

Architecture Committee

July 25, 2022



TEXAS HISTORICAL COMMISSION

AGENDA
ARCHITECTURE COMMITTEE
DoubleTree Suites by Hilton Hotel
2nd Floor
Houston Room
303 W 15th Street
Austin, TX 78701
July 25, 2022
10:30 a.m.

(or upon adjournment of the 10 a.m. Archeology Committee, whichever occurs later)

This meeting of the THC Architecture Committee has been properly posted with the Secretary of State's Office according to the provisions of the Texas Open Meetings Act, Chapter 551, Texas Government Code. The members may discuss and/or take action on any of the items listed in the agenda.

1. Call to Order — *Committee Chair Limbacher*
 - A. Committee member introductions
 - B. Establish quorum
 - C. Recognize and/or excuse absences
2. Consider approval of the Architecture Committee meeting minutes — *Limbacher*
 - A. April 28, 2022
 - B. June 30, 2022
3. Division of Architecture update and Committee discussion, including updates on staffing, federal and state architectural reviews, courthouse preservation, disaster assistance, trust fund grants, and historic preservation tax credit projects — *Brummett* (Item 9.1)
4. Consider filing authorization of intent to review and consider for re-adoption, revision or repeal, Chapter 13 (Texas Historic Tax Credit Program) of the TAC, Part 2 for publication in the *Texas Register* — *Wright* (Item 9.2)
5. Consider filing authorization of proposed amendments to sections 13.1, 13.2, 13.3, 13.6, and 13.7 of the Texas Administrative Code, Title 13, Part 2, Chapter 13 related to the Texas Historic Preservation Tax Credit Program for first publication and public comment in the *Texas Register* — *Wright* (Item 9.3)
6. Consider approval of Texas Historic Courthouse Preservation Program Round XII grant awards — *Brummett* (Item 9.4)
7. Consider award of Round X master plan update grant to Kleberg County — *Brummett* (Item 9.5)
8. Discussion regarding development of Texas Historic Courthouse Preservation Program policy changes — *Brummett*
9. Adjournment — *Limbacher*

NOTICE OF ASSISTANCE AT PUBLIC MEETINGS: Persons with disabilities who plan to attend this meeting and who may need auxiliary aids or services such as interpreters for persons who are deaf or hearing impaired, readers, large print or Braille, are requested to contact Esther Brickley at (512) 463-5768 at least four (4) business days prior to the meeting so that appropriate arrangements can be made.

TEXAS HISTORICAL COMMISSION

**MINUTES
ARCHITECTURE COMMITTEE**

Alamo Complex
Alamo Hall
300 Alamo Plaza
San Antonio, Tx 78205
April 28, 2022
10:30 am

Note: For the full text of action items, please contact the Texas Historical Commission at P.O. Box 12276, Austin, TX 78711 or call 512-463-6100.

Committee members in attendance: Chair Laurie Limbacher, and Commissioners Tom Perini, Garrett Donnelly, Earl Broussard, Lilia Garcia, and David Gravelle

Committee members absent: Commissioner Monica Burdette

1. Call to Order

The meeting was called to order at 10:49 on April 28, 2022, by Committee Chair Laurie Limbacher. She announced the meeting had been posted to the *Texas Register*, was being held in conformance with the Texas Open Meetings Act, Texas Government Code, Chapter 551 and that the notice was properly posted with the Secretary of State's Office as required.

A. Committee member introductions

Chair Limbacher welcomed everyone and called on each commissioner to individually state their name and the city in which they reside.

B. Establish quorum

Chair Limbacher reported a quorum was present and declared the meeting open.

C. Recognize and/or excuse absences

Commissioner Laurie Limbacher moved to approve the absence of Commissioner Monica Burdette. Commissioner Tom Perini seconded the motion which passed unanimously.

2. Consider approval of the February 1, 2022, Architecture Committee Minutes

Chair Limbacher called for a motion to approve the minutes of the February 1, 2022 meeting. Commissioner Donnelly motioned, and Commissioner Tom Perini seconded the motion, which passed unanimously.

3. Division of Architecture Update and Committee Discussion

Division of Architecture Director Bess Graham provided a divisional review of programs and a staffing update. She highlighted the relocation of the Hill-Robberson House as a Registered Texas Historic Landmark (RTHL) project review.

Ms. Graham provided a Texas Preservation Trust Fund Program (TPTF) update. She informed the committee on the program's applications received for the current grant round. She compared numbers of applications to previous years and discussed the next phase of the project, which will continue with 23 applicants. She informed the committee that the TPTF Advisory Board would meet in October 2022 to make a recommendation to the commission. Ms. Graham provided examples of applicants invited to the project proposal stage and included a brief overview of the scope of work and funding amount requested for each applicant. She noted applicants included Bolivar Lighthouse, McFarland House, Ruidosa Church, Daule School, Wesley Chapel, Old Rockdale City Hall, and Sacred Heart Church.

Lisa Hart, Disaster Assistance Program Coordinator, provided an update on the activities funded by Hurricanes Harvey, Irma, and Maria Emergency Supplemental Historic Preservation Fund (HIM ESHPF). Ms. Hart informed the committee that ~~there was~~ one project was left on the alternate list, The Texas Freedom Colonies Project run by Dr. Andrea Roberts of Texas A&M University. Ms. Hart related that the project would focus on the counties affected by Hurricane Harvey by training students to lead workshops, demonstrations, and collect oral history interviews in rural historic black communities. According to Ms. Hart, the proposal requested \$151,211 for work beginning in the summer of 2022, if approved by the commission.

Caroline Wright, Historic Tax Credit Program Coordinator gave an update on the program's certified projects this quarter. Ms. Wright stated that 11 projects had been certified with qualified rehabilitation expenses of \$169 million dollars. She also noted that Texas had the highest dollar amount of federal tax credit projects certified during fiscal year 2021. Ms. Wright highlighted several projects including the Old Dick Tracy Store, Riverside Baptist Church, and Barbara Jordan Post Office.

Susan Tietz, Courthouse Preservation Program Coordinator, advised the committee on activities of the Texas Historic Courthouse Preservation Program. Ms. Tietz presented the upcoming Round XII grant application and review deadlines. On June 30th, 2022. She noted that the Architecture committee would meet in Austin in June 2022 to review the grant applications and hear public comment. She also informed the committee that final funding scenarios would be presented at the July Quarterly Commission meeting for approval. Ms. Tietz updated the committee about the on-going reconstruction of the Mason County Courthouse. She also provided information concerning the Waller County Courthouse. She noted the THC received documents expressing the County's intention to demolish the courthouse and explained that THC hoped to work with Judge Duhon, the Waller County Historical Commission, and the community to reconsider demolition. Ms. Tietz reported on the Fannin County Courthouse and its restoration. She noted the Courthouse was rededicated on March 10th, 2022 in Bonham. Ms. Tietz discussed activities of the Courthouse Stewardship Program and provided an overview on the 2022 Real Places Conference stewardship sessions.

4. Consider approval of the recapture of funds from and/or supplemental funding to previously awarded Kleberg County.

Ms. Tietz provided background on the Kleberg County Round X masterplan update grant. She explained that although the funding agreement was executed February 10, 2020, the county had remained unresponsive to THCPP staff and the county's architecture firm. She related that a formal notice to recapture funds was sent to Kleberg County in December 2021 with a required response by January 2022, followed by staff efforts to meet with the County in-person, but all to no avail. Ms. Tietz recommended the recapture of the \$49,500 allocated to the Round X masterplan update grant. Commissioner Garcia questioned if the communication barriers between Kleberg County and the THC were due to an outside circumstance. Ms. Graham and Ms. Tietz both conveyed that staff had done due diligence in attempting to work with Kleberg County. Commissioner Donnelly moved to send forward to the Commission and recommend approval to recapture funds from Kleberg County for the courthouse master plan update in the amount of \$49,500. Commissioner Broussard seconded the motion, which passed unanimously.

5. Adjournment

Chairman Chair Limbacher called the meeting to adjournment at 11:25 a.m.

TEXAS HISTORICAL COMMISSION

MINUTES
ARCHITECTURE COMMITTEE
REJ Conference Center
1501 North Congress Avenue
Austin, TX 78701
June 30, 2022
8:30 a.m.

Note: For the full text of action items, please contact the Texas Historical Commission at P.O. Box 12276, Austin, TX 78711 or call 512-463-6100.

Committee Members in attendance: Commissioners Laurie Limbacher, Tom Perini, Lillia Garcia, David Gravelle, and Earl Broussard

Staff Members in attendance: Mark Wolfe, Elizabeth Brummett, Susan Tietz, Eva Osborne, Tania Salgado, Betsy Frederick-Rothwell, Donye Reese, and Veronica Granados

1. Call to Order

The meeting was called to order at 8:46 am on June 30, 2022, by Committee Chair Laurie Limbacher. She announced the meeting had been posted to the *Texas Register*, was being held in conformance with the Texas Open Meetings Act, Texas Government Code, Chapter 551 and that the notice was properly posted with the Secretary of State's Office as required.

A. Committee member introductions

Chair Limbacher welcomed everyone and called on each commissioner to individually state their name and the city in which they reside.

B. Establish quorum

Chair Limbacher reported a quorum was present and declared the meeting open.

C. Recognize and/or excuse absences

Chair Limbacher moved to approve the absences of Commissioners Monica Burdette and Garrett Donnelly. This motion passed unanimously.

2. Public Comment

Chair Limbacher invited members of the public to address the Committee concerning any matter within the authority of the Committee. Sixteen representatives spoke in support of their respective applications for the Texas Historic Courthouse Preservation Program Round XII Grant Cycle.

1. Judge Mark Meyers, Lavaca County
2. Judge Mike Bennett, Goliad County
3. Judge J.D. Clark, Wise County
4. Kristi Cline, Lavaca County
5. Doug Kubicek, Lavaca County
6. Judge Roger Harmon, Johnson County

7. Jay Firsching, Chambers and Hunt County
8. Jimmy Counts, Wise County
9. Carl Larosche, Lavaca and Goliad County
10. Sharon Fleming, Goliad County
11. Sam Goldsmith, Callahan County
12. Karl Komatsu, Comanche, Upshur, and Wise Counties
13. Steven Schaad, Red River County
14. Juan Raymon Rubio, Washington and Bastrop County
15. Judge Todd Tefteller, Upshur County
16. Jay Miller, Upshur County

Susan Tietz read written testimony submitted by Judge Stephanie Davis on behalf of Red River County. Chair Limbacher thanked and briefly addressed those who provided testimony. Chair Limbacher moved to recess until 10:00 am.

3. Presentation of the Texas Historic Courthouse Preservation Program (THCPP) applications for the Round XII grant cycle

Ms. Tietz began her presentation of the THCPP applications by acknowledging Hunt County's request during public testimony to withdraw their application. She advised that Hunt County was not ready to start a project but were required by rules to submit an application since they received a planning grant. Executive Director Mark Wolfe noted the committee could allow Hunt to withdraw their application. The committee agreed to honor the request by Hunt County to withdraw their application.

Chair Limbacher called on Courthouse staff to introduce themselves. Ms. Tietz advised the scoring committee consisted of Courthouse staff, Division of Architecture Director Elizabeth Brummett, and THC Historic Sites staff member, Glenn Reed.

Ms. Tietz provided a brief overview of the THCPP program and highlighted that the program had awarded over \$320 million in grants, accomplished 73 full restoration projects, and awarded counties a variety of grants. Ms. Tietz noted the 87th Legislature appropriated \$25 million for Round XII and, due to supplemental grant awards and recaptures at the October 2021 and January 2022 Quarterly Meetings, the grant funds balance was \$22,856,476. She noted that 18 applications were received and advised that the applications received were requesting just over \$50 million for projects totaling over \$85 million. Ms. Tietz advised that nine non-emergency construction grant applications were received, with eight of those projects proposing to accomplish full restorations and one to accomplish a smaller scale project to complete a full restoration. She noted the average cash match was 46%, with three counties contributing over 50% to their total project costs. Ms. Tietz advised that two planning grant applications were received. She then provided an overview of the applications including proposed work.

4. Discussion and possible action on proposed THCPP Round XII Grant Funding Scenarios

Ms. Tietz presented background on the thought process behind the funding scenarios. She pointed out that the 2018 Courthouse Advisory Committee asserted that the primary role of the THCPP was to accomplish fully restored courthouses, while also recognizing that, at times, these building would experience significant endangerment and that emergency grants were necessary to preserve the most severely endangered buildings. Ms. Tietz continued, noting that planning grants were important because they created "shovel ready" projects, which gave a line of projects that were ready to go to construction. She advised there were currently 11 "shovel ready" projects waiting to be awarded full restoration grants, which should be kept in mind when considering awarding additional planning grants. Ms. Tietz noted that at minimum two planning grants were typically awarded each round. She reminded the committee that Comanche County and Chambers County were the only two applicants for Round XII. She noted that 10% of the appropriation was typically held when creating funding scenarios. However, in more recent rounds, 5% had been withheld

due to lower appropriations and increases in project costs. Discussion was held among the committee members, Executive Director Wolfe, and Ms. Tietz regarding the project management and oversight of contractors at risk for counties that choose that option. Ms. Tietz explained that supplemental awards were made using the 5-10% of the appropriation withheld.

Ms. Tietz explained each of the three scenarios in detail, noting that several counties tied with each other in scoring. Executive Director Wolfe noted there had been ongoing concerns regarding the scoring criteria and advised that the Courthouse Advisory committee addressed some of these concerns in 2018. Ms. Tietz continued explaining the funding scenarios and the committee discussed the options of each one. Scenario 3 was discussed in detail. Chair Limbacher moved to send forward to the commission and recommend approval of the Texas Historic Courthouse Preservation Program Round XII grant awards to fund the full restoration of Wise, Hall, Kimble, and Upshur counties and a planning grant for Comanche County, leaving a reserve of a little over \$300,000. This motion passed unanimously.

5. Adjournment

Chair Limbacher adjourned the meeting at 12:42 pm.

Quarterly Report

Division of Architecture

April–June 2022

FEDERAL AND STATE REVIEW

During this quarter, Division of Architecture (DOA) staff completed 152 reviews under Section 106 of the National Historic Preservation Act of 1966, issued 17 permits for State Antiquities Landmark properties, reviewed 101 Recorded Texas Historic Landmark properties, and provided oversight and guidance to 12 active Texas Preservation Trust Fund architecture grant projects.

State Antiquities Landmark

Staff approved proposed foundation repair work to the **Gonzales Memorial Museum**. The work includes rehabilitation of the north and south limestone planter walls, stabilization of the museum's terrazzo floors and concrete slab, and installation of new systems to pump water away from the building and provide adequate ventilation in the crawlspace area. The purpose of the work is to repair previous water damage and prevent future water infiltration from causing further deterioration of this significant building, which is associated with the 1936 Texas Centennial.

Recorded Texas Historic Landmarks

Staff recently consulted with the City of Denton and architecture firm Architexas on a second proposed phase of rehabilitation and restoration for the **1927 Denton City Hall**, which was designated a Recorded Texas Historic Landmark in 2015. The proposed exterior scope of work notably includes demolition of the north elevator addition to accommodate restoration of the north façade based on historic photo-documentation. Additional areas of work include replacement of non-historic window assemblies with metal clad divided-light wood sash window and transom assemblies; replacement of a non-original door on the west elevation with a partially glazed, metal-clad wood door; reconstruction of the cast stone window panels and water table; and restoration of the clock tower cast stone balustrade. The project meets the Secretary of Interior's *Standards for Rehabilitation* and represents the next steps towards comprehensive preservation of this significant historic public resource in the City of Denton.

National Historic Preservation Act, Section 106

In April, staff arranged tours of **Camp Bullis, Fort Sam Houston, Lackland Air Force Base, and Randolph Air**

Force Base, together known as **Joint Base San Antonio (JBSA)**. Due to JBSA's unique Section 106 challenges and the designation of large portions of Randolph Air Force Base and Fort Sam Houston as National Historic Landmark districts, Executive Director Mark Wolfe accompanied staff along with members of the National Park Service (NPS) Intermountain Regional Office. The visit allowed THC and NPS representatives to further orient themselves to the sites' historic resources and meet with JBSA cultural resources management staff. Ultimately, the gathering of partner agencies was constructive, facilitating ongoing efforts to develop a new programmatic agreement to coordinate Section 106 consultation more effectively.

Texas Preservation Trust Fund

THC accepted 29 Texas Preservation Trust Fund (TPTF) grant applications on February 7 for the FY 2023 grant round. On April 7, staff invited 23 applicants to proceed to the project proposal stage. Those applicants are currently preparing detailed proposals and budgets to be submitted by July 13. The TPTF Advisory Board is scheduled to meet on September 20 to consider the project proposals and formulate a funding recommendation for the commission to consider at the October quarterly meeting.

Hurricane Harvey Emergency Supplemental Historic Preservation Fund (HIM ESHPF)

The **Freedom Colonies Project**, final project on the approved HIM ESHPF alternate project list, was approved for funding by the commissioners at the April meeting. The commission also approved a policy to redistribute any funds that are not used by the subgrant recipients. A new preservation easement was filed during this quarter, and a new subgrant agreement was signed, along with two subgrant agreement amendments to extend the duration of the respective projects.

PRESERVATION TAX CREDITS

During this quarter, the **Texas Historic Preservation Tax Credit (THPTC)** program received 14 Part A, 12 Part B, 16 Part B amendment, and 10 Part C applications. Since the date of the last quarterly narrative, **Certificates of Eligibility** were issued for 12 completed projects in Austin, Bastrop, Dallas, El Paso, Ennis, Fort Worth,

Galveston, Houston, Mineral Wells, Pasadena, and San Antonio. (See highlights for newly certified projects.) Qualified expenses for these projects total over \$91 million. A total of 346 projects have now been certified since the beginning of the program in 2015, with \$3 billion in qualified expenses.

The **Federal Rehabilitation Tax Credit program** received 14 Part 1, 7 Part 2, 20 Part 2 amendment, one Part 3, and two Part 3 amendment applications. Four projects were certified by the NPS this quarter.

Tax credit staff made site visits to potential projects in Austin and San Antonio.

COURTHOUSE PRESERVATION PROGRAM Construction Projects

Selective demolition and abatement are complete at the **Callahan County Courthouse** in Baird. Removal of brick masonry at lintels is in progress at the **Duval County Courthouse** in San Diego. Selective removal and replacement of damaged brick on exterior walls with exception of the entry stairs is nearly complete. Most of the window sashes scheduled to be replaced have been removed. Removal of cracked plaster at stairwells is ongoing. Emergency foundation work on the **Lee County Courthouse** is underway. The basement floor slab has been removed, and drilling and pouring of new structural concrete piers has begun. A continuous concrete structural beam has been poured on top of the parapet of the **Mason County Courthouse** in Mason. The beam will receive the new roof structure for reconstruction of the roof following the devastating fire in 2021. Bids were advertised for the full restoration of the **Polk County Courthouse** in Livingston with a pre-bid meeting held on site on June 7. Bids are due by July 8. A construction contract has been signed for the full restoration of the **Taylor County Courthouse** in Abilene, and construction will begin later this summer.

Non-Grant Funded Projects

The **1955 Waller County Courthouse**, located in Hempstead and designed by Herbert Voelcker of renowned courthouse design team Voelcker and Dixon, is still threatened with demolition. The county judge has not agreed to requests for the program coordinator and project reviewer to make a presentation to the commissioners' court about the grant program and alternative options to demolition. Since notification of the proposed demolition was made on February 8, the county could begin demolition as soon as August 8, and comply with the Courthouse Law (Texas Government Code § 442.008). A large addition and interior alterations are proposed to the **1940 Brazoria County Courthouse** in Angleton, designed by famed Texas courthouse architect Eugene

Heiner. The building's only protection is the Courthouse Law, and the project reviewer has been working closely with the county's architect to minimize impact to the historic courthouse.

The proposed demolition of the **1954 Hidalgo County Courthouse** has been halted, and the county plans to repurpose the building to support the new county courthouse constructed on the same site.

Stewardship

The courthouse program specialist and two reviewers held a successful day-long stewardship workshop in Karnes City at the Karnes County Courthouse. Two outside professionals presented training sessions to 37 attendees representing 14 counties, while staff educated the audience about the courthouse grant and stewardship program. The group assessed the Karnes County Courthouse for maintenance issues and discussed how to address them, as well as how to apply the THC's 2019 *Courthouse Maintenance Handbook* in the field.

STAFF UPDATES

Bess Graham retired from the THC on June 3, after more than three years as DOA's division director.

Elizabeth Brummett has returned to the THC as the division director. She was the program coordinator for Federal and State Review for over a decade before becoming the manager of the City of Austin's Historic Preservation Office two years ago. Brummett was previously the East Texas reviewer in DOA, playing a key role in the recovery efforts following Hurricane Ike in 2008–09. She studied architecture and art history at Rice University and holds a master's degree in historic preservation from the University of Texas at Austin. She was born and raised in Abilene.

Lydia Woods-Boone, program coordinator for Federal and State Review, has resigned and moved to Denver, Colorado, to be closer to family. She will work for the City of Denver's Historic Preservation Office.

Alex Toprac has been promoted as the new coordinator for the Federal and State Review program. He has worked as the North Texas reviewer since 2016, except for one year in the Texas Department of Transportation's Environmental Affairs Division. Before joining the THC, he served as a research associate and adjunct professor at Morgan State University. Toprac has a bachelor's degree from Goucher College and a master's degree in historic preservation from the University of Maryland. He is a native Texan and second-generation Austinite.

Round 9 Construction Status Report

7/8/2022

County & Round	Reviewer	Pre-Construction						Construction									Post-Construction					Architect	Contractor	Status Notes	
		Grant Award & Balance	Ack Form	Funding Agree	Easement	Arch Contract	Construct Docs	NTP Bid	SAL Permit	Bid Period Start	Bid Tally Sheet	Const Contract	Sub List	NTP Construction	Construct Start	Work In Progress	Close Out Docs	Insurance	Completion Report	Substantial Completion	Project Completion				Rededication
Cameron 9 Emergency Construction	Tania Salgado	\$450,000.00 \$0.00	■	■	■	■	■	■	■	12/04/2016	■	■	■	■	7/26/2018	□	■	■	■	3/29/2019	4/29/2019	N/A	Ford, Powell & Carson, Inc.	SpawGlass	Complete
Fannin 9 Full Restoration	James Malanaphy	\$5,600,000.00 \$601,301.00	■	■	■	■	■	■	N/A	01/01/2018	■	■	■	■	4/1/2018	■	□	□	□	4/28/2022	6/28/2022	3/11/2022	ArchiTexas Dallas	Phoenix 1	The restoration is nearly complete. While the courthouse has been rededicated, the project has been delayed by the installation of flooring, mill work and cast iron stairs.
Karnes 9 Full Restoration	Tania Salgado	\$4,093,559.00 \$0.00	■	■	■	■	■	■	■	10/14/2015	■	■	■	■	11/1/2015	□	■	■	■	1/29/2018	3/2/2018	4/7/2018	Fisher-Heck Architects	MJ Boyle	Complete
Kleberg 9 Emergency Construction	Tania Salgado	\$450,000.00 \$0.00	■	■	■	■	■	■	■	11/1/2018	□	■	■	■	1/29/2018	□	■	■	■	4/8/2019	5/8/2019		Komatsu Architecture	JC Stoddard	Complete
Lynn 9 Full Restoration	Eva Osborne	\$5,149,905.00 \$0.00	■	■	■	■	■	■	■	12/01/2016	■	■	■	■	5/1/2017	□	■	■	■	10/1/2019	2/1/2019	7/20/2020	Komatsu Architecture	Stoddard Construction Management Inc.	Complete
San Saba 9 Full Restoration	Eva Osborne	\$4,911,105.00 \$0.00	■	■	■	■	■	■	■	08/25/2017	■	■	■	■	12/8/2017	□	■	■	■	5/1/2020	11/1/2019	3/4/2020	ArchiTexas Austin	JC Stoddard	Complete
Willacy 9 Emergency Construction	Tania Salgado	\$402,970.00 \$365,747.00	■	■	■	■	■	■	■	03/01/2017	■	■	■	■	11/1/2021	■	□	■	□	8/31/2022		N/A	Limbacher & Godfrey	SpawGlass	A temporary dehumidification system will be installed due to supply chain issue with the permanent system.

Count:

7

Total Funds Awarded:
\$21,057,539.00

Funds Remaining:
\$967,048.00

Round 10,10e Construction Status Report

7/8/2022

County & Round	Reviewer	Pre-Construction						Construction									Post-Construction					Architect	Contractor	Status Notes	
		Grant Award & Balance	Ack Form	Funding Agree	Easement	Arch Contract	Construct Docs	NTP Bid	SAL Permit	Bid Period Start	Bid Tally Sheet	Const Contract	Sub List	NTP Construction	Construct Start	Work In Progress	Close Out Docs	Insurance	Completion Report	Substantial Completion	Project Completion				Rededication
Camp 10e Emergency Construction	James Malanaphy	\$417,576.00 \$0	■	■	■	■	■	■	□	12/12/2019	■	■	■	■	1/5/2020	■	□	□	■	12/15/2020	1/15/2021	N/A	Komatsu Architecture	Joe R. Jones Construction	Complete
Falls 10 Full Restoration	Susan Tietz	\$5,832,430.00 \$583,243.00	■	■	■	■	■	■	■	06/01/2019	■	■	■	■	12/9/2019	□	■	■	■	10/12/2021	10/1/2021	10/16/2021	Komatsu Architecture	Stoddard Construction Management	Complete. Awaiting the final Reimbursement Request.
Goliad 10e Emergency Construction	Tania Salgado	\$205,995.00 \$0.00	■	■	■	■	■	■	■	10/10/2018	■	■	■	■	1/9/2019	□	■	■	■	11/22/2019	11/22/2019	N/A	Wiss Janney Elstner Associates Inc	Phoenix 1	Complete
Kimble 10e Emergency Construction	Tania Salgado	\$318,176.00 \$0.00	■	■	■	■	■	■	■	11/30/2018	■	■	■	■	7/1/2019	□	■	■	■	4/2/2020	5/15/2020	N/A	Hutson Gallagher	Joe R. Jones Construction	Complete
Lee 10e Emergency Planning	James Malanaphy	\$44,170.00 \$0	■	■	■	■	■	■	■	N/A	■	■	■	■	N/A	■	■	■	■	■	■	N/A	Sparks Engineering		Complete
Limestone 10e Emergency Construction	James Malanaphy	\$438,854.00 \$88,422.00	■	■	■	■	■	■	■	07/15/2021	■	■	■	■	9/1/2021	□	□	□	□	1/31/2022	1/31/2022	N/A	Komatsu Architecture	MRI Builders	Awaiting Completion Report
Lipscomb 10 Full Restoration	Eva Osborne	\$5,050,906.00 \$594,049.92	■	■	■	■	■	■	■	09/14/2018	■	■	■	■	1/9/2020	□	□	■	□	4/30/2021	5/30/2021	7/3/2021	Arthur Weinman Architects	Premier Metalwerks	Awaiting Completion Report
Marion 10 Full Restoration	James Malanaphy	\$4,682,610.00 \$204,020.00	■	■	■	■	■	■	■	09/01/2018	■	■	■	■	10/1/2018	□	□	□	□	1/15/2021	2/15/2021	5/22/2021	Komatsu Architecture	MRI Builders	Final reimbursement under review.
Menard 10 Full Restoration	Eva Osborne	\$1,382,388.16 \$107,764.00	■	■	■	■	■	■	■	03/29/2019	■	■	■	■	8/1/2019	■	■	■	■	11/23/2020	11/23/2020	N/A	Stan Klein Architect, LLC	Stoddard Construction Management	Complete
Milam 10e Emergency Construction	Susan Tietz	\$60,012.00 \$0	■	■	■	■	■	■	■	04/01/2019	■	■	■	■	8/15/2019	□	■	■	■	12/1/2019	12/1/2019	N/A	ArchITexas Austin	MRI Builders	Complete

Count

13

Total Funds Awarded
\$23,665,090.16

Funds Remaining:
\$1,489,077.00

Round 10p Planning Status Report

7/8/2022

County	Round	Reviewer	Grant Award	Remaining	Agreement	Easement	Contract	Schematic	Design	65%	95%	Architect	Contact
Callahan	10p	Eva Osborne	\$450000.00	\$0.00	■	■	■	■	■	■	■	Komatsu Architecture	Rick Sacy
Polk	10p	Susan Tietz	\$450000.00	\$0.00	■	■	■	■	■	■	■	Komatsu Architecture	John Herr
Van Zandt	10p	James Malanaphy	\$302552.00	\$1.00	■	■	■	■	■	■	■	Barham & Associates	Michael Barham

Count: 4

Total Funds Awarded: \$1,202,552.00

Funds Remaining: \$1.00

Round 10 Master Plan Update Grants Status Report

7/8/2022

County	Round	Reviewer	Grant Award	Remaining	Agreement	Contract	Schematic	Design	65%	95%	Architect	Contact	Notes
Bandera	10MP	Tania Salgado	\$ 50,000.00	\$ 50,000.00	■	■	■	■	■	■	ArchiTexas Austin	Stan Graves	Awaiting reimbursement request
Bell	10MP	James Malanaphy	\$ 22,500.00	\$ -	■	■	■	■	■	■	EIKON Consulting	Michael Tubiolo	Complete
Blanco	10MP	Betsy Frederick-Rothwell	\$ 50,000.00	\$ -	■	■	■	■	■	■	Hutson Gallagher	Chris Hutson	Complete
Burnet	10MP	Susan Tietz	\$ 44,900.00	\$ 2,236.00	■	■	■	■	■	■	ArchiTexas Austin	Larry Irsik	Awaiting reimbursement request
Chambers	10MP	Greta Wilhelm	\$ 50,000.00	\$ -	■	■	■	■	■	■	ArchiTexas Dallas	Jay Firsching	Complete
Clay	10MP	Eva Osborne	\$ 50,000.00	\$ -	■	■	■	■	■	■	Harper Perkins	Charles F. Harper	Complete
Coleman	10MP	Eva Osborne	\$ 50,000.00	\$ -	■	■	■	■	■	■	ArchiTexas Austin	Larry Irsik	Complete
Collin	10MP	James Malanaphy	\$ 44,000.00	\$ -	■	■	■	■	■	■	ArchiTexas Dallas	David Chase	Complete
Duval	10MP	Tania Salgado	\$ 50,000.00	\$ -	■	■	■	■	■	■	ArchiTexas Austin	Stan Graves	Complete
Frio	10MP	Tania Salgado	\$ 50,000.00	\$ -	■	■	■	■	■	■	ArchiTexas Austin	Stan Graves	Complete
Grayson	10MP	James Malanaphy	\$ 50,000.00	\$ -	■	■	■	■	■	■	ArchiTexas Dallas	David Chase	Complete
Hall	10MP	Eva Osborne	\$ 46,655.00	\$ -	■	■	■	■	■	■	Arthur Weinman	Arthur Weinman	Complete
Hutchinson	10MP	Eva Osborne	\$ 50,000.00	\$ -	■	■	■	■	■	■	Barham & Associates	Michael Barham	Complete
Jefferson	10MP	Susan Tietz	\$ 50,000.00	\$ -	■	■	■	■	■	■	LaBiche Architectural	Dohn LaBiche	Complete
Kimble	10MP	Tania Salgado	\$ 44,625.00	\$ -	■	■	■	■	■	■	Hutson Gallagher	Chris Hutson	Complete
Kleberg	10MP	Tania Salgado	\$ 49,500.00	\$ -	■	■	■	■	■	□	Komatsu Architecture	Charlie Kearns	Recaptured
Limestone	10MP	James Malanaphy	\$ 43,000.00	\$ 43,000.00	■	■	■	■	■	■	Komatsu Architecture	Charlie Kearns	Awaiting reimbursement request
Mason	10MP	Brit Barr	\$ 49,900.00	\$ -	■	■	■	■	■	■	ArchiTexas Austin	Stan Graves	Complete
McLennan	10MP	James Malanaphy	\$ 44,900.00	\$ -	■	■	■	■	■	■	ArchiTexas Dallas	David Chase	Complete
Randall	10MP	Eva Osborne	\$ 50,000.00	\$ 50,000.00	■	■	■	■	□	□	Hutson Gallagher	Tracy Hutson	Extension Granted by THC
Robertson	10MP	Betsy Frederick-Rothwell	\$ 40,000.00	\$ -	■	■	■	■	■	■	ArchiTexas Dallas	Jay Firsching	Complete
Taylor	10MP	Eva Osborne	\$ 20,000.00	\$ -	■	■	■	■	■	■	ArchiTexas Austin	Stan Graves	Complete
Upshur	10MP	James Malanaphy	\$ 44,000.00	\$ -	■	■	■	■	■	■	Komatsu Architecture	Gordon Marchant	Complete
Willacy	10MP	Tania Salgado	\$ 50,000.00	\$ -	■	■	■	■	■	■	Limbacher & Godfrey	Laurie Limbacher	Complete
Wise	10MP	James Malanaphy	\$ 50,000.00	\$ -	■	■	■	■	■	■	Komatsu Architecture	Gordon Marchant	Complete

Count: 25

Total Funds Awarded:

\$1,143,980.00

Funds Remaining: \$145,236.00

Round 11 Construction Status Report

County & Round	Reviewer	Pre-Construction						Construction						Post-Construction					Architect	Contractor	Status Notes		
		Grant Award & Balance	Funding Agreement	Easement	Architect Contract	Construct Docs	NTP Bid	SAL Permit	Bid Period Start	Const Contract	Sub List	NTP Construction	Construct Start	Work In Progress	Close Out Docs	Insurance	Completion Report	Substantial Completion				Project Completion	Rededication
Callahan 11 Full Restoration	Eva Osborne	\$4,684,891.00 \$4,684,891.00	■	■	■	■	■	■	6/1/2021	■	■	■	7/1/2021	■	□	□	□	TBD	1/11/2023	TBD	Komatsu Architecture	Stoddard Construction Management	Design revisions are being made to the structure of the 3 exterior entry stairs, roof drainage system, and foundation waterproofing. Excavation at the interior continues for the new elevator pit and the grand staircase to the basement level.
Duval 11 Emergency Construction	Tania Salgado	\$1,400,000.00 \$1,302,763.76	■	■	■	■	■	N/A	6/1/2021	■	■	■	1/18/2022	■	□	□	□	TBD	12/1/2022	N/A	ArchiTexas Austin	Premier Metalwerks	Location for the sump pump emergency generator was approved, and brick removal in order to access steel lintels for repair is in progress.
Lee 11 Emergency Construction	Betsy Frederick-Rothwell	\$1,970,149.00 \$1,970,149.00	■	■	■	■	■	□	7/15/2021	■	■	■	3/3/2022	■	□	□	□	TBD	4/1/2023	N/A	Sparks Engineering	JC Stoddard	Excavation under the Lee County Courthouse as part of their foundation repair has begun.
Mason 11 Full Restoration	Eva Osborne	\$10,140,119.00 \$8,485,413.00	■	■	■	■	■	■	2/1/2022	■	■	■	1/15/2022	■	□	□	□	TBD	12/1/2023	TBD	ArchiTexas Dallas	Stoddard General Contractors	Design complete. Structural repairs underway and the continuous concrete beam has been poured to accept the new steel roof structure.
Newton 11 Full Restoration	James Malanaphy	\$1,100,000.00 \$1,100,000.00	□	□	□	□	□	□		□	□	□		□	□	□	□	TBD	6/1/2023	N/A			Planning documents to address site and roof drainage, stop rising damp, and repairs to water damaged finishes are underway.
Polk 11 Full Restoration	Betsy Frederick-Rothwell	\$4,744,746.00 \$4,699,369.00	■	■	□	■	□	□		□	□	□		□	□	□	□	TBD	12/1/2023	TBD	Komatsu Architecture		Notice to Proceed to Bid was issued 5/2022 and Construction bids for the full restoration project are due in early July.
Taylor 11 Full Restoration	Eva Osborne	\$5,980,000.00 \$5,980,000.00	■	■	■	■	■	■	1/5/2021	■	■	■	4/22/2021	■	□	□	□	TBD	8/17/2023	TBD	ArchiTexas Austin	Joe R. Jones Construction	A construction contract has been signed and project completion is estimated for 6/2023. Due to the project coming in millions of dollars over bid, the architect and contractor are value engineering in consultation with the THC.

Count:
10
Total Funds Awarded:
\$23,378,984.00

Funds Remaining:
\$23,216,558.00

Round 11 Planning

7/8/2022

County	Round	Reviewer	Grant Award	Remaining	Agreement	Easement	Contract	Schematic	Design	65%	95%	Architect	Contact
Kimble	11	Tania Salgado	\$378,489.00	\$378,489.00	■	■	■	■	■	■	■	Hutson Gallagher	Chris Hutson
Washington	11	Betsy Frederick-Rothwell	\$713,130.00	\$713,130.00	■	■	■	■	■	■	■	Architexas	Susan Frocheur
Willacy	11	Tania Salgado	\$803,359.00	\$803,359.00	■	■	■	■	■	■	□	Limbacher & Godfrey	Laurie Limbacher
Wise	11	James Malanaphy	\$787,753.00	\$7,948.00	■	■	■	■	■	■	■	Komatsu Architecture	Karl Komatsu

Count: 21

Total Funds Awarded: \$2,682,731.00

Funds Remaining: \$1,902,926.00

TEXAS HISTORIC PRESERVATION TAX CREDIT PROGRAM



Texas Theatre 1931 Dallas • Dallas County • Texas

History

Located in the Oak Cliff neighborhood of Dallas, the Texas Theatre was designed by architect Scott Dunne and contained a single screen theatre that was described by the architect as providing an “atmospheric” experience for patrons. In order to fit into the urban environment, the theatre was oriented in an L-shaped plot of land, with the street front section housing the lobby and vertical circulation areas. At its peak, the theatre could seat 2,000 patrons in the ground floor and balcony. In 1963, the Texas Theatre gained further notoriety as being the location of Lee Harvey Oswald’s arrest after the assassination of President Kennedy. In 1989, it closed and changed ownership. In 1995, the theatre suffered fire damage and remained dormant until the current ownership acquired it in 2010.

Rehabilitation Project

As part of the rehabilitation, the theatre saw a complete refresh of its interior finishes and structure. Most notably, a second screen was installed that occupies most of the balcony to allow for more intimate events to be held. A new elevator was installed to aid in accessibility to reach the balcony. Roof repairs were addressed after decades of neglect, though it was determined that an entirely new roof was not needed. Finally, some back of house spaces were reconfigured to create better office spaces for the current owner. This rehabilitation work has allowed the Texas Theatre to be put back to use with more potential event space than when it was first built.

DESIGNATION: Individually listed in National Register of Historic Places

HISTORIC USE: Theatre

CURRENT USE: Theatre

CERTIFIED: March 31, 2022

CONTACT: 231 W. Jefferson Blvd, LLC; MacRostie Historic Advisors, LLC

Also certified for federal tax credits.

For more info

www.thc.texas.gov/taxcreditprogram

TEXAS HISTORIC PRESERVATION TAX CREDIT PROGRAM



Ennis Business Forms Building 1952 Ennis • Ellis County • Texas

History

The Ennis Business Forms Building was originally constructed to house offices for the Texas Fire Insurance Company and various retail and commercial tenants. In 1960 the building was purchased by Ennis Business Forms for use as its headquarters. Ennis Business Forms was, for many years, the second-largest employer in Ennis, after the rail line. Ennis Business Forms was formed in 1909 as Ennis Tags and had warehouses across the southern half of the United States. The company went public in 1959 and changed its name, which was reflected in the large-scale signage placed on the roof of their new building. Ennis Business Forms operated out of this building until 2000, though the company still exists.

Rehabilitation Project

The building was purchased by a local developer for use as offices. Initially, the developer thought that the building would not be suitable for tax credits given some of the alterations, but staff and the project design team were able to determine that the development could meet the developer's needs while still applying for tax credits. Work included restoration of missing storefronts and replacement of aluminum windows that were in poor condition. The main lobby was restored and upper floors were finished out for tenant use. The main tenant is the City of Ennis who moved their city hall into the building, creating a council dais in some of the former retail spaces.

DESIGNATION: Listed in National Register as part of the Ennis Commercial Historic District

HISTORIC USE: Offices, retail

CURRENT USE: Offices leased to City Hall and private tenants

CERTIFIED: April 26, 2022

CONTACT: Ennis School Central Properties; Ibanez-Shaw Architects; L2L Dev Advisors LLC; RJM Contractors Inc; Michael Barnards

Certified for state tax credits only.

For more info

www.thc.texas.gov/taxcreditprogram

TEXAS HISTORIC PRESERVATION TAX CREDIT PROGRAM



926 Main Bastrop Building 1905 Bastrop • Bastrop County • Texas

History

The commercial property located at 926 Main Street in Bastrop is an unassuming building but contributes to the downtown of this Main Street city. Historically it housed various businesses, and the interior floorplan was altered numerous times, such as into a front-and-back-office space that was in place when the most recent rehabilitation began. Several of the previous interventions were not considerate of the historic material, such as the plaster walls and beadboard ceilings. Though located between two similar main street buildings, the large store windows with transoms above bring in ample natural light to the space.

Rehabilitation Project

In order to place the building back into service, some structural work was needed, as well as extensive refresh to the interior finishes and mechanical systems. On the exterior, repointing and painting work was undertaken to ensure that the materials were in good shape and greatly reduced the possibility of any structural failure. Fortunately, the roof was in decent condition and water leakage was not present, and this allowed for the beadboard ceilings to be retained and scraped of old paint. New mechanical was hidden in walls to serve the new retail spaces while remaining unseen. Finally, plaster was placed back on the walls to protect the brick beneath it.

DESIGNATION: Listed as contributing to the Bastrop Commercial District in the National Register of Historic Places

HISTORIC USE: Commercial

CURRENT USE: Commercial

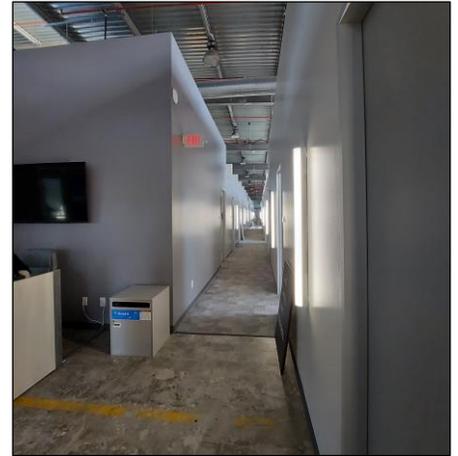
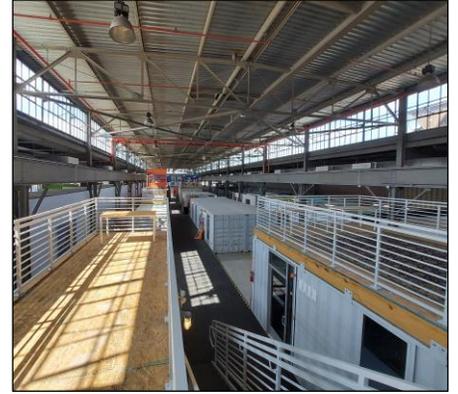
CERTIFIED: April 25, 2022

CONTACT: Historic Contractors, LLC

Also certified for federal tax credits.

For more info
www.thc.texas.gov/taxcreditprogram

TEXAS HISTORIC PRESERVATION TAX CREDIT PROGRAM



Cameron Iron Works 1920 Houston • Harris County • Texas

History

Two conjoined warehouse spaces, along with a former office space, make up the Cameron Iron Works complex, though it was built up over time. The office space and northern half of the warehouse were constructed in 1920, with the south warehouse added fifteen years later to house the tenant, a manufacturer of oil and gas equipment. The company had expanded quickly in the early decades of the 20th century, suffered a downturn during the Great Depression, then used the building as manufacturing during World War II. After the war, the company moved their headquarters to a new location, leaving the Cameron Iron Works warehouses vacant.

Rehabilitation Project

As a former warehouse, the building features several large volumes that were open to a creative rehabilitation. Due to its industrial character, spiral mechanical vents were deemed to be appropriate in character in order to provide air conditioning, and they are held tightly to the ceiling so as not to be noticeable. Several office tenants occupy the two side wings of the south warehouse, allowing for some privacy while still opening onto the larger, two-story space. This space features several small offices housed in former storage containers, as well as amenities such as a coffee shop and retail spaces. New restrooms and back of house spaces were added to meet modern needs while still embracing the past use of the building.

DESIGNATION: Individually listed in the National Register of Historic Places

HISTORIC USE: Industrial

CURRENT USE: Retail and commercial

TOTAL COST: \$9,404,255

QUALIFIED EXPENSES: \$5,073,116

CERTIFIED: June 1, 2022

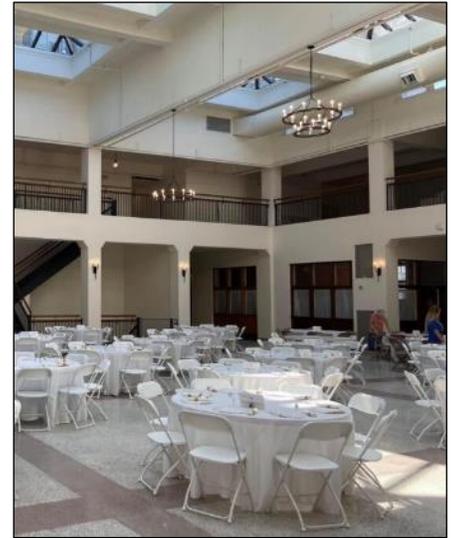
CONTACT: 711 Milby LTD,
MacRostie Historic Advisors, LLC

Also applying for federal tax credits.

For more info

www.thc.texas.gov/taxcreditprogram

TEXAS HISTORIC PRESERVATION TAX CREDIT PROGRAM



Crazy Water Hotel 1927 Mineral Wells • Palo Pinto County • Texas

History

The first mineral well was struck by an 1870s settler in what is now downtown Mineral Wells. Members of this early family were aided in their rheumatism. As additional wells were drilled, the community quickly grew into an early-twentieth century health resort. An early visitor to the community saw the 'cure' of her nervous breakdown in the water, leading one of the main wells to become known as the Crazy Well. The water is known to have a significant amount of lithium. During the early 1900s, Mineral Wells had over 80 hotels, including the large Crazy Water Hotel and later, the Baker Hotel. These attracted tourists in large numbers until the city generally declined in the mid-twentieth century.

Rehabilitation Project

The Crazy Water operated as a hotel until 1965, when it was converted for use as a retirement home, and even temporary hospital. The home functioned into the 1990s. When purchased by its current owner, the hotel was in fair condition. Some elements like the rooftop ballroom were heavily deteriorated, though the pavilion with a water bar, retail storefronts, and terrazzo shuffleboard courts were in good condition. The ground of the floor has been largely restored, with new lease tenants. Upper floor rooms have been converted to apartments, and the rooftop ballroom was rebuilt using the original plans.

DESIGNATION: Listed in National Register as part of Mineral Wells Central Historic District

HISTORIC USE: Hotel, retail tenants, restaurant, banquet hall

CURRENT USE: Hotel, apartments, retail tenants, restaurant, banquet hall

TOTAL COST: \$22,500,000

QUALIFIED EXPENSES: \$20,800,000

CERTIFIED: April 11, 2022

CONTACT: Crazy Water Hotel PBC, Inc.; Hopkins Architects; Tincher Custom Homes - GC

Also certified for federal tax credits.

For more info
www.thc.texas.gov/taxcreditprogram

TEXAS HISTORIC PRESERVATION TAX CREDIT PROGRAM



Fort Worth Stockyards Post Office ca. 1930 Fort Worth • Tarrant County • Texas

History

The Stockyards in Fort Worth were established as a privately funded facility in the 1890s to support the growth of Fort Worth and its industries. The Stockyards were originally a shipping facility formed by the confluence of major rail lines and the Chisolm and other driving trails. The yards continued to grow as the cattle industry in Texas grew, and as packing houses were added to the facilities. Animal sales were subsequently added and the Fort Worth Stockyards provided needed animals for World War I. A commercial sector grew around the yards, as well. The first post office was within a large office building, then within a small annex until this larger post office was constructed around 1930 and served the area until 1968.

Rehabilitation Project

After closure of the post office, the building was used as a lease space for offices and other commercial services. The south end of the commercial exchange at Main Street and Exchange Avenue saw less tourism development than other parts of the district. The building was in fair condition, though had lost many of its historic features. On the exterior, storefront openings were expanded to historic size and other modern windows were replaced. The interior still features a metal tile ceiling and wooden floors in the small mezzanine. A new stair was constructed in an appropriate character to reach the mezzanine.

DESIGNATION: Listed in National Register as part of Fort Worth Stockyards Historic District

HISTORIC USE: Post offices, leased offices

CURRENT USE: Leased offices

CERTIFIED: April 11, 2022

CONTACT: FW Main Street Partners; Architexas; Bennett Partners; PRIM Construction; M Legacy Construction

Certified for state tax credits only.

For more info

www.thc.texas.gov/taxcreditprogram

TEXAS HISTORIC PRESERVATION TAX CREDIT PROGRAM



Pasadena Post Office 1940 Pasadena • Harris County • Texas

History

The federal post office in downtown Pasadena is a classic representation of New Deal design, with classical and colonial revival features within a modernistic structure. The design is based on standardized federal floor plans with an exterior designed by Ohio architect Carl Guenther, who won multiple prizes in a federal post office design competition. The main façade is noted for its sleek limestone columns along the porch, fronting Colonial Revival windows and entry door. This was the first purpose-built post office in Pasadena, reflecting the city's growth during the 1920s and 1930s.

Rehabilitation Project

The building was sold by the federal government in 2018. As is common, the sale required placement of a preservation easement on the property, ensuring protection under future owners with THC coordination. The new owners, an engineering and architecture firm, also used the historic tax credit program to convert the property for use as their new offices. The main foyer was restored, with a new glass-walled conference room added to the teller lobby. The primary mail room was converted to open offices, with addition glass-walled offices at the edges. Teller windows were retained in place. A wind scoop at the roof was restored with wood windows and metal gear systems fully repaired. A new addition was added to the rear and the basement was converted for storage and employee use.

DESIGNATION: Individually listed in the National Register of Historic Places and a Recorded Texas Historic Landmark

HISTORIC USE: Post office

CURRENT USE: Architectural offices

CERTIFIED: June 15, 2022

CONTACT: J. Morales, Inc.;
Infrastructure Engineering;
Construction LTD; Sitek Omni
Abatement

Also certified for federal tax credits.

For more info
www.thc.texas.gov/taxcreditprogram

TEXAS HISTORIC PRESERVATION TAX CREDIT PROGRAM



Sealy Hutchings House 1896 Galveston • Galveston County • Texas

History

The Sealy Hutchings House was constructed in the Queen Anne style at the close of the 19th century, and was designed by prominent Galveston architect George B. Stowe. It was constructed with a wraparound porch with a curved corner wall above, making it sit prominently on its corner lot. Due to the flood risks in its neighborhood, it was elevated onto brick piers in 1906, which is the condition it remains in today. Large windows and a generous second floor porch allowed for light and airflow to reach occupants prior to mechanical and electrical equipment installation.

Rehabilitation Project

After nearly a decade of neglect, this rehabilitation sought to bring the Sealy Hutchings House back to a condition that could be used as a rental property. This included cosmetic refreshes to the windows and finishes on both the interior and the exterior, as well as installing new mechanical and electrical systems to bring the house up to code and comfort requirements for its coastal location. Repointing of brickwork, especially around the fireplaces, was a priority as well. Exterior cladding was decaying and covered with vegetation, which was increasing the degradation of the material, and was properly removed and the siding, along with the structural members, were repaired.

DESIGNATION: Individually listed in the National Register of Historic Places

HISTORIC USE: Residence

CURRENT USE: Vacation rental

CERTIFIED: April 21, 2022

CONTACT: Sealy Hutchings Estate

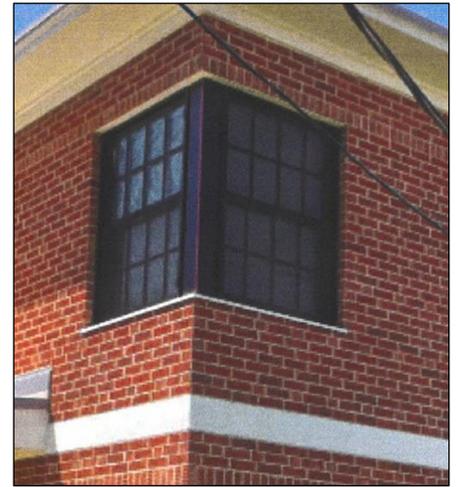
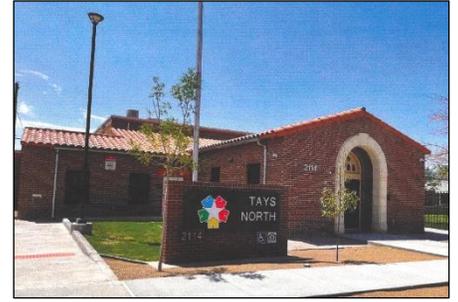
Also certified for federal tax credits.

For more info

www.thc.texas.gov/taxcreditprogram

TEXAS
HISTORICAL
COMMISSION
REAL PLACES TELLING REAL STORIES

TEXAS HISTORIC PRESERVATION TAX CREDIT PROGRAM



Tays Place 1941 El Paso • El Paso County • Texas

History

Tays Place is one of the earliest public housing complexes constructed in El Paso, built as a result of the housing shortage that grew during the Great Depression. Tays was funded by the United States Housing Act and allowed as a “slum clearing project” under state legislation. This slum clearance allowed for the construction of public housing complexes but created political issues within the neighborhoods that were “cleared,” especially as replacement housing was segregated. Remaining portions of Tays Place includes 56 buildings with apartments ranging from one-bedroom to five-bedrooms. The buildings, along with a featured community center, are simple and modernistic, featuring corner windows in end units at each building.

Rehabilitation Project

The rehab project updated the buildings and apartment units throughout. Exterior changes are minimal. Windows had been previously replaced and were re-replaced with new windows that better mimic the original windows. Screen doors were retained, reflecting the period in which the units were built. On the interior, kitchens, bathrooms, MEP systems, and finishes were all replaced and upgraded. Interior floorplans remain largely as they were, though some units were modified to meet ADA guidelines. New playgrounds and other features were added to the site.

DESIGNATION: Individually listed in the National Register of Historic Places

HISTORIC USE: Affordable public housing

CURRENT USE: Affordable housing

CERTIFIED: May 31, 2022

CONTACT: ITEX Group; Housing Authority of the City of El Paso; Heritage Consulting Group; CDA, Architects; Affordable Housing Enterprises; Sundt Construction, Inc; Subcon

Also certified for federal tax credits.

For more info
www.thc.texas.gov/taxcreditprogram

TEXAS HISTORICAL COMMISSION

Item 9.2
Texas Historical Commission
July Quarterly Meeting
July 25-26, 2022

Consider filing authorization of intent to review and consider for re-adoption, revision or repeal, Chapter 13, related to the Texas Historic Tax Credit Program, for publication in the *Texas Register*

Background:

Each state agency is required by Texas Government Code, Section 2001.39 to review and consider for re-adoption their rules in the Texas Administrative Code every four years. A notice (proposed rule review) must be filed with the *Texas Register* to inform the public that THC will start reviewing its chapters/rules. This gives the public an opportunity to submit comments regarding the review.

The Commission will accept comments for 30 days following publication of the notice in the *Texas Register* as to whether the reasons for adoption of these rules continue to exist. In a separate action, amendments to the rules are concurrently proposed. Any additional changes to the rules as a result of the review will be published in the Proposed Rules Section of the *Texas Register* and will be open for an additional 30-day public comment period prior to final adoption of any repeal, amendment, or re-adoption.

Recommended Motion (Committee):

Move that the committee send forward to the Commission and recommend approval of THC's intent to review and consider for re-adoption, revision or repeal, Chapter 13, related to the Texas Historic Tax Credit Program, for publication in the *Texas Register*.

Recommended Motion (Commission):

Move to approve the filing authorization of THC's intent to review and consider for re-adoption, revision or repeal, Chapter 13, related to the Texas Historic Tax Credit Program, for publication in the *Texas Register*.

TEXAS HISTORICAL COMMISSION

Proposed Preamble Form

The Texas Historical Commission files this notice of intent to review and consider for re-adoption, revision or repeal, Chapter 13, related to the Texas Historic Tax Credit Program.

Pursuant to Texas Government Code 2001.039, the Texas Historical Commission will assess whether the reason(s) for initially adopting these rules continue to exist. The rules will be reviewed to determine whether it is obsolete, reflects current legal and policy considerations, reflects current general provisions in the governance of the Commission and/or whether it is in compliance with Chapter 2001 of the Texas Government Code (Administrative Procedures Act).

The Commission will accept written comments received on or before 5:00 p.m. central time on the 31st day after the date this notice is published in the *Texas Register*. Comments as to whether the reasons for initially adopting these rules continue to exist may be submitted to Elizabeth Brummett, Director, Architecture Division, Texas Historical Commission, P.O. Box 12276, Austin, Texas 78711-2276, or by email to elizabeth.brummett@thc.texas.gov. In a separate action, amendments to the rules are concurrently proposed. Any additional changes to the rules as a result of the review will be published in the Proposed Rules Section of the *Texas Register* and will be open for an additional 30-day public comment period prior to final adoption of any repeal, amendment, or re-adoption.

TEXAS HISTORICAL COMMISSION

Item 9.3

Texas Historical Commission
July Quarterly Meeting
July 25-26, 2022

Consider approval of filing authorization of proposed amendments to the Texas Administrative Code, Title 13, Part 2, Chapter 13, Sections 13.1, 13.2, 13.3, 13.6, and 13.7 related to the Texas Historic Tax Credit Program for first publication in the *Texas Register*

Background:

The proposed amendments to Sections 13.1, 13.2, 13.3, 13.6, and 13.7 clarify rules to better align the Texas Historic Tax Credit Program (THPTC) with the Federal Rehabilitation Tax Credit, which THC administers in Texas in conjunction with the National Park Service; reflect changes in legislation to the originating statute Texas Tax Code § 171, Subchapter S; and delete processes that are unnecessary or in inappropriate sections of 13.3.

- 1) Section 13.1: Definitions is amended to add one phrase to better align the state tax credit program with the Federal Rehabilitation Tax Credit administered in part by the Commission. Clarifying language is added to other existing terms and phrases.
- 2) Section 13.2: Qualification Requirements is amended to reflect changes in legislation.
- 3) Section 13.3: Evaluation of Significance is amended to edit several subsections to bring them into better alignment with the Federal Rehabilitation Tax Credit and to reduce an application paperwork requirement.
- 4) Section 13.6: Application Review Process is amended to bring the THPTC into better alignment with the Federal Rehabilitation Tax Credit, clarify existing operations, and combine information from other sections in an improved manner.
- 5) Section 13.7: Inspection is amended to delete a section of text that was moved to Section 13.6.

The first publication will take place after approval by the Commission. There is a 30-day comment period following the publication; therefore, rules approved by the Commission for this meeting will be considered for final approval and second publication at the October 2022 meeting.

Recommended motion (Committee):

Move that the committee send forward to the Commission and recommend approval of filing authorization of proposed amendments to the Texas Administrative Code, Title 13, Part 2, Chapter 13, Sections 13.1, 13.2, 13.3, 13.6, and 13.7 related to the Texas Historic Tax Credit Program for first publication in the *Texas Register*.

Recommended motion (Commission):

Move to approve the filing authorization of proposed amendments to the Texas Administrative Code, Title 13, Part 2, Chapter 13, Sections 13.1, 13.2, 13.3, 13.6, and 13.7 related to the Texas Historic Tax Credit Program for first publication in the *Texas Register*.

TEXAS HISTORICAL COMMISSION

Texas Administrative Code

Title 13 Cultural Resources

Part II Texas Historical Commission

Chapter 13 Texas Historic Preservation Tax Credit Program

PREAMBLE

The Texas Historical Commission (Commission) proposes amendments to the Texas Administrative Code, Title 13, Part 2, Chapter 13, Section 13.1, related to definitions.

Section 13.1(17) is added to the rules to clarify certain other rules and requirements of the program, and to bring the Texas Historic Preservation Tax Credit into better alignment with regulations of the Federal Rehabilitation Credit, which the Commission also administers in Texas, in conjunction with the National Park Service. Sections 13.1(19) [previously 13.1(18)] and 13.1(27) [previously 13.1(26)] have been amended to better align with other program rules and requirements.

FISCAL NOTE. Mark Wolfe, Executive Director, has determined that for the first five-year period the amended rules are in effect there will be no fiscal implications for state or local government as a result of enforcing or administering these rules.

PUBLIC BENEFIT. Mr. Wolfe has also determined that for the first five-year period the amended rule is in effect, the public benefit will be the preservation of and education about state historic resources.

ECONOMIC IMPACT STATEMENT AND REGULATORY FLEXIBILITY ANALYSIS FOR SMALL BUSINESSES, MICROBUSINESSES, AND RURAL COMMUNITIES. Mr. Wolfe has also determined that there will be no impact on rural communities, small businesses, or micro-businesses as a result of implementing these rules. Accordingly, no regulatory flexibility analysis, as specified in Texas Government Code § 2006.002, is required.

ECONOMIC COSTS TO PERSONS AND IMPACT ON LOCAL EMPLOYMENT. There are no anticipated economic costs to persons who are required to comply with the amendments to these rules, as proposed. There is no effect on local economy for the first five years that the proposed new section is in effect; therefore, no local employment impact statement is required under Texas Government Code § 2001.022 and 2001.024(a)(6).

GOVERNMENT GROWTH IMPACT STATEMENT. Because the proposed amendments only concern clarifications to an existing program, during the first five years that the amendments would be in effect, the proposed amendments: will not create or eliminate a government program; will not result in the addition or reduction of employees; will not require an increase or decrease in future legislative appropriations; will not lead to an increase or decrease in fees paid to a state agency; will not create a new regulation; will not repeal an existing regulation; and will not result in an increase or decrease in the number of individuals subject to the rule. During the first five years that the amendments would be in effect, the proposed amendments will not positively or adversely affect the Texas economy.

TAKINGS IMPACT ASSESSMENT. The Commission has determined that no private real property interests are affected by this proposal and the proposal does not restrict or limit an owner's right to his or her property that would otherwise exist in the absence of government action and, therefore, does not constitute a taking under Texas Government Code, § 2007.043.

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PUBLIC COMMENT. Comments on the proposal may be submitted to Mark Wolfe, Executive Director, Texas Historical Commission, P.O. Box 12276, Austin, Texas 78711. Comments will be accepted for 30 days after publication in the *Texas Register*.

STATUTORY AUTHORITY. These amendments are proposed under the authority of Texas Government Code § 442.005(q), which provides the Commission with the authority to promulgate rules to reasonably affect the purposes of the Commission, and Texas Government Code § 171.009, of the Texas Tax Code, which authorizes the Commission to adopt rules necessary to implement the Tax Credit for Certified Rehabilitation of Certified Historic Structures.

CROSS REFERENCE TO OTHER LAW. No other statutes, articles, or codes are affected by these amendments.

The Commission hereby certifies that the proposed amendments have been reviewed by legal counsel and found to be a valid exercise of the agency's authority.

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Chapter 13 Texas Historic Preservation Tax Credit Program

Rule §13.1 Definitions

The following words and terms when used in these rules shall have the following meanings unless the context clearly indicates otherwise:

(1)Applicant--The entity that has submitted an application for a building or structure it owns or for which it has a contract to purchase.

(2)Application--A fully completed Texas Historic Preservation Tax Credit Application form submitted to the Commission, which includes three parts:

(A)Part A - Evaluation of Significance, to be used by the Commission to make a determination whether the building is a certified historic structure;

(B)Part B - Description of Rehabilitation, to be used by the Commission to review proposed projects for compliance with the Standards for Rehabilitation; and

(C)Part C - Request for Certification of Completed Work, to be used by the Commission to review completed projects for compliance with the work approved under Part B.

(3)Application fee--The fee charged by the Commission and paid by the applicant for the review of Part B and Part C of the application as follows:

Figure: 13 TAC §13.1(3) (No change.)

(4)Audited cost report--Such documentation as defined by the Comptroller in 34 TAC Chapter 3, Tax Administration.

(5)Building--Any edifice enclosing a space within its walls, and usually covered by a roof, the purpose of which is principally to shelter any form of human activity, such as shelter or housing, or to provide working, office, parking, display, or sales space. The term includes among other examples, banks, office buildings, factories, warehouses, barns, railway or bus stations, and stores and may also be used to refer to a historically and functionally related unit, such as a courthouse and jail or a house and barn. Functional constructions made usually for purposes other than creating human shelter or activity such as bridges, windmills, and towers are not considered buildings under this definition and are not eligible to be certified historic structures.

(6)Certificate of Eligibility--A document issued by the Commission to the owner, following review and approval of a Part C application, that confirms the property to which the eligible costs and expenses relate is a certified historic structure and the rehabilitation qualifies as a certified rehabilitation; and specifies the date the certified historic structure was first placed in service after the rehabilitation.

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(7) Certified historic structure--A building or buildings located on a property in Texas that is certified by the Commission as:

(A) listed individually in the National Register of Historic Places;

(B) designated as a Recorded Texas Historic Landmark under §442.006, Texas Government Code, or as a State Antiquities Landmark under Chapter 191, Texas Natural Resources Code; §21.6 and §26.3(63) - (64) of this title; or

(C) certified by the Commission as contributing to the historic significance of:

(i) a historic district listed in the National Register of Historic Places; or

(ii) a certified local district as per 36 CFR §67.9.

(8) Certified local district--A local historic district certified by the United States Department of the Interior in accordance with 36 C.F.R §67.9.

(9) Certified rehabilitation--The rehabilitation of a certified historic structure that the Commission has certified as meeting the Standards for Rehabilitation. If the project is submitted for the federal rehabilitation tax credit it must be reviewed by the National Park Service prior to a determination that it meets the requirements for a certified rehabilitation under this rule. In the absence of a determination for the federal rehabilitation tax credit, the Commission shall have the sole responsibility for certifying the project.

(10) Commission--The Texas Historical Commission.

(11) Comptroller--The Texas Comptroller of Public Accounts.

(12) Contributing--A building in a historic district considered to be historically, culturally, or architecturally significant according to the criteria established by state or federal government, including those formally promulgated by the National Park Service and the United States Department of the Interior at 36 C.F.R. Part 60 and applicable national Register bulletins.

(13) Credit--The tax credit for the certified rehabilitation of certified historic structures available pursuant to Chapter 171, Subchapter S of the Texas Tax Code.

(14) District--A geographically definable area, urban, or rural, possessing a significant concentration, linkage, or continuity of sites, building, structures, or objects united by past events geographically but linked by association or history.

(15) Eligible costs and expenses--The qualified rehabilitation expenditures as defined by §47(c)(2), Internal Revenue Code, including rehabilitation expenses as set out in 26 C.F.R. §1.48-12(c), incurred during the project, except as otherwise specified in Chapter 171, Subchapter S of the Texas Tax Code.

(16) Federal rehabilitation tax credit--A federal tax credit for 20 % of qualified rehabilitation expenditures with respect to a certified historic structure, as defined in §47, Internal Revenue Code; 26 C.F.R. §1.48-12; and 36 C.F.R. Part 67.

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(17)Functionally related buildings—A collection of buildings that were constructed or used to serve and support an overall single purpose during their period of significance. Examples include but are not limited to: a residence and carriage house; a multi-building apartment complex; a multi-building industrial or commercial complex; or buildings constructed as a campus. Buildings within a typical neighborhood or downtown commercial historic district, among other property types, do not count as functionally related buildings with other buildings in the district, unless there is a certain historical attachment other than community development. Functionally related buildings owned by one entity are viewed as a single property while those owned by separate entities are viewed as separate properties.

(1817)National Park Service--The agency of the U.S. Department of the Interior that is responsible for certifying projects to receive the federal rehabilitation tax credit.

(1948)Owner--A person, partnership, company, corporation, whether for profit or not, governmental body, an institution of higher education or university system or any other entity holding a legal or equitable interest in a Property or Structure, which can include a full or partial ownership interest. Not all of these owner entities can qualify as an applicant for the credit, based on the requirements listed in Chapter 171, Subchapter S of the Texas Tax Code. A long-term lessee of a property may be considered an owner if their current lease term is at a minimum 27.5 years for residential rental property or 39 years for nonresidential real property, as referenced by §47(c)(2), Internal Revenue Code.

(2049)Phased development--A rehabilitation project which may reasonably be expected to be completed in two or more distinct states of development, as defined by United States Treasury Regulation 26 C.F.R. §1.48-12(b)(2)(v). Each phase of a phased development can independently support an Application for a credit as though it was a stand-alone rehabilitation, as long as each phase meets the definition of a Project. If any completed phase of the rehabilitation project does not meet the requirements of a certified rehabilitation, future applications by the same owner for the same certified historic structure will not be considered.

(2120)Placed in Service--A status obtained upon completion of the rehabilitation project as described in the Part B application, and any subsequent amendments, and documented in the Part C application. Evidence of the date a property is placed in service includes a certificate of occupancy issued by the local building official and/or an architect's certificate of substantial completion. Other documents will suffice when certificates of occupancy and/or substantial completion are not available for a specific project, including final contractor invoices or other verifiable statements of completion. Alternate documents should be approved by the Commission before submission. Placed in Service documentation must indicate the date that work was completed.

(2224)Project--A specified scope of work, as described in a rehabilitation plan submitted with a Part B application and subsequent amendments, comprised of work items that will be fully completed and Placed in Service. Examples of a project may include, but are not limited to, a whole building rehabilitation, rehabilitation of individual floors or spaces within a building, repair of building features, or replacement of building systems (such as mechanical, electrical, and plumbing systems). Partial or incomplete scopes of work, such as project planning and design, demolition, or partial completion of spaces, features, or building systems are not included in this definition as projects. Per §13.6(d)(5) of this title, the Commission's review encompasses

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the entire building and site even if other work items are not included in a submitted project.

(~~2322~~)Property--A parcel of real property containing one or more buildings or structures that is the subject of an application for a credit.

(~~2423~~)Rehabilitation--The process of returning a building or buildings to a state of utility, through repair or alteration, which makes possible an efficient use while retaining those portions and features of the building and its site and environment which are significant.

(~~2524~~)Rehabilitation plan--Descriptions, drawings, construction plans, and specifications for the proposed rehabilitation of a certified historic structure in sufficient detail to enable the Commission to evaluate compliance with the Standards for Rehabilitation.

(~~2625~~)Standards for Rehabilitation--The United States Secretary of the Interior's Standards for Rehabilitation as defined in §67.7.

(~~2726~~)Structure--A building; see also certified historic structure. “Structure” may be used in place of the word “building,” but all tax credit projects must involve rehabilitation of a building as defined in §13.1(5) above.

(~~2827~~)Tax Credit--A credit earned against either the state franchise tax or the insurance premium tax per §171 of the Texas Tax Code and any limitations provided therein.

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Chapter 13 Texas Historic Preservation Tax Credit Program

PREAMBLE

The Texas Historical Commission (Commission) proposes amendments to the Texas Administrative Code, Title 13, Part 2, Chapter 13, Section 13.2, related to program qualification requirements.

Section 13.2(a)(2)(C) and §13.2(b) have been edited to better reflect the types of projects and costs that are allowed based on the program statute in Texas Tax Code (TTC) Chapter 171, Subchapter S. Section 13.2(d) has been heavily altered to delete information that no longer applies to the program due to changes, through legislation, in TTC Chapter 171, Subchapter S. Rules regarding application from retroactive projects and applications from state colleges and universities have been deleted as those projects are no longer qualified to apply for the credit.

FISCAL NOTE. Mark Wolfe, Executive Director, has determined that for the first five-year period the amended rules are in effect there will be no fiscal implications for state or local government as a result of enforcing or administering these rules.

PUBLIC BENEFIT. Mr. Wolfe has also determined that for the first five-year period the amended rule is in effect, the public benefit will be the preservation of and education about state historic resources.

ECONOMIC IMPACT STATEMENT AND REGULATORY FLEXIBILITY ANALYSIS FOR SMALL BUSINESSES, MICROBUSINESSES, AND RURAL COMMUNITIES. Mr. Wolfe has also determined that there will be no impact on rural communities, small businesses, or micro-businesses as a result of implementing these rules. Accordingly, no regulatory flexibility analysis, as specified in Texas Government Code § 2006.002, is required.

ECONOMIC COSTS TO PERSONS AND IMPACT ON LOCAL EMPLOYMENT. There are no anticipated economic costs to persons who are required to comply with the amendments to these rules, as proposed. There is no effect on local economy for the first five years that the proposed new section is in effect; therefore, no local employment impact statement is required under Texas Government Code § 2001.022 and 2001.024(a)(6).

GOVERNMENT GROWTH IMPACT STATEMENT. Because the proposed amendments concern project types that are no longer eligible due to previous legislative changes, during the first five years that the amendments would be in effect, the proposed amendments: will not create or eliminate a government program; will not result in the addition or reduction of employees; will not require an increase or decrease in future legislative appropriations; will not lead to an increase or decrease in fees paid to a state agency; will not create a new regulation; will not repeal an existing regulation; and will not result in an increase or decrease in the number of individuals subject to the rule. During the first five years that the amendments would be in effect, the proposed amendments will not positively or adversely affect the Texas economy.

TAKINGS IMPACT ASSESSMENT. The Commission has determined that no private real property interests are affected by this proposal and the proposal does not restrict or limit an owner's right to his or her property that would otherwise exist in the absence of government action and, therefore, does not

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constitute a taking under Texas Government Code, § 2007.043.

PUBLIC COMMENT. Comments on the proposal may be submitted to Mark Wolfe, Executive Director, Texas Historical Commission, P.O. Box 12276, Austin, Texas 78711. Comments will be accepted for 30 days after publication in the *Texas Register*.

STATUTORY AUTHORITY. These amendments are proposed under the authority of Texas Government Code §442.005(q), which provides the Commission with the authority to promulgate rules to reasonably affect the purposes of the Commission, and Texas Government Code § 171.009, of the Texas Tax Code, which authorizes the Commission to adopt rules necessary to implement the Tax Credit for Certified Rehabilitation of Certified Historic Structures.

CROSS REFERENCE TO OTHER LAW. No other statutes, articles, or codes are affected by these amendments.

The Commission hereby certifies that the proposed amendments have been reviewed by legal counsel and found to be a valid exercise of the agency's authority.

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Rule §13.2 Qualification Requirements

(a) Qualification for credit.

(1) An Owner is eligible for a credit for eligible costs and expenses incurred in the certified rehabilitation of a certified historic structure if:

(A) the rehabilitated certified historic structure is placed in service on or after September 1, 2013;

(B) the Owner has an ownership interest in the certified historic structure in the year during which the structure is placed in service after the rehabilitation; and

(C) the total amount of the eligible costs and expenses incurred exceeds \$5,000.

(2) A property for which eligible costs and expenses are submitted for the credit must meet Internal Revenue Code §47(c)(2) which includes:

(A) non-residential real property; ~~or~~

(B) residential rental property; or-

(C) other property types exempted from parts of Internal Revenue Code §47(c)(2) as described in Chapter 171, Subchapter S of the Texas Tax Code.

(b) Eligible costs and expenses. Eligible costs and expenses means those costs and expenses allowed pursuant to Internal Revenue Code §47(c)(2) or as exempted by Chapter 171, Subchapter S of the Texas Tax Code. Such eligible costs and expenses, include, but are not limited to:

(1) expenditures associated with structural components as defined by United States Treasury Regulation §1.48-1(e)(2) including walls, partitions, floors, ceilings, windows and doors, stairs, elevators, escalators, sprinkling systems, fire escapes, components of central air conditioning, heating, plumbing, and electrical systems and other components related to the operation or maintenance of the building;

(2) architectural services;

(3) engineering services;

(4) construction management and labor, materials, and reasonable overhead;

(5) subcontracted services;

(6) development fees;

(7) construction period interest and taxes; and

(8) other items referenced in Internal Revenue Code §47(c)(2).

(c) Ineligible costs and expenses. Eligible costs and expenses as defined in Internal Revenue Code §47(c)(2) do not include the following:

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- (1) the cost of acquiring any interest in the property;
 - (2) the personal labor by the applicant;
 - (3) any cost associated with the enlargement of an existing building;
 - (4) site work expenditures, including any landscaping, sidewalks, paving, decks, outdoor lighting remote from the building, fencing, retaining walls or similar expenditures; or
 - (5) any cost associated with the rehabilitation of an outbuilding or ancillary structure unless it is certified by the Commission to contribute to the historical significance of the property.
- (d) Eligibility date for costs and expenses.

(1) Part A of the Texas Historic Preservation Tax Credit Certification Application must be submitted prior to the building being placed in service per §13.1(21). Projects that have been placed in service prior to submission of a Part A application do not qualify for the program.

~~–(1) Applications for rehabilitated historic structures placed in service prior to the program's effective date, January 1, 2015, must be submitted for review by January 1, 2018.~~

~~–(2) If the rehabilitated certified historic structure is placed in service on or after January 1, 2015, Part A of the Texas Historic Preservation Tax Credit Certification Application must be submitted prior to the building being placed in service. Projects completed on or after January 1, 2015, but before January 1, 2016, are exempt from this requirement only if their costs and expenses were incurred by an entity exempt from the tax imposed by Section 171.063 of the Tax Code within a 60-month period prior to the building's placed in service date.~~

~~–(3) If the rehabilitated certified historic structure was completed and placed in service after January 1, 2015; and the rehabilitated certified structure has a Part 1 Application filed under the Federal Historic Preservation Tax Credit program; then the applicant may use the submission date of their Part 1 Application to satisfy the above placed in service requirement in paragraph (2) of this subsection.~~

(2-4) While the credit may be claimed for eligible costs and expenses incurred prior to the filing of an application, potential applicants are urged to file Parts A and B of the application at the earliest possible date. This will allow the Commission to review the application and provide guidance to the applicant that will increase the chances that the application will ultimately be approved and the credit received.

~~–(5) For an institution of higher education or university system as defined by Section 61.003, Education Code, the authorized investment of public funds governed by Chapter 2256, Government Code, relates only to those eligible costs and expenses incurred on or after June 14, 2017 until January 1, 2022 in accordance with Section 171.901(4) of the Tax Code.~~

(e) Phased development. Part B applications for rehabilitation of the same certified historic structure may be submitted by the same owner only if they describe clearly defined phases of work that align with a cost report that separates the eligible costs and expenses by phase. Separate Part B and C applications shall be submitted for review by the Commission prior to issuance of a certificate of eligibility for each phase.

(f) Amount of credit. The total amount of credit available is twenty-five percent (25%) of the aggregate eligible costs and expenses incurred in the certified rehabilitation of the certified historic structure.

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PREAMBLE

The Texas Historical Commission (Commission) proposes amendments to the Texas Administrative Code, Title 13, Part 2, Chapter 13, Section 13.3, related to evaluations of significance.

Section 13.3(g) is edited to simplify the application process, by not requiring applicants to submit additional paperwork once a property has received historic designation. Commission staff will handle that documentation internally. Edits to §13.4(h) and §13.3(i) are intended to clarify the rules and bring them into better alignment with the rules of the Federal Rehabilitation Tax Credit.

FISCAL NOTE. Mark Wolfe, Executive Director, has determined that for the first five-year period the amended rules are in effect there will be no fiscal implications for state or local government as a result of enforcing or administering these rules.

PUBLIC BENEFIT. Mr. Wolfe has also determined that for the first five-year period the amended rule is in effect, the public benefit will be the preservation of and education about state historic resources.

ECONOMIC IMPACT STATEMENT AND REGULATORY FLEXIBILITY ANALYSIS FOR SMALL BUSINESSES, MICROBUSINESSES, AND RURAL COMMUNITIES. Mr. Wolfe has also determined that there will be no impact on rural communities, small businesses, or micro-businesses as a result of implementing these rules. Accordingly, no regulatory flexibility analysis, as specified in Texas Government Code § 2006.002, is required.

ECONOMIC COSTS TO PERSONS AND IMPACT ON LOCAL EMPLOYMENT. There are no anticipated economic costs to persons who are required to comply with the amendments to these rules, as proposed. There is no effect on local economy for the first five years that the proposed new section is in effect; therefore, no local employment impact statement is required under Texas Government Code § 2001.022 and 2001.024(a)(6).

GOVERNMENT GROWTH IMPACT STATEMENT. Because the proposed amendments only simplify the application process and bring requirements into alignment with a related program, during the first five years that the amendments would be in effect, the proposed amendments: will not create or eliminate a government program; will not result in the addition or reduction of employees; will not require an increase or decrease in future legislative appropriations; will not lead to an increase or decrease in fees paid to a state agency; will not create a new regulation; will not repeal an existing regulation; and will not result in an increase or decrease in the number of individuals subject to the rule. During the first five years that the amendments would be in effect, the proposed amendments will not positively or adversely affect the Texas economy.

TAKINGS IMPACT ASSESSMENT. The Commission has determined that no private real property interests are affected by this proposal and the proposal does not restrict or limit an owner's right to his or her property that would otherwise exist in the absence of government action and, therefore, does not constitute a taking under Texas Government Code, § 2007.043.

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PUBLIC COMMENT. Comments on the proposal may be submitted to Mark Wolfe, Executive Director, Texas Historical Commission, P.O. Box 12276, Austin, Texas 78711. Comments will be accepted for 30 days after publication in the *Texas Register*.

STATUTORY AUTHORITY. These amendments are proposed under the authority of Texas Government Code § 442.005(q), which provides the Commission with the authority to promulgate rules to reasonably affect the purposes of the Commission, and Texas Government Code § 171.009, of the Texas Tax Code, which authorizes the Commission to adopt rules necessary to implement the Tax Credit for Certified Rehabilitation of Certified Historic Structures.

CROSS REFERENCE TO OTHER LAW. No other statutes, articles, or codes are affected by these amendments.

The Commission hereby certifies that the proposed amendments have been reviewed by legal counsel and found to be a valid exercise of the agency's authority.

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Rule §13.3 Evaluation of Significance

(a)Application Part A - Evaluation of Significance. Part A of the application requires information to allow the Commission to evaluate whether a building is a certified historic structure and shall be completed for all buildings to be included in the project. Part A of the application is evaluated against criteria for significance and integrity issued by the National Park Service.

(b)Application Requirements. Information to be submitted in the Part A includes:

(1)Name, mailing address, telephone number, and email address of the property owner(s) and Applicant if different from the Owner;

(2)Name and address of the property;

(3)Name of the historic district, if applicable;

(4)Current photographs of the building and its site, showing exterior and interior features and spaces adequate to document the property's significance. Photographs must be formatted as directed by the Commission in published program guidance materials on the Commission's online Texas Historic Preservation Tax Credit Application Guide available by accessing thc.texas.gov;

(5)Date of construction of the property;

(6)Brief description of the appearance of the property, including alterations, characteristic features and estimated date or dates of construction and alterations;

(7)Brief statement of significance summarizing why a property is:

(A)eligible for individual listing in the National Register of Historic Places;

(B)contributes to a historic district listed in the National Register of Historic Places or a certified local district; or

(C)contributes to a potential historic district, accompanied by:

(i)a map showing the boundary of the potential historic district and the location of the property within the district;

(ii)photographs of other properties in the district; and

(iii)justification for the district's eligibility for listing in the National Register of Historic Places;

(8)A map showing the location of the historic property;

(9)Signature of the Owner, and Applicant if different from the Owner, requesting the determination; and

(10)Other information required on the application by the Commission.

(c)Consultation with Commission. Any person may informally consult with the Commission to determine whether a property is:

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- (1) listed individually in the National Register of Historic Places;
 - (2) designated as a Recorded Texas Historic Landmark or State Antiquities Landmark; or
 - (3) certified by the Commission as contributing to the historic significance of a historic district listed in the National Register of Historic Places or a certified local district.
- (d) Automatic qualification as certified historic structure. If a property is individually listed in the National Register of Historic Places or designated as a Recorded Texas Historic Landmark or State Antiquities Landmark, then it is a certified historic structure and should be indicated as such on Part A of the application.
- (e) Preliminary determination of significance. An Applicant for a property not listed in the National Register of Historic Places, neither individually nor as a contributing element to a historic district; not designated a Recorded Texas Historic Landmark nor State Antiquities Landmark; and not listed in a certified local district may obtain a preliminary determination from the Commission as to whether the property is individually eligible to become a certified historic structure or is eligible as a contributing structure in a potential historic district by submitting Part A of the application. Determination will be based on criteria for listing in the National Register of Historic Places. Applications for a preliminary determination of significance must show how the property meets one of the following criteria for listing in the National Register of Historic Places and any applicable criteria considerations from the National Park Service.
- (1) National Register of Historic Places criteria. The quality of significance in American history, architecture, archeology, engineering, and culture is present in districts, sites, buildings, structures, and objects that possess integrity of location, design, setting, materials, workmanship, feeling, and association and one or more of subparagraphs (A) - (D) of this paragraph:
- (A) Properties that are associated with events that have made a significant contribution to the broad patterns of our history; or
 - (B) that are associated with the lives of persons significant in our past; or
 - (C) that embody distinctive characteristics of a type, period, or method of construction, or that represent the work of a master, or that possess high artistic values, or that represent a significant and distinguishable entity whose components may lack individual distinction; or
 - (D) that have yielded, or may be likely to yield, information important in prehistory or history.
- (2) Criteria considerations. Ordinarily cemeteries, birthplaces, or graves of historical figures, properties owned by religious institutions or used for religious purposes, structures that have been moved from their original locations, reconstructed historic buildings, properties primarily commemorative in nature, and properties that have achieved significance within the past 50 years shall not be considered eligible for the National Register. However, such properties will qualify if they are integral parts of districts that do meet the criteria or if they fall within the following categories:
- (A) A religious property deriving primary significance from architectural or artistic distinction or historical importance; or
 - (B) A building or structure removed from its original location but which is significant primarily for architectural value, or which is the surviving structure most importantly associated with a historic person or event; or

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(C)A birthplace or grave of a historical figure of outstanding importance if there is no appropriate site or building directly associated with his productive life.

(D)A cemetery which derives its primary significance from graves of persons of transcendent importance, from age, from distinctive design features, or from association with historic events; or

(E)A reconstructed building when accurately executed in a suitable environment and presented in a dignified manner as part of a restoration master plan, and when no other building or structure with the same association has survived; or

(F)A property primarily commemorative in intent if design, age, tradition, or symbolic value has invested it with its own exceptional significance; or

(G)A property achieving significance within the past 50 years if it is of exceptional importance.

(3)Issuance of a preliminary determination of significance does not bind the Commission to the designation of an individual historic structure or district. Applicants proceed with rehabilitation projects at their own risk. If a structure is ultimately not listed in the National Register of Historic Places, designated as a Recorded Texas Historic Landmark, or certified as a contributing element to a local district pursuant to 36 C.F.R. §67.9, the preliminary determination does not become final, and the owner will not be eligible for the credit. The Commission shall not issue a certificate of eligibility until or unless the designation is final.

(f)Determination of contributing structures in existing historic districts. If a property is located in a district listed in the National Register of Historic Places or in a certified local district, an Applicant or an Owner of the property shall request that the Commission determine whether the property is of historic significance contributing to the district by submitting Part A of the application. The Commission evaluates properties located within historic districts listed in the National Register of Historic Places or certified local districts to determine whether they contribute to the historic significance of the district by applying the following standards:

(1)A property contributing to the historic significance of a district is one which by location, design, setting, materials, workmanship, feeling, and association adds to the district's sense of time and place and historical development.

(2)A property does not contribute to the historic significance of a district if it does not add to the district's sense of time and place and historical development, or if its location, design, setting materials, workmanship, feeling, and association have been so altered or have so deteriorated that the overall integrity of the building has been irretrievably lost.

(3)Generally, buildings that have been built within the past 50 years shall not be considered to contribute to the significance of a district unless a strong justification concerning their historical or architectural merit is given or the historical attributes of the district are considered to be less than 50 years old at the date of application.

(4)Certification of significance will be made on the basis of the appearance and condition of the property before beginning the rehabilitation work.

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(5) If a nonhistoric surface material obscures a building's façade, it may be necessary for the owner to remove a portion of the surface material so that a determination of significance can be made. After the material has been removed, if the obscured façade has retained substantial historic integrity and the property otherwise contributes to the significance of the historic district, it will be considered eligible to be a certified historic structure.

(g) Subsequent Designation. A building must be a certified historic structure prior to the issuance of the certificate of eligibility by the Commission as required by §171.904(b)(1)(A) of the Texas Tax Code. If a property is not automatically qualified as a certified historic structure, an owner of a property shall request that the Commission determine whether the property is of historic significance by submitting Part A of the application in accordance with subsections (e) and (f) of this section. Upon listing in the National Register of Historic Places, designation as a Recorded Texas Historic Landmark, or certification as a contributing element to a local district pursuant to 36 C.F.R. §67.9, THC staff overseeing the National Register program and the Official Texas Historical Marker program (as applicable), shall prepare a notification, to be filed with the tax credit application, indicating that the designation process required by the Part A has been fulfilled. ~~If a property is not automatically qualified as a certified historic structure, an owner of a property shall request that the Commission determine whether the property is of historic significance by submitting Part A of the application in accordance with subsections (e) and (f) of this section. Upon listing in the National Register of Historic Places, designation as a Recorded Texas Historic Landmark, or certification as a contributing element to a local district pursuant to 36 C.F.R. §67.9, a revised Part A should be submitted as stated in subsection (d) of this section. A building must be a certified historic structure prior to the issuance of the certificate by the Commission as required by §171.904(b)(1)(A) of the Texas Tax Code.~~

(h) Multiple buildings. If a property owned by one entity contains more than one building and the Commission determines that the buildings have been functionally related historically, per 13.1(17), to serve an overall purpose (such as a residence and a carriage house), then the functionally related buildings will be treated as a single certified historic structure, regardless of whether one of the buildings is separately listed in the National Register of Historic Places or as a Recorded Texas Historic Landmark or is located within a historic district. Buildings owned by the same applicant that were not functionally related historically must be submitted as individual buildings on separate applications. ~~Buildings that are functionally related historically are those that have functioned together to serve an overall purpose during the property's period of significance.~~

(i) Portions of buildings. Portions of buildings, such as single condominium apartment units, are not independently eligible for certification as an individual space without assessment of any work undertaken elsewhere in the building within the last 24 months, as described in §13.6(f). This rule applies even when a building has multiple owners. A full description of all work at the building must be provided with the application. ~~Two or more buildings or structures located on a single tract or parcel of land (or contiguous tracts or parcels), which are operated as an integrated unit (as evidenced by their operation, management and financing), may be treated as a single building or structure for the purposes of certification.~~

(j) Relocation of historic buildings. Relocation of a historic building from its original site may disqualify the building from eligibility or result in removal of designation as a certified historic structure. Applications involving buildings that have been moved or are to be moved will be

TEXAS HISTORICAL COMMISSION

evaluated on a case-by-case basis under the applicable criteria for designation as provided in this section. For a building listed in the National Register of Historic Places, the applicant will be responsible for updating the National Register of Historic Places nomination for the property or district, or the relocated building will not be considered a certified historic structure for the purpose of this credit. For a building designated as a Recorded Texas Historic Landmark, the applicant will be responsible for notifying the Commission and otherwise complying with the requirements of §21.11 of this title prior to undertaking any relocation.

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Texas Administrative Code

Title 13 Cultural Resources

Part II Texas Historical Commission

Chapter 13 Texas Historic Preservation Tax Credit Program

PREAMBLE

The Texas Historical Commission (Commission) proposes amendments to the Texas Administrative Code, Title 13, Part 2, Chapter 13, Section 13.6, related to the application review process.

Section 13.6(c)(3) has an unnecessary word deleted. Section 13.6(d)(5) has been converted to §13.6(f) to allow for clearer reading and has been expanded to better align with the rules of the Federal Rehabilitation Tax Credit and to match current edits in §13.3.

FISCAL NOTE. Mark Wolfe, Executive Director, has determined that for the first five-year period the amended rules are in effect there will be no fiscal implications for state or local government as a result of enforcing or administering these rules.

PUBLIC BENEFIT. Mr. Wolfe has also determined that for the first five-year period the amended rule is in effect, the public benefit will be the preservation of and education about state historic resources.

ECONOMIC IMPACT STATEMENT AND REGULATORY FLEXIBILITY ANALYSIS FOR SMALL BUSINESSES, MICROBUSINESSES, AND RURAL COMMUNITIES. Mr. Wolfe has also determined that there will be no impact on rural communities, small businesses, or micro-businesses as a result of implementing these rules. Accordingly, no regulatory flexibility analysis, as specified in Texas Government Code § 2006.002, is required.

ECONOMIC COSTS TO PERSONS AND IMPACT ON LOCAL EMPLOYMENT. There are no anticipated economic costs to persons who are required to comply with the amendments to these rules, as proposed. There is no effect on local economy for the first five years that the proposed new section is in effect; therefore, no local employment impact statement is required under Texas Government Code § 2001.022 and 2001.024(a)(6).

GOVERNMENT GROWTH IMPACT STATEMENT. Because the proposed amendments only simplify text and bring requirements into alignment with a related program, during the first five years that the amendments would be in effect, the proposed amendments: will not create or eliminate a government program; will not result in the addition or reduction of employees; will not require an increase or decrease in future legislative appropriations; will not lead to an increase or decrease in fees paid to a state agency; will not create a new regulation; will not repeal an existing regulation; and will not result in an increase or decrease in the number of individuals subject to the rule. During the first five years that the amendments would be in effect, the proposed amendments will not positively or adversely affect the Texas economy.

TAKINGS IMPACT ASSESSMENT. The Commission has determined that no private real property interests are affected by this proposal and the proposal does not restrict or limit an owner's right to his or her property that would otherwise exist in the absence of government action and, therefore, does not constitute a taking under Texas Government Code, § 2007.043.

PUBLIC COMMENT. Comments on the proposal may be submitted to Mark Wolfe, Executive Director,

TEXAS HISTORICAL COMMISSION

Texas Historical Commission, P.O. Box 12276, Austin, Texas 78711. Comments will be accepted for 30 days after publication in the *Texas Register*.

STATUTORY AUTHORITY. These amendments are proposed under the authority of Texas Government Code § 442.005(q), which provides the Commission with the authority to promulgate rules to reasonably affect the purposes of the Commission, and Texas Government Code § 171.009, of the Texas Tax Code, which authorizes the Commission to adopt rules necessary to implement the Tax Credit for Certified Rehabilitation of Certified Historic Structures.

CROSS REFERENCE TO OTHER LAW. No other statutes, articles, or codes are affected by these amendments.

The Commission hereby certifies that the proposed amendments have been reviewed by legal counsel and found to be a valid exercise of the agency's authority.

TEXAS HISTORICAL COMMISSION

Texas Administrative Code

Title 13 Cultural Resources

Part 2 Texas Historical Commission

Chapter 13 Texas Historic Preservation Tax Credit Program

Rule §13.6 Application Review Process

(a)Application form. The Commission staff will develop the application and may modify it as needed over time. All required forms, including application Parts A, B, C, and amendment forms, are available from the Commission at no cost.

(b)Delivery. Applications will be accepted beginning on January 1, 2015 and continuously thereafter. Applications should be submitted to the Commission in the manner and format directed by the Commission in published program guidance materials on the Commission's online Texas Historic Preservation Tax Credit Application Guide available by accessing thc.texas.gov.

(c)Application Part A - Evaluation of Significance. Part A of the application will be used by the Commission to confirm historic designation or to determine if the property is eligible for qualification as a certified historic structure.

(1)If a property is individually listed in the National Register of Historic Places or designated as a Recorded Texas Historic Landmark or State Antiquities Landmark, the property is qualified as a certified historic structure.

(2)The applicant will be responsible for providing sufficient information to the Commission with which the Commission staff may make a determination. If all requested information is not provided to make a determination that a building is eligible for designation as a certified historic structure, the staff may request additional information from the applicant. If the additional information requested is not provided in a timely manner, the application will be considered incomplete and review of the application will be placed on hold until sufficient information is received.

(3)The Commission staff review of Part A of a complete application, unless otherwise provided in §13.8 of this title (relating to Relationship with the Federal Rehabilitation Tax Credit Program), and shall notify the applicant in writing of any determination it makes upon completing the review of Part A of the application.

(4)There is no fee to review Part A of the application.

(d)Application Part B - Description of Rehabilitation. Part B of the application will be used by the Commission to review proposed projects for compliance with the Standards for Rehabilitation.

(1)The applicant will be responsible for providing sufficient information, including photographs taken prior to the project, to the Commission with which the Commission staff may make a determination. If all requested information is not provided to make a determination that a project is eligible as a certified rehabilitation, staff may request additional information from the applicant, usually required to be submitted within 30 days. If the additional information requested is not provided in a timely manner, the application will be considered incomplete and review of the application will be placed on hold until sufficient information is received.

TEXAS HISTORICAL COMMISSION

(2)The Commission staff will review Part B of a complete application, unless otherwise provided in §13.8 of this title, and shall notify the applicant in writing of any determination it makes upon completing the review of Part B of the application. In reviewing Part B of the application, the Commission shall determine if Part B is approved or not as follows:

(A)Consistent with the Standards for Rehabilitation as determined by the Commission. If all aspects of the Part B of the application meet the standards for rehabilitation, no additional information is required, and no conditions are imposed on the work, Part B is approved.

(B)Consistent with the Standards for Rehabilitation with specific conditions of work required. The Commission may determine that the work described in the plan must be performed in a specific manner or with specific materials in order to fully comply with the Standards for Rehabilitation. In such cases, the Part B may be approved with specific conditions required. For applications found to be consistent with the Standards for Rehabilitation with specific conditions required, the applicant shall provide written acceptance to the Commission of all specific conditions required. Otherwise the application will be determined to be not consistent with the Standards for Rehabilitation; applications found to be consistent with the Standards for Rehabilitation with specific conditions required may proceed with the work but will only be eligible for the credit if the conditions listed are met as part of the rehabilitation work. Failure to follow the conditions may result in a determination by the Commission that the project is not consistent with the Standards for Rehabilitation.

(C)Not consistent with the Standards for Rehabilitation. Applications found not to be consistent with the Standards for Rehabilitation will be considered to be ineligible applications; the Commission shall make recommendations to the applicant that might bring the project into conformance with the Standards for Rehabilitation, however no warranty is made that the recommendations will bring the project into compliance with the Standards for Rehabilitation; the applicant may reapply and it will be treated as a new application and will be subject to a new application fee.

(3)An application fee is required to be received by the Commission before Commission review of Part B of the application. The fee is based on the estimated amount of eligible costs and expenses listed by the applicant on Part B of the application.

(A)Applicants must submit the fee with their Part B application or the application will be placed on hold until the fee is received. The fee is calculated according to a fee schedule approved by the Commission and included in the application.

(B)The fee is based on the estimated aggregate eligible costs and expenses indicated in the Part B application and is not refundable. Resubmission of a rejected application or under any other circumstances will require a new fee. Amendments to a pending application or approved project do not require additional fees.

(4)Amendment Sheet. Changes to the project not anticipated in the original application shall be submitted to the Commission on an amendment sheet and must be approved by the Commission as consistent with the Standards for Rehabilitation before they are included in the project. The Commission shall review the amendment sheet and issue a determination in writing regarding whether or not the proposed change in the project is consistent with the Standards for Rehabilitation.

~~(5)Scope of Review. The review encompasses the building's site and environment as well as any buildings that were functionally related historically. Therefore, any new construction and~~

TEXAS HISTORICAL COMMISSION

~~site improvements occurring on the historic property are considered part of the project. Individual condominiums or commercial spaces within a larger historic building are not considered individual properties apart from the whole. The scope of review for a project is not limited to the work that qualifies as an eligible expense. Likewise, all work completed by the current owner twenty-four (24) months before the submission of the application is considered part of the project, as is the cumulative effect of any work in previously completed or future phases.~~

~~—(A)An applicant may elect to apply to receive the credit on only the exterior portions of a larger project that includes other work, in which case the scope of review will be limited to the exterior work. For properties that are individually listed on the National Register of Historic Places, are designated as a Recorded Texas Historic Landmark or State Antiquities Landmark, or determined to be eligible for these designations, the scope of review must also include primary interior spaces.~~

~~—(B)For these projects described in subparagraph (A) of this paragraph, all work completed by the current owner twenty-four (24) months before the submission of the application, and within the same scope of review (e.g. exterior and/or primary interior) is considered part of the project, as is the cumulative effect of any work in previously completed or future phases within the same scope of review.~~

(e)Application Part C - Request for Certification of Completed Work. Part C of the application will be used by the Commission to review completed projects for compliance with the work approved under Part B.

(1)The applicant shall file Part C of the application after the building is placed in service.

(2)The applicant will be responsible for providing sufficient information, including photographs before and after the project, to the Commission by which the Commission staff may verify compliance with the approved Part B. If all requested information is not provided to make a determination that a project is eligible as a certified rehabilitation, the application is incomplete and review of the application will be placed on hold until sufficient information is received.

(3)The Commission staff will review Part C of a complete application, unless otherwise provided in §13.8 of this title, and shall notify the applicant in writing of any determination it makes upon completing the review of Part C of the application.

(A)If the completed project is found to be in compliance with the approved Part B and any required conditions; consistent with the Standards for Rehabilitation, and the building is a certified historic structure at the time of the application, the Commission shall approve the project. The Commission then shall issue to the applicant a certificate of eligibility that confirms the property to which the eligible costs and expenses relate is a certified historic structure and the rehabilitation qualifies as a certified rehabilitation and specifies the date the certified historic structure was first placed in service after the rehabilitation.

(B)If the completed project is not consistent with the Standards for Rehabilitation, with the approved Part B, and/or the specific conditions required, and the project cannot, in the opinion of the Commission, be brought into compliance, or if the building is not a certified historic structure at the time of the application, then the Commission shall deny Part C of the application and no certificate of eligibility shall be issued.

(C)If the completed project is not consistent with the Standards for Rehabilitation, with the approved Part B, and/or the specific conditions required, and the project can, in the opinion of

TEXAS HISTORICAL COMMISSION

the Commission, be brought into compliance, the Commission may issue remedial conditions that will bring the project into compliance. The applicant shall complete the remedial work and file an amended Part C. If the remedial work, in the opinion of the Commission, brings the project into compliance, then the Commission shall issue a certificate of eligibility.

(4) An application fee is charged before Commission review of the Part C of the application based on the amount of eligible costs and expenses listed by applicant on Part C of the application.

(A) Applicants must submit the fee with their Part C application or the application will be placed on hold until the fee is received. The fee is calculated according to a fee schedule approved by the Commission and included in the application.

(B) The fee is based on the eligible costs and expenses as indicated in the audited cost report and is not refundable. Resubmission of a rejected application or under any other circumstances will require a new fee. Amendments do not require additional fees.

(f) Scope of Review. The review encompasses the entire building's site and environment as well as any buildings that were functionally related historically per §13.1(17) and §13.3(h). The scope of review for a project is not limited to the work that qualifies as an eligible expense. All work completed by the current applicant twenty-four (24) months before the submission of the application can be considered part of the project, as is the cumulative effect of any work in previously completed or future phases. Any new construction and site improvements occurring on the historic property are considered part of the project. Individual condominiums or commercial spaces within a larger historic building are not considered individual properties apart from the whole. Multiple interior finish-out projects occurring at the same time, for example, whether completed by an owner, multiple owners, or tenants, must all be reviewed to ensure all work to the building meets the Standards for Rehabilitation.

(1) Eligibility for the credit. If a project, including a single phase of work or an overall rehabilitation, does not meet the Standards for Rehabilitation, future work on the building or within a set of functionally related buildings, performed by the same owner, shall not be eligible for a credit under this program. If the building is purchased by a new owner, the new owner may apply for tax credits based on a new application and existing conditions at the time of purchase.

(2) An applicant may elect to apply to receive the credit on only the exterior portions of a larger project that includes other work, in which case the scope of review will be limited to the exterior work. For properties that are individually listed on the National Register of Historic Places, are designated as a Recorded Texas Historic Landmark or State Antiquities Landmark, or determined to be eligible for these designations, the scope of review must also include primary interior spaces.

(3) For these projects described in subparagraph (2) of this paragraph, all work completed by the current owner twenty-four (24) months before the submission of the application, and within the same scope of review (e.g. exterior and/or primary interior) is considered part of the project, as is the cumulative effect of any work in previously completed or future phases within the same scope of review.

(g-f) Closure of Inactive Applications. The Commission staff may close applications that have been deemed inactive. Closed applications do not qualify as certified rehabilitations and are not eligible for the Texas Historic Preservation Tax Credit unless reopened per paragraph (6)

TEXAS HISTORICAL COMMISSION

of this subsection.

(1) Applications may be deemed inactive and closed under any of the following circumstances: Part B and Part C application fees have not been received within sixty (60) days of receipt of the application parts; written requests for information necessary to complete the application and provide sufficient documentation to fully review the application are not responded to within sixty (60) days; or, approved application Parts have not progressed to subsequent Parts (for example: a Part B has not been submitted following approval of a Part A, etc.) and there has been no communication from the applicant to the Commission for a period of twenty-four (24) months or greater.

(2) Applications for projects that are simultaneously applying for federal historic tax credits, per §13.8 of this title may also be closed upon closure of the federal application by the National Park Service.

(3) Applicants will be notified in writing of the potential closure and given sixty (60) days to respond, in writing, with a request for the application to remain open; supplying missing or requested information; or to request an extension allowing additional time to compile missing or requested information. If no response is received, the application will be closed. Such requests shall not be unreasonably denied but shall not exceed an additional 60 days.

(4) Extensions will be granted, in writing, for a period of time agreed upon by the Commission and the Applicant, based on the status of the project. If an extension is not met, further extensions may be granted if the Applicant documents to the Commission that the project is progressing.

(5) Applications that have been closed will be reopened under the following conditions: the project applicant has not changed; the overall scope of work presented in the Part B application has not substantially changed; and the request to reopen the application is made in writing within twenty-four (24) months from the date the application was closed.

(6) If all conditions in paragraph (5) of this subsection are not met, a new application must be filed, including new Part B and Part C application fees.

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Texas Administrative Code

Title 13 Cultural Resources

Part II Texas Historical Commission

Chapter 13 Texas Historic Preservation Tax Credit Program

PREAMBLE

The Texas Historical Commission (Commission) proposes amendments to the Texas Administrative Code, Title 13, Part 2, Chapter 13, Section 13.7, related to project inspections.

Section 13.7 is amended to remove rule §13.7(c). This rule did not relate directly to the substance of §13.7 and has been recreated elsewhere in the currently proposed edits.

FISCAL NOTE. Mark Wolfe, Executive Director, has determined that for the first five-year period the amended rules are in effect there will be no fiscal implications for state or local government as a result of enforcing or administering these rules.

PUBLIC BENEFIT. Mr. Wolfe has also determined that for the first five-year period the amended rule is in effect, the public benefit will be the preservation of and education about state historic resources.

ECONOMIC IMPACT STATEMENT AND REGULATORY FLEXIBILITY ANALYSIS FOR SMALL BUSINESSES, MICROBUSINESSES, AND RURAL COMMUNITIES. Mr. Wolfe has also determined that there will be no impact on rural communities, small businesses, or micro-businesses as a result of implementing these rules. Accordingly, no regulatory flexibility analysis, as specified in Texas Government Code § 2006.002, is required.

ECONOMIC COSTS TO PERSONS AND IMPACT ON LOCAL EMPLOYMENT. There are no anticipated economic costs to persons who are required to comply with the amendments to these rules, as proposed. There is no effect on local economy for the first five years that the proposed new section is in effect; therefore, no local employment impact statement is required under Texas Government Code § 2001.022 and 2001.024(a)(6).

GOVERNMENT GROWTH IMPACT STATEMENT. Because the proposed amendments only concern text moved to a separate section of program rules, during the first five years that the amendments would be in effect, the proposed amendments: will not create or eliminate a government program; will not result in the addition or reduction of employees; will not require an increase or decrease in future legislative appropriations; will not lead to an increase or decrease in fees paid to a state agency; will not create a new regulation; will not repeal an existing regulation; and will not result in an increase or decrease in the number of individuals subject to the rule. During the first five years that the amendments would be in effect, the proposed amendments will not positively or adversely affect the Texas economy.

TAKINGS IMPACT ASSESSMENT. The Commission has determined that no private real property interests are affected by this proposal and the proposal does not restrict or limit an owner's right to his or her property that would otherwise exist in the absence of government action and, therefore, does not constitute a taking under Texas Government Code, § 2007.043.

PUBLIC COMMENT. Comments on the proposal may be submitted to Mark Wolfe, Executive Director, Texas Historical Commission, P.O. Box 12276, Austin, Texas 78711. Comments will be accepted for 30

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days after publication in the *Texas Register*.

STATUTORY AUTHORITY. These amendments are proposed under the authority of Texas Government Code § 442.005(q), which provides the Commission with the authority to promulgate rules to reasonably affect the purposes of the Commission, and Texas Government Code § 171.009, of the Texas Tax Code, which authorizes the Commission to adopt rules necessary to implement the Tax Credit for Certified Rehabilitation of Certified Historic Structures.

CROSS REFERENCE TO OTHER LAW. No other statutes, articles, or codes are affected by these amendments.

The Commission hereby certifies that the proposed amendments have been reviewed by legal counsel and found to be a valid exercise of the agency's authority.

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Texas Administrative Code

Title 13 Cultural Resources

Part 2 Texas Historical Commission

Chapter 13 Texas Historic Preservation Tax Credit Program

Rule §13.7 Inspection

(a) Inspection. The Commission may conduct an inspection of a project for which an application has been submitted to review current conditions, work completed in association with the current application, or previously executed phases of work.

(b) Notice. The Commission must give reasonable notice of not less than 48 hours to the applicant of its intent to inspect the property.

~~(c) Eligibility for the credit. Completed phases of work that do not meet the Standards for Rehabilitation are not eligible for the credit, and future phases of work performed by the same owner on the same building shall not be eligible for a credit under this program.~~

TEXAS HISTORICAL COMMISSION

Item 9.4
Texas Historical Commission
July Quarterly Meeting
July 25-26, 2022

Consider approval of Texas Historic Courthouse Preservation Program Round XII grant awards

Background:

The 87th Legislature appropriated \$25 million for the Round XII Grant Cycle. The total amount of funds currently available for grant awards is \$22,856,476 due to supplemental funding at the October 2021 and the January 2022 Quarterly Meetings.

The Round XII Grant Applications were reviewed and scored by a panel of the Courthouse Preservation Program Reviewers, the Courthouse Preservation Program Coordinator, and a staff member from another THC Division. Based upon the final scores, three funding scenarios were presented to the Architecture Committee on June 30, 2022, where project proposals were reviewed with staff and testimony was received by members of the public in support of applications. The Architecture Committee selected the following Funding Scenario to present to the full commission.

Funding Scenario:

Funds **four** Full Restoration projects and **one** Planning project. Full Restoration projects require a minimum match of 15%, whereas Planning and Emergency grants require a minimum 30% match.

Funding Scenario				
County	Score	Type	Project Cost	Request & Grant Award
Wise	208	Full Restoration	\$ 9,473,201	\$ 5,162,247
Hall	200	Full Restoration	\$ 9,829,904	\$ 5,953,345
Kimble	194	Full Restoration	\$ 9,406,432	\$ 5,294,242
Upshur	189	Full Restoration	\$ 12,839,123	\$ 5,218,363
Comanche	190	Planning	\$ 1,325,802	\$ 928,061
Total:			\$ 42,874,462	\$ 22,556,258
Balance:				\$ 300,218

Recommended motion (Committee):

Move to send forward to the Commission and recommend approval of the Texas Historic Courthouse Preservation Program Round XII grant awards as shown in the above funding scenario. If a grant recipient declines an award, staff has the authority to award the available funds to the next highest scoring full restoration project.

Recommended motion (Commission):

Move to approve the Texas Historic Courthouse Preservation Program Round XII grant awards as shown in the above funding scenario. If a grant recipient declines an award, staff has the authority to award the available funds to the next highest scoring full restoration project.

TEXAS HISTORICAL COMMISSION

Item 9.5

Texas Historical Commission
July Quarterly Meeting
July 25-26, 2022

Consider award of Round X master plan update grant to Kleberg County

Background:

Kleberg County was awarded a Round X Master Plan Update grant in the amount of \$49,500 at the January 2019 Quarterly Meeting. Kleberg County executed a Funding Agreement for this grant award on February 10, 2020 and signed a contract with an architect to complete the update to their preservation master plan on March 26, 2019.

Initially, the project progressed normally but about midway through, Kleberg County stopped responding to the architect's representative and the Courthouse Project Reviewer and would not provide answers to critical questions that hindered the continued progress of the Master Plan Update. As a result, the project stalled. The Courthouse Program Reviewer and the architect's representative made several attempts to get necessary information and to schedule meetings with no response from the County. Formal correspondence was sent on August 23, 2021, and again on December 10, 2021 which required response by January 23 to avoid recapture of the grant funding by the THC. The letter was signed received, but still the THC and architect received no response; therefore, the Round X Master Plan Update grant of \$49,500 was recaptured at the April 2022 Quarterly Meeting.

Shortly after the grant was recaptured, Kleberg County's new Assistant District Attorney contacted the THC and humbly requested that the THC consider reallocating the Master Plan Update grant to Kleberg County. He has agreed to become the primary point of contact for the project. On July 11, 2022, the Kleberg County Commissioners' Court considered a resolution expressing their support for updating the Kleberg County Courthouse master plan project.

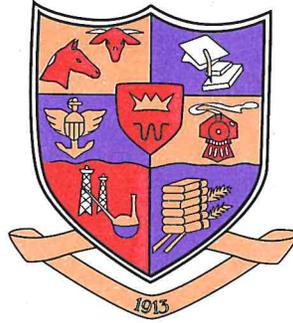
Recommended motion (Committee):

Move to send forward to the Commission and recommend approval of a Round X Courthouse Master Plan Update grant in the amount of \$49,500 to Kleberg County.

Recommended motion (Commission):

Move to approve a Round X Courthouse Master Plan Update grant in the amount of \$49,500 to Kleberg County.

RUDY MADRID
County Judge



Kleberg County
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COUNTY of KLEBERG
KINGSVILLE, TEXAS

July 11, 2022

Susan Tietz, AIA
Texas Historical Commission
Program Coordinator, Courthouse Preservation Program
Division of Architecture
P.O. Box 12276, Austin, Texas 78711-2276

Re: Kleberg County master plan update grant re-award letter

Program Coordinator Teitz;

The Commissioner's Court of Kleberg County having convened on this day July 11, 2022, and heard the presentation of Assistant District Attorney Jim Holloway regarding the Kleberg County courthouse renovation, hereby issues the following statement:

The Court acknowledges a desire to continue with the overall restoration project of our historic courthouse. To re-initiate the restoration project, the Court recognizes the Historical Commission's requirement for an update to the master plan prepared in 2009. This update serves to address the overall project where a need has arisen pertaining to the aging HVAC system and long-term building occupancy. Upon review the Court may be more inclined to follow Option 2 of the original plan, but final consideration will be reserved for the completed update.

The Court requests a re-award for the full amount of the Master Plan Update Grant to enable the completion of the plan update. Upon approval of the grant award, the Court assures the Historical Commission the master plan task will be completed barring any unforeseen event beyond the Court's control, i.e. hurricane, fire, or similar event.

Your attention in this matter is acknowledged and greatly appreciated by the Court.

Respectfully,

Rudy Madrid
Kleberg County Judge

A handwritten signature in blue ink, appearing to be "Rudy Madrid", is written over the typed name and title.