

RULES AND REGULATIONS

M O R R I S
C O U N T Y



H I S T O R I C
P R E S E R V A T I O N
T R U S T F U N D

Adopted: December 11, 2002

Amended: December 8, 2004

Amended: July 13, 2005

Amended: December 14, 2005

Amended: January 17, 2007

Amended: November 12, 2008



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BOARD OF CHOSEN FREEHOLDERS**

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INTRODUCTION

The Morris County Board of Chosen Freeholders has created the *Morris County Historic Preservation Trust Fund* to help support the preservation of the county's exceptional abundance of historic resources.

The Trust Fund is being established under N.J.S.A. 40:12-15, et seq., which states that the selection of projects must be in agreement with a historic preservation plan prepared and adopted by the county. The county's Historic Preservation planning efforts and the program goals and guidelines of the *Morris County Historic Preservation Trust Fund* are noted below.

Historic Preservation Planning in Morris County

The county's Historic Preservation Element of the county Master Plan, together with the Morris County Historic Sites Survey, are the principal documents that have guided county and municipal preservation planning efforts for the last two decades.

Reflecting its diverse history as the military capital of the American Revolution and as an important iron-producing region and agricultural center, Morris County has hundreds of sites and scores of districts listed on the New Jersey Register of Historic Places. The State Historic Preservation Office's most recently published list of county sites on the New Jersey and National Register of Historic Places can be found in the Appendix. The county has begun to incorporate this list into the county Geographic Information System (GIS) (refer to the preliminary map on page iii).

To assess the financial and technical assistance needs related to historic preservation, the county's Planning Department conducted a survey of municipalities and historic sites and organizations in the spring of 2002.

The survey results, and other counties' and state preservation grant programs were reviewed and carefully considered by a Freeholder-appointed Blue Ribbon Advisory Committee on Historic Preservation which developed rules and regulations for a historic preservation funding program.

Morris County voters approved a referendum on November 5, 2002 authorizing the Freeholders to permit historic preservation funding under the Open Space Trust Fund, as allowed by state law. The Freeholders adopted the following Trust Fund Program Guidelines on December 11, 2002.

Historic Preservation Trust Fund: Program Overview

The *Morris County Historic Preservation Trust Fund* will consider grants for the acquisition, stabilization, rehabilitation, restoration or preservation of historic resources by the County, municipalities and qualified non-profits (26 U.S.C. s.501 c (3)) whose purpose includes historic preservation. Grant applications for plans and reports associated with the implementation of a historic preservation project are also eligible. All historic resources must be eligible, or certified as eligible, for the New Jersey and National Registers of Historic Places.

There are two types of applications available. Projects that are principally construction-related should be detailed in the Construction application. Grant requests for acquisition and plans and reports should be completed on the Non-Construction application. All applications should be submitted to the Morris County Department of Planning, Development & Technology, whose staff will conduct a preliminary review to determine eligibility and application completeness. The application will then be reviewed by the *Historic Preservation Trust Fund Review Board*, who will also visit the site and rate each application according to established criteria. The Review Board's recommendations will be forwarded to the Board of Chosen Freeholders who will determine grant awards.

Applicants will be notified of their award and will receive a grant agreement setting out their State statutory and county requirements. The agreement must be executed by the applicant and the Board of Chosen Freeholders prior to any disbursement of funds from the county Treasurer's Office.

The goals of the Morris County Historic Preservation Trust Fund program are to:

1. Foster comprehensive preservation planning to ensure the continued preservation of historic resources;
2. Stimulate preservation activity by providing funding for technical assistance and restoration projects;
3. Encourage long-term facilities planning and capital budget planning of historic resources;
4. Further the stewardship of the built and natural environment by helping preserve historic structures on open space tracts;
5. Heighten the public's awareness of Morris County's irreplaceable historic character;
6. Increase opportunities for heritage tourism in the County; and
7. Help insure that preservation planning is an integral part of community development.

I. Eligible Applicants

- a. Municipal governments within Morris County
- b. Morris County Government
- c. Charitable conservancies (a corporation or trust exempt from federal income taxation under paragraph (3) of subsection (c) of section 501 of the Federal Internal Revenue Code of 1986 (26 U.S.C. s.501(c)(3)) whose purpose includes historic preservation of historic properties, structures, facilities, sites, areas or objects, or the acquisition of such properties, structures, facilities, sites, areas or objects for historic preservation purposes. Charitable conservancies submitting applications must include documentation of their tax-exempt status. This includes charitable conservancies whose purpose is to preserve state and federal owned historic sites.

II. Eligible Properties

- a. The property must be located in Morris County.
- b. The property must be listed on the National Register of Historic Places or the New Jersey Register of Historic Places, individually or as part of a historic district listed on the New Jersey Register and National Register.
- c. If not listed on either Register, the property must be certified as eligible for listing by the State Historic Preservation Office, either as an individually listed site or as part of a historic district. A Certificate of Eligibility letter or a State Historic Preservation Officer Opinion (SHPO Opinion) issued by the New Jersey State Historic Preservation Officer or proof of State and National Register status must be included with the application.

III. Eligible Activities

All of the eligible activities listed below must be in conformance with the Standards for the Treatment of Historic Properties 1995 (also known as the Secretary of the Interior's Standards for Rehabilitation). These regulations must be followed as they are now in effect or as they may be subsequently modified, changed or amended.

Non-profit organizations (Charitable Conservancies) that plan to submit construction grant requests exceeding \$50,000 must have prepared a Preservation Plan and obtained professional construction cost estimates based on construction documents before they are eligible to apply for funding toward the actual construction. Applicants may apply for a Non-Construction Grant that includes the preparation of a Preservation Plan, construction documents, construction cost estimates by an independent professional cost estimator, and/or relevant reports or analysis. The construction cost estimate must be escalated two (2) years to the anticipated construction period.

After obtaining an independent construction cost estimate, the applicant may apply for a Construction Grant that includes bidding, construction, and construction administration.

- a. Acquisition: the purchase in fee simple of an eligible property, structure, facility, site, area or object by the County, a municipality or charitable conservancy.

Generally, an applicant would not have closed on the property prior to the grant award. However, if they have closed on the property, the following submission criteria would apply:

1. The property must have been purchased by an eligible applicant.
2. Applicant must submit at least one independent market appraisal.
3. The title to the property must have been acquired no earlier than one year prior to the application submission deadline.
4. No grant money may be used toward appraisals, attorney fees or other closing costs.
5. The applicant must provide at least 50 percent of the acquisition cost.
6. The applicant must provide written assurance that the grant would go toward reducing the mortgage with any balance dedicated to future rehabilitation and restoration of the property.
7. The remaining grant money may not be used as future match money for application to the Morris County Historic Preservation Trust Fund.

- b. Stabilization: the essential protection of a deteriorated structure, facility or object as it exists at present, establishing structural stability and a weather-resistant enclosure.
- c. Rehabilitation: the act or process of making possible the compatible use of a property through repair and alteration while preserving those portions or features which convey its historical, cultural or architectural value.
- d. Restoration: the act or process of accurately depicting the form, features and character of a property as it appears at a particular period of time by means of the removal of features from other periods and reconstruction of missing features from the restoration period.
- e. Preservation: the act or process of applying measures necessary to sustain the existing form, integrity and material of a historic property.
- f. Plans and Reports: permitted when related to the development, and implementation of historic preservation projects, including the preparation of:
 - 1. Architectural plans, designs, specifications, cost estimates and other contract documents
 - 2. Feasibility studies
 - 3. Historic structures reports
 - 4. Historic landscape reports
 - 5. Archeological reports
 - 6. Engineering reports
 - 7. Historic research reports
 - 8. Preservation Plans
 - 9. National Register of Historic Places nomination forms
- g. Religious institutions: eligible activities include Historic Structure Reports, Preservation Plans, and Assessment Reports; and the preparation of construction documents and completion of construction activities for the exterior building elements, and the building's structural and MEP systems (mechanical, electrical and plumbing).
- h. Cemeteries that are individually listed on or eligible for the New Jersey or National Register of Historic Places: Eligible activities include the preparation of reports, assessments and studies that document the conditions of tombstones or other elements of the cemetery; and the preparation of construction documents and completion of construction activities for all historic cemetery elements.

IV. Ownership of Project Properties

- a. Owner consent is required to submit any application, except for an acquisition.
- b. For **Construction** Grants: If the applicant is not the owner, then the applicant must be able to prove possession and significant control over the property through a valid lease. The unexpired term of the lease must be 20 years from the date of application.
- c. For **Non-Construction** Grants: If the applicant is not the owner or lessor with a 20 year unexpired lease term, then the applicant must be able to prove significant involvement with the property's preservation. Additionally, applicants for the preparation of a New Jersey Register of Historic Places nomination require an owner's consent to place the property in the Register.
- d. All properties that are to be purchased must be purchased in fee simple and the purchasing entity must have full control of the land.

V. Ineligible Activities

- a. Reconstruction
- b. Administrative or operational costs of the agency
- c. Ceremonial expenses
- d. Publicity expenses
- e. Bonus payments of any kind
- f. Charges in excess of the lowest qualified bid when competitive bidding is required
- g. Charges for deficits or overdrafts
- h. Interest expense (or other financing costs)
- i. Damage judgements arising from construction or equipping a facility, whether determined by judicial process, arbitration, negotiation, or otherwise
- j. Contract cost overruns, not approved, which exceed the allowable amount under the contract specifications
- k. Fundraising or lobbying
- l. Work including construction, research, and preparation of plans and reports performed outside the approved project period
- m. Work not intended in the scope of work set forth in the agreement, including construction, research and preparation of plans and reports

- n. Work that does not comply with the Secretary of the Interior's Standards. Work performed on behalf of a municipal government that has not been awarded in compliance with the State Contracts Law (N.J.S.A.52:32-1 et seq.)
- o. Work performed on behalf of a nonprofit corporation which has not been awarded in compliance with public bidding requirements if the costs of any contract for the historic preservation project funded with a historic preservation grant exceeds \$50,000.
- p. Routine or ongoing maintenance work such as grounds maintenance, painting or cleaning that is not part of a comprehensive project.
- q. Relocation of structures, buildings or objects unless all of the following standards are met:
 - 1. Relocation is necessary to preserve the historic resource; and
 - 2. The relocation re-establishes the property's historic orientation, the immediate setting, and the general environment; and
 - 3. The State Historic Preservation Officer determines that the property, as relocated, will continue to meet New Jersey Register criteria.
- r. Interpretive activities such as displays, signs, etc.

VI. Requirements for Matching Funds

To be eligible for a grant that requires match funding, the applicant shall, as part of the application, show evidence of matching funds in hand or demonstrate clearly the ability to match the grant requested.

Match Funding Requirements by Grant Type and Amount

Grant Type	Trust Fund will pay:	Applicant will pay:
Construction	80%	20%
Acquisition	50%	50%
Non-construction, e.g., Plans and Reports, Nominations, etc.		
If less than or equal to \$5,000	100%	0%
If more than \$5,000	80%	20%

An applicant's matching share shall consist only of cash raised or on hand. Once a grant agreement has been signed and proof of match submitted to the Trust Fund, a "Notice to Proceed" authorizing the approved project application will be sent to the applicant.

VII. Review of Applications

The Morris County Department of Planning, Development & Technology will review submitted applications for eligibility and completeness. Applicants are encouraged to consult with the Department staff about any aspect of the application that requires clarification. All eligible and complete applications will be forwarded to the Historic Preservation Trust Fund Review Board who will evaluate them and may visit the sites under consideration during the application review period.

VIII. Review Schedule

January	Applications available
Last Friday in March	Applications must be received by the Morris County Department of Planning, Development and Technology office by this date.
June	The Historic Preservation Trust Fund Review Board will make its grant recommendations to the Board of Chosen Freeholders.

IX. Historic Preservation Trust Fund Review Board

An eleven-member board shall review, prioritize and make recommendations to the Morris County Board of Chosen Freeholders on the funding of historic preservation projects under the Historic Preservation Trust Fund.

All nominees to the Board shall be reviewed according to standard County procedures in order to avoid any potential conflict of interest. The Morris County Board of Chosen Freeholders shall appoint the board based upon the recommendations from the various municipalities and/or entities as follows:

- 2 at-large representatives. The representative shall have served on a historic preservation commission, committee or board for five years or have demonstrated related historic preservation experience.
- 4 municipal representatives from each of the regions as stipulated in Attachment A. The representative shall have served on a municipal historic preservation commission, committee or board for five years or have demonstrated related historic preservation experience.
- 1 member of the Morris County Heritage Commission
- 3 appointees with professional expertise in historic preservation, one of each from the disciplines of preservation architecture, architectural history and restoration (building);
- 1 appointee, also with professional expertise in historic preservation, who shall have a background as an archeologist, historic landscape specialist, historic site manager, historic site curator or engineer with historic preservation expertise.

All committee members shall be required to properly file a financial disclosure statement as required by N.J.S.A. 40A: 9-22.1

Terms of Office

The municipal members shall serve for no more than two terms of three years each. The Heritage Commission appointee shall serve no more than two terms of three years each. All other members shall be appointed for no more than two terms of four years each.

X. Criteria for Award

The following criteria shall be considered in the evaluation and prioritization of applications for **construction** projects:

- Significance of the resource;
- Physical condition of the property;
- Proposed use of the site and/or quality of the interpretive program;
- Quality of the preliminary planning or contract documents, including credentials of the project team, and feasibility of the budget and work schedule;
- Ability of the applicant to match the funds requested;
- Ability of the applicant to complete the proposed work, maintain the property, administer the grant funds, and develop programs to sustain and interpret the property;
- Relationship of the project to community revitalization, preservation of the built or natural environment, and heritage education and tourism;
- Degree to which the project promotes preservation activity and represents innovative design and extent to which the project reaches new audiences;

The following criteria shall be considered in the evaluation and prioritization of applications for non-construction projects:

- Significance of the resource;
- Physical condition of the property;
- Ability of the applicant to match the funds requested;
- Ability of the applicant to complete the proposed work;
- Potential of the project to foster preservation of the historic property; to promote other preservation activity or related cultural or economic activity; and to foster appropriate site management practices that sustain the long-term use of a property;
- Overall quality of the work proposed for funding;
- Degree to which the project promotes preservation activity and represents innovative design and/or reaches new audiences;
- Impact of the project, including:
 - Heritage tourism opportunities, and public access
 - Proposed use and interpretive program for the site
 - Plans for the continued preservation of the structure after the expenditure of historic preservation grant money.

XI. Conditions for Receiving Grant Funds

All applicants selected for funding under this program must complete and sign a grant agreement within 60 days of receipt of the grant agreement which details the scope of work and project schedule, as well as schedules for project reports and reimbursement requests. All grantees agree to abide by the Secretary of the Interior's Standards in performing funded work. Grant recipients must also agree to meet other conditions of the grant program before money is disbursed. These include, but are not limited to:

- a. **Easements** - The applicant (and all others with an ownership interest in the property) must execute an easement agreement with a 30-year term with the County of Morris. An easement is a deed restriction that is used to assure long-term preservation of a historic property through proper maintenance and by limiting changes in use or appearance and preventing demolition of the property. An easement is required for a) all acquisition projects and b) construction grants over \$50,000, applied cumulatively over any number of funding cycles. Easements are not required for non-construction projects resulting in plan development. In no way does this easement supercede any requirements pursuant to Section 106 of the National Historic Preservation Act of 1966 or New Jersey Register of Historic Places Act.
- b. **Public Access** - Public access to all properties funded through this grant program is required. The County and the grantee will negotiate the days and hours that the property will be open to the public, based on the type of work funded by the grant. Public access requirements are stipulated in the easement agreement. No additional public access is necessary for properties open to the public on a regular basis, such as museums.
- c. **Required Historic Preservation Office Review** - The County of Morris and the New Jersey Historic Preservation Office (HPO) are expected to execute a Memorandum of Understanding which permits the County to retain qualified professional staff to review funded projects for compliance with the Secretary of the Interior's Standards. If the project, for which funding is requested, has already been authorized by the HPO, the authorization letter must be submitted with the grant application. For more information, contact the New Jersey Historic Preservation Office, Technical Review Section at (609) 292-2023. No construction can

begin on any project until an administrative approval letter is received from the County of Morris.

- d. **Project Timetable** - All work on projects funded through this program must be completed within two years of appropriation of grant funds. If an applicant is unable to complete the work within the two years of appropriation of grant funds, the applicant must come before the Historic Preservation Trust Fund Review Board before the expiration of the two years to officially request an extension. The Review Board could recommend to the Freeholders up to a one-year extension of the grant agreement which would also specify the work to be completed within the extended time period.
- e. **National and New Jersey Register of Historic Places** - All applicants receiving funding must list their property on the National and New Jersey Registers of Historic Places. The Grant Agreement between the applicant and the County will outline a timetable for the submission of a nomination to the State Historic Preservation Office.
- f. **Accountability** - All money dedicated for the preservation project must be accounted for separately from other agency or organization funds; funds may not be diverted from eligible to ineligible activities once a grant agreement has been approved. Any misuse of funds, misrepresentation, or non-compliance will result in termination of the grant agreement and penalties as specified in the agreement. Receipts and invoices submitted for activities deemed ineligible for funding under this program will not be reimbursed. Grantees must retain all financial records and other documents pertinent to their projects for three years after completion of the project.

For a current list of Historic Sites in Morris County listed in the New Jersey and National Registers of Historic Places, please visit the following website:

<http://www.state.nj.us/dep/hpo/1identify/lists/morris.pdf>

