

HISTORIC COURTHOUSE PRESERVATION



AN ISSUE BRIEF FROM LEGISLATIVE BUDGET BOARD STAFF

ID: 3117

JULY 2016

OBJECTIVE

The Texas Historical Commission oversees the Texas Historical Courthouse Preservation Program that provides matching grant funding to local governments for preservation of their historic courthouses.

KEY FACTS

- ◆ Since 1999, the courthouse preservation program has provided \$251.7 million in grant funding to preserve 91 historic county courthouses.
- ◆ All grant funding awarded must be matched by the receiving local government with at least 15.0 percent of the overall project cost for a construction grant and 33.0 percent for a planning grant. Emergency grants require a match of at least 50.0 percent of the total project cost.

BUDGETARY IMPACT

During the 2016–17 biennium, \$20.0 million in General Revenue Funds were appropriated for the courthouse preservation program.

The Texas Historical Commission also carried forward approximately \$0.4 million in unexpended balances from the previous biennia.

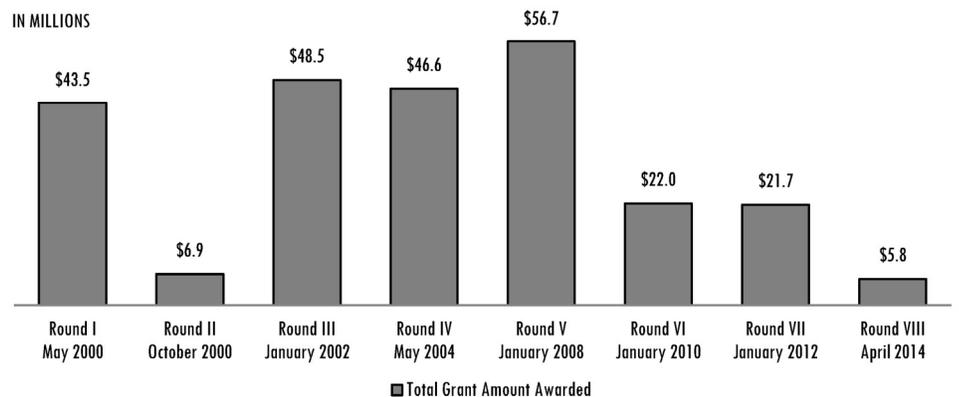
STATUTORY REFERENCE

The Texas Government Code, Section 442.0081

In 1998, the National Trust for Historic Preservation added Texas courthouses to its list of America's Most Endangered Places. One year later, the Legislature established the Texas Historical Courthouse Preservation Program within the Texas Historical Commission (THC). The purpose of the courthouse preservation program is to provide matching grants to local governments throughout Texas that present a need to restore or preserve their historic county courthouses. For purposes of the program, a county's courthouse is classified as historic if it is at least 50 years old and serves or has served as the county courthouse.

The courthouse preservation program was originally funded during the 2000–01 biennium (the first biennium available for funding) and the 2002–03 biennium with appropriations from General Revenue Funds. In subsequent biennia, the agency has been appropriated General Obligation Bond Proceeds to continue the grant funding. Since the inception of the courthouse preservation program, THC has awarded \$251.7 million during eight rounds (or funding cycles) of grant awards. **Figure 1** shows grant funding awarded by round from 2000 to 2014. In the 2016–17 biennium, the program has returned to being funded with General Revenue Funds, with an appropriation of \$20.0 million for grant funding. Round IX recipients and awards were approved by THC commissioners in April 2016.

FIGURE 1
TOTAL GRANT AWARDS, FISCAL YEARS 2000 TO 2014



SOURCE: Texas Historical Commission.

TYPES OF GRANTS AWARDED

The courthouse preservation program offers matching reimbursement grants to counties and municipalities for their historic county courthouse projects in the form of planning grants, construction grants, and emergency grants. Construction grants, for major construction activity, are awarded for approximately 85.0 percent of the total project cost when locally matched by at least 15.0 percent of the total project cost. Applicants seeking a planning grant to prepare construction documents for these major projects are required to provide a local

match of at least 33.0 percent of the project costs. Emergency grants are for projects that address critical needs and issues endangering the buildings or occupants. If an emergency grant is requested, a higher local match of approximately 50.0 percent is required. Additionally, the grant requested by each applicant may not exceed a cumulative total of \$6.0 million. Funds remaining from a previously awarded grant are recaptured when the actual project cost is less than the budgeted cost. THC may award supplemental construction and emergency grant funding to existing grantees for unanticipated costs that arise during the course of the project.

MASTER PRESERVATION PLANS

In order to participate in the program and be considered for a grant, counties must first submit to THC a courthouse master preservation plan. Master plans are broad planning documents intended to assess and guide the effects of a proposed treatment or construction-related capital project on the existing courthouses. Each plan includes: a historic context for the courthouse; a narrative of the physical changes made to the courthouse; a description of the current condition of the courthouse; the space needs for the courthouse; recommendations for the rehabilitation of the building, including cost estimates; a phased plan for the entire project; and a schedule for regular building maintenance.

An applicant’s master plan must be approved before it is eligible to participate in the program and request grant funding. After a master plan has been approved, unless major changes to the master plan have occurred, an applicant does not have to submit a new master plan for future grant rounds. As of January 31, 2016, THC has approved 131 master plans.

APPLICATION PROCESS

Before grants are awarded for each funding cycle, THC establishes a timeline and application requirements for the upcoming grant round. Potential applicants are notified of the upcoming grant cycle through a call for applications, which is disseminated to local governments.

New applicants have an opportunity to submit a master plan for review and approval, if not already approved. Applicants may also submit construction or planning documents for review and approval. THC notifies applicants if their master plans are approved and whether they are eligible to apply for courthouse preservation grants. Any applicant with an approved master plan may submit an application for grant funding. THC reviews the applications according to established scoring criteria and, after a public hearing on the applications, awards grants. Major items required to be submitted with an application for a courthouse preservation grant include general courthouse information, including: when it was

constructed; the dates of any major modifications to the building; current functions of the courthouse; any historical designation the building may have; and photographic documentation of the courthouse. Other required information includes a project description and projected results of the completed project, a funding request with estimated expenditure projections, and evidence of local support. **Figure 2** shows information regarding allowable expenses in accordance with the courthouse preservation grant funding program.

**FIGURE 2
ALLOWABLE EXPENSES FOR HISTORIC COURTHOUSE PRESERVATION GRANTS
2016–17 BIENNIUM**

ELIGIBLE EXPENSES	INELIGIBLE EXPENSES
<ul style="list-style-type: none"> • Plans and specifications • Hazardous materials testing • Building permits • Builder’s risk insurance • Contractor’s overhead and profit • Construction management services • Consultant’s reports • Demolition • Payments to contractors for work performed on the approval scope • Other expenses for building preservation work approved by the Texas Historical Commission • Professional fees and costs associated with the development of the program 	<ul style="list-style-type: none"> • Master plan preparation • Grant application expenses • Temporary or permanent relocation expenses • Loan financing costs • Office equipment and furnishings • Work in nonhistoric additions • Landscaping • Window treatments

SOURCE: Texas Historical Commission.

USEFUL REFERENCES

Texas Historic Courthouse Preservation:
www.thc.state.tx.us/preserve/projects-and-programs/texas-historic-courthouse-preservation/about

CONTACT

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