**Section 3070.50 Eligible Project Costs**

a) Grant assistance may be obtained for the following items:

1) Rehabilitation or Construction Projects with Capital Expenditures. Capital expenditure means an outlay of capital that confers long-term benefits that permanently improve the property's value or usefulness. Capital expenditures generally include, but are not limited to, one or more of the following purposes: land acquisition, architectural planning and engineering design costs in association with a larger bondable project; demolition (in preparation for additional work); site preparation and improvement; utility work; new construction of buildings and structures; reconstruction or improvement of existing buildings or structures; initial furniture and equipment integral to the project; replacement of currently utilized assets by a better asset; and expansion of existing buildings or facilities. Work that constitutes repairs, maintenance or remodeling of a limited nature or scope and that is not done as part of a larger bondable project shall not be considered bondable capital expenditures. A non-bondable project is generally one that maintains or preserves the existing condition, use or size of a capital asset and that is neither in the nature of a betterment nor a change to the capital asset's condition, use or size. Generally, this work does not significantly add to the value of the capital asset nor appreciably prolong the life of the capital asset. Eligible project types include, but are not limited to, the following:

A) demolition in preparation for additional indoor/outdoor recreation purposes;

B) site preparation and improvements for indoor/outdoor recreation purposes;

C) utility work for indoor/outdoor recreation purposes;

D) reconstruction or improvement of existing buildings or structures for indoor/outdoor recreation purposes;

E) expansion of existing buildings or facilities for indoor/outdoor recreation purposes; and

F) new construction of buildings and structures for indoor/outdoor recreation purposes.

2) The following are operating or other types of expenditures that are not considered capital expenditures:

A) projects with a total cost of less than $25,000;

B) feasibility studies, long-range development plans, master plans, and historical or archaeological research;

C) costs of repairs or maintenance that are normally anticipated to occur;

D) remodeling of a limited nature or scope that is not done as part of a larger bondable project;

E) costs of staff or resident labor and material;

F) ongoing operational and administrative expenses;

G) installation of fire alarms, smoke detectors, or connections of building monitoring systems to a central or off-site central monitor, unless included in a larger bondable project; and

H) purchase of vehicles or construction equipment.

3) Land acquisition costs (fee simple title or permanent easement, etc.) for public park and/or conservation purposes, including associated eligible appraisal costs. Eligible projects include, but are not limited to, acquisition of land for the following:

A) construction of new public indoor/outdoor recreation buildings, structures and facilities;

B) expansion of existing public indoor/outdoor recreation buildings, structures and facilities;

C) general park purposes such as regional, community and neighborhood parks and playfields;

D) frontage on public surface waters for recreation use;

E) open space/conservation purposes to protect floodplains, wetlands, natural areas, wildlife habitat and unique geologic or biologic features;

F) linear corridors for trails and/or greenways; and

G) additions to the projects described in subsections (a)(3)(A) through (F).

b) Acquisition of land from another public agency (excluding school districts) is not eligible for PARC grant assistance.

c) Project costs for which reimbursement is sought cannot be incurred by the project applicant prior to grant approval notification. Costs incurred prior to Department approval are ineligible for grant assistance with the exception of architectural and engineering fees. For acquisition projects, costs are considered incurred when a property deed, lease or other conveyance is accepted by the local sponsor or first payment is made on the project property or to an escrow account for the property.

d) Development project costs are considered incurred on the date construction contracts are signed or actual physical work begins on the project site or project materials are delivered.

e) No grant funds shall be awarded for the acquisition or development of land that will not be available for general public indoor/outdoor recreation use.

f) PARC grant funds cannot be used to match other State or federal grant funds.