

TO: City Council Members  
FROM: Ameer King, Assistant City Manager  
DATE: November 10, 2022  
RE: Department of Natural Resources Spark Grant

**Background:** Michigan Spark Grants are a \$65 million program, funded by the American Rescue Plan, that represents a milestone moment for outdoor recreation, helping local communities that want to create, renovate or redevelop public outdoor opportunities for residents and visitors – especially those whose economic opportunities and health were hardest hit by the COVID-19 pandemic.

Administered by the Michigan Department of Natural Resources (DNR), Michigan Spark Grants will support projects that provide safe, accessible public recreation facilities and spaces to improve people's health, introduce new recreation experiences, build on existing park infrastructure, and make it easier for people to enjoy the outdoors. This grant is possible because of the Building Michigan Together Plan, signed in March 2022, which included a historic infusion of federal funding in our state and local parks.

**Eligibility and Important Dates:** Based on eligibility requirements, the City can apply for up to a \$1 million grant to support and enhance neighborhood features that promote improved health and safety outcomes or address the increased repair or maintenance needs in response to significantly greater use of public facilities in the Grand Ledge community that has been adversely affected by the COVID-19 pandemic.

Summary of the Spark Grant Requirements:

- The completed grant application is due Monday, December 19, 2022.
- Ability to obligate all funds by December 31, 2024, and complete the project by October 31, 2026.
- Ability for this project to address COVID-19 impacts to aid with new outdoor recreational opportunities for people of all abilities.
- Eligible financial match is encouraged.
- Ability for the project to provide a long-term impact on the community.
- Long-term financial viability to maintain the project.
- Ability to show how the project supports the vision and goals within plans incorporating public input such as the City's Master Plan, DDA Priorities, and Parks & Recreation Master Plan.

**Project Components:** To capitalize on the up to \$1 million of potential grant funding available per applicant and meet the requirements of providing permanent outdoor infrastructure that will leverage federal, state, local, and private resources toward sustainable, public, outdoor recreation. The following project elements may include, but are not limited to:

- **Public Gathering Space** adjacent to the Performance Shelter
- **ADA Permanent Bathrooms** near the GL Splashpad
- **Shade Structure** near the Wheelchair Swing and GL Splashpad
- **Wheelchair Swing** near the GL Splashpad
- **Sign Language-Shaped Bike Racks** near the GL Splashpad
- **Pave Gravel Parking Lot** to aid in ADA access to the Riverwalk Trail, Memorial Tree Trail, and additional amenities at and connecting to Jaycee Park
- **Butterfly Garden** on the north side of Jaycee Park adjacent to the Performance Shelter
- **Site Furnishings** throughout the park to upgrade and add additional seating options
- **Entrance Sign** informing visitors they have arrived at Jaycee Park
- **Repair Boardwalk**

**Project Cost Estimates:** Per the DNR Spark Grant requirements, the total project cost may exceed \$1 million if the applicant is able to provide documentation of secured matching funding sources. City staff is estimating the total project costs to be approximately \$1,270,000.

**Recommendation:** In accordance with the City Council Tier 1 priority of Public Places & Park Enhancements, City staff are in support of a grant application submission for the DNR Spark Grant and the City Council's consideration of general fund allocation of \$100,000 towards matching funds.

The DDA Board, in accordance with their priorities, took action recommending City Council submit the Spark Grant application and the utilization of \$150,000 in DDA funds towards a matching funds commitment. Those funds are currently budgeted for the public gathering space at Jaycee Park.

Additional committed match for project components includes \$7,500 from the Rotary Club and Transfast Trucking in support of the sign language-shaped bike racks and \$10,000 from the Michigan Paralyzed Veterans of America in support of the wheelchair swing.

**Next steps moving forward:**

- **November 14 City Council Meeting – Schedule a public hearing for the November 28 meeting to receive public input on the Spark Grant application.**
- **November 28 City Council Meeting – Hold the public hearing for the Spark Grant application.**
- **December 12 City Council Meeting – Resolution to submit the Spark Grant application.**

**NOTE:** The Spark Grant is due on December 19, 2022, with notifications on grant awards to be made by the DNR the last week of January 2023.

**Alternatives:** No grant submittal.



# **Michigan Spark Grants**

## **2022 application overview**

# Michigan Department of Natural Resources mission statement

The Michigan Department of Natural Resources is committed to the conservation, protection, management, use and enjoyment of the state's natural and cultural resources for current and future generations. We strive to protect natural and cultural resources, ensure sustainable recreation use and enjoyment, enable strong natural resource-based economies, improve and build strong relationships and partnerships, and foster effective business practices and good governance.

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The Michigan Department of Natural Resources provides equal opportunities for employment and access to Michigan's natural resources. Both state and federal laws prohibit discrimination based on race, color, national origin, religion, disability, age, sex, height, weight or marital status under the U.S. Civil Rights Act of 1964 as amended, 1976 Michigan Public Act 453, 1976 MI PA 220, Title V of the Rehabilitation Act of 1973 as amended, and the 1990 Americans with Disabilities Act as amended.

If you believe that you have been discriminated against in any program, activity or facility, or if you desire additional information, please write: Michigan Civil Service Commission – Quality of Life Human Resources, PO Box 30028, Lansing MI 48909-7528, or Michigan Department of Civil Rights, Cadillac Place, 3054 West Grand Blvd., Suite 3-600, Detroit, MI 48202, or Division of Federal Assistance, U.S. Fish and Wildlife Service, 4401 North Fairfax Dr., Mail Stop MBSP-4020, Arlington, VA 22203. For information or assistance on this publication, contact Grants Management, Michigan Department of Natural Resources, PO Box 30425, Lansing, MI 48909-7925.

This publication is available in alternative formats upon request.

**For information or assistance on this publication:**

Call 517-284-7268

Visit the [DNR grants page](http://www.Michigan.gov/DNR-Grants) at [www.Michigan.gov/DNR-Grants](http://www.Michigan.gov/DNR-Grants)  
[Access MiGrants](https://migrants.intelligrants.com/) at <https://migrants.intelligrants.com/>

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# Introduction

Michigan Spark Grants are a \$65 million program that represents a milestone moment for outdoor recreation, helping local communities that want to create, renovate or redevelop public outdoor opportunities for residents and visitors – especially those whose economic opportunities and health were hardest hit by the COVID-19 pandemic.

Administered by the Michigan Department of Natural Resources, Michigan Spark Grants will support projects that provide safe, accessible public recreation facilities and spaces to improve people’s health, introduce new recreation experiences, build on existing park infrastructure and make it easier for people to enjoy the outdoors. This grant opportunity is possible because of the Building Michigan Together Plan, signed in March 2022, which included a historic infusion of federal funding in our state and local parks.

## Program goals:

- Leverage federal, state, local and private resources toward a sustainable public recreation development program.
- Provide a clear, simple and equitable grants distribution process in support of public outdoor recreation.
- Align project partners and community organizations so resources are maximized and roles and responsibilities are clearly outlined and balanced.

**We strongly recommend that you review the entire booklet in conjunction with the online application in MiGrants before you begin to prepare your application.**

The Grants Management staff of the Department of Natural Resources have prepared this booklet to guide you in preparing a Michigan Spark Grants application. Grants Management staff are available to assist you with any questions you may have regarding any aspect of the application process. We encourage you to contact your regional representative early in the application process. You may also call the Grants Management office at 517-284-7268 and you will be directed to the appropriate representative.

This booklet and all forms needed to complete an application are available on our website:

[www.Michigan.gov/DNR-Grants](http://www.Michigan.gov/DNR-Grants).

The [MiGrants Online Application System](https://migrants.intelligrants.com/) is available at <https://migrants.intelligrants.com/>.

## 2022 Spark Grants schedule

The grant application will launch in October and stay open for six weeks, with first-round grants awarded by the end of 2022. There will be two more rounds of applications and grant awards in 2023.

<b>Date</b>	<b>Action</b>
<b>OCT. 24, 2022</b>	Application period starts in MiGrants
<b>DEC. 19, 2022</b>	Round one applications due
<b>JAN. 2023</b>	Round one grants awarded
<b>TBD 2023</b>	Rounds two and three will open and be awarded
<b>DEC. 31, 2024</b>	All awarded grant funds must be committed to third-party contracts
<b>OCT. 31, 2026</b>	All grant funded projects must be completed

# Applicant and project eligibility

Consider the following eligibility requirements and additional information when deciding whether to apply for a Spark grant. For more detailed information about completing a development project, review the Development Project Procedures booklet on the [Grants Managements website](#).

## Applicant eligibility

- Applicants must be local units of government (tribal, county, city, village or township) or public authorities legally established to provide public recreation.
- Applicants may include a regional or statewide organization or consortium of local units of government or public authorities legally established to provide public recreation. All projects must take place on public land.
- An eligible financial match is encouraged but not required.
- A community planning process is encouraged but not required.

## Public input and resolution

A resolution from the highest governing body is required to apply for a Spark grant. The applicant is responsible for providing the public with adequate opportunity to review and comment on the proposed application. Dedicated public hearings are not required; however, the application must be an agenda item open to discussion by the general public in a meeting of the local unit.

## Project eligibility

- Projects must support and enhance neighborhood features that promote improved health and safety outcomes or address the increased repair or maintenance needs in response to significantly greater use of public facilities in local communities that have been adversely affected by the COVID-19 pandemic.
- Projects may include the development, renovation or redevelopment of indoor or outdoor public recreation facilities and the provision of recreation-focused equipment and programs at public recreation spaces.
- Funds may be used for activities such as, but not limited to, project review, planning, architecture and engineering services, construction, oversight and compliance activities associated with state and federal requirements, as applicable.
- Funds must be committed to third-party contracts by Dec. 31, 2024.
- Projects must be completed on public land by Oct. 31, 2026.

## Ineligible projects

- Facilities and/or stadiums utilized primarily for the viewing of professional or semiprofessional art, athletics or intercollegiate or interscholastic sports. Facilities that are used for the viewing of professional or semiprofessional art, athletics or intercollegiate or interscholastic sports, but whose primary purpose is the active recreational use by the general public for at least 75% of normal operation hours, are allowed.

- Routine expenses – these funds cannot be used for maintenance or operational expenses of local parks and recreation departments.
- Art displays, decorative fountains and facilities for historical interpretation.
- Projects that would create an unfair competitive situation with private enterprises. In situations where privately managed facilities are providing identical or similar recreation opportunities, the local government must provide additional written justification of the need for the proposed facility in light of the private sector's presence.
- Sidewalk projects that are primarily in road rights-of-way and do not exhibit qualities associated with recreation trails. In general, traffic control devices in the road right-of-way, such as guardrails, flashing or nonflashing signs or barricades, and electronic crossing signals, are not eligible scope items.
- Most improvements to public roadways.
- Invasive species removal, shoreline stabilization or erosion control that are not associated with development of recreation facilities at the site.
- Municipal infrastructure, such as electrical transmission lines, sewer mains, water mains, etc., that is the majority of the scope of the project is not eligible for funding. However, a service line for these types of utilities can be eligible as a scope item if it is providing the utility to a site of public recreation that has other scope items being developed as part of the same grant project.

## Financial details

### Minimum and maximum grant amounts

**Minimum grant request:** \$100,000

**Maximum grant request:** \$1,000,000

### Matching funds

Total project costs may exceed \$1,000,000 if the applicant is able to provide documentation of secured matching funding sources.

Eligible matching funds are encouraged but are not required and will not be considered as part of application scoring. Federal funds are not eligible sources for matching funds.

### Eligible costs

This is a reimbursement program. All grants are paid as reimbursement for actual expenses (i.e., the community pays for the work and is then reimbursed at the percentage listed in the grant agreement of the cost up to the grant amount). On a case-by-case basis, the DNR will allow advances for communities that meet certain criteria.

Grantees should anticipate submitting multiple partial requests for reimbursement as the project progresses. The final 10% of the grant amount will be withheld pending a final project inspection and audit of the grant file.

- If selected for funding, includes expenses for grant writing, designs, public input, and permitting. Expenses are eligible beginning Oct. 1, 2022.
- Construction expenses incurred prior to the execution of the project agreement will not be eligible for reimbursement.
- Reimbursement will occur through request, with adequate documentation of expenses, including all applicable copies of invoices, checks, payment sheets, change orders, documentation of force account labor and equipment, and documentation of donated labor and/or materials.
- Until final completion of the project, 10% of the grant will be withheld.
- No further reimbursements will be made for canceled projects or projects that have not been completed within the required timeframe.

Only those costs directly associated with the project will be reimbursed. Eligible budget categories include:

- **Preplanning** – If selected for funding, includes grant writing, designs, public input, and permitting. Expenses are eligible beginning October 1, 2022.
- **Administration** – Internal activities necessary to support the oversight and implementation of the project. This category is capped at 5% of the project subtotal.
- **Project permitting, plan designs and oversight** – This category is capped at 25% of the project subtotal.
- **Construction** – Only construction activities directly related to the project scope.
- **Programming** – Events and instructional activities associated with activating the site.
- **Equipment** – Equipment must be unique and directly related to activities supporting the construction improvements of the project; maintenance equipment is not eligible.
- **Indirect/overhead** – If applicable, the applicant may choose to cover indirect costs. If a recipient has a current Negotiated Indirect Costs Rate Agreement established with a federal cognizant agency responsible for reviewing, negotiating, and approving cost allocation plans or indirect cost proposals, then the recipient may use its current NICRA. Alternatively, if the recipient does not have a NICRA, the recipient may elect to use the de minimis rate of 10% of the modified total direct costs pursuant to 2 CFR 200.414(f).

## Ineligible costs

- Maintenance is not an eligible expense. However, the DNR is requesting this information in the application in effort to gain insight on applicant needs long term to support the project.
- Indirect/overhead greater than 10% of the total project costs without an approved NICRA.
- Tuition and fees, conferences, travel, lodging, meals, group meals and mileage.
- Costs incurred outside of the project period specified in the project agreement or amendment.
- Salaries/fringes of individuals not working on the project directly.
- Sales tax for exempt agencies.

## Number of allowable applications from a single applicant

No more than three Spark grant applications may be submitted for the duration of the grant program. If submitting more than one application, the entity must rank the project in order of highest priority. Submitting multiple applications with similar facilities in one location is not allowed.

## Project site eligibility

### Allowable number of project sites

Each application must be for a single park site or contiguous trail. Applications for multiple sites must be submitted and prioritized as individual applications. To avoid duplication of grant awards and to achieve the best scenario for an applicant to receive funding, should an applicant apply for the same project across multiple DNR grant programs in the same year, DNR Grants Management staff reserve the right to align the program that is most applicable based upon scoring and available funding. In these situations, applicants will be directed to withdraw from certain programs prior to final grant awards being made.

### Long-term site obligations

- The land included in the boundary of this project site must remain open to public outdoor recreation use for the useful life of the facilities being constructed, which is generally a 20-year minimum.
- The grantee will not allow any encumbrance, lien, security interest, mortgage or any evidence of indebtedness to attach to or be perfected against the project area or project facilities within the 20-year useful life period.
- None of the project area nor any of the project facilities constructed shall be wholly or partially conveyed during the 20-year useful life period, either in fee or otherwise or leased for a term of years or for any other period, nor shall there be any whole or partial transfer of the lease title ownership, or right of maintenance or control by the applicant.
- An entrance sign identifying the site as a public outdoor recreation site open to all users must be prominently displayed. The establishment of an entrance sign can be added to the grant scope of work.
- The recreation site must be open to all users – resident and nonresident. If a fee is charged, the nonresident fee shall be no greater than twice the resident fee.

### Site control

The applicant must own, have a perpetual easement, lease or other agreement allowing use, operations or construction of the project site. Agreements must be finalized at the time of application; draft agreements will not be accepted. A Documentation of Site Control form (PR5750-4) and deed, lease or easement is required in the application.

- For leased sites: 20-year minimum.
- Leased sites with a term of less than 20 years beyond the application date are not eligible to receive grant assistance unless the lessor is a government entity and agrees to assume all grant obligations if the lessor takes control of the project site. Documentation from the lessor agreeing to the terms is required.

## Contaminated properties

Contaminated properties are eligible for grant assistance, provided the property can be made safe for the proposed uses and the contamination will not have a substantial negative impact on the overall public recreation, public safety and/or resource protection values of the site. Grant funds may not be used for environmental remediation.

## Planning considerations

### Prime professional

All projects are required by state law (MCL 339.2011) to have a licensed engineer, architect or landscape architect (prime professional) prepare all plans, specifications and bid documents and verify that all construction has been completed according to acceptable standards. Engineering and architectural costs may make up no more than 25% of total project cost. The DNR requires a prime professional to have an active profile in MiGrants. The prime professional will be able to help you with the following requirements in this section.

### Federal requirements

The Spark program is funded by and subject to the American Rescue Plan Public Law 117-2 or Uniform Guidance 2 CFR 200, as applicable. Frequently asked questions are accessible at the [U.S. Department of Treasury State and Local Fiscal Recovery Funds website](#). The SLFRF awards are generally subject to the requirements set forth in the uniform administrative requirements, cost principles and audit requirements for Federal awards, 2 CFR Part 200 (the “uniform guidance”). Applicants must review the [eCFR uniform guidance](#) for complete requirements.

Per the final rule FAQ 2.1: The National Environmental Policy Act does not apply. Projects supported with Spark funds may still be subject to all related statutory and regulatory requirements and policies of both programs, including NEPA review, if they are also funded by other federal financial assistance programs.

In planning your application, please note that the Davis–Bacon Act, as amended (40 U.S.C. 3141–3148) and Contract Work Hours and Safety Standards Act (40 U.S.C. 3701–3708) will be required. In accordance with the statute, contractors must be required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor.

When a recipient expends more than \$750,000 in federal awards during the grantee’s fiscal year (Oct. 1-Sept. 31), it will be subject to an audit under the Single Audit Act and its implementing regulation at 2 CFR Part 200, Subpart F regarding audit requirements.

## Permits

Federal, state and local rules and regulations apply. Such permits include, but are not limited to, permits to fill or otherwise occupy a floodplain and permits required under Parts 301 and 303 of the Natural Resources and Environmental Protection Act, Act 451 of the Public Acts of 1994, as amended. It is the sole responsibility of the applicant to determine what permits are required for the project, secure the needed permits and remain in compliance with such permits.

## Accessible design

The proposed project must meet the accessibility requirements of the 2010 Americans with Disabilities Act design standards; including all proposed recreation facilities, access routes from the proposed facilities to parking and relevant support facilities. For proposed facilities such as hiking trails, camping facilities, picnic facilities and beach-access routes that are not covered under the [2010 ADA design standards](#), follow the U.S. Access Board Outdoor Developed Areas Accessibility Guidelines. Trails on federal property must meet the Forest Service Trail Accessibility Guidelines. Designing facilities to universal design principals is recommended. More details are provided in the Guidance on Designing Specific Types of Recreation and Support Facilities that Exceeds ADA for Universal Accessibility.

## Project completion

Receiving Spark grant assistance requires the project to be completed in a timely manner.

- The grantee must begin the project as soon as the grant agreement is executed.
- Quarterly financial and project status reports will be required.
- The grantee must encumber all of the grant funds to third-party contracts by Dec. 31, 2024.
- All grant funds must be spent by Oct. 31, 2026. Due to the federal requirements of this grant award, no time extensions will be allowed.

## Application documents

All applicants must complete their application on the DNR Grants Management's online application system, [MiGrants](#). Paper applications will not be accepted and will be considered ineligible.

- These are the types of documents you will need to have ready to upload when completing the grant applications:
  - Site control form and deed, lease or easement
  - Resolution from highest governing body
  - Site plan of the proposed improvements
  - Optional but not required:
    - Letters of support
    - Universal design review
    - Plans, specifications and bid documents
    - Permits
    - Documentation of matching funds
    - Indirect cost-rate agreements

## Application pages

The application is six pages long. The authorized official will be required to initiate the application. Once initiated, anyone with an organizational role will be able to modify the application pages. You may save the page you are working on and come back to edit or complete the materials later. The pages are:

- **Applicant information** – Basic information of the site, project name, etc.
- **Narrative details part 1** – Public benefit and anticipated outcomes, financial and social considerations, and access to the project site.
- **Narrative details part 2** – Access to new opportunities for people of all abilities, clarifying of scope and ability to execute, new construction, renovation and future maintenance.
- **Financial details** – Project budget categories and amount requested.
- **Additional information** – Optional – you may upload additional documentation here.
- **Certification by AO (authorized official)** – Check to certify the application.

After the successful submission of your application by changing the status, you will receive an email notification from MiGrants.

## Application outcome

The Michigan Spark Grants program will have three rounds. The DNR will announce successful awards at the end of each round. At the end of rounds one and two, any unsuccessful application can be withdrawn, reapplied for later rounds as-is, or modified and reapplied for later round(s). Please monitor your email for a notification from MiGrants providing further guidance.