



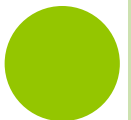
# HOW GRANTS WORK

*And why it benefits your community*

By Anne Klepfer, Schwenksville Borough

# WHAT ARE GRANTS?

- Grants are financial awards to help finance specific projects or project elements that help advance or implement the Funding Source's Directives, Goals, and Desired Outcomes.



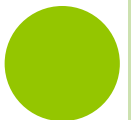
# WHERE DO GRANT FUNDS COME FROM?

- Grants can be from a private source such as Not-For-Profit Organizations that have a specific mission or objective. E.G. the Perkiomen Watershed Conservancy has a grant program to fund Watershed Improvements
- Federal Tax Dollars e.g. Community Development Block Grants and Transportation Improvement Grants
- State Tax Dollars e.g. Transportation Improvement Grants & Park & Recreation Improvement Grants.
- County Tax Dollars e.g. Community Development Grants, Transportation Improvement Grants, Housing & Development Grants

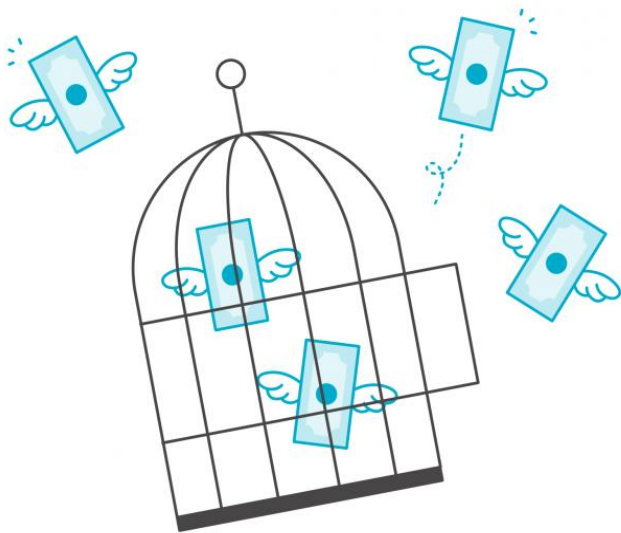


# IS GRANT MONEY FREE MONEY?

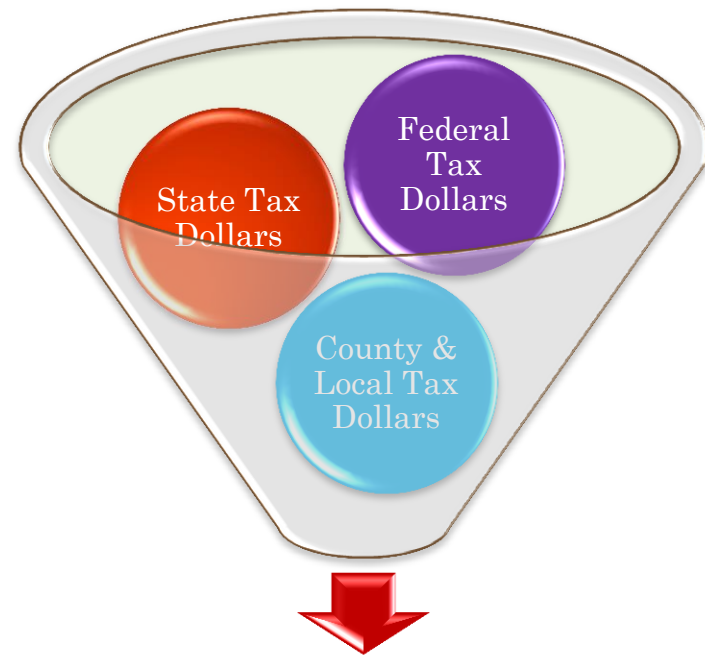
- Nothing is Free.
- Grant Money is your tax dollars being redistributed to further federal, state, local or private objectives.
- Most Grants reimburse the applicant for satisfactory work that furthers the program's objective



# How Do Grants Help?



**Help Keep your Tax Dollars  
at Work in Your  
Community.....not  
someone else's**



**Schwenksville Borough  
Improvements**



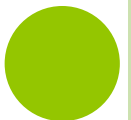
# DO GRANTS PAY FOR THE ENTIRE PROJECT?

- Most Grants require the recipient to provide “matching dollars”.
- Match Requirements can be any percentage of the total project cost as determined by the Program and Grant Source, but are typically 20% or 50%.
- Some programs allow you to match their award with grant awards from other agencies or sources.
- Some grants only pay for construction costs and the recipient has to pay for all “soft costs” such as engineering, inspection, and administration.



# WHAT CAN YOU DO WITH GRANT FUNDS

- Each Source Program has different goals and objectives and therefore different requirements.
- Grants for Recreation Improvements can only be spent on Recreation Improvements.
- Grants for Transportation Enhancements can only be spent on Transportation improvements.
- Grants for small projects have maximum total project cost limits.
- Grants for big projects have a minimum total project cost.
- Some grants must specifically benefit low and moderate income residents.



# WHAT ARE THE COSTS OF APPLYING FOR AND RECEIVING GRANTS?

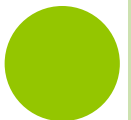
- Grant Writing takes time and requires grant writing skills so there is an administrative cost.
- Many Grants require a certain level of engineering or design work to have been completed before applying for construction funds.
- Most Grants require matching funds; sometimes preliminary design work and in-kind services are accepted and count towards the local match.
- All projects funded by Federal Dollars are subject to the Hatch Act and the cost of the project increases due to prevailing wage requirements.
- Some Grants require an extreme amount of engineering and administration.





# WHEN IS IT A GOOD IDEA TO APPLY FOR A GRANT?

- When the project is something you are required to do or want to do regardless of whether you obtain outside funding;
- When the requirements of the Grant Program are reasonable and you are able to satisfy them with minimal cost;
- When the project is in excess of \$25,000 and is subject to Pennsylvania Prevailing Wage Rates regardless of the funding source;
- When you don't have the resources to fund the project on your own;
- When you want to stretch your resources and get more accomplished with fewer local dollars.



# WHAT ARE THE INDIRECT BENEFITS TO ALL RESIDENTS?

- Grants Make Local Tax Dollars Go further – So we can spend unrestricted local dollars on a wider variety of projects in more locations.
- Revitalization leads to investment in the community by homeowners and existing businesses and attracts new businesses.
- Revitalization financed with grant dollars leads to an improved Quality of Life with more services, amenities and activities for residents.
- Successful Grant Projects let County and State Officials know Schwenksville is serious about helping them achieve their objectives and improve their facilities which increases the likelihood of bringing more of your tax dollars back to Schwenksville

