

Nature in Neighborhoods CAPITAL GRANTS PROGRAM SUMMARY

The Metro Council seeks to inspire innovative projects that improve the ecological functions of our neighborhoods and enrich people's experience of nature as a fundamental element of their community's character and livability. Up to \$2.25 million is available annually through the life of the program.

There is no deadline for this program. Interested organizations, schools, neighborhoods or government agencies can initiate review of a particular project by submitting a letter of interest at any time. An invitation for a full application will be issued if all the basic eligibility requirements are met.

Eligibility Requirements

Proposed projects must fulfill the following minimum requirements to be considered:

- The total project cost must be at least \$50,000.
- The project must be on publicly-owned property or result in a publicly-owned asset (such as land acquisition) and is within Metro's jurisdictional boundary or the region's urban growth boundary.
- The project must demonstrate public and private partners who can and will leverage human and financial resources for the project.
- A financial or in-kind match of at least \$2 for every \$1 of grant funds requested is required and must come from sources other than Metro. Match does not need to be secured at the time of the application.

Evaluation Criteria

A project proposal must strongly address the criteria in at least one of the categories below. Applicants must address how the project meets the criteria as well as project feasibility factors such as the applicant's ability to implement the project and a plan for long-term maintenance.

1. "Re-Nature" – Enhance ecology

This category is for projects that preserve or restore habitat, protect water quality and increase connectivity.

- Alters the physical environment to enhance ecological processes and improve overall ecosystem health.
- Provides ecological benefits beyond the project itself.
- Demonstrates ecological design solutions that are both effective and cost-efficient.

2. "Re-Green" – Enrich people's experience of nature

This category is for projects that help ensure that every community has access to nature as a fundamental element of its character and livability.

- Enriches people's experience of nature and strengthen physical connection to the region's ecology.
- Provides benefits beyond the project itself.
- Demonstrates ecological design solutions that are both effective and cost-efficient.

For More Information

Visit our website at www.oregonmetro.gov/capitalgrants or contact:
Mary Rose Navarro at 503-797-1781, email: maryrose.navarro@oregonmetro.gov



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**NATURE IN NEIGHBORHOODS
CAPITAL GRANTS**

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Nature in Neighborhoods Capital Grants HANDBOOK

SECTION 1: OVERVIEW OF THE CAPITAL GRANTS PROGRAM

Program Background

In November 2006 voters approved a \$227.4 million bond measure designed to protect the region's water quality, fish and wildlife habitat and provide the public with greater access to nature. The Natural Areas Program consists of three elements:

1. Regional natural area and trail corridor acquisition in the amount of \$168.4 million.
2. Local program providing \$44 million to cities, counties and park districts to meet their own needs for acquiring natural areas, restoring habitat, enhancing public access to nature, designing and constructing trails and providing environmental education opportunities.
3. Nature in Neighborhoods capital grants program in the amount of \$15 million.

The Nature in Neighborhoods capital grants program is intended to complement the regional and local share elements of the 2006 natural areas bond measure by funding projects that protect and enhance natural resources on public lands at a neighborhood level.

With a required match of at least \$2 for every \$1 in grant funding, this \$15 million program is expected to provide at least \$45 million of investment in the region's nature-based infrastructure.

Funding Availability

Up to \$2.25 million is available annually for this competitive grant program. While letters of interest are accepted at any time, there will be a deadline for the submission of full applications. Only applicants invited to submit a full application will be eligible to submit a full application. Full application review begins in the fall (October or November) and funding is available by the following spring.

The intent of this grant program is to fund significant capital improvement projects. Therefore, the total project cost must be at least \$50,000. Since the required match is \$2 for every \$1 of Metro funding, a minimum grant award is \$16,600. A maximum grant request figure has not been established. Past grant awards have ranged from \$35,000 to \$1 million. Program staff can help determine an appropriate grant request for specific projects.

Who can Apply

The following groups and organizations are eligible to apply: governmental agencies; non-profit organizations; public educational institutions including primary and secondary schools, community colleges, colleges, universities and extension centers. Although individuals and for-profit organizations are not eligible to apply, they are encouraged to participate as project partners. Due to bond restrictions, the federal government cannot own the asset or improvement.

Partners

The project must demonstrate public and private partners who will leverage human and financial resources. A partner is not simply an organization or individual that writes a letter of support. A partner is actively engaged in leveraging financial or in-kind services in order to make the project a success.

Match

For every dollar requested from the grant program, the applicant must secure at least two dollars of matching financial and in-kind services. The grant program has built flexibility into the matching requirements that allows creativity in project implementation and financing. This flexibility includes:

- A. The match can be a combination of financial resources and in-kind services.
- B. The match does not need to be secured at the time of application to the capital grants program. Successful applicants will have as long as 24 months to leverage Metro funding and secure the remainder of their match amount. It is strongly encouraged that applicants actively seek matching funds prior to submitting a full proposal or that there is a reasonable plan for securing the remainder of that match.
- C. The value of donated or acquired property can be used as a match if the property was donated or acquired within one year of the grant application, as long as no Metro funds were used to acquire the property.
- D. Volunteer time should be valued based on the Independent Sector's value of volunteer time. The most current information can be found at:
http://www.independentsector.org/programs/research/volunteer_time.html.
- E. Metro funds or in-kind support of Metro staff cannot be used as a match.
- F. Match can include pre-agreement planning costs. It is recognized that some costs must be incurred to adequately prepare the full application. For that reason, the following costs can be included as a match if incurred after Metro's invitation to submit a full application.
 - For development projects: site planning, feasibility studies, preliminary design, environmental assessment, preparation of cost estimates, construction drawings and specifications and similar items necessary for project preparation.
 - For acquisition projects: appraisals, survey and environmental evaluation costs.

Definition of a Capital Project

The project must result in a publicly owned capital asset within Metro's jurisdictional boundary or the region's urban growth boundary.¹ The definition of a capital asset may vary depending on how the project will be accounted for by the public agency that owns or will own the property or easement being acquired and/or improved. To ensure that this requirement is met, the chief financial officer for the public agency must certify that the project shall be properly recorded as an asset in the jurisdiction's audited financial statements, and that the accounting treatment for this project is consistent with other similar transactions. Application instructions will direct you to provide a letter of support from the jurisdiction that includes this assurance.

There are two types of capital projects that may be funded through the capital grants program.

¹ Metro's website has an interactive tool that will tell you if your property is inside the urban growth boundary. Go to www.oregonmetro.gov, click on "maps and data" and then on "interactive maps and tools." Look for the "Urban Growth Boundary" tool.

1. Land acquisition²

- Acquisition of real property (including easements) by a public agency. Acquisition projects can include natural areas, wildlife habitat and trail corridors, nature-related pocket parks or other opportunities for increasing, connecting, restoring or recreating healthy functioning ecological systems.

Property being proposed for acquisition can include land that has been identified as a regional priority in the 1992 Metropolitan Greenspaces Master Plan, Regional Greenspaces System Concept Map (adopted 2002), the Regional Trails Plan Map (adopted 2002) and the Nature in Neighborhoods Map (Fish & Wildlife Habitat Protection Program, Resource Classification Map) or have been determined to be locally significant.

- Costs necessary to put the property into its intended use are also eligible for capital grant funding. These costs can include the demolition of structures, removal of extensive invasive species and initial restoration work.
- Government agencies consenting to take fee title ownership to property being acquired with grant funds shall grant Metro a conservation easement substantially in compliance with Appendix A.
- Agreements to acquire any interest in land shall be negotiated with willing sellers.
- The federal government may not own property purchased with these bond funds.

2. Capital improvement projects

- a. Improvements should include innovative practices that seek to change development norms by raising the current standards of sustainable site development and balancing human needs and the health of natural systems.
- Projects will result in the creation of a capital asset, with a discrete useful life of at least 20 years; OR projects will significantly extend the useful life of an existing capital asset.
 - A project must have a total value of at least \$50,000. Such costs can include design and engineering costs, bid documents and permits, as well as materials and construction expenses.
 - Projects will be an improvement to non-federal, publicly owned property.

Projects that take the place of required mitigation or penalty payments or are regulatory in nature are not eligible.

Evaluation Criteria

A project proposal, whether it is a land acquisition or capital improvement project, must strongly address the criteria in at least one of the two categories described below: ReNature or ReGreen. Please specify in your application which category your project addresses. In some cases, a project may address both categories.

² Contact Metro staff if you need to be referred to real estate/land acquisition experts who can help you negotiate with the property owner and hire a qualified appraiser.

“ReNature” – Enhance Ecology

This category is for projects that preserve or restore ecological processes to protect water quality and enhance habitat.

- 1) *Projects that improve the way the physical environment contributes to how well ecological processes contribute to overall ecosystem health. This can include:*
 - Restores diverse riparian vegetative structure or stream character
 - Increases fish passage and/or wildlife crossings
 - Restores, improves or preserves habitats of concern. A habitat of concern can be defined as one of the following:
 1. Includes or is within 200 feet of a stream, headwaters, wetlands or floodplain.
 2. Can achieve at least two of the four habitat features essential for wildlife: food, cover, limited human disturbance and special habitat feature.
 3. Provides (or could provide) habitat for species of regional conservation significance.
 4. Has the potential to support native fish populations.
 - Acquisition of lands that preserve existing ecological processes and features that are important to overall ecosystem health or land that has strong potential to restore such ecological processes.
- 2) *Multiple benefits – provides ecological benefits beyond the project itself. This can look unique to each project. This could be demonstrated in the following ways:*
 - Adds to the existing system of natural areas by increasing networks, corridors and other linkages between them (e.g. connectivity)
 - Project is identified in existing plans
 - Project advances Metro’s 2040 Growth Concept
 - Project is adjacent to public land and would provide public access to that land
 - The project brings together individuals and organizations in order to address community concerns beyond the environmental or ecological benefits.
- 3) *Demonstrates ecological design solutions that are both effective and cost-efficient. This can be demonstrated in the following ways:*
 - Use of sustainable construction techniques and materials
 - Contributes to stormwater management for an area larger than the individual site
 - Demonstrates innovative practices
 - Leverages public dollars beyond the 2:1 match
 - If acquisition, demonstrates the value of the property being in public ownership.

“ReGreen” – Enrich People’s Experience of Nature

This category is for projects that help ensure that every community embraces nature as a fundamental element of its character and livability.

- 1) *Enrich people’s experience of nature and strengthen a physical connection to the region’s ecology. This can be demonstrated in the following ways:*
 - Is the project in a nature-deficient neighborhood or a low-income neighborhood?
 - Will the project serve a group of people that don’t currently have strong access to nature?
 - If land acquisition, will the project provide access to the site without compromising the ecological integrity of the natural area?

- Will the project provide universal access to the public, including people with disabilities?
- 2) *Demonstrates ecological design solutions that are both effective and cost-efficient. This can be demonstrated with:*
- Projects that use sustainable construction techniques and materials.
 - Projects that contribute to stormwater management for an area larger than the individual site.
 - Projects that demonstrate an innovative approach.
 - Projects that leverage public dollars beyond the 2:1 match.
- 3) *Multiple Benefits -- Provides benefits beyond the project itself. This could be demonstrated in the following ways:*
- The project brings together individuals and organizations to address community concerns beyond the environmental or ecological benefits.
 - Project is identified in existing plan.
 - Project advances Metro's 2040 Growth Concept.
 - Project is adjacent to public land and would provide public access to that land.

Project Planning

The strongest projects have been well thought-out and based on thorough research and planning. This includes looking at the project in the broadest context and considering all the possible stakeholders. Metro staff is willing to give potential applicants suggestions and helping to identify potential resources. People are encouraged to call Metro staff as early in the project planning phase as possible. Metro staff can give a quick assessment over the phone and suggest ways that the project can be strengthened to better meet the program criteria. If the project is a land acquisition project, various land conservation organizations are available to assist with negotiations and due diligence procedures.

Application Procedures

Potential applicants must submit a letter of interest describing the proposed project and how it meets the eligibility requirements. Letters of interest can be submitted at any time. Eligible applicants will be invited to submit a full proposal. Full proposals will only be accepted from applicants who have been invited to apply. SECTION 2 of this grant handbook gives specific instructions on completing a letter of interest and a full application.

Review and Approval Process

The administration of this grant program is designed to be responsive to the needs of potential applicants and flexible enough to assist with the evolving nature of capital improvement projects.

Letter of interest review

Metro staff will review the letter of interest to ensure that the applicant's proposal meets the eligibility requirements discussed above. This review may include follow-up communication with the applicant or possibly a site visit. It is the applicant's responsibility to ensure their project is sufficiently defined according to the guidelines so that staff can efficiently review the project.

If staff determines that the project is eligible, the applicant will be invited to submit a full proposal. Applicants who do not receive an invitation to submit a full proposal will be contacted by Metro to discuss their project. Staff may indicate that certain proposal elements need strengthening to be more competitive, that another source of funding may be more appropriate or that the project does not meet funding criteria.

Full proposal review process

1. Staff Review

Metro staff will review proposals for eligibility and completeness. Proposals that are not complete will be returned to the applicant with comments. Applicants may resubmit the revised proposal with clarifications as requested. If a resubmitted proposal misses a grant review cycle, it will be reviewed in the next cycle.

2. Site Visits

Metro staff will conduct site visits during the proposal review period. Site visits are intended to provide a more in-depth understanding of the proposal in order to form a stronger basis for comparison with other proposals. Members of the Grant Review Committee may or may not participate in the site visits. All site visits shall be documented for the Grant Review Committee to review as a group.

3. Grant Review Committee

The Grant Review Committee, appointed by the Metro Council President, will review and score the completed proposals after an initial screening by staff. The Grant Review Committee will discuss each proposal and submit funding recommendations to the Metro Council for approval. For more information about the Grant Review Committee, see Appendix B.

Metro Council approval

Following the Grant Review Committee's evaluation of the grant proposals, Metro staff will submit a resolution for approval to the Metro Council based on the Grant Review Committee's recommendations for funding. One or more members of the Grant Review Committee will be available at this scheduled meeting to present the committee's recommendations to the Metro Council and answer questions. The Metro Council will consider the information received and award funds to those proposals that best advance the vision, criteria and intent of the Nature in Neighborhoods Capital Grants Program.

Agreements

After the Metro Council action, Metro staff will work with the successful applicant on the formal agreements for the project. The applicant will have as much as 36 months to complete the project. See Appendix C for a sample agreement.

If the successful applicant is not the local jurisdiction that will ultimately take ownership for the project, then Metro will need to enter into a separate agreement with the jurisdiction to ensure compliance with the bond requirements.

If Matching Funds Have Not Been Secured

If the match has not been fully secured at the time of award, Metro will issue a formal letter of understanding indicating the intention to enter into an agreement once all the matching funds have been secured. Applicants will have as much as 24 months to work toward securing the needed match according to the plan submitted with the project proposal.

The only portions of the project that can be implemented prior to fully executed agreements are those tasks identified in the grant proposal budget as "pre-agreement costs." These expenses can only be used as match and Metro has no obligation to reimburse these expenses or enter into a grant agreement if match funds are not secured within the 24-month period.

Reporting Requirements

Grant recipients will be required to report on the outcomes and benefits of the project as they relate to the goals of the grant program. Such outcomes will be determined on a project-by-project basis and included as part of the grantee's scope of work.

Metro is committed to successful project implementation for all grant recipients and will work cooperatively to ensure project success.

Other Information

Public Information

All applications are subject to the Oregon Public Records Law.

Pre-Award Activities

Notwithstanding any oral or written assurances that they may have received, there is no obligation on the part of Metro to cover pre-award costs.

Resources

Metro's web site has a variety of maps and tools to assist with project research:

- MetroMap – This is Metro's web mapping service where you can view and print maps or data specific to your area of interest. MetroMap allows you to view map-based information about a location of your choice. View information on parcel and tax assessment, zoning, political boundaries, planning, flood plain and special districts. The results can be displayed in text-only format or on a map.
- Urban Growth Boundary tool –Enter an address to see a map that shows whether a specific property is inside, was added to, or removed from the urban growth boundary.
- Habitat tool – Enter an address and find out if that property is in the habitat inventory. View the data used to develop the inventory, inventory areas and recommended protection levels. Then print the report, if needed.

SECTION 2: APPLICATION INSTRUCTIONS

Potential applicants must submit a letter of interest describing the proposed project. Eligible applicants will then be invited to submit a full proposal. Full proposals will be accepted only from applicants who have been invited to apply following the letter of interest process.

Preparing a Letter of Interest

Applicants should spend considerable time scoping a project prior to submitting a letter of interest. It is encouraged and expected that applicants will contact Metro staff for assistance in project scoping and the application process as early as possible.

Staff will use the letter as the primary basis to determine the project's eligibility to the grant program and provide feedback on how the project can best meet the program goals. Please ensure that the letter includes specific information about how the organization and project meet the eligibility requirements noted in Section 1 of this handbook.

Letter of Interest Packet

1. Application Cover Sheet

This is the same cover sheet that will be used for the full application. Please be sure to check the letter of interest box. The project summary should be fewer than 50 words and provide a short, stand-alone description of the project that can be used to inform people who will not be reading the full application.

2. Project Narrative

The project narrative shall be written on 8 ½ x 11" paper, double-sided whenever possible and with a font size no smaller than 11 point. Please try not to exceed four pages. The narrative should make a convincing case that the proposal meets the intent of the grant program and is achievable. Information should be presented in a manner that is clear and concise and should address the following.

a. Project Description

Describe the location and scope of the project. Be as specific about the project's design as possible at this early phase. Briefly describe the project's background, how the project's need was identified and how the project's design was conceived.

b. Key Criteria

Describe the project and explain how it addresses the criteria under either Re-green or Re-nature.

c. Partnerships

Partnerships are an important requirement of the capital grants program. Describe partners that are on-board currently and those that you anticipate approaching. Remember that a "partner" is actively engaged in the implementation of the project, either financially or in-kind. A partner is more than a supportive individual or organization; rather it is an individual or organization that raised money, actively advocated for the project or will be contributing significant time to either managing or volunteering for the project.

d. Project feasibility

The information provided in this section will help staff assess factors associated with the project's successful implementation. Please describe how the technical aspects of the project's design has or will be resolved. For example, describe any engineering or feasibility studies that have or will be done and by whom. Include an implementation plan that includes a timeline and identifies a project manager and their qualifications. Finally, provide information about why your organizations and/or the partners have the capacity and ability to make the project successful.

e. Statement

A brief statement should indicate that the organization has vetted the project with their government body (if applicable) and has received approval to submit the letter. If the organization submitting the letter is a public agency, the agency's internal policies shall determine the level of approval required to submit a letter.

3. Budget Documents

This handbook includes a section on preparing the budget documents for the full application. It is important to read the section as early in the project planning as possible because it will help ensure that all costs associated with a capital construction project are considered.

We recognize that at the letter of interest phase it might be difficult to provide the amount of detail and assurance that will ultimately be required at the full application phase. If the project *is* at a phase where this information is available, please submit it with the letter.

It is acceptable to submit a letter when the project costs are still preliminary. However, the three budget documents must still be provided.

1. The budget narrative should describe the assumptions and how the estimate was established.
2. The line-item budget forms will be required in the full application phase. If the project budget is developed enough to use these forms at the letter of interest phase, please do so. Otherwise, please attach the line-item budget with as much detail as possible.
3. The Statement of Matching Funds can include sources that are not yet secured as long as information is provided about when these sources will be approached as well as their potential interest.

4. Letter from Public Agency

If the applicant is not the public agency that currently owns or will own the property or capital asset, then the applicant must include a letter from the agency. The letter must indicate that the applicant has discussed the project with them and that they are supportive of the group moving ahead with the letter of interest. The agency needs to pay particular attention to the eligibility requirement for capital projects explained on page 4.

5. Location and Project Maps

- Provide a location/vicinity map that shows where the project is located within the region.
- Provide a project map that shows property boundaries, other local attributes that are important to your project and elements of the project design.

6. Submitting the letter of interest

- Copies should be double-sided whenever possible.
- Paper clip proposal in the upper left hand corner only.
- Submit one copy.
- Send to: Metro
Natural Areas Program
Nature in Neighborhoods Capital Grants
600 NE Grand Ave.
Portland, OR 97232

Preparing a Full Proposal

An invitation to submit a full proposal will follow review and acceptance of the letter of interest. It is at this point that applicants need to ensure that they have the ability to submit a viable, complete and fully scoped project proposal that can be successfully implemented if the project is awarded funding.

Completing the proposal – next steps

- Closely review the invitation letter for suggestions on how to strengthen the proposal. The applicant is strongly encouraged to consult directly with Metro staff.
- Ensure that there is community support for the project. If the proposal is awarded grant funds, it is incumbent upon the applicant to ensure that the public landowner's public involvement requirements are fulfilled.
- Request commitment letters or letters of support from all partners, including the public landowner. These should include any necessary approvals including board or membership approval, legislation from the governing body or a finding of consistency with existing plans and policies. They will also include documentation of any secured match from project partners.
- Develop a detailed project budget.
- For Land Acquisition Projects:
 - If a Purchase and Sale Agreement has not been signed, start or continue negotiations with the property owner. Metro does not require that a PSA be signed at the time of full application, but we do want to know that the property owner has been approached and is a willing seller.
 - An appraisal is required to determine the market value of the property. The applicant shall arrange for an appraisal to be prepared by an independent certified appraiser in accordance with Uniform Standards of Professional Appraisal Practice (USPAP). A second certified independent appraiser shall review the original appraisal to ensure it was done in accordance with USPAP and the applicant must provide a letter from the reviewing appraiser to that effect and include a statement of the appraised value that the reviewer has confirmed.
 - If the agreed purchase price of the property will include a donation from the seller, then the value of the donation may be used to satisfy up to 50% of the match requirement. Any percentage above 50% is subject to the discretion of the grants review committee. The donation is determined as the difference between the review appraisal conclusion and the purchase price. This can only be used as a match if the intent to donate is explicitly expressed in the full application. Use the budget narrative section to make this statement.

- For capital improvement projects:
 - Fully develop the project design. Consult with agency staff, private consultants, watershed councils, and other stakeholders to determine the best approach to the project. Develop project maps, site plans and budgets.

Full Application Packet

1. Application Cover Sheet

This is the same cover sheet that was used for the letter of interest. Please be sure to check the “full application” box. The project summary should be fewer than 50 words and provide a short, stand-alone description of the project that can be used inform people who will not be reading the full application.

2. Cover letter

The cover letter should also include a statement indicating that the appropriate governing body has approved the application. If more than one application is being submitted, include a statement about the project’s priority in relation to the other projects.

3. Project Narrative

The project narrative shall be written on 8 ½ x 11” paper, double-sided whenever possible and with a font size no smaller than 11 point. Please do not exceed eight pages (four pages, front and back).

To ensure that all required information is included in the project narrative and to assist the Grant Review Committee in evaluating each proposal, please follow the outline below. Information should be presented clearly and concisely and each heading shall indicate the major areas of required information.

a. Project Description:

- Describe the scope of work for the project. Be as specific as possible about project size using acreage, quantities, etc. The project’s complexity should be illustrated with sufficient detail so that feasibility can be assessed.

Keep in mind that the Grant Review Committee will be referring to the project description when reviewing the budget items.

- Existing site description
- Project background: How was the need for the project identified? How did the project’s design and implementation plans evolve? Who has been involved to date?
- What community will benefit from the project? Provide demographic information if it is available.
- If the application is for a land acquisition then describe the intended future use of the site. Also provide information about any existing easements on the property and whether new easements will be included in the transaction.

b. Evaluation Criteria

Fully describe how the project addresses the criteria under either the Re-green or the Re-nature categories. If you believe that your project can address both of the categories, then

discuss both. The letter you receive from Metro staff inviting a full application should provide some guidance. It is important that you discuss any questions you may have with Metro staff. Evaluation criteria are listed on pages 3-5.

c. Project Feasibility

- Project design approach – Identify who designed or will design the project and their qualifications. Discuss the technical aspects of the ecological design and any scientific or engineering studies that contributed to the design solution. If the project has a completed design, provide a brief description of the design alternatives considered and the reasons for choosing the one proposed.
- Implementation Plan – This plan should include major milestones such as design development, permitting, bidding, contracting and construction. Include a timeline showing how long the project will take to implement with the milestones noted.
- The applicant should also demonstrate the organization's capacity and ability to successfully manage and complete the project. Describe the qualifications of the person who will manage the project. Will a contractor, agency staff, volunteers or other efforts be utilized? What qualifications and skills will partner organizations bring?

d. Partnerships

Remember that a “partner” is actively engaged in the implementation of the project, either financially or with in-kind support. With that in mind, list the names of organizations/individuals involved, provide their contact information, and describe the roles each will play in the project.

e. Project Evaluation and/or Monitoring

How will the experience of this project be used as a learning tool or building block for future projects? If asked in five years whether or not the project was a success, what information would be needed to answer the question? Describe the indicators of success and/or monitoring for the project once it is complete and how that information will be collected and reported. This is an important part of the grant program. Feel free to contact Metro staff to discuss or gather ideas.

4. Budget documents

The budget should be clear, appropriate and sufficient to complete the project. Costs should clearly support the proposed tasks and be consistent with the project narrative. Applicants must submit three budget documents: a budget narrative, a line item budget, and a statement of matching funds. See “Instructions for Preparing a Budget Estimate” for greater detail on the budget documents.

5. Land owner's certification

All applications must include a letter from the public jurisdiction that owns or will own the property or easement certifying that the project shall be properly recorded as a fixed asset in the jurisdiction's audited financial statement, and that the accounting treatment for this project is consistent with other similar transactions for that jurisdiction. The jurisdiction will be required to enter into an agreement with Metro to this effect. See Appendix D for a copy of this agreement. This letter might also include information on how the agency will participate in the project, whether they will be providing any of the matching resources, and if the project has been identified as locally significant in any planning or policy documents.

6. Supplemental attachments (attach all that apply)

- Vicinity map
- Site map
- Letter from appraisal review (if proposal is for land acquisition)
- Preliminary or final design concepts (no larger than 11x17)
- Photos of the project site
- Letters of support from project partners
- Letters of support from the community

Preparing the Budget Documents

The project budget must include resources to support all elements of the proposed project. It must be clear, cost-effective and consistent with the project described in the project narrative. The following is intended to serve as a guide for preparing the project budget. It includes information on identifying and clarifying overall project costs, including costs funded by the grant and matching funds and instructions for preparing the required budget documentation.

Identifying Costs

It is essential that you fully explain all project costs, including both the grant funds' and matching funds' share of the total project budget. Grant funds can only support project capital costs as described under the program's eligibility requirements on page 4. However, project costs that are NOT eligible for grant funding may be included as part of the applicant's matching fund contribution.

Eligible costs for grant funding:

- A. Project capital costs that can be paid for with grant funds typically include professional services for surveying, design development, permit document preparation, permit fees, construction documents and bid preparation; staff time for project management; and materials and construction costs. The staff of the government agency that owns or will own the improvement can confirm which expenses are capital costs.
- B. Expenses associated with land acquisitions that are eligible for reimbursement include:
 - Fee simple acquisition
 - Conservation easement acquisition
 - Professional service contracts for professional realtors, brokers and/or negotiators; real estate appraisals, surveys and environmental evaluations
 - Title fees, escrow fees, recording fees and title insurance
- C. No more than 10% of the requested grant funds can be used to pay for non-profit or local government staff time associated with the project.

Instructions for Preparing a Budget Narrative

A detailed budget narrative is essential for grant reviewers to analyze whether the budget supports the proposed project and is reasonable. As noted above, the budget information is a critical factor in helping reviewers understand the proposed project. The more clearly the budget information is presented the better.

Ensure that each cost within a line item is fully detailed in the budget narrative and is consistent with the proposed project. The following are descriptions of the line items in the program budget forms that can be used to organize both the budget and the narrative. Feel free to add and delete line items to best fit the project.

Pre-Agreement Costs

Eligible pre-agreement costs for professional services can be included in the program budget ONLY if those costs are incurred after the letter inviting you to submit a full application is received. Pre-agreement costs are not eligible for grant funding but can be counted toward the project's match.

For capital improvement projects, these include costs associated with design development, cost estimates, permitting or preparing bid documents for capital improvement projects. Construction costs are NOT eligible pre-agreement expenses.

For acquisition projects, eligible pre-agreement costs include appraisals, survey and environmental assessment expenses.

Post-Agreement Costs

Costs associated with these same services listed above are eligible for grant funding if those costs are incurred after there is a signed grant agreement or interagency agreement between Metro and the applicant. The budget narrative should identify whether these costs will be covered by the grant funding or be used as match.

Costs specific to capital improvement projects

Personnel

This includes salary or wage expenses for applicant staff positions directly related to the proposed project. Do not include costs for consultants or staff of other organizations here; these should be included in a separate line item that can be labeled "consultant," agency or "non-profit" staff.

The budget narrative should list each staff position title, the position's salary plus direct fringe benefits and a description of the activities to be performed by the person. The budget narrative should identify whether these costs will be covered by the grant funding or used as match.

Consultants

The budget narrative should list and describe all consultant services, such as design development, engineering studies and cost estimation. It should also identify whether these costs will be covered by the grant funding or used as match. This line item can also include services provided by project partners and pro bono professional services, which can be used toward the project match, as long as appropriate documentation is provided and defensible.

Volunteers

Volunteer time can be applied toward the project match. The budget narrative should describe the work that will be done by volunteers, how the volunteers will be identified, and who will supervise them. Volunteer time should be valued based on the Independent Sector's value of volunteer time. The most current information can be found at http://www.independentsector.org/programs/research/volunteer_time.html.

Construction Costs

Describe the costs associated with the construction of the project. Revise the budget form to fit the project costs. Describe how costs will be assigned to the grant funds as opposed to matching funds. This can simply be a percentage of the total or it can be listed line item by line item.

Prevailing Wages

Almost all public works construction projects in Oregon are required to pay all workers on the project the prevailing wage in the local area. The Oregon Bureau of Labor and Industries (BOLI) establish prevailing wages for each trade and occupation. Public works projects on public land are generally covered by the prevailing wage rate law if they 1) cost more than \$50,000; 2) are for construction, reconstruction, major renovation or painting; and 3) directly or indirectly use funds of a public agency. Based on this definition, projects funded by the capital grants program will require that prevailing wage be paid.

Most agency personnel or consultants who are experienced in public works projects will understand how to complete a budget estimate using prevailing wage rates. Refer to Oregon's Bureau of Labor and Industries for rates and requirements at <http://www.oregon.gov/BOLI> or contact Metro staff for help.

Overhead/Indirect costs

Overhead costs are intended to include expenses incurred by the organization for indirect costs that are identifiable and benefit the capital project. Depending on the relationship of the cost to the project, overhead costs might include accounting and financial resources and systems; management, planning or support resources and systems; and space and other equipment – all of which must directly relate to the successful implementation of the project.

Indirect and/or overhead costs are not reimbursable but can be applied as match. For capital improvement projects, up to 10% of the construction cost can be applied to the match. For acquisition costs, up to 10% of due diligence expenses can be applied to the match.

Instructions for Preparing a Line Item Budget

Two different budget worksheets are provided for this grant program. One is for capital improvement projects ("project budget form"). The second is specifically for land acquisition that will be funded by the grant program ("acquisition budget form"). If your proposed project is a capital improvement project that is using the acquisition costs as match, please use the first budget worksheet.

These budget worksheets are provided in MS Excel and are available on the program's website. Please edit these worksheets to include your specific line items. The line item budget should include ALL costs associated with the project, both grant funded and matching funds. Provide enough detail to explain the expenses. For example, there might be a \$20,000 line item for site furnishings. You might choose to break this down in the line item budget by showing three benches at \$5000 each plus one picnic table at \$5000. If you choose to leave the \$20,000 site furnishing line item, put an explanation in your budget narrative that states three benches and one picnic table.

The forms are designed so you can specify which line item will be grant funded and which will be funded with your matching resources. However, if the project's match will be 100% financial (with no in-kind services) all the costs can be placed in the "Total" column and an appropriate percentage to grant funds can be assigned in the bottom row. For example, if the total project cost is \$150,000, the bottom row of the line item budget will show that the grant request is \$50,000 and matching funds will cover \$100,000.

If the project is land acquisition and an appraisal has not been completed at the time of application, the estimated acquisition cost must be justified in the budget narrative. An appraisal will ultimately be required to determine the market value of the property. The applicant shall arrange for an appraisal to be prepared by an independent certified appraiser in accordance with Uniform Standards of Professional

Appraisal Practice (USPAP). A second certified independent appraiser shall review the original appraisal to ensure it was done in accordance with USPAP and shall confirm the appraised value.

Instructions for Preparing a Statement of Matching Funds

The match form is essential for understanding which project costs identified in the budget narrative and the line item budget will be supported by which organization, including the applicant. This form also identifies cash versus in-kind contributions and secure versus pending sources.

The “notes” field should be used to more specifically describe the funding source, the dates the funds will be available, the notification date of a pending grant application, and any other information that is pertinent to the pending potential matching funds.

Submitting the letter of interest

- Copies should be double-sided whenever possible.
- Paper clip proposal in the upper left hand corner only.
- Submit one copy.
- Send to: Metro
Natural Areas Program
Nature in Neighborhoods Capital Grants
600 NE Grand Ave.
Portland, OR 97232

SECTION 3: APPLICATION FORMS

All application forms are available electronically on the program’s website at www.oregonmetro.gov/capitalgrants. Metro staff will email electronic versions of these forms upon request.

- F1 Cover Sheet
- F2 Match Form
- F3 Project Budget Worksheet
- F4 Land Acquisition Budget Worksheet