**MHT Easement Conveyance Packet** http://mht.maryland.gov/documents/PDF/easement/easement_procedures_conveyance_grants.pdf
How do I get MHT's approval for changes to an easement property?	**MHT Application for Change/Alteration to Easement Property** http://mht.maryland.gov/documents/PDF/easement/Easement_Change_Alteration_Application_2017.pdf
When will MHT's Easement Committee meet to review my application? When are applications due?	Easement committee meets approximately every three weeks. The dates are posted annually with a link on this page: http://mht.maryland.gov/easement.shtml

Approval of grant- or loan-funded work	
How do I get MHT's approval for work:	
➢ For an easement-protected property or a property that *will have* an easement	See above under "Easements"
➢ For a property that *does not and will not* have an easement	Contact your project monitor about submission requirements

Hiring an architect, engineer, contractor, or consultant	Any work to be paid with MHT funds **MUST** be selected through competitive selection and **MAY NOT** be sole-sourced. Your procurement process **MUST** conform to MHT's requirements (below).
➢ For an architect, engineer, or other consultant	See "Manual of Program Requirements" link in left-hand sidebar on this website: http://mht.maryland.gov/grants_capital.shtml
➢ For a contractor, builder, or craftsman	See "Manual of Program Requirements" link in left-hand sidebar on this website: http://mht.maryland.gov/grants_capital.shtml
Does MHT have a list of consultants and contractors?	The Maryland Association of Historic District Commissions (MAHDC) maintains a directory online: http://mahdc.org/contractor-directory/ Preservation Maryland maintains a directory online: http://preservelist.org/

Grant Financial & Reporting Requirements	
Disbursement of MHT funds	See "Manual of Program Requirements" link in left-hand sidebar on this website: http://mht.maryland.gov/grants_capital.shtml
State of Maryland Direct Deposit	To sign up for direct deposit with the state, go to the following website: http://comptroller.marylandtaxes.gov/Vendor_Services/Accounting_Information/Electronic_Funds_Transfer/ If you have issues with the website, call the Comptroller at 1-888-784-0144 and select option 7 from the menu.
Recordkeeping Requirements & Financial Responsibilities	See "Manual of Program Requirements" link in left-hand sidebar on this website: http://mht.maryland.gov/grants_capital.shtml
Project Completion	See "Manual of Program Requirements" link in left-hand sidebar on this website: http://mht.maryland.gov/grants_capital.shtml

Other Funding Sources for Preservation Projects	http://mht.maryland.gov/documents/PDF/grants/Grants_Funding_Sources.pdf