

**CHAPTER 4A**

**HISTORIC PRESERVATION GRANT PROGRAM**

**Authority**

N.J.S.A. 13:1B-15.111.

**Source and Effective Date**

R.1994 d.521, effective September 16, 1994.  
See: 26 N.J.R. 3105(a), 26 N.J.R. 4182(a).

**Executive Order No. 66 Expiration Date**

Chapter 4A, Historic Preservation Grant Program, expires on September 16, 1999.

**Chapter Historical Note**

Chapter 4A, Historic Preservation Grant Program, was adopted as R.1989 d.492, effective September 18, 1989. See: 21 N.J.R. 958(c), 21 N.J.R. 2958(a). Pursuant to Executive Order No. 66(1978), Chapter 4A was readopted as R.1994 d.521. See: Source and Effective Date.

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**SUBCHAPTER 1. GENERAL PROVISIONS**

**7:4A-1.1 Purpose**

This chapter shall constitute the rules of the New Jersey Historic Trust in the Department of Environmental Protection for the Historic Preservation Grant Program for grants that were approved for funding prior to February 18, 1997 on a competitive basis for historic preservation projects, for the improvement, restoration, stabilization, or rehabilitation of historic properties owned by State, county and municipal governments and by tax-exempt nonprofit organizations in accordance with the "New Jersey Green Acres, Cultural Centers and Historic Preservation Bond Act of 1987," P.L. 1987, c.265.

Amended by R.1997 d.67, effective February 18, 1997.  
See: 28 N.J.R. 4551(a), 28 N.J.R. 4980(b), 29 N.J.R. 595(a).

Amended to make chapter applicable only to grants effective prior to February 18, 1997.

**7:4A-1.2 Severability**

If any portion of this chapter is adjudged unconstitutional or invalid by a court of competent jurisdiction, the remainder of this chapter shall not be affected thereby.

**7:4A-1.3 Definitions**

The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise:

"Act" means the "New Jersey Green Acres, Cultural Centers and Historic Preservation Bond Act of 1987," P.L. 1987, c.265.

"Applicant" means the State, county or municipal government or nonprofit organization that submits an application for a historic preservation grant.

"Approved project period" means the amount of time prescribed in the project agreement during which the grant recipient must complete the approved historic preservation project to be eligible for the full amount of funding authorized for the project.

"Grant recipient" means the applying State government agency, county or municipal government or nonprofit organization named in a project agreement executed with the Trust to receive grant funds for a historic preservation project.

"Historic" as applied to any property, structure, facility or site means any area, site, structure or object approved for listing or which has been certified as meeting the criteria for listing in the New Jersey Register of Historic Places as set forth at N.J.A.C. 7:4.

"Historic preservation cost" means the expenses incurred in connection with a historic preservation project including construction costs and the procurement of engineering, architectural, inspection, planning, legal or other professional services directly related to the historic preservation project.

"Historic preservation grant" means monies approved by the New Jersey Historic Trust for funding of a historic preservation project.

"Historic preservation project" means work directly related to the improvement, restoration, stabilization or rehabilitation of a historic property, structure, facility or site.

"Improvement" means the act of upgrading the basic physical condition of a property in a manner consistent with the Standards and Guidelines for Historic Preservation Projects (36 C.F.R. Part 1207) adopted by the Secretary of the United States Department of the Interior now in effect and as may subsequently be modified, changed or amended. This type of activity includes upgrading mechanical systems, providing appropriate barrier-free access for handicapped persons, and bringing a property into conformance with building codes.

"National Register of Historic Places" means the national list of districts, sites, buildings, structures and objects significant in American history, architecture, archeology, engineering or culture maintained by the Secretary of the United States Department of the Interior under authority of the National Historic Preservation Act, as amended (16 U.S.C. §§ 470 et seq.).

"Nonprofit organization" means a corporation organized under the New Jersey Nonprofit Corporation Act, N.J.S.A. 15A:1-1 et seq. and qualified for tax-exempt status under the Internal Revenue Code of 1986 (26 U.S.C. § 501(c)).

"Project agreement" means a document executed by the New Jersey Historic Trust and a grant recipient which provides grant assistance in an amount and for a historic preservation project approved by the Trust subject to conditions to assure the continued preservation and benefit to the public of an historic property assisted with an historic preservation grant.

"Preservation" means the act or process of applying measures to sustain the existing form, integrity, and material of an historic property.

"Rehabilitation" means the process of returning an historic property through repair or alteration to a contemporary use that is appropriate and compatible with the historic nature of the property, while preserving those portions or features of the property that are significant to its historic, architectural, and cultural values.

"Restoration" means the process of accurately recovering the form and details of a historic property and its setting as it appeared at a particular period of time by removal of later work or by replacement of missing earlier work. Restoration may include a full restoration (exterior and interior) or a partial restoration of the historically and/or architecturally significant parts of a structure. Sufficient documentation from the period must be provided to establish historic form and detail.

"Secretary of the Interior's Standards" means the Standards and Guidelines for Historic Preservation Projects (36 C.F.R. Part 1207) adopted by the Secretary of the United States Department of the Interior now in effect and as may subsequently be modified, changed or amended.

"Site" means the location of a significant event, a prehistoric or historic occupation or activity, or a building or structure whether standing, ruined or vanished where the location itself maintains historic or archeological value regardless of the value of any existing structure.

"Stabilization" means the application of measures designed to sustain the form and extent of an historic resource essentially as it now exists. Stabilization is aimed at halting further deterioration and enhancing safety, rather than attempting to rebuild or recreate lost historic features. Stabilization includes techniques to arrest or slow deterioration of a site, structure, or object. Improvements in physical conditions to make the property safe, habitable, or otherwise useful can be part of stabilization, as can minor repairs that do not change or adversely affect the fabric, appearance, or historic value of the property.

"State Historic Preservation Officer" means the Commissioner of the Department of Environmental Protection designated by the Governor to administer the State Historic Preservation Program to identify and nominate eligible properties to the National Register of Historic Places. The State Historic Preservation Officer establishes the procedures and criteria located at N.J.A.C. 7:4 for receiving and processing nominations and approval of areas, sites, structures and objects, both publicly and privately owned, for listing in the State Register of Historic Places.

"State Register of Historic Places" means the New Jersey Register of Historic Places consisting of areas, sites, structures and objects significant in American history, architecture, archeology and culture which the Commissioner of the Department of Environmental Protection is authorized to expand and maintain under the "New Jersey Register of Historic Places Act," N.J.S.A. 13:1B-15.128 et seq.

"State Review Board" means the body appointed by the State Historic Preservation Officer as part of the State Historic Preservation Program for the purpose of reviewing and recommending to the State Historic Preservation Officer whether or not the nominated area, site, structure or object satisfies the criteria for listing in the State and National Registers of Historic Places.

“Structure” means a work constructed by man and made up of interdependent and interrelated parts in a definite pattern or organization.

in the Department of Environmental Protection under N.J.S.A. 13:1B-15.111 et seq.

“Trust” means the New Jersey Historic Trust, a body corporate and politic with corporate succession established



**SUBCHAPTER 2. APPLICATION PROCEDURE AND ELIGIBILITY FOR HISTORIC PRESERVATION GRANTS**

**7:4A-2.1 Eligible applicants**

State, county and municipal governments and tax-exempt nonprofit organizations are eligible to submit applications for historic preservation grants.

**7:4A-2.2 Eligible property**

(a) To be eligible for an historic preservation grant, the specific property for which an application is submitted shall, at the time of the Trust's receipt of the application, be:

1. Owned in fee simple by the applicant; or
2. If the property is not owned in fee simple by the applicant, the applicant shall have possession and sufficient control over the property pursuant to a long-term lease to guarantee the continuing preservation, on-going maintenance and public access requirements for the historic property under this chapter. No historic preservation project proposed for leased property shall be approved for funding unless:
  - i. The lease cannot be revoked at will by the lessor;
  - ii. The unexpired term of the lease is:
    - (1) For property owned by the State, a county or municipality and leased to the applicant, five years or more as of the date the Trust receives the application for an historic preservation grant; or
    - (2) For property owned by a nonprofit organization and leased to the applicant, 20 years or more as of the date the Trust receives the application for an historic preservation grant; and
  - iii. The application for the historic preservation grant is endorsed by all owners, lessors and lessees of the leased premises as the case may be; and
3. Individually listed in the National or State Register of Historic Places; or
4. Located within an historic district listed in the National or State Register of Historic Places and identified in the nomination of the district as contributing to its significance; or
5. The State Historic Preservation Officer certifies that the property, structure, facility or site is approved for listing or meets the criteria for listing in the State Register of Historic Places as set forth in N.J.A.C. 7:4.

**7:4A-2.3 Historic preservation activities eligible for funding**

(a) The following historic preservation activities are eligible for funding by the historic preservation grant program:

1. Rehabilitation;
2. Restoration;
3. Stabilization;
4. Improvement;
5. Non-construction activities related directly to the development, implementation, operation and monitoring of historic preservation projects. Such activities may be funded up to 25 percent of the total amount of the approved historic preservation grant. Eligible non-construction activities shall consist of preparation of:
  - i. Architectural plans, designs, specifications, cost estimates and other contract documents;
  - ii. Feasibility studies;
  - iii. Historic structure reports;
  - iv. Historic landscape reports;
  - v. Archeological reports;
  - vi. Architectural reports;
  - vii. Engineering reports;
  - viii. Historic research reports; or
  - ix. Project completion reports;
6. Project signs, required under N.J.A.C. 7:4A-6; and
7. Interpretive signs or plaques approved by the Trust for funding as part of an historic preservation grant.

(b) Costs incurred in the following activities are not eligible for funding by the historic preservation grant program:

1. Acquisition of real or personal property;
2. Construction of new structures including accurate reconstructions except that this activity may be eligible for an historic preservation grant if it is a minor and necessary component of an historic preservation project approved for funding;
3. Administrative or operational costs of the agency receiving funding except as specified in N.J.A.C. 7:4C-2.3(a)7. Administrative costs shall include:
  - i. Salary and payroll expenses including full-time, part-time, and temporary workers;
  - ii. Leasing or rental expense;
  - iii. Office supplies or equipment;
  - iv. Insurance;

- v. Utilities;
- vi. Travel;
- vii. General maintenance; or
- viii. Miscellaneous.
4. Ceremonial expenses;
5. Expenses for publicity (with the exception of the required project sign);
6. Bonus payments of any kind;
7. Charges for contingency reserves;
8. Charges in excess of the lowest bid, when the grant recipient is required to use competitive bidding, unless the Trust agrees in advance to the higher cost;
9. Charges for deficits or overdrafts;
10. Interest expense;
11. Damage judgments arising from construction, or equipping of a facility, whether determined by judicial process, arbitration, negotiation, or otherwise;
12. Services, materials, or equipment obtained under any other State program;
13. Costs of discounts not taken;
14. Contract cost overruns, not approved, that exceed the allowable amount as per the contract specifications;
15. Fundraising, including grant application preparation;
16. Lobbying;
17. Work including construction, research and preparation of plans and reports performed outside the approved project period;
18. Work including construction, research and preparation of plans and reports not included in the scope of work set forth in the project agreement;
19. Work which does not comply with the Secretary of the Interior's Standards;
20. Work performed on behalf of the State, a county or a municipal government which has not been awarded in compliance with the State Contracts Law, N.J.S.A. 52:32-1 et seq. or the Local Public Contracts Law, N.J.S.A. 40A:11-1 et seq.;
21. Work performed on behalf of a nonprofit organization which has not been awarded in compliance with the State Contracts Law or the Local Public Contracts Law if the cost of the contract for work performed as part of the historic preservation project funded with an historic preservation grant exceeds \$50,000;
22. Routine maintenance work; or

23. Relocation of structures, buildings or objects except that this activity may be eligible for an historic preservation grant if the following conditions are met:

- i. Relocation of the structure, building or object is necessary for its preservation;
- ii. The relocation re-establishes the historic orientation, the immediate setting, and general environment of the property; and
- iii. The State Historic Preservation Officer determines that the property, as relocated, will continue to meet the criteria for listing in the State Register.

Amended by R.1994 d.541, effective November 7, 1994.  
See: 26 N.J.R. 3253(b), 26 N.J.R. 4350(a).

#### 7:4A-2.4 Procedures

(a) The announcement of grant rounds and the opening and closing dates for submission of historic preservation grant applications shall be published by the Trust in the DEP Bulletin and the New Jersey Register.

(b) The following three basic steps constitute the historic preservation grant application procedure:

1. The applicant shall submit a written application for each historic preservation project.
2. A notice of receipt of application will be sent by the Trust to each applicant.
3. If the application is approved, funds shall be distributed in accordance with a project agreement between the Trust and the applicant which specifies, among other things, the following:
  - i. Amount of grant;
  - ii. Project period; and
  - iii. Project scope.

(c) Each project application must contain sufficient information to ensure that the Trust is able to conduct an adequate and thorough review. Applications shall be on forms provided by the Trust and shall contain at least the following information:

1. Statement of the significance and condition of the property;
2. A narrative description of the proposed project;
3. Cost estimates for proposed work;
4. Black and white photographs and color slides of the property;
5. Evidence of matching funds commitment as specified at N.J.A.C. 7:4A-2.5;
6. Long-range plans for the future preservation of the property;

7. Names and addresses of all owners, all parties with an ownership interest, and evidence of ownership or an interest in ownership of the historic property for which a grant is requested;

8. As applicable, names of lessors and lessees, and a copy of a long-term lease meeting the requirements of N.J.A.C. 7:4A-2.2(a)2;

9. If the property for which a historic preservation grant is requested is not listed in the State or National Register of Historic Places, a certification by the State Historic Preservation Officer that, as of the date of the Trust's receipt of the application, the historic property for which a grant is requested is approved for listing or meets the criteria for listing in the State Register of Historic Places as set forth in N.J.A.C. 7:4; and

10. A copy of a resolution of the governing body of the applying county or municipality, a resolution of the board of directors of the applying nonprofit organization, or the signature of the head of the applying State agency recommending the historic preservation project for funding under the Historic Preservation Grant Program.

(d) Applications not funded in a given grant round shall not receive further consideration for funding by the Trust in that grant round. An applicant may re-submit the application or submit a revised or new application in a subsequent grant round.

(e) Application materials for projects not funded shall be retained by the Trust for 90 days following the announcement of grant awards. The materials shall be returned if the applicant submits a written request to the Trust within the 90 day period. After 90 days the Trust may discard all application materials for non-funded projects.

#### 7:4A-2.5 Matching funds

(a) To be eligible for a grant for a historic preservation project, the applying tax-exempt nonprofit organization or State, county or municipal government unit shall, as part of the application for a historic preservation grant, demonstrate the ability to match the grant requested by generating \$1.00 in funds for every \$1.00 of grant money requested in the application. State funds shall not be used as the matching share of project costs by the applying tax exempt nonprofit organizations or county or municipal government units.

(b) Funds generated prior to December 1, 1985 shall not satisfy the matching funds requirement.

(c) Funds raised by the applicant for up to two years prior to the date of enactment of the Act (December 1, 1987), as well as after that date, for ongoing historic preservation projects, and of which the project described in the application is a significant and substantial part, may satisfy the matching funds requirement in (a) above.

(d) Funds raised and spent by the applicant for up to two years prior to the date of enactment of the Act (December 1, 1987), as well as after that date, for ongoing historic preservation projects, and of which the project described in the application is a significant and substantial part, may satisfy the matching funds requirement in (a) above if:

1. As part of the application, the applicant submits all contracts, invoices, evidence of payment, plans and specifications documenting the expenditure of funds by the applicant and describing the work performed; and

2. The Trust determines that the work performed is part of the historic preservation project described in the application and that the work was performed in accordance with the Secretary of the Interior's Standards.

(e) An applicant's matching share shall consist only of cash raised by the applicant as provided in (c) and (d) above or funds spent by the applicant on an on-going historic preservation project as provided in (d) above.

### SUBCHAPTER 3. ALLOCATION OF HISTORIC PRESERVATION GRANT FUNDS

#### 7:4A-3.1 Allocation of historic preservation grant funds

(a) In each grant round historic preservation grant funds shall be allocated in accordance with a ranking of applications received by the Trust in a given grant round subject to availability and appropriation of funds under the Act. The ranking of applications shall be established by the Trust based on the criteria set forth in N.J.A.C. 7:4A-3.2.

(b) The Trust reserves the right to limit funding to less than the amount requested in an application.

#### 7:4A-3.2 Criteria for review and ranking of applications for historic preservation grants

(a) All applications for eligible historic preservation projects in a given grant round shall, for the purpose of determining priority for funding, be ranked on the basis of the following competitive criteria:

1. Significance of resource which shall involve consideration of the following:

i. Degree to which a property is historically or archaeologically significant, or is significant in the architectural, engineering, scientific, economic, agricultural, educational, social, political, military, or cultural annals of the State, according to the evaluation criteria for the National Register of Historic Places;

ii. Degree of significance locally or at the regional, State, or national level;

iii. Degree of significance as first, last remaining, or best example of its kind;

iv. Integrity of a property's location, design, setting, materials, workmanship, feeling, and association; and

v. Degree to which a property retains its historical features and setting;

2. Physical condition of the property, including any immediate threat of collapse, demolition or inappropriate use or development; notice of code violations; and deterioration requiring stabilization;

3. Plans for the preservation of the structure which shall involve consideration of the following:

i. Plans for use and interpretation of the historic property;

ii. Preservation and maintenance plans;

iii. Relationship of project to State, county and municipal preservation planning;

iv. Visibility and ability of project to serve as a catalyst for further preservation of historic resources; and

v. Potential impact of project on the community;

4. Compliance with the Secretary of the Interior's Standards reflected in:

i. Project plans, specifications and any other documents for work that has not been done for which the application for a historic preservation grant has been submitted; or

ii. Work underway or completed that is part of an on-going historic preservation project for which the application for a historic preservation grant is submitted;

5. Administrative capability of applicant which shall involve consideration of the following:

i. Completeness of project concept;

ii. Place of project in long-range plans of applicant;

iii. Quality of project consultants;

iv. Relationship of project to applicant's resources;

v. Financial resources and financial plan of applicant;

vi. Realistic time frame for project;

vii. Applicant's experience in managing historic preservation projects; and

viii. Qualifications and experience of applicant's staff;

6. Source and commitment of funds to match the grant requested;

7. Financial plans for the continued preservation of the historic structure after the expenditure of historic preservation grant money; and

8. Degree and kind of public access.

(b) Funds shall be distributed to achieve a geographical, racial and ethnic balance as well as a balance between size and types of projects, and historical or cultural period of the resources assisted by the program.

#### 7:4A-3.3 Grant payment

(a) After the project agreement has been fully executed, the Trust shall, subject to its approval of invoices submitted pursuant to (b) below, reimburse the grant recipient for expenditures incurred by the grant recipient for historic preservation activities which are eligible for funding under N.J.A.C. 7:4A-2.3 and are within the scope of the historic preservation project described in the project agreement. The total amount of all reimbursements shall not exceed the amount of the grant.

(b) Reimbursement shall be made under (a) above based on itemized invoices approved by the Trust and referenced to completed tasks within the scope of the historic preservation project described in the project agreement. The grant recipient shall submit invoices to the Trust for approval prior to reimbursement. The invoices shall itemize the cost of labor and materials and describe the work performed for which reimbursement is requested. The invoices shall be submitted for each billing period set forth in the project agreement and shall be accompanied by any other documentation defined in the project agreement.

(c) Ten percent of the total amount of each grant shall be retained by the Trust. The Trust shall deduct as retainage an amount equal to 10 percent of each payment approved under (b) above. The retainage shall be kept by the Trust until the historic preservation project has been completed and the project has been audited by the Trust. The retainage shall be disbursed based on the findings of the audit.

#### 7:4A-3.4 Grant amount

The minimum grant for a historic preservation project shall be \$10,000; the maximum grant shall be \$1,100,000.

### SUBCHAPTER 4. PUBLIC ACCESS

#### 7:4A-4.1 Public access to the historic property

(a) As a condition of the approval of a historic preservation grant application, the applicant shall agree that the historic property for which a grant has been requested shall remain accessible to the public or shall be made and remain accessible to the public. The degree and kind of public access shall be negotiated by the Trust and the applicant based on the specific characteristics of the historic property and the type of work approved for a historic preservation grant. The following shall constitute the minimum acceptable degrees of public access depending on the type of work approved for a historic preservation grant:

1. When the historic property is not generally accessible to the public, it shall be open to the public a minimum of six hours a day at reasonably spaced intervals a minimum of 12 days a year for 20 years commencing upon completion of the project.

2. When the interior of the historic property is not generally accessible to the public, it shall be open to the public a minimum of six hours a day at reasonably spaced intervals a minimum of 12 days a year for 20 years commencing upon completion of the project.

3. When the interior of the historic property is generally accessible to the public, no additional public access is required.

4. Under (a)1 and 2 above, a sign shall be maintained on the historic property in public view one week prior to and on the day of public access or a public notice shall be placed in an appropriate local paper.

3. Provisions for public access to the historic property.

(b) The period of the easement shall be determined by the aggregate total of grant assistance made available under this chapter, as follows:

1. From \$10,000 to \$25,000—five years;
2. From \$25,001 to \$50,000—10 years;
3. From \$50,001 to \$100,000—15 years;
4. From \$100,001 to \$200,000—20 years; and
5. From \$200,001 and above—20 years or such additional period as the Trust may reasonably require.

**SUBCHAPTER 5. EASEMENT**

**7:4A-5.1 Easement on the historic property**

(a) To assure the continued preservation of grant-assisted historic properties and to assure that public benefit shall continue to accrue from the use of public funds after the expenditure of the grant moneys, the Trust shall not make grant assistance available until an easement agreement executed between the Trust and the grant recipient and all other parties having an ownership interest in the historic property is recorded. The easement agreement shall include:

1. Provision for the continued preservation of the historic property;
2. Limitations on the right to change the use, alter, demolish or convey the property; and

**SUBCHAPTER 6. PROJECT SIGNS**

**7:4A-6.1 Project signs**

(a) At the initiation of a historic preservation project funded by a historic preservation grant, a sign acknowledging that the project is being funded with grant assistance available through the New Jersey Historic Preservation Grant Program administered by the New Jersey Historic Trust in the New Jersey Department of Environmental Protection shall be prominently located and maintained on the project site.

(b) The project sign shall be fabricated and erected by the grant recipient in accordance with specifications contained in the project agreement.

(c) The costs of fabricating and erecting the project sign are eligible for funding under N.J.A.C. 7:4A-2.3(a)6. The costs of replacing or maintaining the project sign are not eligible for funding.