

City of Litchfield

State Historic Building Grant Program

Questions and Answers

The following questions (“Q”) and answers (“A”) were compiled from questions that were asked during the two virtual presentations (April 3 and April 8, 2025) as well as questions that were submitted via email.

Q: If my building is at the edge of the historic district, and is having a façade issue due to roof disrepair – could the grant fund be used for this issue?

A: In order for buildings to participate in this program, they must be located within the boundaries of the Litchfield Commercial Historic District. The National Register Nomination and list of building addresses can be found here:
<https://litchfieldhistory.com/preserve/national-register-of-historic-places>

Also, if the issue needing repair (i.e. the roof) is not part of a public-facing façade, then this work would likely be ineligible for this program.

Q: Why aren't alleys included? What about alleys used by the public, such as for patio spaces and main entrances to certain businesses?

A: The language of the legislation specifies “facades,” which will most likely be interpreted by the grant administering state agency (i.e. the Minnesota Historical Society, or MNHS) to mean “faces” of the building that can be seen from public streets and the public right of way. However, the city encourages all building owners of buildings within the district to complete a building owner survey and include all facades for which owners are interested in applying for grant funds, including facades that are located on alleys.

Q: How do you plan to pick contractors? How many contractors do you plan to pick?

A: There will be a public procurement process for the Contractor. The city will advertise a Request for Proposals or Bids (RFP, RFB, or similar), including the construction documents, for contractors to review and provide bids. The City will follow municipal and state requirements for Contractor selection.

Q: Will the city have the opportunity to review subcontractors?

A: Contractors submitting proposals will be asked to include Subcontractors in their response to the City. The City can request a list of subcontractors and their qualifications as part of Contractor responses. However, the city cannot pick a Contractor from one bid and Subcontractors from another.

Q: If there is only one Architect, how will we avoid a cookie-cutter approach / look?

A: All design and construction work must meet historic preservation standards, and specifically the Secretary of the Interior Standards for Rehabilitation (“Standards”). The Standards are written so that the design will retain the historic character of the buildings. The Standards can be found online: <https://www.nps.gov/articles/000/treatment-standards-rehabilitation.htm> Some methods of repair will be similar, such as masonry repair, but the work will be specific to each historic building.

Q: Are there limitations on being able to sell a property in the future if façade grant funds were utilized?

A: Buildings that participate in this grant program can be sold. Notice of the sale must be given to the City and the state. The façade contract will remain for the specified term, and be sold with the building. Additional documentation could be required during the sale for the new buyer to enter into the relationship with the City.

Q: I reviewed a copy of the Façade Contract and the Program Overview. I didn't see anywhere in the contract where it talks specifically about prior/current encumbrances/mortgages.

A: The state of Minnesota requires that they be in first position. The most recent draft of the Façade Contract addresses this at provision 11 on page 4: “Owner represents and warrants that Owner shall not allow any lien or encumbrance that is prior and superior to this Agreement to be created on or imposed upon the License Property, whether such lien or encumbrance is voluntary or involuntary and including but not limited to a mechanic’s lien or a mortgage lien, without the prior written consent of the State Entity.”

Q: I have a building with two eligible facades that are in need of repair. I know there are structural integrity issues impacting those facades and causing their degradation. Can the grant funds address structural improvements for the purpose of also repairing those facades?

A: The way the legislation is written, we don't have the option to use grant funds to improve parts of the building that are not directly part of the façade. Also, the contract does obligate the owner to maintain the improved façade. So, if these structural issues

put the façade maintenance at risk, then this building might not be a good candidate for the program. Likewise, the City and State must be able to inspect the work on an annual basis – which would not be possible with concealed structural work. However, there are other grant programs and financial incentives for historic buildings and structural repairs, such as the MNHS Legacy Grant Program, Minnesota Department of Employment and Economic Development (DEED) programs, as well as state and federal historic tax credits.

Q: Does the Façade Contract have a “sunset” as in, it’s no longer attached the property? Or is it in perpetuity?

A: The contract term is 125% of the useful life of the grant-funded improvements. The useful life is determined by the Architect and approved by the State for each individual building that participates in the program. The typical Façade Contract term will likely be in the range of 12-25 years.

Q: My building is in the historic district, but the building itself is non-contributing because it was built in 1980. Does it qualify for this program?

A: It is unlikely that the building is eligible for the program because the legislation specifies “historic” buildings, which are buildings that were built during the period of historic significance of the historic district, i.e. 1882-1940. However, all owners of buildings in the district, regardless of vintage, are encouraged to complete the owner survey.

Q: What kind of facade description are you expecting on the survey, some property owners aren’t as familiar with architectural terms.

A: The façade description can be very basic, with information like the number of stories, approximate number of doors and windows, and a list of materials (like brick, stone, etc).

Q: Can a building owner buy their way out of the facade contract?

A: If an owner pays back grant funds, then it is likely that the terms and conditions of the Façade Contract will be removed.

Q: Will building owners have any say in the approval of the architect design or changes?

A: The City has not yet defined the consultation process with the building owners during design and construction. However, it is important for participating owners to be engaged throughout the grant application and implementation. Once interested owners are identified via the Building Owner Survey, the City will draft and share a proposed owner engagement process. All interested building owners should complete the survey and include their contact information.

Q: Please provide information on state and federal historic tax credits.

A: Historic buildings are eligible for state and federal historic tax credits. More information on the state and federal programs can be found online: <https://mn.gov/admin/shpo/incentives/state/>

And

<https://www.nps.gov/subjects/taxincentives/index.htm>

Specific follow up questions about historic tax credits can be sent to info@newhistory.com.

Q: Is there a specific "time period" that the grant requires the repairs be made to resemble?

A: All design and construction work must meet historic preservation standards, and specifically the Secretary of the Interior Standards for Rehabilitation ("Standards"). The Standards are written so that the design will retain the historic character of the buildings. The Standards can be found online: <https://www.nps.gov/articles/000/treatment-standards-rehabilitation.htm> The Standards prioritize materials and character from the building's period of significance, but do not require restoration or reconstruction of a building to the historic period.

Q: Am I wrong in assuming the architect will present the Certificate of Appropriateness (COA) Application to the HPC, and that will be forwarded to the Council? That is the process in our historic ordinance.

A: HPC approvals will follow the City's preservation ordinance.

Q: Let's say I have windows and doors on the facade of the building that are old but in ok shape, should I consider submitting proposals to have those updated?

A: The program is for façade improvements, so if these items are in need of improvement, they would likely be eligible. All interested building owners should

complete the survey and describe any work that they are considering for this grant program.

Q: I am already making some repairs to my building, can I continue to do work on the building, while applying for this grant for other components of the façade (in this case, a project for second floor windows)?

A: Yes, building owners can make repairs to their building outside of this grant-funded façade program.

Q: How do you decide the funds are allocated?

A: One of the purposes of the Building Owner Survey is to determine how much interest there is, and an overall magnitude of cost of potential façade improvements. At this time, it is unknown whether there will be more need than the program cap. Up to 4% of the funding can be used by the City for administration of the program, and another portion of the funding will be used for the “soft costs,” such as architectural and engineering professional services for design. All interested building owners should complete the survey and describe any work that they are considering for this grant program. If there’s significantly higher interest than available funds, then the City may need to add additional selection criteria to the application.

Q: Is there a match the property owners would need to bring forth?

A: There is not a match requirement at this time.

Q: I am not certain my building is considered contributing, but I think it is historic, should I apply?

A: this time, we understand that the Minnesota Historical Society will prioritize work on contributing buildings. However, all interested building owners should complete the Building Owner Survey.

Q: I'm about to invest a significant amount of money to add a separate main entrance to the front of my building. I'd like to move forward with that change asap. Is there any way I can receive reimbursement thru this program?

A: Grant funds can not be used for reimbursement of previous expenditures. The grant program has a required design review process by the Minnesota Historical Society and other state agencies.

Q: If we had this work done and decided to sell the building, we would have to move the Façade Contract to the new owner. But do we maintain any control over profits if the building will be worth more after the improvements?

A: The state of Minnesota is not a part of the sale process. However, owners need to give notice of a sale to the City and state. The Façade Contract, if there is a remaining term, would be assumed by the new owner, but there is no required disclosure of sale price between the buyer and seller.