

TEXAS HISTORICAL COMMISSION

AGENDA
COMMUNITY HERITAGE DEVELOPMENT COMMITTEE

Capitol Extension
Room E1.030
1400 N. Congress Ave.
Austin, TX 78701
July 26, 2021
11:15 a.m.

(or upon the adjournment of the 10:30 a.m. Architecture Committee, whichever occurs later)

This meeting of the THC Community Heritage Development Committee of the Texas Historical Commission 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 Chairman Peterson*
 - A. Committee member introductions
 - B. Establish quorum
 - C. Recognize and/or excuse absences
2. Consider approval of the April 26, 2021 committee meeting minutes — *Committee Chairman Peterson*
3. Consider approval of the allocation plan for remaining FY2021 Certified Local Government grant funds. (Item 12.2) — *Committee Chairman Peterson*
4. Consider approval of the biennial funding plan for the Texas Heritage Trails Program. (Item 12.3) — *Committee Chairman Peterson*
5. Consider recommendations of short form new program analysis for a Texas Main Street Associate Network — *Committee Chairman Peterson*
6. Staff report and consider recommendations on the DowntownTX.org pilot licensing effort — *Patterson*
7. Community Heritage Development Division update and committee discussion — *Patterson*
 - A. Update on Real Places Conferences, including staffing
 - B. Update on the Texas Main Street Program activities including staffing, and DowntownTX.org
 - C. Update on heritage tourism activities including Texas Heritage Trails Program
 - D. Update on the Certified Local Government activities including grants, training, and prospective CLGs
8. Adjournment

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 Brinkley 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
COMMUNITY HERITAGE DEVELOPMENT COMMITTEE
AT&T Executive Education and Conference Center
Grand Salon ABC
1900 University Avenue
Austin TX 78705
April 26, 2021

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.

1. Call to Order

The meeting of the Texas Historical Commission (THC) Community Heritage Development Committee was called to order by Committee Chairman Pete Peterson at 1:55 p.m.

A. Committee member introductions

Chairman Peterson welcomed everyone. Members in attendance in addition to the Chair, included Commissioners Monica Zárata Burdette, Garrett Donnelly, Renee Dutia, Lilia Garcia, and Daisy White.

B. Establish quorum

Chairman Peterson noted a quorum was present.

C. Recognize and/or excuse absences

Chairman Peterson noted that Commissioner Jefferson was absent. Commissioner Donnelly moved to excuse his absence seconded by Commissioner Burdette. Motion passed unanimously.

2. Consider approval of the February 2, 2021 committee meeting minutes —*Committee Chairman Peterson*

Commissioner Donnelly moved, Commissioner Garcia seconded, and the commission voted unanimously to approve the February 2, 2021 Community Heritage Development Committee meeting minutes.

3. Community Heritage Development Division update and committee discussion —*Division Director Patterson*

A. Update on Real Places Conferences

Mr. Patterson provided an update on the 2022 Real Places Conference to be held February 2-4, 2022, in Austin at the Double Tree Hotel with the Commission's quarterly meeting preceding the conference. The costs, participant statistics, and survey results from the 2021 conference were discussed along with the increase in college students and out of state attendees.

B. Update on the Texas Main Street Program activities including staffing, and DowntownTX.org

Mr. Patterson described how the Main Street staff continue to serve communities; creating new professional development opportunities monthly and tools such as design guides which are being considered for Spanish translation. An in-person, statewide, professional-development event is planned for September 2021. Mr. Patterson highlighted Senate Bill 1269 which makes minor revisions to the

Texas Government Code to align with the current program implementation and provide additional flexibility to the Commission. The progress of Downtown, TX and property inventory statistics were discussed. The status of developing a pilot project to share the site with another program such as Georgia or West Virginia was highlighted. The upcoming, locally organized and agency supported Imagine the Possibilities tours were discussed and it was cited that they are scheduled on the commissioner's online calendar.

C. Update on heritage tourism activities including Texas Heritage Trails Program

Promotional efforts to get the *Texas Heritage Travel Guide* and other travel materials out of the TxDOT warehouse were discussed. The guides have been, or will be distributed through the *Houston Chronicle*, *San Antonio Express News*, Hudson News outlets at DFW Airport, *Dallas Morning News*, *Texas Monthly*, and Certified Folder networks. The resulting low inventory of the *Texas Heritage Travel Guide* and need for revisions and reprinting prior to the end of the fiscal year was noted.

As directed by Chairman Nau and executive director, Mark Wolfe, the agency has signed a contract with Tempest Media to redesign the Texas Time Travel website. The costs and schedule for the project was outlined and a recognition expressed for the prior concerns of some commissioners about potential impacts on other digital tools and projects. The targeted launch date for the new site will be December 2021. In response to questions from commissioners, Mr. Patterson explained that several of the region executive directors have been retained to participate in the redesign process and that the website is separate from DowntownTX.org but that most or all Main Street communities are included in the site.

D. Update on Certified Local Government Program activities including grants, training, and prospective CLGs.

The live, online status of Preservation Bootcamp was discussed with a plan for the Communications team to increase promotion of the site after it has been tested and running for longer.

4. Adjournment

At 2:19 p.m. the committee meeting was adjourned.

Quarterly Report

Community Heritage Development (CHD) Division
April–June 2021

WORK IN COMMUNITIES

The communities participating in CHD’s programs rely heavily on our staff expertise and guidance, which normally must be delivered onsite. In response to the pandemic, all CHD staff had been exclusively teleworking since March 2020 with travel restrictions also in place. In a typical two- or three-month period, division staff would be expected to have visited 18–30 communities. Assistance from the division’s programs is being delivered remotely and online, with a scope and quantity comparable to traditional methods. As the staff returned to the offices in May, travel to the communities began to increase.

In April and May, staff provided measurable assistance to all 10 trail regions and 37 communities. Assistance, or in some cases multiple incidences of assistance, was provided to **Arlington, Austin, Brenham, Brownsville, Buda, Caldwell, Canton, Celina, Clifton, Corpus Christi, Corsicana, Denison, Eagle Pass, Elgin, Emancipation Avenue (Houston), Freeport, Galveston, Grand Saline, Granger, Hamilton, Huntsville, Kerrville, Laredo, Levelland, Mansfield, Marshall, Mesquite, Mineral Wells, Mount Vernon, Paris, Pittsburg, Royse City, San Augustine, Socorro, Stephenville, Texarkana, and Vernon.**

HERITAGE TOURISM

The Heritage Tourism team is finalizing the schedule for a statewide meeting of the 10 heritage trail regions and agency staff that will take place August 12–13 in Austin.

Following on the heels of prior travel guide distribution deals, this quarter, Heritage Tourism and Communications collaborated to finalize an agreement with *Texas Monthly*. The magazine will distribute 7,000 *Texas Heritage Travel Guides* with their July issue to select subscribers in Austin, Midland/Odessa, and Tyler/Longview markets.

Staff continue to seek out new audiences for the guides, with 1,250 copies each of the African American and Hispanic heritage travel guides supplied to the Texas Home School Coalition for insertion in materials for conference participants in the Woodlands area.

Communications identified a new distribution channel of Texas Workforce Commission Centers that will be pursued and evaluated. Copies of the African American travel guide and both language versions of the Hispanic Heritage travel guide will be provided to each of the 28 service centers across the state. While the customers are unlikely to be immediate travelers, this may be a captive audience in the waiting rooms that we otherwise are not reaching.

There remain 485,000 guides that need relocation or distribution before the end of 2021. The successful distribution effort specifically for the Texas Heritage Travel Guide has reduced the inventory of that guide to only about 31,000. Staff is working to refresh and update the guide for a printing and delivery around or before August 31. The nature of these initial revisions includes a reflection of the new sites under THC management; updates and improvements to the photography; current agency branding; and corrections and updates to major new attractions or those that have ceased operations. A more significant redesign is anticipated in 2022.

MAIN STREET

The Texas Main Street Program is planning a statewide, professional development gathering of program participants for September 15–17. The event is anticipated to be in-person and hosted by one of our still to-be-determined communities.

Since April, the program staff have conducted several online training sessions with constituents from across the state. Sessions have included:

- Design, April 6

- Promotion, April 20
- Strategic Value of DowntownTX, April 27
- Organization, May 4
- Historic Preservation Tax Credits, May 5 (in collaboration with architecture staff)
- Development Process on Main Street, June 9

DOWNTOWNTX.ORG WORK CONTINUES

The Texas Main Street Program has continued expanding and improving the DowntownTX.org website. The development of new features designed to support the specific needs of Certified Local Government communities and new reporting templates is nearing completion. The cities of Corsicana and Corpus Christi served as testers for the new features and the procedures intended to make survey and data collection more feasible for volunteers. The new features are expected to go live at the end of August.

Staff continue working with the communities, undertaking parts of the inventory process, and training local officials on the system operations. Building inventories, resource surveys, appraisal data, incentive information, available real estate, and historic districts are mapped and displayed on DowntownTX.org for 60 Texas communities.

A total of 98 communities are either live or in the process of data integration. To date, 19,698 properties have been inventoried, including 553 locally designated landmarks, 2,597 properties that contribute to local districts, 347 National Register-listed properties, and 2,959 parcels that contribute to National Register districts. The DowntownTX.org website had 7,423 unique users in May 2021, a new high and 20 percent year-over-year improvement.

The federal wordmark application for the site remains pending review with the US Patent and Trademark Office. The staff continues to develop business plans for the potential licensing of the tools to like-minded entities with similar missions in other states. West Virginia remains interested in being the pilot for the licensing but has not yet financially committed.

NEW STAFF MEMBER JOINS THE DIVISION

The agency welcomed Allison Zogg as the new event planner in June. Allison has almost 20 years in the hospitality industry working in a variety of frontline

and senior positions with Starwood and Hilton across North America. Prior to the pandemic, she was a Senior Event Manager for the Hilton Austin following positions as a meeting and event manager for the Westin Austin, Sheraton Seattle, Westin Galleria and Westin Oaks in Houston, and similar positions at the Sheraton Maui Resort, among others. She has been tapped to help open two Westin properties and been a brand trainer. She has received coveted awards from both Starwood and Hilton based on customer and management feedback. Allison has a bachelor's degree in Hotel, Restaurant, and Institutional Management from the University of Delaware. Her career has consistently included rising to new challenges beyond her experience, broad strategic thinking, event management success, leadership, collaboration, and other qualities that will be valuable to the agency.

Briefly describe the program you are proposing.

The development of an affiliate program, i.e., the “Texas Associate Network,” extends the reach and influence of the Texas Main Street Program (TMSP) by providing services to communities that either need initial educational support to grow into a traditional Texas Main Street Program, or those in need of downtown revitalization assistance but the format and requirements of the traditional Main Street model render the creation of a local program not viable. It will also act as an intermediate step for a previously designated Main Street city to re-enter the program as a Recertified City, allowing them to reestablish the essential community organizational capacity and educational foundation before accessing the full suite of Main Street Program resources. The Associate Network will draw on the expertise and infrastructure of TMSP to provide limited services and resources to communities with stakeholders who would otherwise be unable to receive such assistance due to Main Street’s participation requirements. The Associate Network is designed to supplement and extend the impact of the TMSP without placing unreasonable additional demands on TMSP staff; this will be accomplished by curating and offering existing Main Street resources that emphasize historic preservation education and bolstering local organizational capacity to achieve preservation initiatives. The Associate Network must be implemented in a manner that does not diminish the value or qualities of the existing program or its partners such as the Texas Downtown Association.

How does the program support overall agency goals?

The existing Texas Main Street Program already supports many of the agency goals, but the Associate Network creates the potential to expand the agency’s reach and impact. *Strategic Plan 2021-2025*, Objective A.2: Encourage Economic Development, Tourism, and Education calls for “Encourage preservation-based economic development efforts and revitalization education by implementing a Texas Main Street Affiliate category of participation to include smaller and non-traditional historic downtowns that are not able to participate in the current program.” The creation of the Associate Network is a direct response to this objective.

The Texas Administrative Code was amended several years ago by the Commission to include a definition of Texas Main Street Affiliate: “A city of commercial neighborhood district that has been accepted by the Commission to participate in the program as an affiliate with fewer responsibilities, benefits, and services than a Texas Main Street City. The designation of affiliates is subject to available Commission resources and may be limited based on population or other factors.” The Associate Network would fulfill this affiliate role, using a term that avoids conflicts and confusion with the national program’s “affiliate” designation.

The Associate Network has the potential to help fulfill many of the statewide and agency goals, but specifically relates to achieving goals 3, 4, and 8 of the *Texas’ Statewide Historic Preservation Plan 2011-2020* (Updated 2016).

Statewide Plan Goal 3: Implement Policies and Incentives –This is a long-term outcome of the Associate Network, as communities will be encouraged to learn about and implement preservation-based initiatives to support local goals. The implementation of such policies would be dependent on local capacity.

Statewide Plan Goal 4: Leverage Economic Development Tools for Preservation –This goal is at the heart of the current Texas Main Street Four Point Approach and by extension the proposed Associate Network. The historic preservation education materials produced by the TMSP are filtered through this lens and emphasize historic downtown as a unique economic asset.

Statewide Plan Goal 8: Build Capacity for Preservation Community —This will be the most immediate and most impactful outcome of the Associate Network. As communities enter the network, they will be encouraged to build their local preservation community by identifying stakeholders, building a volunteer base, creating downtown building inventories, and joining state and federal networks that match their long-term goals.

These goals would be supported by providing guidance, training, and targeted services to communities that are otherwise unlikely to receive similar assistance from TMSP due to the program’s existing requirements that limit some participation.

Is this a short-term or permanent program? If short-term, what is the approximate timeframe?

This is intended as a permanent, supplement program to extend the reach of TMSP to both communities that will grow into traditional Main Street cities or return to the program as well as those that would not typically be considered a good fit for the program.

What is the public need or demand for this program?

The Main Street Program, while widely successful, serves only communities that meet specific requirements. Participants must have a historic downtown core, demonstrate the need for revitalization assistance, and show the economic and human resources to support a multi-year commitment to the program and its principles. The traditional program requires a full-time, locally funded manager as well as private and public sector resources to implement a modest program of physical improvements. This imposes limitations on our state program’s breadth of service, illustrated by the number of general inquiries versus applications submitted. From 2011-2020, the TMSP state coordinator received program inquiries from a total of 184 cities, 59 of which inquired multiple times during this period. However, only 11 of these 59 followed through to apply for the program. While the traditional Main Street model is not intended to serve everyone, this substantial gap between inquiries and applications presents an opportunity to offer support to more communities across the state.

The TMSP has historically had a very strong presence from Dallas eastward as well as radiating outward from Austin but has lower participation rates in other geographic regions of the state. Many small, rural communities do not take full advantage of the agency’s programs. This issue stems from multiple factors—namely a lack of awareness of available resources due to less regional outreach and localized concerns such as declining populations—resulting in increased needs but fewer resources to address them. There is not a strong correlation between population size and Main Street program success or failure, but smaller communities face unique economic challenges; communities with less than 2,000 residents are likely to have a very limited number of historic buildings, as well as limited overnight tourism and financial resources to support a full-time revitalization program. Further, local human resources may simply not be deep enough to provide the necessary volunteers for the program or for historic preservation in general. This is significant within a revitalizing community, as a critical mass of local stakeholder effort is necessary to gain positive momentum and to foster an environment where neighboring owners or businesses benefit from each other’s investments. These obstacles often result in the loss of unique historic buildings, which could

be mitigated with the broader, more general educational and organizational support offered by the proposed Associate Network.

At this time, no existing programs can fill this described need. The agency's Visionaries in Preservation (VIP) program previously served as an entry point for communities interested in learning about historic preservation initiatives by empowering local stakeholders to define their future in preservation through preservation planning and education. However, the program was eliminated in 2011, leaving a void in services for communities not currently participating in agency programs like Main Street or Certified Local Government. The Associate Network will offer a solution to both issues—the gap in Main Street service participation and the lack of an entry-level preservation guidance.

What are the anticipated outcomes or impacts of the program?

Communities participating in the Associate Network will increase their historic preservation knowledge and organizational capacity with curated services presented through the lens of Main Street's community revitalization approach. Through an Associate Network coordinator at the THC, the Associates will access the expertise of the TMSP staff and colleagues within the Main Street network for historic preservation education and general assistance in downtown design, promotion, organization, economic vitality. Assistance from staff other than the Associate Coordinator would be general or consultative in nature, provided from Austin, and limited in scope. Any detailed, on-site or involved services would be at the sole discretion of the agency.

Through network training, Associates will garner a greater understanding of available state and local resources, programs, and services appropriate for their historic preservation and downtown revitalization needs. A specific long-term goal will be to increase community participation in existing preservation programs including grant opportunities, the National Register of Historic Places, and the state historic preservation tax credit program. Increasing the number of traditional Main Streets through the Associate Network would be a goal for some communities, but not necessarily for cities that do not fit the core Main Street program requirements. We anticipate greater success for both new programs and communities seeking recertification, as the foundational support provided by the Associate Network will assist them in establishing their programs, identifying key stakeholders, and participating in other preservation-based programs and initiatives.

Texas Main Street staff will also develop networking and mentoring opportunities for Associate communities to share best practices and challenges within their specific region. This could take the form of regionally based training or workshops, possibly in partnership with other state and national agencies and similar mission-driven organizations. The Associate Network will also draw from and contribute to the knowledge of an Associate Network listserv. TMSP has an existing listserv for designated cities that is used daily by program leaders and staff to share news, ask questions, and brainstorm solutions to common problems; creating a similar listserv for the Associate communities will provide an immeasurably useful resource for participants to learn from each other and truly create a "network."

Associates will be encouraged to create building and business inventories to bolster local program management and historic preservation initiatives. This can be accomplished either through traditional modes or supported by the administrative functionality of DowntownTX.org software; it would be at the agency's discretion whether Associate programs are permitted to use the software strictly for its administrative functions or later be permitted to launch their "live" profiles to benefit from the promotion of investment opportunities. By supporting the collection of building inventories and downtown building records, the

agency can facilitate long-term goals such as of increasing the number of historic districts, designations, and general awareness of historic resources throughout the state.

TMSP staff have also recognized the Associate Network as an opportunity to benefit the agency itself. By collecting information and creating connections around the state, staff will acquire greater institutional knowledge to support their efforts, expand the scope of case studies, and better detect patterns in the preservation and economic problems facing our communities. Furthermore, staff have also identified the chance to gain a deeper understanding of Associate communities before they apply for the traditional Main Street Program, strengthening the program overall; although staff attempt to schedule site visits to communities to obtain more information than what may be presented in the application, participating in the Associate Network would allow TMSP to get a better sense of the challenges facing a community and Main Street's capacity to help before receiving an application.

When will the program demonstrate the above outcomes/impacts?

Participation in the various services and opportunities provided would be tracked through quarterly activity reports submitted to the Associate Network Coordinator; these reports are meant to be low-intensity, narrative descriptions of activities such as stakeholder meetings, building inventory work, or community volunteer efforts. Grant applications and awards, designations, and similar types of outcomes that are indicative of preservation progress would also be tracked over time. Participation and services would begin during the initial roll out and then be ongoing.

An abbreviated version of the proposed program implementation timeline is:

- **July 2021 – December 2021: Concept refinement & resource building**
 - Further develop the program and its offerings, including the curation of existing agency resources.
 - Identify potential pilot communities for staff to discuss the Network opportunity.
- **October 2021: Commission consideration of full, long-form proposal**
- **January 2022 – July 2022: Associate Network applications open; promotion of services; continued concept refinement and resource building in preparation for program.**
 - Publish the Associate Network Application, Services Menu, and other related documents to the agency website.
 - Coordinate with Communications to appropriately publicize and promote the new program.
- **August 2022 – December 2022: Review of Network applications, acceptance of pilot programs, and approval of pilot cities**
- **January 2023: First Associate cities join the Texas Associate Network**

What are the approximate resources needed to implement this program (money, staff time, etc.)?

It is anticipated that implementation of this initiative can be implemented with existing division resources in the first several years. The existing \$850,000 annual budget for the Texas Main Street Program, including some divisional overhead, can accommodate the proposed initiative. One full-time staff member is necessary to serve as the Associate Network Coordinator under the umbrella of the Texas Main Street Program with limited administrative operational support. At this time, we believe these responsibilities may be delegated to an existing, division, staff position.

Other TMSP staff would be called upon on a very limited basis, minimizing negative impacts on the existing program resources. Occasionally the assistance of other agency staff or outside partners may be necessary such as the division's heritage tourism staff, Texas Heritage Trail Regions, or partnering external organizations. Some funding would be necessary for travel to and within the region by the Associate coordinator or outside experts. Additional funds would be necessary to implement any training or networking within the region. The initiative would primarily leverage and repurpose select existing materials, trainings, and institutional knowledge of the current program.

Have you identified alternative revenue sources to fund the program (grants, fees, etc.)?

The Texas Government Code directs the agency to establish fees to assist in covering TMSP costs. It is appropriate to consider an annual fee for Associates. For context, designated Main Street Programs are assessed an annual fee of \$535 for cities less than 50,000 population or \$2,600 for urban communities larger than 50,000. Significantly, participating Main Streets must also fund their local program, including staff typically salaried between \$60,000- \$120,000 annually.

Associates will not be expected to have dedicated local staff nor devote the financial resources of a traditional, designated Main Street City. The Associate Network is not to be viewed as an equal substitute for the traditional Texas Main Street Program and existing programs will be discouraged or prevented from ceasing a traditional program to join the Associate Network. Given the limited local financial responsibilities for participating at the Associate level, the annual fee should at least be equal to, if not substantially greater than those fees of the TMSP to represent a commitment on the part of communities receiving assistance

Why is it important to do the program now?

Texas Main Street Program recently celebrated its 40th anniversary of operations. In light of this achievement, and with the addition of several new staff, TMSP has explored ways to broaden and strengthen the influence of the program while reevaluating our current services to better serve the people of Texas. Throughout 2020-21, staff created an entire suite of virtual-only service offerings and educational webinars to continue educating existing managers while supporting new managers whom staff could not meet face-to-face. After witnessing their efficacy and receiving positive feedback from the existing network, TMSP have identified virtual services and educational opportunities as an important asset to their toolkits and will continue to develop moving forward. These online resources and services are the foundation on which the Associate Network can be built with very little modification. In that vein, staff have successfully offered their full suite of services to all 88 of their communities entirely virtually in the past year; an Associate Network coordinator would be capable of extending a *limited* number of these already curated services to communities within the Associate Network and directing communities to other appropriate programs and preservation initiatives within the agency.

Beyond staff recognizing the need for broader community support and the recent creation of effective materials, an affiliate tier is specifically identified in the agency's 2021-2025 Strategic Plan. Based on the projected timeline outlined in this proposal, we must begin implementing the program soon to meet the August 2023 completion date issued in the plan.

TEXAS HISTORICAL COMMISSION

Item 12.2
Texas Historical Commission
Quarterly Meeting
July 26-27, 2021

Consider Approval of the Allocation of Available FY 2021 Certified Local Government Grant Funds

Background:

The THC annually assists local historic preservation programs of Certified Local Governments (CLGs) through the administration of subgrants funded by the Historic Preservation Fund (HPF) allocation of the National Park Service to the agency. The THC must set at least ten percent (10%) of this annual figure aside for distribution to the CLGs. In FY 2021, we received \$167,727 to allocate as subgrants.

At the February 2021 meeting, the Texas Historical Commission granted \$146,906.75 in regular grant funds to nine out of the eleven CLG applications received. This leaves approximately \$18,820.75 remaining in the required ten percent of distribution, which under federal requirements must be allocated by September 30, 2021 but can be expended in federal fiscal year 2022. Prior to commission action, projects were evaluated by an interdisciplinary committee of THC staff against established criteria, considering previous grant distribution, viability of proposed projects and coordination with statewide preservation goals and objectives. Due to these findings, the lowest scoring projects are not viable candidates for the remaining grant funds.

Allocation of FY2021 Grant Funds for Travel Stipends

Building on the success prior travel stipends, staff plans to notify all Texas CLGs in the fall of 2021 that travel stipends may be available to attend FORUM22 taking place in Cincinnati, Ohio July 13-17, 2022. All CLGs in good standing with the program will be eligible to apply and be evaluated by program staff. Individual funding recommendations will be brought to the Commission in 2022 for approval. In 2016 and 2018, the program awarded approximately \$19,700 and \$18,400 respectively in stipends so the remaining FY21 balance is similar.

The stipends will allow recipients to receive specific preservation training that will result in a widespread benefit for communities in the state. FORUM is the *only* national conference specifically for preservation commission members and staff. The conference offers an opportunity for commissioners, staff, and other experts from across the country to share information and best practices from preservation's front lines. Travel stipend grants will be implemented on a reimbursement basis with appropriate documentation required after the event and prior to receiving funds. Registration and attendance at FORUM22 is a requirement of the stipend.

Suggested motion:

Move to accept the allocation plan for remaining Fiscal Year 2021 Certified Local Government grant funds to be used for travel stipends to NAPC FORUM22 in Cincinnati, Ohio.

TEXAS HISTORICAL COMMISSION

Item 12.3

Texas Historical Commission
Quarterly Meeting
July 26-27, 2021

Consider approval of the biennial funding plan for the Texas Heritage Trails Program

Background:

The Texas Historical Commission (THC) is charged with promoting heritage tourism by assisting local governments, organizations, and individuals in the preservation, enhancement, and promotion of heritage and cultural attractions in the state. The program is required to include efforts to:

- Raise the standards of heritage and cultural attractions around the state
- Foster heritage preservation and education
- Encourage regional cooperation and promotion of heritage and cultural attractions
- Foster effective local tourism leadership and organizational skills

The Texas Heritage Trails Program has been the primary vehicle for providing heritage tourism leadership and assistance to the state. The 87th Texas Legislature appropriated \$1,000,000 each year of the FY 2022-23 biennium to support the Texas Heritage Trails Program (THTP).

In June 2020, the THC amended the previously approved biennial funding plan in response to the ongoing pandemic and the then unknown economic consequences. The amendment retained the same total amount of funding for each region but implemented other changes to provide reasonable, financial flexibility to the regions while maintaining appropriate agency oversight and expectations of deliverables and services provided by the regional nonprofits during the pandemic.

Staff recommends a funding plan similar to the first adopted FY2020-21 plan yet acknowledging that the economic recovery is still ongoing. The total \$81,500 maximum of state funds made available to each region will not change, however regional matching requirements will move closer to the originally adopted plan levels. The base amount provided to each region for their services will be \$60,000 rather than the pandemic-induced \$70,000 while the amount requiring a direct match will be increase from \$11,500 to \$21,500, keeping the total funding level unchanged. The proposed plan keeps the ratio of state funds to cash match to steady for the biennium at 2:1 to accommodate a still recovering travel and tourism industry as well the nonprofit sector.

There remains a reasonable expectation in the plan's design that each region will be able to achieve \$81,500 annually in state financial support.

More details are shown on the attached Amended Texas Heritage Trails Funding Plan for FY 2022-2023.

Suggested motion:

Move to approve the biennial funding plan for the Texas Heritage Trails Program for fiscal years 2022 and 2023.

Base Contract Amount

- The \$60,000 base amount per region will be distributed quarterly, \$15,000 on or about September 15; \$15,000 on or about December 15; \$15,000 on or about March 15; \$15,000 on or about June 15.

Additional Amount Eligible to be Earned Through Matching

- Each region is permitted to earn an additional \$21,500 annually by documenting allowable cash and in-kind matches from a variety of sources.
- Unclaimed portions of the match may be rolled over to the following fiscal year for the same region to request reimbursement at the discretion of the THC and only as permissible by any restrictions on appropriations. THC does not guarantee that unclaimed funds will be available to be claimed in subsequent years and regions leaving balances do so at their own risk.
- Regions are encouraged to cite the match requirement when soliciting local support.

Additional Amount Eligible to be Earned Through Cash Matching

- Cash will be matched at \$2 state funds for each documented \$1 from the region until the total additional \$21,500 is achieved by the region.
- Cash may be donations, memberships, payments for services or participation in projects, or other similar gross revenue approved by THC. Local match can come from both public and private sources including governmental entities, individuals, corporate etc. and may be local or regional in nature.
- Revenue earned by the Trails LLC during the period may be counted as cash match by LLC participants at the time it is earned.
 - LLC will need to report earnings attributed to each region periodically and the region will submit the documentation to THC in their match request.
- Regions with unusual revenue sources or unique arrangements may be evaluated to determine the appropriate matching method and calculation.
- Funds provided by THC may not be used for matching purposes.

Additional Amount Eligible to be Earned Through In-kind Matching

- Up to \$8,250 of in-kind support may be used as match at 1:1 ratio in lieu of cash revenue or other financial support. In-kind matching is not required, and a region may choose to claim the full maximum available via cash matching.
- Allowable in-kind expenses include donated goods or services as well as documented volunteer time or travel of board members and partners necessary to fulfill the region's mission.
- Maximum In-kind hourly rates may be set by THC and shall not exceed IRS or state limits.
- Goods or services provided by other THTP regions or that may otherwise have been funded by THC may not be utilized as match.

(continued)

Reimbursement Requests for Matching

- Requests for reimbursement based on regional matching may be submitted between September 1 and June 30 of the fiscal year. This cutoff is necessary for year-end processing at THC. However:
 - Funds or in-kind raised between July 1, 2021 and August 31, 2021 may be used as match in fiscal year 2022
 - Funds or in-kind raised between July 1, 2022 and August 31, 2022 may be used as match in fiscal year 2023
 - The same funds or in-kind may not be claimed as match for more than one fiscal year.
- Reimbursement may not be requested more frequently than monthly.
- Requests must be received by the first business day of the month to be paid the following month.
- Except for the final request of the year, requests shall not be for amounts less than \$1,000 in funds to be reimbursed.

Other Funding Requirements

- Regions must expend the state funds and any required local match to provide heritage tourism services. No more than 20 percent of the combined state funds may be carried over from year to year or otherwise held in reserve without agency approval.
- Financial penalties may be imposed upon a region for non-performance, including for non-compliance with reporting requirements.