

*Texas Historical Commission
Self-Evaluation Report*



September 2017

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Texas Historical Commission Self-Evaluation Report

I. Agency Contact Information

Texas Historical Commission Exhibit 1: Agency Contacts				
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Table 1 Exhibit 1 Agency Contacts

II. Key Functions and Performance

Provide the following information about the overall operations of your agency. More detailed information about individual programs will be requested in a later section.

A. Provide an overview of your agency's mission, objectives, and key functions.

The Texas Historical Commission (THC) is the state agency for historic preservation. Our mission is to protect and preserve the state's unique historic and prehistoric resources for the use, education, enjoyment and economic benefit of present and future generations. Professional staff members consult with citizens and organizations to preserve Texas' architectural, archeological and cultural landmarks. The THC also serves as the State Historic Preservation Office (SHPO) as required by the National Historic Preservation Act of 1966, as amended.

The THC follows the guiding principle that historic preservation is important to the quality of life and economic well-being of every Texan and that these benefits should be accessible to all. We work to empower local organizations and the public to understand and use available preservation tools. From revitalizing downtowns and restoring courthouses to discovering historic shipwrecks and promoting heritage tourism, the THC has a lasting role in creating economic opportunities for communities, promoting an appreciation for history and educating people of every age.

In 2011, the THC published [Preservation Connection: Texas' Statewide Historic Preservation Plan](#), a comprehensive road map for preservation efforts throughout the state. This statewide plan is a 10-year planning document that describes the cultural and historic fabric of the state, defines critical challenges facing preservation across Texas, develops a long-term vision for preservation, and articulates eight goals that guide activities of the THC and preservationists throughout the state. The plan was updated in 2016 to reflect the state's progress. The goals are as follows:

- **Goal 1: Survey and Online Inventory**—Texans undertake a comprehensive survey of the state’s diverse historic and cultural resources resulting in a publicly accessible online inventory.
- **Goal 2: Emphasize Cultural Landscapes**—Communities are active in the identification, protection, and interpretation of cultural landscapes.
- **Goal 3: Implement Policies and Incentives**—Cities, counties, the state, federal agencies and tribes implement preservation policies and incentives to effectively protect historic and cultural assets.
- **Goal 4: Leverage Economic Development Tools**—Communities leverage preservation-based and traditional economic development tools to revitalize historic areas.
- **Goal 5: Learn and Experience History through Place**—Texas residents and guests of all ages learn and experience the state’s diverse history through formal education, recreation, and everyday interactions with historic places.
- **Goal 6: Connect Preservation to Related Fields**—We connect and integrate preservation into related fields and activities, building a broader, stronger, and more diverse community.
- **Goal 7: Cultivate Political Commitment**—We cultivate political commitment for historic preservation at the state and local level.
- **Goal 8: Build Capacity of Preservation Community**—The existing preservation community develops its organizational capacity to strengthen and expand preservation skills.

The THC’s key functions closely match how we organize our internal structure and deliver services, as well as our strategies outlined in THC’s Strategic Plan. These key functions are:

- **Architectural Assistance:** Protects Texas’ diverse architectural heritage by providing technical assistance for the responsible rehabilitation and preservation of properties. This function is managed by the Division of Architecture.
- **Archeological Heritage Protection:** Protects Texas’ diverse archeological heritage through state and federally mandated cultural resource reviews, historic property management programs, volunteer efforts, and public outreach. This function is managed by the Archeology Division.
- **Courthouse Preservation:** Provides financial and technical assistance through the Texas Historic Courthouse Preservation Program for critical county courthouse preservation projects. THCPP is administered under the Division of Architecture and for the purposes of this report is described under that section.
- **Historic Sites:** Provides interpretive experiences to a wide audience of Texans and visitors at 22 state historic sites. This function is managed by the Historic Sites Division.
- **Development Assistance:** Provides technical assistance to public, private, and nonprofit entities to encourage the process of preservation, development, and revitalization of Main Street cities, promotion and development of heritage tourism, Certified Local Governments, and other local and regional heritage initiatives. This function is managed by the Community Heritage Development Division.

- **Evaluate and Interpret Resources:** Provides information, programs, and services to private, public and nonprofit constituents for the identification, evaluation, preservation, and interpretation of historic resources. This function is managed by the History Programs Division.
- **Indirect Administration:** Serves the entire agency and preservation public through effective leadership, planning and management; public information and education; and staff services. This function is managed by Administration, Public Information and Education, and Staff Services Divisions.

B. Do each of your key functions continue to serve a clear and ongoing objective? Explain why each of these functions is still needed. What harm would come from no longer performing these functions?

The THC's key functions continue to serve a clear and ongoing objective. From heritage tourism to historic tax credits, to restoring our iconic historic courthouses, to main street revitalization, the agency supports efforts in communities great and small to preserve their authentic character while reaping the enormous economic benefits that historic preservation offers. Significant growth in public visitation and support for THC's 22 state historic sites attracts statewide, national, and international travelers who spend money and create jobs in rural and urban communities throughout Texas. Whether driving economic benefits to our communities or mandated by state or federal legislation, our functions are as vital today as when they were created.

All of the agency's key functions advance the primary goal of **identifying, preserving, and interpreting historic and archeological resources**. As mandated by the National Historic Preservation Act of 1966 as amended, the THC as the State Historic Preservation Officer (SHPO) is required to:

- Survey and inventory historic resources
- Nominate significant historic resources to the National Register of Historic Places
- Identify and mitigate resources potentially affected by federally controlled projects
- Facilitate the federal Historic Preservation Tax Incentive program
- Foster historic preservation programs at the local level
- Prepare and implement a comprehensive statewide preservation plan
- Provide public information, education, training, and technical assistance in historic preservation
- Provide funds to the public for preservation activities

Our key functions are directly aligned with the requirements of the National Historic Preservation Act (NHPA). **Archeological Heritage Protection** manages Section 106 for projects affecting archeological resources and provides extensive outreach, education and training to local and regional archeologists. **Architectural Assistance** manages Section 106 for architectural resources, facilitates the Historic Preservation Tax Incentive program, provides training and technical assistance to the public, and provides important funds to the public for the preservation of endangered county courthouses. **Development Assistance** fosters preservation at the local level and provides education, training, and technical assistance in historic preservation. **Evaluate and Interpret Resources** determines eligibility for Section 106, coordinates survey efforts and maintains an inventory of historic resources in the state, and nominates historic resources to the National Register. The **Texas Preservation Trust Fund** provides critical funding to the public for preservation projects. **Indirect Administration** facilitates the preparation and distribution of the statewide preservation plan and provides important preservation information to the public through our Public Information and Education Division.

These functions serve as the foundation for all SHPOs nationwide and for a unified national historic preservation effort. By not performing these baseline functions, the THC would jeopardize our standing with the National Park Service and Secretary of the Interior, along with our annual allocation from the Historic Preservation Fund, which in FY 2016 equaled \$1,162,651. Texas consistently ranks among the nation's top five recipients of funds due in large part to demonstrated program performance.

In many respects, our state mandate is parallel to our federal responsibilities. Just as the federal government has to rely on each state to carry out a cohesive and structured preservation program, we rely on regions, counties, communities, and volunteers to accomplish fundamental preservation activities at the local level in Texas. The Texas Government Code, Chapter 442, directs the THC to provide leadership and coordinate services in the field of historic preservation. We do this by providing a solid infrastructure of preservation services mandated by our enabling statute, in order to build the capacity of communities and groups so they in turn can drive successful preservation efforts locally. The skill set that we reinforce includes building effective leadership and diverse networks, a local plan for preservation, knowledge of the tools for preservation, and access to resources both within and outside of the THC. The THC fills a critical gap in the state by infusing our services with these local capacity building skills.

The THC Historic Sites Division is positioning the agency's 22 state historic sites as unique heritage destinations. Visitors forge a direct connection with Texas mystique, as these heritage sites facilitate a direct connection with the human triumphs and tragedies of the past. As the THC has completed major capital projects, established new programming, and marketed these destinations, the numbers have visitors have substantially increased. Each site holds a place of esteem in the communities they serve, and helps define local character and sense of place.

The Texas Main Street Program and the Texas Heritage Trails Program, two programs under the Development Assistance function, and the Texas Historic Courthouse Preservation Program under the Courthouse Preservation function, have generated significant economic benefits for the state. Since their inception through 2015, these functions have resulted in a cumulative direct impact on the Texas economy of \$5.7 billion and over 136,000 jobs for Texans. These programs take endangered historic resources—courthouses, downtown commercial buildings, and local historic sites — and facilitate not only their preservation, but their role as vital assets and catalysts for the revitalization of communities.

THC's History Programs Division partners with County Historical Commissions, museums, cemetery associations, educational institutions, local governments, state and federal agencies, and others to identify, evaluate and interpret Texas' unique and significant historic resources. The Division helps establish, compose language for, and erect state historical markers. It designates historic cemeteries. The Division also works with the Texas Department of Transportation (TxDOT) and local communities to share the unique stories of Texas' historic highways. All of these functions implement and advance programs that preserve Texas' rich heritage.

The Texas Natural Resources Code, Title 9, Chapter 191, names the THC as custodian of all cultural resources, historic and prehistoric, within the public domain of the state. As Texas continues to grow in population, and the need for new development and infrastructure increases, our mandate by the state to identify, preserve and interpret historic and archeological resources becomes more relevant. Without the permit process to investigate resources affected by state or local government actions performed by our Archeology Division and Division of Architecture, our historic and archeological sites could be permanently harmed.

Texas has an estimated one million archeological sites representing 12,000 years of human occupation. More than 90 percent of these sites are located on private land. Because the state's landowners must play a significant role in conserving sites on their property, the THC has implemented the annual Texas

Archeology Month, which builds local awareness about cultural resources in Texas. The THC has developed a strong network of archeological stewards to help survey and inventory archeological sites, and also to raise awareness of vandalism and looting of sites. Thousands of sites are damaged or destroyed by archeological looting each year. Once these artifacts are destroyed, their story is gone forever.

C. What evidence can your agency provide to show your overall effectiveness and efficiency in meeting your objectives?

We rigorously employ performance measures, regularly assess the economic impact of our programs, evaluate our educational effectiveness with the general public, and monitor our ability to provide our constituents with financial resources for local preservation projects.

We meet our primary objective of resource identification, preservation and interpretation by utilizing performance measures. These numbers illustrate workload quantity, but do not take into account project size and complexity. The nature of the federal and state programs that Archeology, Architecture, and History Programs Division staff manage requires us to respond to projects brought forward, including federal and state review, federal and state historic preservation tax incentives, National Register nominations, and state designations. The volume of these projects fluctuates depending on the economy, the undertaking of projects that initiate Section 106 and Antiquities Code review, and the public's desire to acknowledge and rehabilitate historic resources.

In recent years, THC staff have:

- Reviewed more than 22,000 projects for Section 106 in FY 2016
- Conducted 98 percent of federal and state archeology reviews in less than 30 days in fiscal years 2015 and 2016 respectively
- Facilitated 25 nominations to the National Register of Historic Places, resulting in 190 properties being listed in FY 2016; facilitated 28 nominations resulting in 108 properties being listed in FY 2015
- Contributed to the designation of 1,220 properties in Texas in FY 2015 and 2,540 in FY 2016
- Assisted constituents with 2,118 architectural properties in fiscal year 2016 and 2,538 in fiscal year 2015

The effectiveness of the agency's programs extends beyond the historic resources identified or designated. Historic preservation has a measurably positive impact on the local and state economy:

- The University of Texas at Austin and Rutgers University estimate that the total annual economic impact of historic preservation activity in Texas is \$4.6 billion, and supports nearly 80,000 Texas jobs each year
- The Texas Main Street Program has generated more than \$2 billion in private reinvestment in Texas downtowns and neighborhood commercial districts, creating more than 37,000 jobs, and establishing more than 9,000 new businesses
- From the beginning of the program on January 1, 2015, through August 2017, staff reviewed 205 proposed projects for the Texas Historic Preservation Tax Credit program. Total construction costs exceeded \$2.45 billion
- The Texas Historic Courthouse Preservation Program has generated more than \$240 million in local direct and indirect expenditures from participating counties, over 10,600 jobs, an estimated \$555 million in income generated, and \$681 million in gross state product

To continue this positive economic impact of historic preservation, we must mobilize, educate and train the public about its various tools and benefits. THC staff has proven their effectiveness in training and educating the public through a number of avenues, including significant volunteer participation across programs and wide-reaching communication and outreach efforts:

- Archeology staff trained nearly 18,000 individuals in archeological preservation in FY 2015 and 2016. These public outreach endeavors resulted in 2,546 volunteer-directed archeology projects and over \$547,000 (FY 2015) and \$592,000 (FY 2016) in in-kind volunteer hours donated
- County historical commissions reports documented 383,250 volunteer hours for the 2014 year of service and 482,205 volunteer hours for the 2015 year of service
- Volunteers in local Main Street programs contributed more than 83,000 hours to help revitalize their districts in FY 2017, a value of more than \$2 million
- Since its launch in 2014, the agency's monthly email newsletter has grown to more than 15,000 subscribers
- In 2016, the total publicity value for THC stories placed in Texas newspapers was approximately \$20 million, reaching an average of 7 million media consumers each month
- Our web site received approximately 800,000 visitors in 2016
- *The Medallion*, the THC's free quarterly magazine, now reaches nearly 17,000 people via subscription and digital access

Our constituents require not only knowledge and tools, but also financial resources for successful historic preservation efforts. The THC is an important source of funds for preservation projects. In each case, THC requires a monetary or in-kind local match, making the investment in preservation go that much further:

- The Texas Preservation Trust Fund has awarded over \$5.6 million in matching grants for a broad array of preservation projects since 1997
- The Texas Historic Courthouse Preservation Program has granted 93 counties over \$270 million for courthouse planning and restoration work since 1999
- The Certified Local Government Program has awarded nearly \$3.1 million in direct grants to local projects since 1986

D. Does your agency's enabling law continue to correctly reflect your mission, objectives, and approach to performing your functions?

The THC's enabling laws continue to reflect our mission, objectives, and approach to performing our functions. We have recommended changes to the Legislature in various sessions since our last Sunset cycle, including in the recent 85th regular legislative session, that clarified our statutory directives and responsibilities. The Legislature also made significant changes and additions to our enabling laws at the conclusion of our last Sunset review in 2007 (see Question E below).

E. Have you recommended changes to the Legislature in the past to improve your agency's operations? If so, explain. Were the changes adopted?

Specific legislative changes requested and adopted since the 2005 THC Sunset self-evaluation include:

2017

- An increase in the number of THC commissioners from 9 to 15, which addresses concerns about

geographic diversity. The amendment also addressed THC recommendations regarding the need for three commissioners to have expertise in history, archeology, and preservation architecture. [2017, SB763; 2013, SB283 reduced the THC from 17 to 9 commissioners, phased downsizing concluding 2-1-2017; 2007, HB12 repealed requirements regarding commissioners with expertise in three subject-matter areas]

- New state funding for the Texas Heritage Trails Program. Prior funding for field operations, travel guides, websites, mobile apps, etc., was through TxDOT federal transportation enhancement grants before Congress changed allowable uses. In fiscal 2017 the Governor's Office of Economic Development and Tourism provided bridge funding for Heritage Trails Program field operations. [2017, SB1]
- A museum fund was established for the National Museum of the Pacific War State Historic Site administered by the THC but allowing fund management by the Admiral Nimitz Foundation, the THC's non-profit, private-sector operating partner. [2017, HB1492]
- Human burial protections strengthened with additional safeguards for land-owner rights, land-owner notifications, and clarifying definitions added within existing law. [2017, SB1630]
- As requested by the Texas Facilities Commission in its 2018-2019 Legislative Appropriations Request, the French Legation State Historic Site in Austin transferred to the THC. [2017, HB3810]

2007-2015

- THC Sunset reauthorization enacted; 18 historic sites transferred from Texas Parks and Wildlife Department to the THC, leading to creation of a Historic Sites Division within the THC with 20 sites (now 22); six percent of Sporting Goods Sales Tax allocated to the THC; rulemaking authority enacted for acceptance of additional historic sites, fees, sites volunteers, an affiliated non-profit, historical markers, use of technology, alternative dispute resolution; and related amendments. [2007, HB12] 1
- Human burial protections improved in existing laws dealing with prehistoric interments (archeology), cemeteries, and historic cemeteries. [2009, HB2927]
- Additional authorities enacted regarding management of historic sites by THC; access to criminal history records for employment and hiring purposes; acquisition of sites; sale, lease or exchange of land, contracting, concessions, fees, grazing rights; various conforming amendments to Parks and Wildlife Code and to THC's Section 442, Government Code. [2011, SB1518]

Specific legislative changes adopted without request since 2007:

- State Preservation Board and Texas Historical Commission authority related to the Governor's Mansion is clarified to ensure historical and architectural integrity. [2009, SB2307]
- The Texas Holocaust and Genocide Commission, created and directed to educate Texans about related events working with schools and institutions of higher education, was administratively attached to the THC. [2009, SB482]
- Enactment of a Historic Highways Program and subsequent amendments. [2009, HB2642, HB2644; 2011, HB1499, HB1866; 2013, HB3070; 2015, HB978, HB3868; 2017, HB2079, SB928]
- Alamo legislation consolidates responsibility for state operation and oversight in the General

1. HB 1, the General Appropriations Act, in 2007 appropriated \$34,000,000 for restoration and improvements work on the 18 state historic sites transferred to the THC in H.B. 12 referenced above. Subject to authority granted under HB 12, the THC voted January 29, 2016, to accept transfer of the now Mission Dolores State Historic Site as requested by Senator Robert Nichols and Representative Trent Ashby on behalf of the City of San Augustine.

Land Office; GLO requests that the THC continue advisory role on issues including preservation and structural integrity of the chapel, long barrack, and other historic structures as well as archeology on the grounds. [2011, HB3726]

- Tax Code amended to create state historic tax credit; credit taken against Franchise Tax owed after the THC certifies (a) the building historic and (b) that restoration work conforms to national standards; credit 25 percent of eligible expenses; credit transferrable. Amendments in subsequent Legislatures allow use of historic tax credit by non-profits and state universities (university eligibility sunsets 1-1-2022) and credit may also be taken against Insurance Premium Tax owed. [2013, HB500, Section 14; 2015, HB3230; 2017, SB550, HB1003, Sections 8 and 10]
- Texas Historic Courthouse Preservation Program statutes were amended to make former county courthouses owned by municipalities eligible for grant funding. [2013, HB3674]

Other legislative actions impacting the THC since 2007:

- Along with severe budget reductions to THC in 2011, HB1 eliminated 47 of 221 FTE, profoundly impacting agency customer service in a state that today has two million additional residents. The 2018-2019 THC budget of \$67,951,747 represents half of the \$135,747,598 in 2008-2009 (per THC bill pattern, HB1 GAA, 6-2007). Excluding the \$34,000,000 2007 one-time appropriation noted earlier for improvements to transferred historic sites, the THC remains at 66.8 percent of 2008-2009 appropriations. Not including FTE associated with the administratively attached Holocaust and Genocide Commission or the Comptroller-driven CAPPs system, THC's FTE total remains below the level of 10 years earlier at 216.2. The Legislative actions detailed above list some of the significant additional charges and responsibilities enacted since those budget and FTE reductions in 2011, reductions effectively requiring elimination of only one THC program.

See also Texas Preservation Trust Fund in Section VII. Guide to Agency Programs.

F. Do any of your agency's functions overlap or duplicate those of another state or federal agency? Explain if, and why, each of your key functions is most appropriately placed within your agency. How do you ensure against duplication with other related agencies?

The THC's key functions do not overlap or duplicate those of other state or federal agencies. Where mutual efforts and cooperation are both appropriate and beneficial, THC has developed memoranda of agreements to ensure clear relationships with partner agencies and organizations.

THC's key functions include:

- **Architectural Assistance:** Protect Texas' diverse architectural heritage by providing technical assistance for the responsible rehabilitation and preservation of properties.
- **Archeological Heritage Protection:** Protect Texas' diverse archeological heritage through state and federally mandated cultural resource reviews, historic property management programs, volunteer efforts, and public outreach.
- **Courthouse Preservation:** Provide financial and technical assistance through the Texas Historic Courthouse Preservation Program for critical county courthouse preservation projects.
- **Historic Sites:** Provide interpretive experiences to a wide audience of Texans and visitors at 22 state historic sites.

- **Development Assistance:** Provide technical assistance to public, private, and nonprofit entities to encourage the process of preservation and revitalization of Main Street cities, promotion and development of heritage tourism, Certified Local Governments, and other local and regional heritage initiatives.
- **Evaluate and Interpret Resources:** Provide information, programs, and services to private, public, and nonprofit constituents for the identification, evaluation, preservation, and interpretation of historic resources.
- **Indirect Administration:** Serves the entire agency and the preservation public through effective leadership, planning, and management; public information and education; human resources and information technology support, and staff services.

A portion of the agency's funding comes from the National Historic Preservation Fund to administer national preservation laws and regulations. Therefore, the agency has developed a strong working relationship with the National Park Service, the Advisory Council on Historic Preservation and other federal agencies.

At the state level, the agency maintains a strong network of contacts among numerous agencies. We work closely with staff from the Texas Department of Transportation (TxDOT) to protect archeological resources, research significant properties and prepare archeological and other types of reports for Section 106 review. Agencies that manage public lands (such as Texas Parks and Wildlife, the General Land Office and TxDOT) have signed memoranda of agreements with the THC to ensure that prehistoric and historic resources on their lands are protected. An interagency council composed of representatives from the Office of the Governor, Economic Development and Tourism; Texas Department of Agriculture, Office of Rural Affairs, Governor's Office of Budget and Policy; and the Legislative Budget Board meets annually to assess applications for participation in the Texas Main Street Program. A memorandum of understanding between the THC; Office of the Governor, Economic Development and Tourism; TxDOT; the Texas Commission on the Arts; and, Texas Parks and Wildlife Department has been developed to promote tourism across the state. We strive to develop close working relationships with as many state agencies as possible so that resources may be shared, overlaps eliminated and the level of service improved for all Texans.

As detailed in Question E, a significant addition to the THC since the last agency Sunset Self-Evaluation was creation of the Historic Sites Division upon legislative transfer of an additional 18 sites from the Texas Parks and Wildlife Department (TPWD) effective January 1, 2008. The National Museum of the Pacific War State Historic Site in Fredericksburg was transferred to THC from TPWD by legislative action in 2005 and the agency was previously operating the Sam Rayburn House site in Bonham. Subsequent state historic sites recently transferred to the THC include Mission Dolores State Historic Site and the French Legation.

The THC and TPWD have a close working relationship. TPWD maintains a number of historic sites within its Parks Division all of which are State Antiquities Landmarks, the highest level of historic designation under Texas law. The San Jacinto Battleground and Battleship Texas are also National Historic Landmarks while all but two of 16 TPWD historic sites are on the National Register of Historic Places. With overall responsibility deferred to TPWD, historic designations under state and federal law require that the THC review projects at those sites. The statutory State Archeologist, on THC staff, consults with TPWD equivalent staff on projects that may impact the San Jacinto Battleground and other significant archeological resources maintained by the State Parks Division while buildings and other above ground historic TPWD resources may be subject to review by other THC staff.

G. In general, how do other states carry out similar functions?

Other states carry out historic preservation functions in similar ways to the THC. All states are required to carry out basic functions outlined in the National Historic Preservation Act of 1966, such as the National Register of Historic Places, the federal historic preservation tax incentives, Section 106, Certified Local Government, and preservation planning activities.

Most states have laws protecting historic and cultural resources that trigger review of development projects on public or private land that their historic preservation agency administers. Most states also have a register of landmarks or historic places that allow individuals and entities to nominate sites—some designations come with a measure of protection. Several states have preservation tax incentive legislation that the SHPO administers.

To varying degrees and levels, state preservation agencies also manage Main Street programs, heritage tourism programs, preservation education and outreach, as well as operate historic properties and museums and provide museum services.

H. What key obstacles impair your agency's ability to achieve its objectives?

Lack of a Statewide Survey

The THC's biggest obstacle is the lack of basic information about historic resources throughout the state. A thorough inventory of historic and prehistoric assets is a fundamental element of any effective preservation program. A survey is the first step in most of our programs, including federal and state mandated reviews, and economic development programs. Having a comprehensive inventory of historic resources and a mechanism to continually maintain and update information, would allow us, along with many federal, state and local agencies and organizations that engage in cultural resource activities, to work more efficiently and effectively. Our current inventory contains more than 280,000 sites in Texas. However, with more than 90 percent of archeological resources located on private land, and the state being so vast and growing at such a rapid rate, there are large gaps of information about existing resources. We currently have little to no information on historic assets in over 70 percent of Texas counties.

Lack of Public Awareness

Another obstacle we face is the public's lack of awareness of historic preservation as a proven economic catalyst, and Texas residents' lack of awareness of in-state authentic, quality heritage destinations and experiences. Historic preservation is a powerful economic development tool that has resulted in billions of dollars reinvested directly into local communities and the Texas economy. For rural communities, the Texas Main Street Program, the Texas Heritage Trails Program and the Texas Historic Courthouse Preservation Program are critical initiatives for bringing people, business and money into their economies. It is important for us to look into directing resources towards promoting our many programs, especially over the internet, where communities can learn about and access these tools for economic development. Fundamental to the success of these programs, we must promote the state's historic assets to resident Texan travelers. Heritage travelers in Texas spend nearly \$2.26 billion annually on heritage-related activities and account for more than 10 percent of the state's travel activity. This travel segment alone supports more than 54,000 Texas jobs each year. Heritage tourists spend \$175 per person daily which is \$30 more than non-heritage travelers. The THC is the premier source for heritage travel information and the web is an important portal for promoting quality heritage experiences and destinations to both Texans and non-Texans alike. We must also secure alternative media outlets including newspaper, radio and magazine, for promoting heritage destinations to our in-state travel

constituents. Yet the agency has virtually no marketing budget and struggles to maintain heritage tourism-related websites and to keep travel publications in print. The 4% budget reduction in the 2017 legislative session, combined with the “contract cost containment” reduction, eliminated the agency’s ability to address these needs using state funds.

Changing Technology

Although THC has made significant progress in reducing the technology gap that existed during the last Sunset review in 2007, THC’s challenge is to continue our progress in improving our technology infrastructure and systems capabilities. This is essential in order to: promote the state’s historic travel destinations; improve electronic or digital file storage as a means of streamlining our functions and simplifying our services to the public; modernize and centralize archival data storage and retrieval; continue enhancements to THC’s Atlas historical information database; and finally, to implement customer service improvements through expanded on-line interactive forms and web services.

Lack of Financial and Staff Resources

Although technology improvements have been made, increased demand for services continues to challenge existing staff resources. The state’s population growth has increased 20% since 2005. Historic preservation programs across the state are directly tied to the economy and are impacted by changes in population, income, employment, and increased local tax revenue. While a strong economy is good for preservation as a whole, it also means an increased demand for programs and services. Private property owners are more likely to reinvest in historic buildings; therefore, more design services, financing tools, and funding sources are needed. Economic development programs and historic preservation-based tax incentive programs also experience higher participation levels when the economy is growing. As the state’s population continues to trend toward major cities, areas containing previously undisturbed archeological and historic resources are targeted for growth and new development, which increases the demand for regulatory reviews and may mobilize local advocacy groups depending on the resource at risk. This population migration also results in intense pressure on low density historic resources which increases demand for THC assistance. With 50 years being the test for historical significance, more and more properties are becoming historic every year.

<p>I. Discuss any changes that could impact your agency's key functions in the future (e.g., changes in federal law or outstanding court cases).</p>

Several issues at the federal level have the potential to impact the agency’s key functions in the future.

- The current administration has announced an intention to make significant investments in the nation’s infrastructure. Such investments will likely require state review under Section 106 of the National Historic Preservation Act and the State Antiquities Code to ensure that the state’s interests are being addressed. THC is the state agency with responsibility for carrying out those reviews.
- The possibility of construction of a border wall along the Rio Grande River continues to be discussed. Again, that project could require state review under Section 106 and the State Antiquities Code, and that review would be carried out by the THC.
- The current administration has expressed an interest in expanding the nation’s use of coal fuels. Such projects can have an effect on prehistoric cultural resources, and could require state review under Section 106 or the State Antiquities Code.
- Federal agencies have been directed to consider revision of their administrative rules. The Federal Communications Commission has already suggested that, as part of their rules review, states

should no longer have the authority to consider the effect of their projects on historic resources. Other agencies could follow suit, resulting in the loss of historic and prehistoric resources across Texas.

- Congress is considering amendments to the federal Historic Preservation Tax Credit that would facilitate the rehabilitation of smaller projects in rural communities. Adoption of those amendments would inspire additional preservation activity across the state, and bring attention to the state's franchise tax credit.
- Congress is also considering elimination of the federal Historic Preservation Tax Credit. The success of the recently added state preservation tax credit is directly connected to the availability of the federal credit, and loss of the federal credit would result in the decrease in the number of historic property rehabilitation projects in Texas.

J. What are your agency's biggest opportunities for improvement in the future?

Communicating the Economic Impact of Historic Preservation

Historic preservation is an economic engine for Texas that creates jobs, fosters heritage tourism, instills community pride, stabilizes and increases property values, and contributes a sense of identity to our towns, cities and rural areas. All of the programs of the THC help drive economic value in the state, whether through advancing heritage tourism, rehabilitating properties, or facilitating downtown and neighborhood revitalization. Using historic preservation as a mechanism for sustainable and community-based economic development is a tremendous opportunity for the state's rural and urban communities alike, and emphasizing this as a tool and educating communities about its potential is perhaps the THC's biggest opportunity for improvement.

The public may not understand that historic preservation dictates that the THC function as an agency with a statewide construction focus, repurposing 50+ year-old historic buildings with positive results including community economic development and multi-billion dollar private-sector job creation.

State and county construction spending through the Texas Historic Courthouse Preservation Program over the past 18 years now totals more than \$500,000,000 on 93 projects in small towns and big cities alike. Since 1981, the Texas Main Street program boasts a combined downtown investment in roughly 175 communities and neighborhoods nearing \$5.3 billion, with the private sector shouldering most of those costs. Restoration work and new construction at THC's 22 state historic sites has totaled nearly \$50 million since 2005. The Texas Preservation Trust Fund continues to provide seed money to help save important historic resources.

In 2013 the Legislature created an invaluable new preservation tool with the Texas Historic Preservation Tax Credit program which utilizes the franchise tax and mirrors a similar 1976 federal corporate income tax credit. A franchise tax credit of 25 percent of eligible restoration costs, the state credit is transferrable to an entity with tax liabilities. The two credits combined offer private sector developers in Texas a potential 45 percent tax credit against eligible costs of restoration of designated historic commercial buildings.

Since its January 1, 2015, implementation of the state tax credit program, the THC has processed 273 determinations of eligibility (Part A- Evaluation of Significance) for potential tax credit projects and reviewed 205 architectural proposals (Part B- Description of Rehabilitation) with estimated construction

costs of more than \$2.45 billion. Two-thirds of the state program applicants intend to use both the state and federal tax credit programs.

As of August 2017, 67 completed state tax credit projects have been certified by the THC with credit-eligible rehabilitation costs exceeding \$532 million and actual construction costs of more than \$742 million. Subsequent legislative actions have expanded the tax credit to include buildings owned by non-profits and state institutions of higher education, and allow credits to be applied against the insurance premium tax in addition to franchise tax. The THC imposes fees on the applicant owners and developers to address agency costs of administering the state tax credit program.

Endorsing another THC economic development effort, the Legislature in 2017 provided important funding as the Texas Heritage Trails Program transitions from federal transportation enhancement grants to state support. The product of a five-agency travel promotion legislative directive in 1999, the Trails use www.TexasTimeTravel.com to reach the mobile devices of history-oriented tourists, working closely with the Office of the Governor, Economic Development and Tourism and the Texas Travel Industry Association.

Heritage tourism in Texas is a 10.5 percent segment of a \$69.2 billion (in 2016) market. The Trails feature state and local history as well as local attractions, events, and celebrations to pull travelers through more than 1,100 cities and towns. The 10 Heritage Trail regions, each with an independent board, annually leverage thousands of volunteer hours in that pursuit and a survey conducted by the University of Texas at Austin and Rutgers University in 2015 suggests that participation in the program increases visitation and revenues by about 13.9 percent.

Now contributing to national and international tourism, La Belle at the Bullock State History Museum is an achievement attributable to the archeology division of the THC. Removed from the sands of Matagorda Bay in 1997, the more than 200 timbers of the hull were sealed and cured at an A&M lab in the world's largest custom-built freeze drier, paid for—among many project elements—by Friends of the THC fundraising efforts.

The reassembled hull was moved into final position in the Museum—a building literally designed around the Belle—in May 2015, 20 years after discovery. One architect of that museum plan was namesake Lt. Gov. Bob Bullock, a devoted fan and benefactor of Texas history who never forgot his 1963-1964 service as a Commissioner of the THC. With no international statute of limitations on ownership of military vessels, the Belle project also became the subject of a separate treaty negotiated with France by the U.S. Department of State working with the Texas Secretary of State on behalf of the THC. La Belle further supports state heritage tourism efforts with thousands of artifacts, among 2,000,000 in total, on display in seven La Salle Odyssey museums from Bay City to Corpus Christi along the Texas coastal bend.

It is essential that the THC play a stronger role in highlighting these economic benefits to communities throughout the state, as well as positioning our services so that the public can easily understand and access them.

Equipping and Empowering Local Governments

Several of the THC's programs focus attention on empowering local governments to initiate and manage their own historic preservation programs. There are three primary programs sharing this goal: County Historical Commissions (CHCs), Certified Local Governments (CLGs), and the Texas Main Street Program (TMSP).

The THC has an important partner in county historical commissions for advancing historic preservation efforts at the local level. Provided for by the Texas Local Government Code and part of the county

government structure, CHCs are required to review and recommend marker applications to the THC. They can also carry out local surveys, monitor designated properties, and educate their county about preservation issues and methods. Several CHCs are models for their activity and partnership with THC services; others struggle with their responsibilities and lack a broad and representative membership. Working to create knowledgeable and engaged CHCs whose members represent diverse populations and interests throughout each county is a big opportunity for improvement. We realize that if we strengthen this structure for preservation at the local level, every program and service we offer will be more effective, and we will enhance our ability to reach greater numbers of our constituents.

The Certified Local Government Program is a local, state and federal government partnership for historic preservation. It is designed to help cities and counties develop high standards for preservation to protect both individual landmarks and districts. The program helps the officials design, implement, and maintain their local program to meet their own specific and unique challenges. The CLG program places a heavy emphasis on supporting local communities and their residents. It helps them foster an alliance among designated representatives, community leaders, and elected officials by providing technical and financial assistance through participation in the federal Historic Preservation Fund grants-in-aid program.

The Texas Main Street Program revitalizes Texas' historic downtowns and neighborhood commercial districts through economic development and historic preservation. The vast majority of Texas programs are official bodies of the municipality while a few are non-profit partners of the local government. The THC guides local participants in creating priorities, including the recruitment of managers, stakeholders, and volunteers. The program provides free architectural and graphic design services to help local organizations and businesses with logo and sign development, retail merchandizing, conceptual design for building improvements, accessibility compliance, environmental sustainability, and preservation assistance. Texas Program staff work with the cities in community and preservation planning as well as small business development, recruitment, and retention. In many of the targeted communities and local governments, there is no local and accessible expertise to substitute for the agency's assistance.

Online Capabilities to Streamline Service Delivery

With the state's population growing at a rapid rate, continued technology improvements are key to reaching out to a broader public and streamlining our programs. The THC is committed to the idea of "digital government" where the public can submit forms and paperwork electronically and directly into a central database, staff can review and communicate complex development projects via email and the web, and we can streamline service delivery through on-line toolkits and tutorials. THC has continued to focus on development of on-line, web-based systems that afford employee access across different division program areas and facilities, and allows customers to submit information on-line, such as eTRAC, THC's web-based on-line section 106 review system. THC staff across four divisions created this online submission system for project reviews which provides a platform in which federal, state, and local partners can submit projects online and receive electronic responses. This cuts down on time and printing costs for both the applicants and THC staff. The THC launched a beta version of the system in 2016 with a full rollout in 2017. Staff provide training, online guidance, and direct support to anyone new to the system. Over the next few years, the THC hopes to increase use of eTRAC and other similar digital tools. We have also initiated a series of online tutorials for customers in several program areas, and this effort should be expanded.

K. In the following chart, provide information regarding your agency's key performance measures included in your appropriations bill pattern, including outcome, input, efficiency, and explanatory measures.

Texas Historical Commission			
Exhibit 2: Key Performance Measures for Fiscal Year 2016			
Key Performance Measures	FY 2016 Target	FY 2016 Actual Performance	FY 2016 % of Annual Target
Outcome Measures			
Number of Properties Designated Annually	2,403	3,042	126.59%
Number of Individuals Provided Training and Assistance in Historic and Archeological Preservation	41,045	48,207	117.45%
Output Measures			
A.1.1 Number of Historic Properties Provided Technical Assistance, Monitoring, and Mandated State and/or Federal Architectural Reviews in Order to Encourage Preservation	3,250	2,118	65.17%
A.1.2 Number of Construction Projects Reviewed for Archeological Impact	4,500	4,674	103.87%
A.2.1 Number of Properties and Sites Assisted	950	2,142	225.47%
A.3.1 Number of Sites, Properties, and Other Historical Resources Evaluated	7,600	5,578	73.39%

Table 2 Exhibit 2 Key Performance Measures

L. Please discuss any “high-value” data your agency possesses, as defined by Section 2054.1265 of the Government Code. In addition, please note whether your agency has posted those data sets on publicly available websites as required by statute.

The Atlas is an online database of more than 400,000 historic and archeological site records documenting Texas history. The Atlas was designed primarily as a planning tool for projects regulated under the Texas Antiquities Code and Section 106 of the National Historic Preservation Act. To satisfy the amateur history browser as well as the serious researcher, the database is freely accessible to the public, with additional information available to specialized users through a login interface. The Historic Sites Atlas provides multiple search interfaces to data on Texas Historical Markers, National Register properties, historic county courthouses, museums, historic surveys, historic highways, historic sawmills, military sites, cemeteries, and, soon, historic trails. Access to archeological site data is available only to registered users. The site provides users with maps of site locations. The data are updated continually.

III. History and Major Events

Provide a timeline of your agency's history, and key events, including:

- X the date your agency was established;**
- X the original purpose and responsibilities of your agency;**
- X major changes in responsibilities or statutory authority;**
- X changes to your policymaking body's name or composition;**
- X significant changes in state/federal legislation, mandates, or funding;**
- X significant state/federal litigation that specifically affects your agency's operations; and**
- X key changes in your agency's organization (e.g., a major reorganization of the agency's divisions or program areas).**

Texas Historical Commission History

- | | |
|---------|--|
| 1876 | Texas State Constitution authorizes the Texas Legislature to “make appropriations for preserving and perpetuating memorials of the history of Texas.” |
| 1933–40 | Organizers of the state's centennial celebration cooperates with federal New Deal programs to restore historic buildings and erect markers around the state. |
| 1953 | The Legislature creates the Texas State Historical Survey Committee to oversee state historical programs. |
| 1956 | County historical survey committees are created to carry out preservation work at the local level in Texas. |
| 1962 | The first marker of the Official Texas Historical Marker program placed at Camp Ford in Tyler. |
| 1963 | The Legislature expands the mandate of the Survey Committee with legal authority to preserve and protect the heritage of Texas. |
| 1966 | The U.S. Congress passes the National Historic Preservation Act to ensure protection of the nation's prehistoric and historic resources, and the governor assigned the Survey Committee to administer provisions of the act for Texas. |
| 1969 | The Legislature passes the Antiquities Code of Texas to protect all cultural resources, historic and prehistoric, within the public domain of the state, and the Texas Antiquities Committee was established as the sister agency to the Survey Committee to administer this Code. |
| 1969 | The Office of the State Archeologist transfers to the Survey Committee to establish a statewide archeological program. |
| | The Survey Committee establishes the Museum Services Department to assist small history museums in preserving and interpreting local history. |

- 1969 The Legislature grants the endangered 1856 Carrington-Covert House, 1883 Gethsemane Lutheran Church and 1940 Luther Hall to the Survey Committee, and all three buildings are renovated to house agency offices.
- 1971 The Legislature grants the Bonham home of Sam Rayburn to the Survey Committee to preserve and manage as a public museum.
- The agency completes the restoration of Gethsemane Lutheran Church.
- 1973 The Legislature revises the agency's enabling statute to give it additional protective powers and expand its leadership role and educational responsibilities, and officially changes its name to the Texas Historical Commission (THC).
- 1975 After an extensive restoration and construction of a visitor center, the Sam Rayburn House Museum opens to the public.
- 1976 Congress adopts the federal Historic Preservation Tax Credit, administered in Texas by the THC.
- 1980 An amendment to the National Historic Preservation Act creates the Certified Local Government Program, administered by the THC for the state of Texas.
- 1981 The THC creates the Texas Main Street Program, affiliated with the National Trust for Historic Preservation, to assist communities with downtown revitalization.
- 1986 The THC plays an instrumental role in the state's celebration of Texas' Sesquicentennial.
- 1989 Oversight authority for the Governor's Mansion is granted by the Legislature to the THC.
- The Legislature creates the Texas Preservation Trust Fund to enable the THC to accept donations and grants for the preservation of significant historic properties and sites.
- The THC initiates Los Caminos del Rio Heritage Project, a bi-national heritage tourism and conservation program.
- 1994 The Legislature awards \$2.5 million in Intermodal Surface Transportation Enhancement Act (ISTEA) funding to the THC for special agency projects such as the Texas Historic Sites Atlas, marker survey and repair and Texas courthouse projects.
- 1995 The THC discovers the La Salle shipwreck off the Texas coast and a special appropriation of \$1.7 million is awarded to the agency to support the costs of the shipwreck recovery. Private sector donations for the project total an additional \$2.3 million.
- 1997 An electrical fire at the Sam Rayburn House Museum, the only historic structure administered by the THC outside of Austin at the time, causes extensive structural and smoke damage.

- The 75th Legislature provides funding for the THC to implement a cemetery preservation program.
- 1998 The agency undergoes a major reorganization to streamline services and improve customer outreach.
- The historic Gethsemane Church opens as the agency library.
- The Texas Forts Trail Region launches in San Angelo, the first of 10 regions in the new Texas Heritage Trails Program, a regional tourism initiative of the THC.
- 1999 The 76th Legislature appropriates \$50 million to the THC for restoration of historic county courthouses.
- The THC releases the brochure *African Americans in Texas: Historical and Cultural Legacies* as part of the THC's heritage tourism and education efforts.
- Curtis Tunnell, THC executive director since 1982, retires and is succeeded by F. Lawrence Oaks.
- The THC and its partner organizations complete a comprehensive study of the economic impact of historic preservation in Texas.
- The THC holds 23 public meetings across Texas to discover the "State of the State of Preservation."
- The Texas Independence Trail Region launches as the second heritage trail region, and the THC produces a travel brochure highlighting historic sites within the region.
- 2000 The THC releases the *Texas Cultural Heritage Plan*, a report containing recommendations for improvement of 42 state-owned historic sites.
- The Texas Forest Trail Region selected as the third heritage trail region.
- 2001 The THC conducts regional workshops in six areas of the state to address preservation needs and deliver agency services more efficiently to communities.
- The Historic Texas Lands Plaque program is initiated to recognize landowners who preserve archeological sites on their property.
- Shackelford County rededicates its courthouse as the first completed restoration in the Texas Historic Courthouse Preservation Program.
- 2002 The THC publishes *Preserving our Heritage: A Statewide Plan for Texas*, a statewide comprehensive preservation plan that includes a vision for historic preservation in Texas, goals, objectives and strategies.
- The THC publishes the Chisholm Trail brochure.
- The THC receives \$4.3 million from the Transportation Equity Act for the 21st Century (TEA-21) through the Texas Department of Transportation to continue the

Texas Heritage Trails Program.

The THC selects the Texas Lakes Trail Region and the Texas Brazos Trail Region as the fourth and fifth heritage trail regions.

2003 The THC celebrates its 50th anniversary with events across the state.

The Legislature appropriates \$45 million to the Texas Historic Courthouse Preservation Program to preserve courthouses around the state.

The Texas Plains Trail Region launches as the sixth heritage trail region.

The La Salle Odyssey Trail opens, consisting of a network of seven museums along the central Texas coast that tell the story of La Salle's attempt to establish a French colony in Texas.

The THC restores the historic sites survey program and starts the Historic Endangered Landmarks Program, later administered by Preservation Texas.

2004 First Lady Laura Bush announces the *Preserve America* program and the city of Castroville is one of the first communities in the country to receive the award.

A human skeleton from *La Belle*, La Salle's 17th-century ship, is buried in the Texas State Cemetery.

The THC selects the Texas Mountain Trail Region as the seventh heritage trail region.

2005 President George W. Bush awards the Texas Heritage Trails Program, an initiative designed to promote tourism to historical and cultural sites, the *Preserve America* Presidential Award.

The THC selects the Texas Tropical Trail Region, the Texas Pecos Trail Region and the Texas Hill Country Trail Region as the eighth, ninth and tenth heritage trail regions.

The 79th Legislature earmarks \$80 million of federal Transportation Enhancement Program funding for county courthouse preservation.

The 79th Legislature makes significant changes to the state cemetery law by introducing a means for removal of cemetery dedication and increased penalties for desecration of a cemetery.

2007 The 80th Legislature transfers 18 state historic sites from Texas Parks and Wildlife Department to the THC and approves a \$34 million bond program to invest in improvements to the historic sites.

The *Heritage Tourism Guidebook* released to assist communities and sites with developing, improving, and promoting their heritage for economic benefit.

2008 The THC mobilizes services to Galveston and other Gulf communities impacted by Hurricane Ike.

President George W. Bush awards the Texas Historic Courthouse Preservation Program the *Preserve America* Presidential Award.

THC staff respond to the June fire at the Texas Governor's Mansion, coordinating with the State Preservation Board in the immediate aftermath to assist in the recovery and emergency stabilization of the landmark.

2009 F. Lawrence Oaks, THC executive director since 1999, retires and is succeeded by Mark Wolfe.

The 81st Legislature creates a State Historic Highways Program and a Bankhead Highway Program for the THC and Texas Department of Transportation to develop in partnership.

Restoration and improvement projects begin at state historic sites managed by the THC.

The Texas Legislature creates the Texas Holocaust and Genocide Commission and attaches it administratively to the THC.

The Legislature extensively amends statutes to further protect historic and prehistoric burials and assign responsibility to agencies including the THC.

The agency works with the State Preservation Board to reach a resolution on plans for the restoration and addition to the Governor's Mansion after extensive fire damage to the mansion.

2010 The THC receives a \$1 million appropriation of federal stimulus money to enable the restoration of the Presidio San Saba in Menard.

The THC launches the Texas Hill Country Region travel brochure, the final brochure in a series of 10 heritage trail regions, and revises *African Americans in Texas: A Lasting Legacy* as part of the THC's heritage tourism and education efforts.

The Texas Archeological Stewardship Network (TASN) named as an official *Preserve America* Steward. This prestigious designation recognizes programs that have demonstrated a successful use of volunteer time and commitment in order to help care for the country's cultural and natural heritage.

2011 The 82nd Texas Legislature reduces the budget of the THC by 50 percent, resulting in the loss of 47 staff positions.

The Texas Preservation Trust Fund grants, small museum support grants, and heritage tourism partnership grants suspended as a result of budget reductions.

The THC publishes *Preservation Connection: Texas' Statewide Preservation Plan*, web-based plan that includes the vision, goals, and outcomes for historic preservation in Texas.

The THC launches www.texastimetravel.com as the traveler portal to the Texas Heritage Trails Program and the state's heritage sites.

The THC's Cemetery Preservation service, RIP (Record, Investigate, Protect) Guardian Program, named as an official *Preserve America* Steward. This prestigious designation recognizes programs that have demonstrated a successful use of volunteer time and commitment in order to help care for the country's cultural and national heritage.

- 2012 The THC suspends the Annual Historic Preservation Conference due to funding shortfalls.
- The agency completes 44 capital projects at state historic sites, including restoration and maintenance of historic buildings, new or improved visitor centers and maintenance facilities, and interpretive exhibits.
- The Tejano Monument on the Capitol Grounds completed and unveiled.
- The agency launches various social media channels.
- 2013 The THC reintroduces the Texas Treasure Business Award first established by the legislature in 2005. Over 120 of the state's independent businesses receive the award in this year to recognize more than 50 years of serving Texas citizens.
- Texas Department of Transportation awards THC \$1 million of transportation enhancement funds towards the continuation of the Texas Heritage Trails and the Texas Historic Highways programs.
- The THC launches its latest website, the fourth for the agency. It includes integration of social media and opportunities for user feedback and online donations to the Friends of the Texas Historical Commission.
- The 83rd Legislature adopts a new credit against the franchise tax for qualified historic rehabilitation projects and assigns oversight for technical review to the THC.
- Texas Legislature adopts phased reduction in the number of THC Commissioners from 17 to 9 members.
- The THC conducts a two-year Cold War oral history series.
- The THC begins implementation of the Courthouse Square Initiative which later becomes the Town Square Initiative in affiliation with the Texas Main Street Program.
- 2014 The agency launches its e-newsletter.

The THC and TxDOT execute a contract using federal transportation enhancement funds to develop a context for and survey historic resources along the Meridian Highway in Texas, to develop a plan for signage for the Historic Highways program, and to continue several elements of the agency's Heritage Tourism Program.

Hull timbers of La Belle transported from Texas A&M University's Conservation Research Laboratory (CRL) to the Bullock Texas State History Museum. The timbers are reconstructed as part of a special, temporary exhibit at the museum and the hull moves to the first floor gallery in May 2015.

The statewide *Texas Heritage Travel Guide* launches to promote travel and tourism to historic communities and attractions across Texas and throughout the ten Texas Heritage Trail Regions.

2015 Three parcels containing the subsurface remains of the Old Socorro mission site transfer to the THC by TxDOT, in accordance with an interagency alternative mitigation agreement.

The THC participates in the state's first *Preserve America* Youth Summit.

The Texas Preservation Trust Fund resumes making grants.

Hispanic Texans: Journey from Empire to Democracy, a guide for heritage travelers, released in both English and Spanish language versions.

The University of Texas at Austin and Rutgers University partner to complete the *Economic Impact of Historic Preservation in Texas; Update 2015* that documents \$4.6 billion of annual impacts from Texas historic preservation and agency programs.

2016 Mission Dolores Historic Site transfers to the THC.

Governor Abbott designates the THC as the lead state agency to commemorate the American WWI centennial.

The THC hires two new positions dedicated to youth education.

Real Places Heritage Travel Conference held with Governor Greg Abbott providing the keynote.

Texas Time Travel Tours mobile tour platform launches to complement other digital and print tourism products.

2017 The 85th Legislature increases the number of THC Commissioners from 9 to 15.

The Legislature also transfers the French Legation to the THC.

The 85th Legislature adds the charge of developing the Texas Music History Trail and the Tom Lea Trail for heritage tourism promotion to the agency.

www.DowntownTX.org launches to showcase historic downtown properties available for reinvestment in Texas Main Street and Certified Local Government communities. The site also provides unique tools for local communities to manage their downtown buildings while providing statewide data on historic revitalization.

The Chisholm Trail: Exploring the Folklore and Legacy, a guide for heritage travelers is released in conjunction with the historic cattle trail's 150th Anniversary.

IV. Policymaking Structure

A. Complete the following chart providing information on your policymaking body members.

Texas Historical Commission			
Exhibit 3: Policymaking Body (i.e. the Commission)			
Member Name	Term/ Appointment Dates/ Appointed by Governor	Qualification (e.g., public member, industry representative)	City
Mr. John Liston Nau, III, Chairman	05/11/15-02/01/21	Public member	Houston
Mr. John W. Crain, Vice-Chair	09/03/13-02/01/19	Public member	Dallas
Mr. Gilbert E. "Pete" Peterson, Secretary	09/03/13-02/01/19	Public member	Alpine
Mr. Earl Broussard, Jr.	03/09/11-02/01/23	Public member	Austin
Mrs. Monica P. Burdette	10/31/16-02/01/21	Public member	Rockport
Chief Justice Wallace B. Jefferson	05/11/15-02/01/19	Public member	Austin
Ms. Cathy McKnight	03/15/17-02/01/23	Public member	Dallas
Mr. Tom Perini	03/09/11-02/01/21	Public member	Buffalo Gap
Mrs. Daisy White	03/09/11-02/01/23	Public member	College Station

Table 3 Exhibit 3 Policy Making Body

B. Describe the primary role and responsibilities of your policymaking body.

The primary role of the commission is to establish policies for the operation and administration of the agency. The commission's responsibilities include:

- Proposing and adopting policy and rules
- Appointing Advisory Boards such as the State Board of Review and Antiquities Advisory Board
- Approving the Legislative Appropriations Request, agency strategic plan, and the biennial agency internal operating budget
- Working with the executive director and staff to develop and update the agency strategic plan
- Advocacy with the Legislature for agency budget and programs
- Approving the federally mandated statewide preservation plan
- Hiring, evaluating, terminating and setting the salary of the executive director
- Accepting gifts and grants
- Approving or removing state historic designations and markers
- Designating Texas Main Street Cities
- Awarding Courthouse Program Grants, Certified Local Government Grants and all other grants
- Selecting winners of various agency awards
- Approving curatorial facilities to hold state-associated held-in-trust collections

- Approving purchase of historic items and collections through the Texas Historic Artifacts Program and their placement in curatorial or agency facilities

C. How is the chair selected?

The chair of the commission is appointed by the governor.

D. List any special circumstances or unique features about your policymaking body or its responsibilities.

The commission is composed of 15 members appointed by the governor with the advice and consent of the senate. One member should have expertise in archeology, preferably as a professional archeologist, one should have expertise in history, preferably as a professional historian, and one should have expertise in architecture, preferably as a professional architect who is licensed in this state and has expertise in historic preservation and architectural history. The remaining members must represent the public.

E. In general, how often does your policymaking body meet? How many times did it meet in FY 2016? In FY 2017?

The commission is required to meet once every quarter of the calendar year. In fiscal year 2016 the commissioners met four times; in FY 2017 they met four times.

F. What type of training do members of your agency's policymaking body receive?

New commissioners are required to complete, and existing members are encouraged to attend, a training program that covers the following information:

- Enabling legislation of agency
- Programs operated by the THC
- The role and function of the commission
- The rules of the commission
- The current budget and most recent formal audit
- Open Meetings Law, Open Records Law and Administrative Procedure Law
- Conflict of interest laws and other laws related to public officials
- Ethics policies adopted by the THC or Texas Ethics Commission
- Contracting

The THC hosts program specific trainings and annual regional workshops that present a variety of topics related to the field of historic preservation. Although not required, commissioners are encouraged to attend these educational sessions to advance their knowledge of preservation tools and issues, as well as network with the preservation public.

G. Does your agency have policies that describe the respective roles of the policymaking body and agency staff in running the agency? If so, describe these policies.

Yes. The agency follows policies outlined in “Division of Powers and Duties between the Commissioners and Staff.” These policies set forth the roles and responsibilities of the executive director and commission, and outlines appropriate methods and mechanisms for communication between the commissioners and staff. Specifically, the policies define the executive director as the chief administrative officer and manager of the day-to-day operations of the agency, and the commission as the policymaker for the operation and administration of the agency. These policies identify the committee system of the commission as the primary forum for constructive discussion of agency programs, effectiveness, and changes — for clarification purposes and not operational control of the programs. Commissioners are directed to communicate input on operational concerns, local issues, or staff presentation/travel requests to the chairman, executive director or deputy director, and not directly to staff. This ensures that instruction and advice to the staff will be consistent; that they can be directed and evaluated in accordance with their appropriate roles, and that requests advance the stated goals of the agency. These policies specifically outline the powers and duties reserved to the full commission, executive committee, chairman and executive director. In addition, charters defining the authority of each committee were adopted by the commission in July 2017.

H. What information is regularly presented to your policymaking body to keep them informed of your agency's performance?

At each quarterly meeting, staff members report the activities, performance measures, issues and accomplishments of the programs of the agency. This information is presented both in writing and through oral presentation within the committee structure, with highlights to the full commission. The Finance and Government Relations Committee reviews the budget, financial report, strategic plan and any completed audits each quarter.

I. How does your policymaking body obtain input from the public regarding issues under the jurisdiction of the agency? How is this input incorporated into the operations of your agency?

In addition to reviewing formal written testimony, the commission reserves time at each meeting to receive public comment. Each person who would like to give testimony must fill out a form with their contact information and topic they would like to address. The commission gives public testimony consideration prior to making decisions. Quarterly meetings are held in publicly-accessible locations across the state in an effort to engage interested parties throughout Texas.

Input from the public is an important factor in the operations of the agency. The agency is proactive in requesting feedback from the public through annual customer service surveys, surveys regarding priorities for the statewide plan, and focus groups and interviews that help the agency assess preservation needs and opportunities at the local and regional level. Results from these public involvement tools are presented to the commission and impact policy direction where appropriate.

J. If your policymaking body uses subcommittees or advisory committees to carry out its duties, fill in the following chart.

Texas Historical Commission Exhibit 4: Subcommittees and Advisory Committees			
Name of Subcommittee or Advisory Committee	Size/Composition/How are members appointed?	Purpose/Duties	Legal Basis for Committee
Antiquities Advisory Board (Advisory)	10 members that include three members of the commission appointed by the chair; a representative from the Texas Archeological Society and the Council of Texas Archeologists who are nominated in consultation between the THC and the organization, a state agency archeologist who is nominated in consultation between state agencies that employ archeologists and the THC, two historians nominated by the THC from the discipline of Texas history, and two historic architects nominated by the THC, in consultation with the Texas Society of Architects, from the discipline of historic architecture.	Recommends State Antiquities Landmark designations and non-adjudicative issues or disputes specifically related to Antiquities Code and associated permitting issues.	Required by Texas Administrative Code, Title 13, Part 2, Chapter 26
Archeology (Subcommittee)	At least three members who shall be appointed by the Chair of the Commission from the members of the Commission. The committee shall have a Chair and a Vice-Chair, also appointed by the Chair of the Commission, whose terms shall run at the pleasure of the Commission Chair	The Archeology Committee of the Texas Historical Commission shall have responsibility for making recommendations to the Commission for: <ul style="list-style-type: none"> • Certification and re-certification of facilities under the Curatorial Facility Certification Program • Award of the Historic Texas Lands Plaque • Acceptance of properties into the Texas Historic Land Banking Program • Adoption, amendment, or elimination of administrative rules applicable to program areas under the committee's authority In addition, the Committee may advise the Commission on any matter relating to the identification, protection, and preservation of Texas' irreplaceable archeological heritage.	

Name of Subcommittee or Advisory Committee	Size/Composition/How are members appointed?	Purpose/Duties	Legal Basis for Committee
<p>Architecture (Subcommittee)</p>	<p>At least three members who shall be appointed by the Chair of the Commission from the members of the Commission. The Committee shall have a Chair and a Vice-Chair, also appointed by the Chair of the Commission, whose terms shall run at the pleasure of the Commission Chair.</p>	<p>The Architecture Committee of the Texas Historical Commission shall have responsibility for making recommendations to the Commission for:</p> <ul style="list-style-type: none"> • Grant awards for the Texas Historic Courthouse Preservation Program • Grant awards for the Texas Preservation Trust Fund Program • Appointment of members of the Texas Preservation Trust Fund Advisory Committee • Recapture of funds and/or awarding supplemental funding for previously awarded courthouse grant projects • Adoption, amendment, or elimination of administrative rules applicable to program areas under the committee’s authority <p>In addition, the Committee may advise the Commission on any matter relating to the preservation and protection of our state’s architectural heritage.</p>	
<p>Community Heritage Development (Subcommittee)</p>	<p>At least three members who shall be appointed by the Chair of the Commission from the members of the Commission. The Committee shall have a Chair and a Vice-Chair, also appointed by the Chair of the Commission, whose terms shall run at the pleasure of the Commission Chair.</p>	<p>Makes recommendations to the Commission for:</p> <ul style="list-style-type: none"> • Approval of applications for communities to participate in the Main Street program • Award of grant funds to Certified Local Governments from the agency’s federal appropriation • Adoption, amendment, or elimination of administrative rules applicable to program areas under the committee’s authority <p>In addition, the Committee may advise the Commission on any matter relating to the revitalization of historic areas, stimulation of heritage tourism, and encouragement for economic development using preservation strategies, through the implementation of any of the programs listed above.</p>	

Name of Subcommittee or Advisory Committee	Size/Composition/How are members appointed?	Purpose/Duties	Legal Basis for Committee
Executive (Subcommittee)	Consists of the Commission Chair, Vice-Chair, Secretary, and immediate past Chair, as well as other members of the Commission appointed by the Chair. The Chair and Vice-Chair of the Commission shall serve in those same positions on the Committee.	<p>Makes recommendations to the Commission for:</p> <ul style="list-style-type: none"> • Adoption of the agency’s Legislative Appropriations Request • Approval of the agency’s state-mandated biennial Strategic Plan • Approval of the federally-mandated Statewide Historic Preservation Plan • Appointments to the Antiquities Advisory Board • Hiring, evaluating, terminating and setting the salary of the agency’s Executive Director • Selecting recipients for the Governor’s Award for Historic Preservation • Acquiring and disposing of interests in real property • Defining the relationship of the agency and Commission with any affiliated nonprofit “Friends” organization • Recommending a nominee for appointment as Texas State Historian by the Governor <p>In addition, the Committee may advise the Commission on any matter relating to the operation of the agency.</p> <p>Has the authority to conduct the business of the Commission when action must be taken prior to the next regularly scheduled meeting of the Commission and may act on behalf of the full Commission with its advance approval, or such action may be placed on the agenda of the next meeting of the Commission for ratification.</p>	

Name of Subcommittee or Advisory Committee	Size/Composition/How are members appointed?	Purpose/Duties	Legal Basis for Committee
Finance and Government Relations (Subcommittee)	Members consist of the Commission Chair, Vice-Chair, Secretary, and immediate past Chair, as well as other members of the Commission appointed by the Chair. The Chair and Vice-Chair of the Commission shall serve in those same positions on the Committee.	<p>Makes recommendations to the Commission for:</p> <ul style="list-style-type: none"> • Approval of the agency budget • Acceptance of gifts or grants • Establishing fees for agency services • Approving amendments to contracts entered into by the agency after June 14, 2013 when the amendment extends/postpones the completion of the original contract length for 6 months or more or increases the original contract amount by 10 percent or more • Hiring an external auditor and approving any external or internal audit reports <p>In addition, the Committee may advise the Commission on any matter relating to the agency activities listed above.</p>	
History Programs (Subcommittee)	At least three members who shall be appointed by the Chair of the Commission from the members of the Commission. The Committee shall have a Chair and a Vice-Chair, also appointed by the Chair of the Commission, whose terms shall run at the pleasure of the Commission Chair.	<p>Makes recommendations to the Commission for:</p> <ul style="list-style-type: none"> • Approval of applications for State Historical Markers including those designating Recorded Texas Historic Landmarks and certifying Historic Texas Cemeteries • Approval of the annual work plan for the State Historical Marker program • Appointment of qualified individuals to serve on the State Board of Review • Recipients of awards from the agency's annual awards program • Adoption, amendment, or elimination of administrative rules applicable to program areas under the committee's authority <p>In addition, the Committee may advise the Commission on any matter relating to the identification, evaluation, designation, and interpretation of the historic and cultural resources of Texas through any of the programs listed above.</p>	

Name of Subcommittee or Advisory Committee	Size/Composition/How are members appointed?	Purpose/Duties	Legal Basis for Committee
Historic Sites (Subcommittee)	At least three members who shall be appointed by the Chair of the Commission from the members of the Commission. The Committee shall have a Chair and a Vice-Chair, also appointed by the Chair of the Commission, whose terms shall run at the pleasure of the Commission Chair.	<p>Makes recommendations to the Commission for:</p> <ul style="list-style-type: none"> • Acquisition of additional properties for incorporation into the agency’s historic sites program, or disposition of same • Actions related to the agency’s curatorial collections and associated storage facilities, including items on the agency’s inventory as part of the Texas Governor’s Mansion collection • Actions related to donor recognition at state historic sites • Actions affecting attendance and revenue generation at state historic sites • Actions related to commemorative or philanthropic naming of state historic site facilities • Adoption, amendment, or elimination of administrative rules applicable to program areas under the committee’s authority <p>In addition, the Committee may advise the Commission on any matter relating to the preservation and operation of the agency’s state historic sites.</p>	
Nominating (Subcommittee)	Three members who shall be appointed by the Chair of the Commission from the members of the Commission at the last quarterly meeting of even-numbered years. The Committee shall have a Chair, also appointed by the Chair of the Commission.	<p>Makes recommendations to the Commission for:</p> <ul style="list-style-type: none"> • One member of the Commission to serve as Vice Chair of the Commission • One member of the Commission to serve as Secretary of the Commission <p>Such nominations shall be presented at the first Commission meeting of odd-numbered years.</p>	
Public Information and Education (Subcommittee)	At least three members who shall be appointed by the Chair of the Commission from the members of the Commission. The Committee shall have a Chair and a Vice-Chair, also appointed by the Chair of the Commission, whose terms shall run at the pleasure of the Chair.	May advise the Commission on any matter relating to the promotion of agency programs and activities in support of the agency’s mission.	

Name of Subcommittee or Advisory Committee	Size/Composition/How are members appointed?	Purpose/Duties	Legal Basis for Committee
State Board of Review (Advisory)	11 members appointed by the Commission; must include one professional in the disciplines of history, prehistoric archeology, and historic archeology, and two professionals each in architectural history and architecture. Members must meet the minimum standards of professional qualifications as set forth in the Federal Register (Part V: 36 Code of Federal Regulations Part 61, §61.4(e)) and verified by the state historic preservation officer. The senior appointed representative from Texas serving as advisor to the National Trust for Historic Preservation serves as an ex-officio, voting member. Three citizen members with a demonstrated interest, competence, and knowledge in historic preservation serve as voting members.	Reviews and recommends nominations to the National Register of Historic Places.	Required by Texas Administrative Code, Title 13, Part 2, Chapter 15; and the National Historic Preservation Act
Texas Preservation Trust Fund Advisory Board (Advisory)	11 members appointed by the Commission; must include one representative of a bank; one attorney with a background in preservation; two architects with experience in preservation; two archeologists with experience in Texas archeology; one real estate professional with experience in preservation; two persons with demonstrated commitment to historic preservation; and two directors of nonprofit historic preservation organizations.	Reviews and recommends projects to receive funds.	Required by Government Code Section 442.015

Table 4 Exhibit 4 Subcommittees and Advisory Committees

V. Funding

A. Provide a brief description of your agency's funding.

For FY 2016, the Texas Historical Commission was appropriated \$32.5 million from a variety of funding sources including the following Methods of Finance (MOF):

- **General Revenue (GR)**
 - **General Revenue** – \$22.5 million
 - **Sporting Goods Sales Tax** – \$6.4 million for State Historic Sites
 - **Fees from Historic Sites** – \$1.2 million admissions revenue generated at State Historic Sites
- **General Revenue – Dedicated (GR-D)** – Texas Preservation Trust Fund (Fund 664) \$265,000 for grants.
- **Federal Funds** - Historic Preservation Fund Grant (CFDA 15.904) \$1.1 million for State Historic Preservation Office federal activities.
- **Other Funds**
 - **Appropriated Receipts** – \$661,928 from gift shop sales, Main Street program fees, and other miscellaneous revenue
 - **Interagency Contracts** – \$441,258 from TxDOT contracts for Section 106 Permitting, Historic Highways program, and Texas Heritage Trail Regions program
 - **License Plate Trust Fund** – \$2,000 from El Paso Mission License Plate sales
 - **Bond Funds** – Unexpended Balances from prior years for Courthouse Grants and Historic Sites capital projects

B. List all riders that significantly impact your agency's budget.

Texas Historical Commission Riders

HB1, 84th Legislative Session Article I, Rider 3

Cost Recovery of Historical Markers. It is the intent of the Legislature that the Historical Commission recover the full costs of historical markers, estimated to be \$362,563 in Appropriated Receipts for each fiscal year of the biennium and included above in Strategy A.3.1, Evaluate/Interpret Resources.

HB1, 84th Legislative Session Article I, Rider 8

Historic Sites. Included in amounts appropriated above in Strategy A.1.4, Historic Sites, is \$1,182,080 each fiscal year of the 2016-17 biennium out of the General Revenue Fund - Fees from Historic Sites Account No. 8119, generated from entrance fees at historic sites established in accordance with Government Code, §442.0051 and deposited to Revenue Object Code 3461 State Park Fees in the General Revenue Fund for maintenance and operations of historic sites managed by the agency.

Any unexpended balances as of August 31, 2016 out of the appropriations made herein are appropriated to the Commission for the fiscal year beginning September 1, 2016.

In the event that actual and/or projected revenue collections are below estimates provided herein, the Legislative Budget Board may direct the Comptroller of Public Accounts to reduce the appropriation authority provided above to be within the amount of revenue expected to be available.

For the biennium beginning September 1, 2015, the Texas Historical Commission is appropriated any additional revenues that are collected by the agency for historic sites managed by the agency and deposited to the credit of General Revenue in excess of the amounts reflected in the Comptroller's Biennial Revenue Estimate for each year of the 2016-17 biennium and certified by a Comptroller's finding of fact (not to exceed \$1 million for the 2016-17 biennium in General Revenue, Revenue Object Code 3461, State Park Fees.)

HB1, 84th Legislative Session Article I, Rider 10

Unexpended Balances of Bond Proceeds. Included in amounts appropriated above are unexpended and unobligated balances of General Obligation Bond Proceeds for projects that have been approved under the provisions of Article IX, Sections 19.70 and 19.71 of House Bill 1, Eightieth Legislature, Regular Session, 2007, remaining as of August 31, 2015, (estimated to be \$0) for the repair and renovation of Courthouses and Historic Sites, for the 2016-17 biennium in Strategy A.1.3, Courthouse Preservation, and Strategy A.1.4, Historic Sites; Article IX, Section 17.11 of Senate Bill 1, Eighty-first Legislature, Regular Session, 2009, remaining as of August 31, 2015, (estimated to be \$0), for Courthouse Preservation grants, for the 2016-17 biennium in Strategy A.1.3, Courthouse Preservation; Article IX, Section 18.01 of House Bill 1, Eighty-second Legislature, Regular Session, 2011, remaining as of August 31, 2015, (estimated to be \$0), for Courthouse Preservation grants, for the 2016-17 biennium in Strategy A.1.3, Courthouse Preservation; and Article IX, Section 17.02 of Senate Bill 1, Eighty-third Legislature, Regular Session, 2013, remaining as of August 31, 2015 (estimated to be \$0), for Courthouse Grants, for the 2016-17 biennium in Strategy A.1.3, Courthouse Preservation.

Any unexpended balances in General Obligation Bond Proceeds described herein and remaining as of August 31, 2016, are appropriated for the same purposes for the fiscal year beginning September 1, 2016.

HB1, 84th Legislative Session Article I, Rider 12

Texas Holocaust and Genocide Commission. Included in amounts appropriated above out of the General Revenue Fund in Strategy A.3.1, Evaluate/Interpret Resources, is \$571,763 each fiscal year of the biennium for the Texas Historical Commission to provide support for the Texas Holocaust and Genocide Commission.

Any unexpended balances of these funds remaining as of August 31, 2016, are appropriated for the fiscal year beginning September 1, 2016 for the same purpose.

HB1, 84th Legislative Session Article I, Rider 13

Texas Preservation Trust Fund Account No. 664. Included in amounts appropriated above in Strategy A.1.5, Preservation Trust Fund, is estimated revenue and interest earnings (not to exceed \$265,000 each fiscal year of the 2016-17 biennium) out of the General Revenue -Dedicated Texas Preservation Trust Fund No. 664 for local preservation grants.

Any unexpended balances of these funds remaining as of August 31, 2016, are appropriated to the Historical Commission for the fiscal year beginning September 1, 2016 for the same purpose.

HB1, 84th Legislative Session Article I, Rider 18

Appropriation Authority: Texas Historic Preservation Tax Credit Review Fees. Included in the amounts appropriated above is \$97,000 in Appropriated Receipts in Strategy A.1.1, Architectural Assistance, each fiscal year of the 2016-17 biennium from fees collected to review applications for the Texas Historic Preservation Tax Credit. The amounts identified in this rider shall be used to administer the Texas Historic Preservation Tax Credit Program as authorized by Tax Code, Subchapter S.

Any unexpended balances of these funds remaining as of August 31, 2016, are appropriated to the Historical Commission for the fiscal year beginning September 1, 2016, for the same purpose.

HB1, 84th Legislative Session Article I, Rider 20

Texas State Almanac Contract. Included in the amounts appropriated above in Strategy A.3.1, Evaluate/Interpret Resources, is \$500,000 in General Revenue in fiscal year 2016 to allow the Historical Commission to enter into a contract not-to-exceed \$500,000 with a non-profit organization for the purpose of developing and producing a Texas State Almanac. The Texas State Almanac shall be available to the general public and provide information on the history of Texas, its people, government and politics, economics, natural resources, holidays, culture, education, recreation, the arts, and other related topics.

Any unexpended balances of these funds remaining as of August 31, 2016, are appropriated to the Historical Commission for the fiscal year beginning September 1, 2016, for the same purpose.

C. Show your agency's expenditures by strategy.

Texas Historical Commission Exhibit 5: Expenditures by Strategy – 2016 (Actual)			
Goal/Strategy	Amount Spent	Percent of Total	Contract Expenditures Included in Total Amount
A.1.1. Architectural Assistance	\$971,522	2.7%	\$216,582
A.1.2. Archeological Heritage Protection	\$1,331,322	3.7%	\$212,529
A.1.3. Courthouse Preservation	\$12,677,771	35.3%	\$25,565
A.1.4. Historic Sites	\$13,642,378	38.0%	\$8,077,162
A.1.5. Preservation Trust Fund	\$0	0.0%	\$0
A.2.1. Development Assistance	\$2,240,542	6.2%	\$440,939
A.3.1. Evaluate/Interpret Resources	\$3,256,504	9.1%	\$680,341
B.1.1. Central Administration	\$1,745,329	4.9%	\$269,211
Total	\$35,865,368	100%	\$9,922,329

Table 5 Exhibit 5 Expenditures by Strategy

D. Show your agency's sources of revenue. Include all local, state, and federal appropriations, all professional and operating fees, and all other sources of revenue collected by the agency, including taxes and fines.

Texas Historical Commission Exhibit 6: Sources of Revenue for Fiscal Year 2016 (Actual)	
Source	Amount
General Revenue Funds	\$21,409,808
Sporting Goods Sales Tax	\$6,504,915
Fees from Historic Sites	\$1,420,570
Texas Preservation Trust Fund(GR-D)	\$0
Federal Funds - Historic Preservation Fund Grant	\$1,162,651
Appropriated Receipts	\$1,097,253
Interagency Contracts	\$815,524
Bond Funds	\$3,304,647
License Plate Trust Fund	\$0
Governor's Emergency and Deficiency Grant	\$150,000
TOTAL	\$35,865,368

Table 6 Exhibit 6 Sources of Revenue

E. If you receive funds from multiple federal programs, show the types of federal funding sources.

Texas Historical Commission Exhibit 7: Federal Funds for Fiscal Year 2016 (Actual)				
Type of Fund	State/Federal Match Ratio	State Share	Federal Share	Total Funding
Historic Preservation Fund – National Park Service	40/60	\$775,101	\$1,162,651	\$ 1,937,752
TOTAL		\$775,101	\$1,162,651	\$1,937,752

Table 7 Exhibit 7 Federal Funds

F. If applicable, provide detailed information on fees collected by your agency.

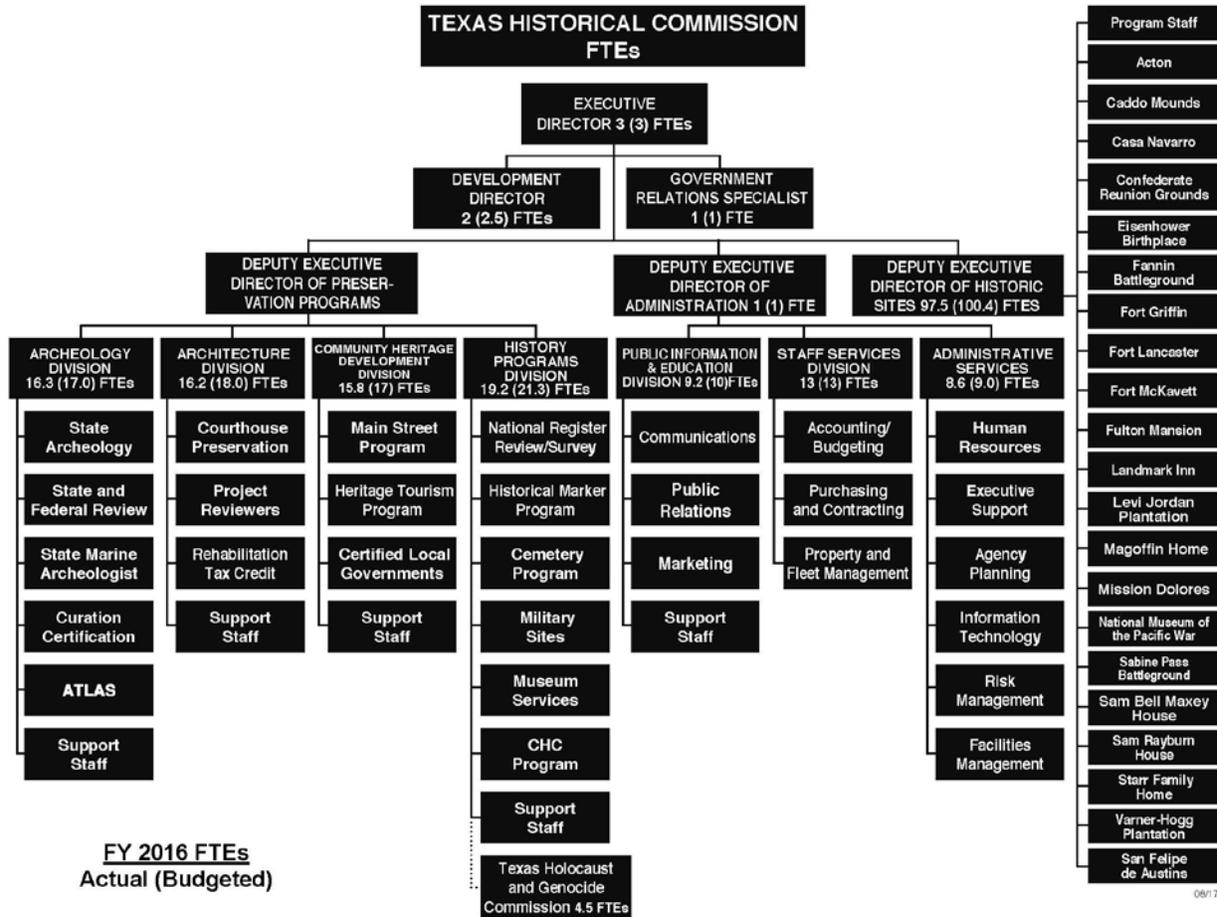
Texas Historical Commission Exhibit 8: Fee Revenue for Fiscal Year 2016				
Fee Description/ Program/ Statutory Citation	Current Fee/ Statutory maximum	Number of persons or entities paying fee	Fee Revenue	Where Fee Revenue is Deposited (e.g., General Revenue Fund)
Historical Markers / HB 1, 84 th Leg., R.S., Article I, Rider 3/TX Gov't Code Chap 442, Sec. 442.006 (e)	Application Fee \$100; Marker Fee ranges from \$150 to \$1,800 per marker	404	\$284,930	Trust and Suspense Fund 0900
Historic Cemeteries / HB 1, 84 th Leg., R.S., Article I, Rider 5/TX Gov't Code Chap 442, Sec. 442.017 (d)	\$25	44	\$1,300	General Revenue Fund as Appropriated Receipts
Texas Main Street / HB 1, 84 th Leg., R.S., Article I, THC bill pattern/ TX Gov't. Code Chap 442, Sec. 442.014 (d)	Ranges from \$535 to \$2,600 per Main Street Participant	85	\$83,750	General Revenue Fund as Appropriated Receipts
Tax Credit Review Fee/ HB 1, 84 th Leg., R.S., Article I, Rider18/TX Tax Code Chap 171, Sec. 909	Ranges from \$150 to \$9,000 depending on the project	98	\$376,0227	General Revenue Fund as Appropriated Receipts Revenue in excess of \$97,000 is deposited in unappropriated General Revenue Fund.
Historic Sites Fees / HB 1, 84 th Leg., R.S., Article I, Rider 8/TX Gov't Code Chap 442, Sec. 442.105	Various by State Historic Site Admissions Free to \$14; Camping, RV hookups, and Inn Rooms \$10 to \$150	396,005	\$1,434,150	General Revenue Fund - Fees from Historic Sites

Table 8 Exhibit 8 Fee Revenue

VI. Organization

A. Provide an organizational chart that includes major programs and divisions, and shows the number of FTEs in each program or division.

This organizational chart illustrates FTEs for the fiscal year 2016.



B. If applicable, fill in the chart below listing field or regional offices.

Texas Historical Commission				
Exhibit 9: FTEs by Location for Fiscal Year 2016				
Headquarters, Region, or Field Office	Location	Co-Location? Yes/No	Number of Budgeted FTEs, FY 2016	Number of Actual FTEs as of August 31, 2016
Headquarters	Austin	No	125.1	120.9
State Historic Sites				
Caddo Mounds	Alton	No	5.0	5.0
Casa Navarro	San Antonio	No	3.5	3.3
Confederate Reunion Grounds	Mexia	No	4.0	4.6
Eisenhower Birthplace	Denison	No	5.7	4.8
Fannin Battleground	Goliad	No	2.0	1.0
Fort Griffin	Albany	No	7.0	7.3
Fort Lancaster	Sheffield	No	4.0	4.0
Fort McKavett	Fort McKavett	No	7.0	7.0
Fulton Mansion	Fulton	No	5.9	6.2
Lankmark Inn	Castroville	No	5.0	4.9
Levi Jordan	Brazoria County	No	4.0	2.3
Magoffin Home	El Paso	No	7.0	5.7
Mission Dolores	San Augustine	No	0.0	0.4
National Museum of the Pacific War	Fredericksburg	No	3.0	3.0
Sabine Pass Battleground	Sabine Pass	No	2.0	2.0
Sam Bell Maxey House	Paris	No	5.0	5.0
Sam Rayburn House	Bonham	No	4.0	4.3
San Felipe de Austin	San Felipe	No	5.4	4.2
Starr Family Home	Marshall	No	6.1	4.4
Varner-Hogg Plantation	West Columbia	No	7.0	7.0
Total			217.7	207.3

Table 9 Exhibit 9 FTEs by Location

C. What are your agency's FTE caps for fiscal years 2016–2019?

The agency's FTE cap for fiscal years 2016–2019 are:

Fiscal Year 2016: 217.7

Fiscal Year 2017: 217.7

Fiscal Year 2018: 224.2

Fiscal Year 2019: 224.2

D. How many temporary or contract employees did your agency have as of August 31, 2016? Please provide a short summary of the purpose of each position, the amount of expenditures per contract employee, and the procurement method of each position.

The agency did not have any temporary or contract employees as of August 31, 2016.

E. List each of your agency's key programs or functions, along with expenditures and FTEs by program.

Texas Historical Commission			
Exhibit 10: List of Program FTEs and Expenditures for Fiscal Year 2016			
Program	Number of Budgeted FTEs FY 2016	Actual FTEs as of August 31, 2016	Actual Expenditures
Architecture	22.5	18.7	\$13,649,293
Archeology	15.0	16.3	\$1,331,322
Historic Sites	113.2	109.6	\$13,642,378
Preservation Trust Fund	0	0	\$0
Community Heritage Development	19.5	18.4	\$2,240,542
History Programs	24	22.5	\$2,693,389
Indirect Administration	19.0	17.3	\$1,745,329
Texas Holocaust and Genocide Commission	4.5	4.5	\$563,115
Total	217.7	207.3	\$35,865,368

Table 10 Exhibit 10 List of Program FTEs and Expenditures

VII. Guide to Agency Programs

A. Provide the following information at the beginning of each program description.

Name of Program or Function	Archeology Division
Location/Division	Austin
Contact Name	Pat Mercado-Allinger, Division Director
Actual Expenditures, FY 2016	\$1,331,322
Number of FTEs as of August 31, 2016	16.3 FTEs

B. What is the objective of this program or function? Describe the major activities performed under this program.

The THC's Archeology Division works to identify, protect, and preserve Texas' irreplaceable archeological heritage. Using a regional approach, archeologists and staff participate in a variety of activities to support this mission, which includes:

- Reviewing public construction projects that may impact significant archeological sites through Section 106 and the Texas Antiquities Code authority (federal and state review)
- Administering the State Antiquities Landmark designation and Historic Texas Land Plaques program
- Managing a team of Regional Archeologists who answer questions about Texas archeology and identify, investigate, publish on, and protect archeological sites and artifacts
- Assisting landowners to preserve and protect important archeological resources on their properties
- Conducting and reporting on archeological research and investigations, including the acclaimed La Salle Shipwreck Project and Fort St. Louis Archeological Project
- Administering an active State Marine Archeology program to locate and protect historic shipwrecks along the Texas coast
- Directing the Texas Archeological Stewardship Network, a statewide network of volunteer avocational archeologists who assist THC archeologists in preserving valuable sites and collections
- Coordinating with public and private partners in the annual observance of Texas Archeology Month each October
- Administering the Curatorial Facility Certification Program (CFCP), a program to certify museums and curation facilities to hold state-associated archaeological collections

Federal and State Reviews

Section 106

Staff archeologists annually review several thousand federally licensed, permitted, approved, or funded projects to determine if these projects will affect prehistoric or historic archeological sites. This review is required by federal law (Section 106 of The National Historic Preservation Act of 1966 as amended) in order for development projects to occur. Each archeological resource in a project area must be evaluated for eligibility for listing in the National Register of Historic Places. When a site is determined eligible, the federal agency must develop a plan with the Archeology Division to avoid or mitigate impacts to the site.

Antiquities Code of Texas

The Antiquities Code requires state agencies and political subdivisions of the state, including cities, counties, river authorities, municipal utility districts and school districts, to notify the THC of any action on public land involving five or more acres of ground disturbance; 5,000 or more cubic yards of earth moving; or any project that has the potential to disturb recorded historic or archeological sites. Much like the federal Section 106 process, development projects are reviewed to determine potential effects to cultural resources. The THC issues antiquities permits to authorize qualified professional archeologists to conduct archeological studies prior to construction.

Designations and Awards

State Antiquities Landmarks

State Antiquities Landmarks (SAL) are archeological sites or historic properties designated by the THC that receive legal protection under the Antiquities Code of Texas. Listing in the National Register of Historic Places is a prerequisite for SAL designation of a building or structure. SAL designation stipulates that the property cannot be removed, altered, damaged, salvaged, or excavated without a permit from the THC. This designation encourages preservation and ensures that resources that cannot be preserved are at least properly documented. Archeology staff review and nominate SALs as well as conduct reviews and issue permits for work. SAL nominations for archeological sites or historic properties located on private property require the written consent of the landowner.

Historic Texas Lands Plaque

Texas landowners have worked with the THC for decades to preserve important archeological sites across the state. Landowners help protect historic places from frontier forts to 12,000 year old hunting camps. The THC awards landowners who are diligent stewards of archeological resources on their property with the Historic Texas Lands Plaque, a special form of recognition. Cast in aluminum and a foot in diameter, these plaques are displayed with pride by participating Historic Texas Lands landowners on ranch gates or other visible places on their property.

Regional Archeology Program

The agency uses a regional approach to support archeological preservation in Texas. The state is divided into six regions: Mountain/Pecos, Plains, Forts/Hill Country, Lakes/Brazos, Forest and Independence/Tropical. Staff archeologists are assigned to regions to provide assistance to archeological stewards, landowners and communities when needed. Regional archeologists respond to thousands of public inquiries regarding prehistoric and historic archeological sites in Texas. They offer guidance, expertise, and information to state agencies, professional and avocational archeologists, landowners, educators, heritage groups and interested individuals. Landowner assistance is a major focal point of this program since more than 90 percent of land in the state is in private ownership, leaving the responsibility of protecting and preserving important sites to private property owners. Staff archeologists investigate important endangered sites dating from prehistoric times to the 20th century and record archeological sites and have undertaken significant projects relating to the French Colonial, African American, Hispanic and Native American cultural resources. They monitor previously recorded sites to ensure their protection and are responsible for oversight of archeological projects awarded grants from the Texas Preservation Trust Fund.

Special Archeology Projects

The La Salle Archeology Projects: The La Salle Shipwreck Project, The Fort St. Louis Archeological Project and The La Salle Odyssey Project

2015 was the 20th anniversary of the discovery of the wreck *La Belle* and the initiation of the THC's long-term commitment to this important historic discovery. In 1995, the THC discovered 17th-century famed French explorer La Salle's ship, *The Belle*, in Matagorda Bay. The ship was part of an expedition to

establish a colony in the New World and is one of the most important shipwrecks ever discovered in North America. THC archeologists fully excavated the remnants of *La Belle* in 1996 and 1997. Conducted in a cofferdam in Matagorda Bay, the excavation lasted almost a year and produced an amazing array of finds, including the hull of the ship, three bronze cannons, thousands of glass beads, bronze hawk bells, pottery and even the skeleton of a crew member. The nearly two million artifacts discovered represent a kit for building a 17th-century European colony in the New World. Conservation of the assemblage was largely completed in 2016. The largest artifact, the ship's hull, completed the chemical and freeze-drying treatment and was reassembled in 2014 as a part of the temporary exhibit at the Bullock Texas State History Museum titled "The Ship that Changed History." The hull has since been relocated to its permanent position on the main floor and will be incorporated as part of the future redesigned exhibit of the entire first floor.

La Belle: The Archeology of a 17th Century Ship of New World Colonization is the nearly 1,000 page Texas A&M University Press publication released in 2017 that focuses on technical aspects of the recovered artifact assemblage. With 40 chapters and more than 50 contributing authors, this volume is the most detailed publication available on the material culture of the La Salle expedition. THC staff served as both editors and authors of the volume including former division director Jim Bruseth, State Marine Archeologist Amy Borgens, and CPCF Coordinator and Collections Manager Bradford Jones.

From 1999 to 2002, THC archeologists excavated Fort St. Louis, Texas' first European colony established by La Salle and his stranded colonists on Garcitas Creek, near Victoria. The THC uncovered the remains of the French fort, human remains, thousands of French artifacts and a Spanish presidio built over the top of the French fort. Artifacts are undergoing conservation at Texas A&M University for display in Texas museums. These discoveries and those from *La Belle* resulted in a unique joint venture known as the La Salle Odyssey Historical Tour, where six coastal counties in partnership with the THC interpret and have on display the *Belle* and Fort St. Louis artifacts in local museums. Many *Belle* artifacts are also displayed at the Bullock Texas State History Museum in Austin.

Collaborating with the Community Heritage Development Division, a mobile tour connecting the museums and collections of the La Salle Odyssey Historical Tour was created on the agency's Texas Time Travel Tours platform.

The Red River War Battle Sites Project

During the 1874–75 Red River War, U.S. military forces removed Native American groups from the Texas Panhandle and Plains regions. The THC confirmed and documented significant battle sites from this period. Although the general locations of most sites were known, the boundaries needed confirmation and scientific documentation to avoid further loss of historical information and damage by relic collectors. The THC Archeology Division initiated the project in 1998 as a collaborative effort with the Panhandle-Plains Historical Museum and the National Park Service's American Battlefield Protection Program. Fieldwork concluded in the spring of 2003. Artifact conservation, analysis and reporting of the project results have been completed with *Battles of the Red River War: Archeological Perspectives on the Indian Campaign of 1874*, authored by THC staff member J. Brett Cruse and published in 2008 by Texas A&M University Press. The publication received the 2009 Rupert Norval Richardson Award for the Best Book on West Texas History from the West Texas Historical Association.

In addition, staff members developed and issued a heritage travel brochure relating to the Red River War in 2010 and facilitated a plan for local museums affiliated with the war to collaborate on interpreting the sites and increasing visitation. Archeology Division staff have assisted Community Heritage Development Division staff with the creation of related tourism products. Using the knowledge gained from the project, in 2016 a mobile tour for the Red River War was created on the agency's Texas Time Travel Tours digital platform. The materials from the 2010 travel brochure have also been repurposed into

a travelling exhibit available to partners in the region. The Texas Plains Trail Region of the agency's Texas Heritage Trails Program has taken the lead on the travelling exhibit as well as spearheading the cooperative efforts of the museums affiliated with the military campaign.

Marine Archeology

The State Marine Archeologist is responsible for the protection, preservation, and investigation of historic shipwrecks in all state-owned waters of Texas. Between the arrival of the earliest European explorers and the beginning of the 20th century, thousands of ships have wrecked along Texas' shores. Ranging from sailing ships to steamboats, wooden to steel hulls, these vessels carried the vital goods of commerce between small communities, provided transportation for passengers, and performed the yeoman tasks of workboats everywhere. The Marine Archeology Program (MAP) maintains an increasing inventory of these wrecks, investigates known wrecks, and reviews development projects in state waters for possible impact to historic shipwrecks. A small group of volunteer avocational archeologists exists within the Texas Archeological Stewardship Network (see below) to assist the State Marine Archeologist with the investigation of historic shipwrecks; these dedicated volunteers are vital to the operation of the MAP.

In 2010, MAP initiated an effort to offer student internship opportunities to assist with research, database management, photo inventory projects, and artifact photography. MAP staff host one to three students per semester from throughout Texas and the United States.

Texas Archeological Stewardship Network

The effectiveness of the THC's public archeology program greatly benefits from the assistance of Texas Archeological Stewardship Network (TASN) members. Founded in 1984, the TASN is a group of highly trained and motivated avocational archeologists who work on a strictly volunteer basis. Since its inception, over a hundred members devote thousands of hours each year to a broad range of tasks, such as assisting landowners, recording archeological sites and giving public talks. Archeology staff organizes annual training workshops to enhance the abilities of this dedicated group. In 2001, the TASN broke new ground with the establishment of the Marine Stewards Group, dedicated to the investigation and protection of historic shipwrecks within the waters of Texas. The first of its kind in the nation, the TASN is an innovative and successful program that has served as the model for similar programs in other states.

Texas Archeology Month

Each October, Texas Archeology Month (TAM) serves as the focal point for the promotion of archeology to the public. To achieve this goal, numerous organizations, institutions and individuals sponsor special TAM events in communities across the state. TAM events range from lectures on the latest archeological finds, to archeology fairs that offer hands-on activities and demonstrations for attendees of all ages. The THC serves as the statewide TAM coordinator, compiling event information, assisting with publicity, and distributing resources. Archeology Division staff organize and host events as well as accept invitations to participate in public outreach events throughout the state. The THC is proud to sponsor Texas Archeology Month in association with the Texas Archeological Society and the Council of Texas Archeologists.

Historic Sites Atlas

The Atlas is an online database of more than 400,000 historic and archeological site records documenting Texas history. The Atlas was designed primarily as a planning tool for projects regulated under the Texas Antiquities Code and Section 106 of the National Historic Preservation Act. To satisfy the browsing history buff as well as the serious researcher, the database is freely accessible to the public, with additional information available to specialized users through a login interface. The Historic Sites Atlas provides multiple search interfaces to data on Texas Historical Markers, National Register properties, historic county courthouses, museums, historic surveys, historic highways, historic sawmills, military sites, cemeteries, and, soon, historic trails. Access to archeological site data is available only to registered users. The site provides users with maps of site locations. The data are updated continually.

C. What evidence can you provide that shows the effectiveness and efficiency of this program or function? Provide a summary of key statistics and performance measures that best convey the effectiveness and efficiency of this function or program.

The effectiveness and efficiency of the Archeology Division (AD) are measured in several of ways: quantity of services and designations; time efficiency in reviewing projects; outreach to the public; and projects completed.

The nature of federal and state programs that the AD manages requires staff to respond to projects brought forward, including Section 106 review, Antiquities Code review and designations such as State Antiquities Landmarks and Historic Texas Land Plaques. The volume of these projects, as with other divisions in the THC, fluctuate depending on the economy, the undertaking of projects that spark Section 106 and Antiquities Code review, and the public's desire to recognize archeological resources. In FY 2015 AD staff reviewed 4,873 projects and 5,614 projects in FY 2016 which include Section 106 and Antiquities Code review. Staff contributed to the designation of 1,220 properties in Texas in FY 2015 and 2,540 in FY 2016. Archeology staff reviewed more than 98 percent of projects in less than 30 days.

Because of the vastness of archeological resources on private land, the Archeology Division has a long-standing commitment to outreach and educating the public about the importance of cultural resources. Through the Texas Archeological Stewardship Network, Texas Archeology Month, and the Regional Archeology Program, Archeology staff trained 17,979 individuals in archeological preservation in FY 2015 and 2016. More than 145,473 materials about archeology were distributed during the same period. These public outreach endeavors resulted in 2,546 volunteer-directed archeology projects and \$547,568.12 (FY 2015) and \$592,031 (FY 2016) in in-kind volunteer hours donated.

The success of the projects that Archeology staff undertakes, and the artifacts that have been unearthed and conserved, are in and of themselves measures of success. The nearly two million artifacts from the excavation of the *Belle* and the tens of thousands of artifacts, including cannons, musket balls, gunflints, pottery, coins and many other items used by the colonists were found at the Fort St. Louis site, are important glimpses to the past and illustrate history in a tangible and significant manner.

Another in-house project was conducted at the San Felipe de Austin, one of the THC's state historic sites. Investigations took place in 2014, 2015, and 2016 as part of the Texas Archeological Society's annual field schools as well as another phase of work accomplished in November 2015. Volunteers, including members of the Texas Archeological Stewardship Network participated in the excavations which focused on the historic "town lot" 566 where the Farmer's Hotel was reportedly constructed between 1829 and 1830. According to the memoir of San Felipe resident Noah Smithwick, the hotel served as the colony's town hall even before its construction was completed. The structure was described as 32 feet square with a brick cellar 6 feet deep. THC investigations attempted to locate the four corners and floor of the hotel's brick cellar. Excavations revealed much useful information about the building and recovered an interesting array of artifacts and features, some of which will be highlighted in the newly constructed visitor's center.

As part of its mission to assist private landowners in identifying and protecting archeological resources on their property, AD staff have been working closely with the owners of a Historic Caddo archeological site in Marion County, East Texas since 1998. The site may be that described in historical records as the Caddo village of Sha'chahdinnih or "Timber Hill," a village founded in the 19th century by several closely allied Native American groups. For many generations after the time of its abandonment, the location of Timber Hill had been lost to history, and the question of its true location had never fully been settled. As

one of the last known Caddo settlements in Texas, it is not only important to Texas history, but it is as site of great importance to the Caddo Nation. In the interest of confirming the identity and significance of the site, AD archeologists, assisted by volunteer avocational archeologists, conducted archeological testing there in 2015 and 2016. Although this research has established the site as a Caddo settlement of the period 1800-1840, there are other major research questions left unanswered about the true location of Timber Hill and this little-known period of Caddo history. Based on these recent investigations, THC believes that continued research at the site has the potential to help answer some of these questions and will continue to work with the landowner and Caddo Nation to add to our knowledge of the history and archeology of northeast Texas.

D. Describe any important history regarding this program not included in the general agency history section, including how the services or functions have changed from the original intent.

N/A

E. Describe who or what this program or function affects. List any qualifications or eligibility requirements for persons or entities affected. Provide a statistical breakdown of persons or entities affected.

Section 106 requires all projects that are federally funded, licensed or permitted to be reviewed by the THC for potential impacts to historic resources. This requirement impacts federal, state and local agencies undertaking projects that require compliance with this law. Examples include reservoirs built by the U.S. Army Corps of Engineers, new highway construction by the Texas Department of Transportation that utilizes federal funds, and local municipalities that receive grant funds to rehabilitate or demolish deteriorating housing. Archeology staff review projects from more than forty federal, state and local agencies and work in cooperation with the History Programs Division staff to ensure a comprehensive review of the projects.

As required by the Antiquities Code, the THC issues antiquities permits to professional archeologists that authorize archeological studies prior to construction projects by state agencies or political subdivisions of the state. An archeological permit may be issued only to a professional archeologist who meets the definition of a principal investigator as defined in Title 13, Part II, Chapter 26 of the Texas Administrative Code. The Antiquities Code applies to all work undertaken by state agencies and political subdivisions of the state such as cities, counties, river authorities, municipal utility districts and school districts.

Under the Antiquities Code, Principal Investigators are required to curate permitted archeological collections at designated artifact repositories. The Curatorial Facilities Certification Program administers the certification of these facilities and provides oversight of the state associated collections they house. Only museums and curatorial facilities that meet minimum standards for collections policies, procedures, and facilities, and agree to annual reporting are eligible for certification. They must be recertified every 10 years to continue accepting and housing collections.

Many of the programs of the Archeology Division are focused on educating the general public and landowners on the importance of archeology and preservation. The Historic Sites Atlas has one of the farthest reaches to the general public. By deliberately designing the Atlas for access through the Internet, the THC provides the general public with an invaluable educational resource. It was also created to provide state and federal land-use planners with information on the location and condition of Texas' cultural resources. Preservationists and planners use the Atlas to identify historic or prehistoric site locations during the early stages of infrastructure development, and can modify projects accordingly. The

Atlas also aids cultural resource planning by reducing the costs of research for planners, historians, archeologists and educators.

Our partnership with the state's private landowners is a relationship that the agency continues to develop through our Regional Archeology Program and State Antiquities Landmark (SAL) designation. Because the vast majority of archeological sites in Texas are on private land, the agency seeks to educate landowners and help them protect important sites through SAL designation, or donation of conservation easements, so that these sites can be protected and maintained as scientific preserves or as future interpretive centers for the public. Finally, partnerships with local preservation groups further the aims and goals of historic preservation. Through the Texas Archeology Awareness Month, local partners are given much needed assistance and educational materials for their special preservation observances each October.

F. Describe how your program or function is administered. Include flowcharts, timelines, or other illustrations as necessary to describe agency policies and procedures. List any field or regional services.

Each program of the Archeology Division has a formalized structure and process. While staff is headquartered in Austin, site visits and field work are a regular part of each program. The agency uses a regional approach to support archeology in Texas. The state is divided into six regions; archeologists are assigned to regions to review federal and state projects and to provide assistance to stewards, landowners and communities when needed. Archeology staff, as with all staff at the agency, participates in interdisciplinary regional teams that coordinate outreach and an annual regional training workshop for local preservationists.

Federal and State Reviews

Archeologists examine new construction for potential impacts to archeological sites, and are most concerned about subsurface disturbance within the actual construction footprint. They check the Texas Historic Sites Atlas for the locations of known cultural resources and areas where archeological surveys have been conducted in Texas. If no sites are shown and a professional has surveyed the area, there is usually no need for additional archeological investigation. However, if the project area has not been surveyed, and it contains landforms considered likely to contain important cultural resources, the reviewer may recommend a survey be conducted. For federal projects, the survey must be undertaken by professionals who meet the Secretary of the Interior's Professional Qualification Standards. For surveys on Texas public lands, professionals must meet the qualifications for a principal investigator found in Chapter 26 of the Administrative Code (Title 13, Part 2).

The results of the survey are submitted to the THC for review. If no cultural resources were found, or if it is clear from the survey data that the resources found have no integrity, no further consultation is necessary. If cultural resources are found that might be eligible for the National Register of Historic Places or State Antiquities Landmark designation (for projects on state public lands), THC staff discusses the possibility of project redesign to avoid impacts to the site. If redesign is not feasible, further investigations to assess the importance of the resources may be necessary. The archeological deposits are assessed using the criteria established for determining eligibility for inclusion in the National Register of Historic Places or State Antiquities Landmark designation, as appropriate.

If archeological deposits appear to offer the potential to learn new information about history or prehistory, they will be determined eligible. Archeological sites eligible for the National Register or State Antiquities Landmark designation that cannot be avoided may have to be excavated to recover the scientific information they hold. A sample of the archeological deposits is excavated, the materials are analyzed,

and the results of the investigation must be documented in a report submitted to the THC for review. Copies of final reports are made available to libraries across the state.

State Antiquities Landmarks

Archeological sites may be recognized as State Antiquities Landmarks (SAL) if any of the following criteria are met:

- The site has the potential to contribute to a better understanding of the prehistory and/or history of Texas by the addition of new and important information
- The site's archeological deposits and the artifacts within the site are preserved and intact, thereby supporting the research potential or preservation interests of the site
- The site possesses unique or rare attributes concerning Texas prehistory and/or history
- The study of the site offers the opportunity to test theories and methods of preservation, thereby contributing to new scientific knowledge
- The high likelihood that vandalism and relic collecting has occurred or could occur, and official landmark designation is needed to insure maximum legal protection, or alternatively further investigations are needed to mitigate the effects of vandalism and relic collecting when the site cannot be protected

SAL designation stipulates that the property cannot be removed, altered, damaged, salvaged or excavated without a permit from the THC. This designation encourages preservation and ensures that resources that cannot be preserved are at least properly documented. To nominate a site or building on private property, the property owner's written consent is required. The designation of State Antiquities Landmarks on private land is recorded in the county deed records and is conveyed with the property when sold.

Historic Texas Lands Plaques

The Historic Texas Lands Plaque is a special form of recognition for landowners who are dedicated stewards of archeological sites on their property. Since its inception in 2001, 36 Historic Texas Lands Plaques have been awarded to property owners in 30 different counties throughout the state. Participating landowners display the Historic Texas Lands Plaque with pride on ranch or farm gates or prominently on roadside buildings. Landowners are nominated through an application process and are eligible for this recognition if they have recently completed at least one of the following:

1. Transferred ownership (via donation or sale) of an archeological site to the THC, another state agency or a suitable nonprofit organization for the purpose of permanent preservation of a site
2. Sold or donated a permanent conservation easement to the THC, another state agency or a nonprofit, that provides for permanent conservation of one or more significant archeological sites
3. Designated one or more State Antiquities Landmarks
4. Allowed substantial and significant archeological research on his or her property

Marine Archeology

The Marine Archeology Program conducts various shipwreck projects, sometimes in collaboration with volunteer groups, and state and federal agencies.

Since 2013, the THC has been a main project partner on the internationally recognized Monterrey Shipwreck Project, a collaborative archeological investigation featuring a core team of archeologists from five main federal and state agencies. The State Marine Archeologist serves as one of the principle investigators on this project which involved limited artifact recovery in 2013 and continued ROV (remotely operated vehicle) investigations in 2014. Conservation of the recovered artifacts is ongoing and nearly complete. The project examined three associated early-19th century shipwrecks at depths of 4,300

ft. approximately 180 miles offshore of Galveston, Texas. It is the deepest underwater investigation conducted in the United States and the Gulf of Mexico.

Other recent projects include a new remote-sensing survey of the historic submerged town site of Indianola, in partnership with Texas A&M University, and the ongoing examination of fragments of a historic shipwreck that washed ashore at Boca Chica Beach in the spring of 2016.

Regional Archeology

Regional Archeologists respond to a multitude of requests for assistance from their assigned regions. These requests originate from the public, including landowners, professional and avocational archeologists, educators, heritage groups, and other interested individuals. With the aid of the members of the Texas Archeological Stewardship Network, these requests are addressed by means of on-site visits, consultations, presentations, and a variety of projects. Staff also encourages landowners to nominate important sites for State Antiquities Landmark designation and seek to identify landowners worthy of recognition with the Historic Texas Lands Plaque.

Historic Sites Atlas

The Texas Historic Sites Atlas provides data about historic properties and archeological sites to users both within and outside of the agency. The Atlas Coordinator monitors and maintains the servers that support the Atlas, works with agency staff and outside organizations to ensure that the data are current, and develops improved functions to search and display Atlas data.

Curatorial Facilities Certification Program

The Curatorial Facilities Certification Program is administered by the program coordinator using standards and procedures established in agency rules and the program application. Facilities interested in applying submit applications to the program coordinator to establish if they meet the eligibility requirements of the program. If eligible, facilities submit a detailed self-evaluation that is reviewed by the program coordinator and followed up with a field review. The program coordinator then submits a recommendation to the THC's executive director for consideration by the Commission. Currently 17 facilities across the state have become certified. The program coordinator also works closely with certified facilities, agency staff, and project archeologists to address curation related issues as they arise.

G. Identify all funding sources and amounts for the program or function, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

The Archeology Division is primarily General Revenue funded. In addition, this program receives federal funds from the Historic Preservation Fund Grant for federal project reviews and historic sites surveys.

The Archeology Division also receives a percentage of funds from the Texas Department of Transportation (TxDOT) under the terms of an interagency contract. These funds are used to provide expedited project reviews to TxDOT.

Archeology Division staff, working through the Friends of the Texas Historical Commission, has successfully raised additional funding from the private sector in support of its outreach programs and for special projects including the *Belle* and Fort St. Louis.

H. Identify any programs, internal or external to your agency, that provide identical or similar services or functions. Describe the similarities and differences.

The Architecture, Archeology, and History Programs Divisions participate in Section 106 review; however, each division plays a well-defined and separate role within the process.

Several state agencies have staff archeologists, including the Texas Department of Transportation (TXDoT), Texas Parks & Wildlife (TPWD), Texas Water Development Board (TWDB), General Land Office (GLO), and Texas Military Forces (TMF). Of the agencies listed, TPWD, TMF and GLO are land-holding agencies. Their staff archeologists undertake preliminary reviews to determine if proposed projects will impact sites. If so, they consult with THC archeologists about the projects and apply for Antiquities permits issued by THC to undertake the required investigations in-house. These state agencies may contract with private archeological consulting firms for large-scale surveys and data recovery investigations under Antiquities permits issued by THC.

In addition, the City of San Antonio's Office of Historic Preservation and the Lower Colorado River Authority employ archeologists. The role of these archeologists undertake is to provide preliminary reviews to determine if proposed projects will impact sites. They consult with THC archeologists about the projects determined likely to impact archeological sites and either apply for Antiquities permits issued by THC or contract with private consulting firms to conduct survey, testing, and/or data recovery investigations under Antiquities permits issued by THC.

I. Discuss how the program or function is coordinating its activities to avoid duplication or conflict with the other programs listed in Question H and with the agency's customers. If applicable, briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

The THC serves the critical and required role of oversight to ensure compliance with state and federal statutes. Recommendations are forwarded to our reviewers for concurrence or further consultation. We issue Antiquities permits for investigations undertaken on public land—lands owned by the state or political subdivisions of the state. The TWDB and TxDOT archeologists ensure compliance with both federal and state statutes through in-house reviews. Again, recommendations are forwarded to THC for review and any necessary permits. By having staff archeologists, these state agencies are able to streamline and speed up the compliance process.

J. If the program or function works with local, regional, or federal units of government include a brief description of these entities and their relationship to the agency.

The State Historic Preservation Office (SHPO) is mandated by the National Historic Preservation Act of 1966 to represent the interests of the state when consulting with federal agencies under Section 106 and to maintain a database of historic properties. The Advisory Council on Historic Preservation (ACHP), an independent federal agency in the executive branch, oversees the Section 106 review process. In addition to the views of the agency, the SHPO and the ACHP, input from the general public and Native American tribes is also required.

THC staff work with federal agencies, preservation consultants, property owners, and the public throughout Section 106 and Antiquities Code reviews. Archeology staff review projects from federal, state and political subdivisions and work in cooperation with Division of Architecture and History Programs Division staff to ensure timely and comprehensive review of the projects.

K. If contracted expenditures are made through this program please provide:

- a short summary of the general purpose of those contracts overall;
- the amount of those expenditures in fiscal year 2016;
- the number of contracts accounting for those expenditures;
- the method used to procure contracts
- top five contracts by dollar amount, including contractor and purpose;
- the methods used to ensure accountability for funding and performance; and
- a short description of any current contracting problems.

In FY 2016, the Archeology Division had \$212,529 of contract related expenditures for seven THC and several state (DIR, CPA, CCG) contracts. The largest contracts were for the procurement of archeology equipment. A ground penetrating radar was purchased from Geophysical Survey Systems Inc (\$24,755). A Nivo Data Station System was purchased from Western Data Systems (\$20,852). A gradiometer was purchased from Analytical Services Company (\$18,420). Other contracts were procured for the maintenance of the Historic Sites Atlas system (<https://atlas.thc.state.tx.us/>) including a contract with Austin Ribbon and Computer Services (\$17,280) for Atlas software maintenance and an ArcGIS software maintenance contract from Environmental Systems Research Institute Inc. (\$10,200). The Archeology Division had additional contracts for minor operating expenses such as copiers, books, software, janitorial services, and postage. THC procures contracts following CPA guidelines. The program utilizes budget reports to ensure project funding is available and manages the contract to ensure successful performance.

L. Provide information on any grants awarded by this program.

N/A

M. Are there any barriers or challenges that impede the program's performance including any outdated or ineffective state laws? Explain.

Archeologists estimate that thousands of sites are damaged or destroyed by archeological looting each year. Currently the Antiquities Code states the penalty for vandalism as a misdemeanor crime. This penalty has been difficult to enforce because of the nature of the penalty, as well as a lack of awareness by law enforcement officials about the Antiquities Code of Texas. Enforcement is a key element to combat looting of archeological sites on state public lands. Other programs have shown that ticketing a first offense is a more effective and accessible enforcement option in the field. We would like to change the penalty structure for a first offense vandalism to be a ticket or fine.

The current threshold for triggering Antiquities Code review for a project undertaken by the state or its political subdivisions is if the project affects an area larger than five acres (or 5,000 cubic yards). In many cases, archeological sites are much smaller than five acres, and projects that fall under this threshold are not reviewed for present cultural resources or potential adverse effects. Amending the statute to trigger THC review if projects are greater than one acre, ensuring that important archeological sites and artifacts are not overlooked during development projects undertaken by the state or its political subdivisions would address this gap.

N. Provide any additional information needed to gain a preliminary understanding of the program or function.

N/A

- O. Regulatory programs relate to the licensing, registration, certification, or permitting of a person, business, or other entity. For each regulatory program, if applicable, describe:**
- **why the regulation is needed;**
 - **the scope of, and procedures for, inspections or audits of regulated entities;**
 - **follow-up activities conducted when non-compliance is identified;**
 - **sanctions available to the agency to ensure compliance; and**
 - **procedures for handling consumer/public complaints against regulated entities.**

Pursuant to the Texas Natural Resource Code, Title 9, Chapter 191, commonly referred to as the Antiquities Code, the THC is directed to act as custodian of all cultural resources, historic and prehistoric, within the public domain of the state. As Texas continues to grow in population, and the need for new development and infrastructure increases, our mandate by the state to identify and mitigate archeological resources potentially impacted by development becomes more pressing. Without the permit process to investigate resources affected by state or local government actions, the effects of projects on historic and archeological sites would go unchecked and unmitigated.

The THC may censure a permit holder and/or their firm if two or more permit application offenses have occurred in the same calendar year. Permit offenses include the performance of archeological investigations on properties subject to the Antiquities Code without first obtaining a permit from THC. Permit censuring will render a permit holder and the investigative firm ineligible for issuance of another permit for six months.

To ensure the completion of all permit requirements, each permit issued to a qualified professional archeologist has an expiration date. A first extension may be issued by THC staff but if a second extension is required by the permit holder, they must present their request to the Antiquities Advisory Board. If the permit holder has defaulted on one or more permits, they are ineligible to be issued any additional permits until all the terms and conditions of the defaulted permits are met.

The Antiquities Code requires state agencies and political subdivisions of the state, including cities, counties, river authorities, municipal utility districts, and school districts to notify the THC of any action on public land involving five or more acres of ground disturbance; 5,000 or more cubic yards of earth moving; or any project that has the potential to disturb recorded historic or archeological sites. The THC issues antiquities permits to professional archeologists that authorize archeological studies prior to construction.

State Antiquities Landmark designation stipulates that the property cannot be removed, altered, damaged, salvaged or excavated without a permit from the THC. It is an important designation that a property owner can initiate and use to increase protection and preservation of their property into the future. However, SAL nominations for privately owned sites may not proceed without the property owner's written agreement.

Occasionally development projects move forward without first notifying and obtaining a permit from the THC under the Antiquities Code or State Antiquities Landmark regulation. Private citizens have notified

the THC of activities or projects requiring THC review. In those situations, the THC contacts the responsible entity or person and informs them of the review requirements. We strive to maintain positive relationships while ensuring that projects are reviewed properly and in a timely fashion.

The Curatorial Facilities Certification Program is necessary to ensure state-associated collections held-in-trust by certified repositories are properly cared for and prevented from deterioration or loss, while also making these resources available for research and public interpretation. Certified facilities receive a 10-year period of certification and agree to provide annual reports to the program coordinator concerning all state-associated collections. After 10 years each facility undergoes a complete review as part of the recertification process. If at any point a certified facility is found to no longer be following approved policies and procedures or have adequate housing, it will be barred from accepting further collections until the issues are resolved or face loss of certification.

Please see Question B and F of this section for more information about Antiquities Code and State Antiquities Landmark review and permitting.

P. For each regulatory program, if applicable, provide the following complaint information.

N/A

A. Provide the following information at the beginning of each program description.

Name of Program or Function	Division of Architecture
Location/Division	Austin
Contact Name	Sharon Fleming, Division Director
Actual Expenditures, FY 2016	\$13,649,293
Number of FTEs as of August 31, 2016	18.7 FTEs

B. What is the objective of this program or function? Describe the major activities performed under this program.

The Division of Architecture works to preserve and protect Texas' diverse architectural heritage. Staff members provide design and rehabilitation advice to assist with preserving properties that span the state's rich history, from majestic historic county courthouses and high-rise commercial buildings to Spanish missions and simple log cabins. The division is made up of four key activities: federal and state reviews, technical preservation assistance to property owners, the Texas Historic Courthouse Preservation Program (THCPP), and Facilities Management.

Federal and State Review

Section 106

Architecture staff annually reviews over six hundred federally licensed, permitted, or funded projects to determine if these projects will affect historic properties. This review is required by federal law under Section 106 of the National Historic Preservation Act of 1966 in order for development projects to occur. Each historic resource in a project area must be evaluated for inclusion in, or eligibility to, the National Register of Historic Places. When a site is determined eligible, the Division of Architecture evaluates the impact the project will have on the property and works with the federal agency and local parties to avoid, minimize, or mitigate any harmful effects.

Historic Preservation Tax Incentives

The Division of Architecture administers two historic preservation tax incentives programs. The Federal Rehabilitation Tax Credit, originally enacted in 1976, is worth 20 percent of the eligible rehabilitation costs for income-producing buildings (i.e., office, retail, hotel, apartments) listed in or eligible for listing in the National Register of Historic Places. The Texas Historic Preservation Tax Credit program was enacted by the Texas Legislature in 2013, officially going into effect on January 1, 2015, and provides a credit against state franchise or insurance premium tax equal to 25 percent of the eligible rehabilitation costs for income-producing or non-profit buildings, which are designated or eligible for designation as Recorded Texas Historic Landmarks, State Antiquities Landmarks, or through the National Register of Historic Places.

Through consultation, site visits, and the review of construction plans, staff facilitates property owners and developers through the application process and ensures that all work undertaken as part of the project meets the Secretary of the Interior's Standards for Rehabilitation. For federal applications, tax credit staff in the Division of Architecture make recommendations regarding the application to the National Park Service who formally certify the projects. State program rules require that all projects applying for both the state and federal credits be certified by the National Park Service before being certified by the THC.

Projects applying only for the state credit are overseen entirely by the THC.

State Landmarks Review

The Division of Architecture is responsible for reviewing any exterior changes to Recorded Texas Historic Landmarks, including relocation or demolition, and providing technical assistance to building owners where needed. The Antiquities Code of Texas provides stronger protection for buildings designated as State Antiquities Landmarks and requires staff review and permitting for all changes to building exteriors and public interior spaces, other than routine maintenance. Architecture staff also consults with other state agencies regarding proposed changes to their public buildings 50 years of age or older under the Antiquities Code.

County Courthouse Review

Established in 1975, the Texas Courthouse Law requires counties that intend to alter, demolish or change a historic county courthouse to notify the Division of Architecture staff and enable our review the proposed work. This affects county courthouses 50 years of age or older.

Texas Governor's Mansion

The Texas Governor's Mansion is designated a National Historic Landmark, Recorded Texas Historic Landmark, and a State Antiquities Landmark. Architecture staff provides oversight for preservation activities at the Governor's Mansion to ensure that the buildings and grounds retain their historic and architectural integrity. THC also has statutory responsibility for management of the Mansion Collection, consisting of the mansion's contents including furniture and historic person items that belonged to former Governors. THC contracts with the Friends of the Governor's Mansion to assist in carrying out this responsibility.

Texas Accessibility Standards Review

The Texas Department of Licensing and Regulation (TDLR) administers the Texas Accessibility Standards, whereby most public and commercial construction projects are required to comply with state and federal law (Texas Architectural Barriers Act and American's with Disabilities Act). The standards give special consideration to historic buildings when the THC determines that fully meeting the Texas Accessibility Standards would threaten or destroy the historic significance of the property. Division of Architecture staff formally consults with property owners, architects, Registered Accessibility Specialists, and TDLR staff to determine solutions that meet the intent of accessibility without damaging the historic property.

Preservation Easements

Historic preservation covenants and easements are voluntary legal agreements made between the property owner and a qualified organization to protect significant historic properties, landscapes or archeological sites by restricting future development on the property and ensuring work meets preservation standards. The THC, along with local preservation organizations, is involved in the execution of covenants and easements. To ensure that the public interest in the resource is protected, the Texas Historic Courthouse Preservation Program, Certified Local Government, and the Texas Preservation Trust Fund grant programs require the filing of an easement as a condition of development (construction) grants. In addition, federal agencies usually provide preservation covenants prior to transferring historic property out of federal ownership. The Division of Architecture reviews and approves proposed changes to the protected historic properties throughout the covenant or easement period.

Technical Preservation Assistance to Property Owners

The Division of Architecture provides technical assistance to private and public owners of historic buildings and sites upon request. This assistance may be in preparation for the owner's involvement in other programs such as grants, tax incentives or historic designations. Most often this is a private or non-

profit property owners seeking guidance on how to physically preserve, restore, or rehabilitate their historic structures. Staff provides phone consultations as well as site visits, followed often by specific architectural and technical recommendations.

Texas Historic Courthouse Preservation Program

Texas has more historic courthouses than any other state. Today, more than 240 courthouses still stand that are at least 50 years old; about 80 were built before the turn of the 20th century. Many of these structures have deteriorated significantly due to abandonment, inadequate maintenance, insensitive modifications or a combination of these problems.

This program, established in 1999, provides partial matching grants to local governments for the rehabilitation and restoration of their historic courthouses. Three types of grants may be awarded: planning grants for production of architectural plans and specifications; grants for major construction activities such as a full restoration; and emergency grants to address issues endangering a historic courthouse or its occupants. The nationally recognized and award-winning program has turned around the trend of disrepair and begun restoring these treasured historic landmarks. To date, the program has funded 67 Texas courthouse restorations and another 26 courthouses have received emergency or planning grants. Today, restored county courthouses serve as a catalyst to economic revitalization in the business districts that surround courthouse squares throughout the state. Counties with restored historic courthouses also see an impact in the form of increased tourism, accessibility, safety, energy efficiency, and much more.

In Rounds I through IX of the grant program, 140 courthouse master plans were submitted as the first step required in the assistance process. Of those 140 plans, 135 were approved. To date, THC staff has assisted in the restoration and preservation of 93 county courthouses. The estimated current need to restore courthouses that submitted approved master plans is approximately \$300 million in state funds. Since 1999, the THCPP has awarded over \$270 million in planning, construction and emergency grants.

Facilities Management

The THC maintains offices in five historic buildings, including the 1857 Carrington-Covert House, the 1883 Gethsemane Church, 1940 Luther Hall, 1872 Christiansen-Leberman Building, and the 1948 Elrose Apartments. These buildings hold a variety of city, state, and federal historic designations. The Division of Architecture plans and supervises their maintenance and repair according to strict preservation guidelines and executes the work with funds appropriated by the Legislature for this purpose.

<p>C. What evidence can you provide that shows the effectiveness and efficiency of this program or function? Provide a summary of key statistics and performance measures that best convey the effectiveness and efficiency of this function or program.</p>

The effectiveness and efficiency of the Division of Architecture is measured in a number of ways: quantity of reviews; preservation successes; reinvestment dollars; and grants awarded.

The nature of federal and state programs that the agency manages require staff to respond to projects brought forward, including Section 106 review, federal and historic preservation tax incentive applications, and state landmarks review. The volume of these projects, as with other divisions in the THC, may fluctuate depending on the economy, the undertaking of projects that involve Section 106 and Antiquities Code review, and the public's desire to rehabilitate and preserve local historic resources. In FY 2015, Architecture staff reviewed 2,538 projects, which include Section 106, tax incentive projects, state designated landmarks, covenant or easement reviews, as well as general technical assistance to owners of historic property. In FY 2016, Architecture staff reviewed 2,118 projects, which include

Section 106, tax incentive projects, state designated landmarks, covenant or easement reviews, as well as general technical assistance to owners of historic property. More than 99 percent of the historic buildings that Architecture staff assists annually are preserved.

Between the effective date of the program on January 1, 2015 and August 1, 2017, the Division of Architecture reviewed Texas Historic Preservation Tax Credit applications for 205 proposed projects, with projected qualified rehabilitation expenditure of almost \$2 billion. Sixty-seven (67) of those projects have been completed and certified for the state tax credit with a total of more than \$532 million in qualified expenditures. Rehabilitation projects are in 48 cities across the state, including smaller and rural towns, in addition to the major metropolitan areas. Use of the federal tax credits as a rehabilitation strategy in Texas has greatly increased due to the ability of the financial incentives to leverage one another. Numerous long-term abandoned buildings in Texas downtowns have been repurposed and put back to use, adding jobs and increasing local property taxes. Developers behind some of these large projects generally say they would not have been able to undertake the project were it not for the availability of the preservation tax incentives programs.

A report produced in November 2016 by the National Trust for Historic Preservation found that between 2002 and 2015, federal tax credit projects in Texas created 6,600 construction jobs, 9,700 permanent jobs, and generated \$236,712,500 in local, state, and federal taxes. While no specific study has yet been conducted on the Texas Historic Preservation Tax Credit, studies conducted in other states indicate that their programs all have net positive benefits to the state and the communities in which the projects are located.

The Texas Historic Courthouse Preservation Program (THCPP) illustrates the impact that historic preservation can have on the local and state economy. To date, THC staff has assisted in the preservation of 93 county courthouses. Over \$270 million has been awarded to historic county courthouses for preservation work, which has generated an additional \$240 million in local direct and indirect expenditures from participants, 10,656 jobs, \$555 million in income generated, and over \$680 million in gross state product. In FY 2015 Architecture staff administered 28 courthouse grant projects at a cost of \$11,778.46 per project. In FY 2016, Architecture staff reviewed 23 courthouse grant projects at a cost of \$17,185.81 per project.

The THCPP has been nationally recognized as a model program by numerous organizations. The National Conference of State Historic Preservation Officers, the National Trust for Historic Preservation, the Association for Preservation Technology International and the Texas Society of Architects recognized the THCPP with awards of excellence in historic preservation at the state and national level.

D. Describe any important history regarding this program not included in the general agency history section, including how the services or functions have changed from the original intent.

The number of counties participating in the courthouse grant program represents an overwhelming response to the program goals. To protect the state's substantial investment in this initiative, the 79th Legislature required the agency to provide a maintenance assurance program for completed projects to ensure the long-term care and stewardship of the courthouses. During the 83rd Legislative Session, a bill was passed that modified the program to allow municipalities that own a former county courthouse more than 50 years of age to participate in the program and receive grant funds for their project in the same manner as counties.

The 83rd Texas Legislature established a state tax credit for rehabilitation of income producing properties, while not unusual for states promoting economic development, did not exist as a program under the THC

previously. Slight statutory changes were made to expand the program scope in subsequent legislative sessions to include non-profit owned properties, and public university projects (until 2022).

E. Describe who or what this program or function affects. List any qualifications or eligibility requirements for persons or entities affected. Provide a statistical breakdown of persons or entities affected.

Section 106 requires projects that are federally funded, licensed or permitted and may impact historic properties to be reviewed by the THC. This requirement impacts federal, state and local agencies, project sponsors, and consultants working with projects that require compliance with this law. Examples include military projects at historic installations such as Fort Bliss in El Paso and Joint Base in San Antonio; new highway construction or alteration by the TxDOT; local municipalities that administer grant funds through Housing and Urban Development's Community Development Block Grant program; and, Federal Emergency Management Administration's hazard mitigation or disaster response efforts. Architecture staff reviews projects from numerous federal, state and local agencies. Section 106 also requires that the federal agency consults with local interested parties and the Division of Architecture helps to facilitate those consultations. The THC is often invited to comment about historic resources during other federal agency compliance efforts such as reviews under the National Environmental Policy Act.

The state and federal historic preservation tax incentives programs directly affect owners of income-producing, non-profit owned and state university properties who apply for this benefit, along with the building industry. Active, approved projects range in cost from around \$5,300 in work to \$180 million. The median cost for proposed projects approved in FY 2016 and 2017 was approximately \$1.1 million. These projects have a significant impact on the economy of local communities, often raising the local tax base for the specific property as well as creating spin-off public and private revitalization efforts at adjacent properties. These rehabilitation projects can be found in large urban areas as well as smaller, more rural communities.

Architecture staff works with public and private entities that own or manage designated state landmarks to review proposed changes and modifications, and also provides technical assistance for the general public who own historic properties.

Counties that own a current or former county courthouse that is 50 years old or older are subject to review under the Texas Courthouse law and both counties and municipalities that own such buildings are eligible to participate in the courthouse grant program. They must first submit a preservation master plan documenting the significance, physical condition, proposed work and estimated project cost. Upon final approval of the plan, participants can submit a grant application and must commit a minimum 15 percent cash match which can include master plan expenses. Applications are generally scored based on 21 criteria established in the program law and rules, reflecting categories that are building-based, such as age, architectural integrity and historic designations; project-based such as willingness to undertake a full restoration; and applicant commitment-based such as an applicant's past compliance with the Texas Courthouse Law and the Antiquities Code of Texas

F. Describe how your program or function is administered. Include flowcharts, timelines, or other illustrations as necessary to describe agency policies and procedures. List any field or regional services.

Each program of the Division of Architecture has a formalized structure and process. While staff is headquartered in Austin, site visits and field work are a regular part of each program. Preservation

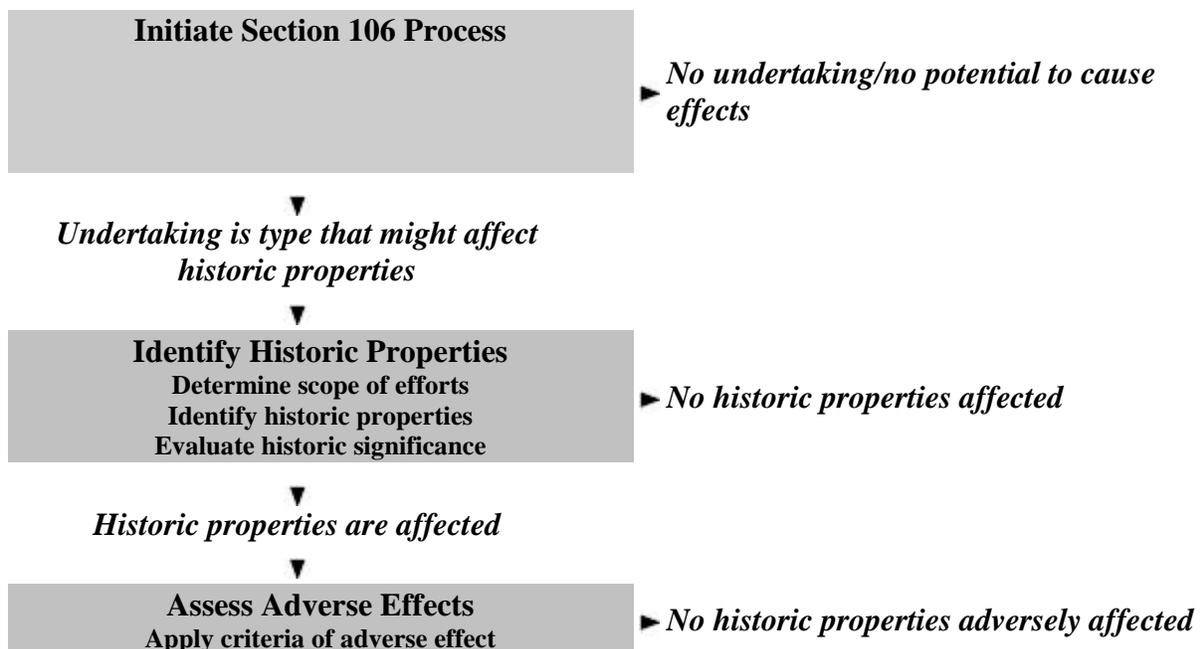
architects and project reviewers are assigned to regions to facilitate travel and build relationships with local communities. Division of Architecture staff, as with all staff at the agency, participate in interdisciplinary regional teams that coordinate outreach and an annual conference for education of local preservationists and preservation professionals.

Section 106

The federal Advisory Council on Historic Preservation administers Section 106 regulations. During the process, the THC (acting as the State Historic Preservation Office) acts as the council's representative on the vast majority of projects. Sponsors of development projects that trigger Section 106 are required to consult with the SHPO to avoid, minimize, or mitigate adverse effects on historic properties. Each year the agency's team of architects or project reviewers, archeologists and historians reviews more than 11,000 projects, examining proposed actions for potential impacts to historic buildings, archeological sites and other properties of historic significance. All projects are logged into a computer database to track each review. The agency strives to examine all projects within 30 days, and most projects are reviewed in a much shorter time. Large or complex projects may involve longer or multiple periods, additional meetings or on site consultations to develop satisfactory outcomes for the federal agency and the THC. The agency recently launched an online portal called eTRAC (electronic THC Review and Compliance) that allows electronic submission and response for routine reviews. This expedites responses by eliminating time in the mail.

If historians determine a building or structure is eligible for inclusion in the National Register, the project is passed along to the Division of Architecture to conduct an architectural review and determine the effect the project will have on the eligible building or structure. If it is determined the project will have no adverse effect on the building, then development may continue without further coordination. If the intended development will adversely affect an eligible historic building, the THC will work with the project sponsor to develop a plan to avoid, minimize, or mitigate the adverse effect. Mitigation alternatives might include modifying construction materials or methods to maintain the structure's historical integrity, or documenting the structure by means of measured drawings and photographs.

The following flow chart illustrates the process:



▼
Historic properties are adversely affected

▼
Resolve Adverse Effects
Continue consultation

▶ *Memorandum of Agreement*

▼
Failure to Agree

▶ *Advisory Council on Historic
Preservation Comment*

Historic Preservation Tax Incentives

Both the state and federal tax credit programs have their own three-part application. The state application was designed to closely follow the format of the pre-existing federal application, and the program rules were designed to streamline the process when a property owner is applying to both programs. The National Park Service (NPS) is the signatory authority on the federal application, although the THC thoroughly reviews all Texas applications and makes recommendations to the NPS for their review. Initially, all applications are submitted directly to the THC and then forwarded to the NPS by the Division of Architecture. Rules for the state program require that, when a project is participating in both programs, the NPS review of federal applications must be completed before the state applications can be reviewed. THC's review is based on consultations with the owners, architects, and local officials during the projects' planning stages. Staff can also visit the property before, during, and after the project to assist the development team in complying with the program requirements and to facilitate the state's review of the project.

Applications for projects that are only applying for state credits are reviewed only by THC staff. The state tax credit program also requires an in-person walk-through of all completed projects before they can be certified.

Application Parts 1 and A (the federal and state applications, respectively), evaluate the significance of a building and determine if it is eligible for the National Register, or state designations and thus the credits. Parts 2 and B describe the proposed work, and document the major features of the building prior to work beginning. Part 3 and C of the applications are submitted upon completion of the rehabilitation. The tax incentives programs, which includes both NPS, IRS, and Texas Comptroller regulations, can be complex at times. Architecture staff works closely with property owners in understanding and applying for the credits. The IRS also allows a separate 10 percent tax credit for income-producing buildings constructed prior to 1936, but not listed in the National Register.

The Federal Rehabilitation Tax Credit is designed for substantial rehabilitations, where eligible project costs generally must exceed the value of the building itself (not including the land) at the beginning of the project. The Texas Historic Preservation Tax Credit has a minimum expense threshold of only \$5000, enabling property owners to gain financial assistance for smaller projects, including maintenance and even cosmetic facelifts. This also allows larger projects to be broken up into phases, where each phase can be individually certified, thus enabling earlier access to the credits, which can help fund later phases of the project.

Most rehabilitation costs are eligible for the credit, such as structural work, building repairs, electrical, plumbing, heating and air conditioning, roof work and painting. Some specific costs are not eligible for the credit, such as acquisition, new additions, furniture and landscaping. An application for the tax incentives must be submitted before the project is completed, although work may begin prior to the application or approval. Ideally the application should be submitted during the planning stages of the work so the owner can receive the necessary guidance to ensure the project meets the Standards for

Rehabilitation, and therefore qualifies for the credits.

State Designated Landmarks

State designated landmarks (State Antiquities Landmarks and Recorded Texas Historic Landmarks) require notice and/or a permit for work other than ordinary maintenance. The THC strongly encourages owners considering changes to consult with staff early in the planning stages, as they can provide technical advice and referrals for hard-to-locate materials. By consulting with staff early in the process, property owners can avoid incorporating treatments that may be inappropriate or destructive to the particular historic landmark.

Any building designated as a State Antiquities Landmark requires a Historic Structures Permit from the THC prior to any work to the building exterior or public interior spaces, other than routine maintenance. Owners must notify Architecture staff through a brief application and written description of the project and at least one photograph of the structure or affected portion of that structure. More complex projects may require submission of architectural plans and specifications. The THC has 60 days from receipt of the complete permit application to respond, though the majority of permits are issued within 30 days. All Historic Structures Permits, except for new construction, require a completion report at the conclusion of the project.

Owners of Recorded Texas Historic Landmarks are required to give notice to the THC at least 60 days prior to any significant exterior visual or structural changes, including the relocation or demolition of the structure. After receiving the notice, the THC may waive the waiting period or, if determined that a longer period will enhance the chance for preservation, it may require an additional waiting period of no longer than 30 days. On the expiration of the time limits imposed, the person may proceed, but must proceed not later than the 180th day after the date on which notice was given or the notice is considered to have expired.

Preservation Easements

Deed covenants and preservation easements are filed with the county clerk of the county where the property is located. The individual easement or covenant will specify what portions of the property are to be protected and what controls or reviews are required. The agreement may restrict changes or development to the entire property or to a more limited portion. After notification, Division of Architecture staff consults with the owner or manager through written correspondence or phone conversation. On complex projects, meetings and site visits may be necessary. Final approval is granted through written correspondence from the agency. To ensure the long-term preservation of these resources, the THC must monitor and periodically inspect the property, and enforce the terms of the covenant or easement.

Texas Historic Courthouse Preservation Program

The THCPP program awards grants typically once a biennium based on the funding appropriated by the Legislature for that biennium and a call for applications. Each grant cycle or round has an associated application which specifies the proposed project. A full restoration and rehabilitation may be proposed or a small emergency project or both. The applications are evaluated by an interdisciplinary team or staff on the 21 published scoring criteria for the program. The THC Architecture Committee takes public comment, reviews and approves scores and announces awards at its quarterly meeting. Grant awards may be adjusted to increase the local match based on project type and available funding. Once awarded, Division of Architecture staff conduct an orientation meeting for each project on-site with the project representatives to review procedures and policies as outlined in the grant manual. A staff architect is assigned to each recipient and makes visits to each grant project on a monthly basis to ensure the planning or construction work meets preservation standards and the needs of the grantee. The grant funds are distributed on a reimbursement basis for eligible grant project costs as submitted by the grantee until the

final 10% of the award is reached. A grant completion report must be received and approval for the final retainage to be released. A formal courthouse rededication ceremony is held at the end of each major construction project.

The timeline for a grant cycle is typically as follows: A call for applications is made in the fall following the legislative session in which an appropriation is made; new master plans can be submitted before the end of the calendar year; applications are due early in the subsequent year and consideration of the applications are done in less than four months. Once awarded, the project usually moves forward within the year. Major construction projects can take two to four years and the smaller emergency projects are done within one or two years.

G. Identify all funding sources and amounts for the program or function, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

The Division of Architecture is primarily General Revenue funded. This program receives funds from the Historic Preservation Fund Grant for the Federal Preservation Tax Incentives, Federal Project Reviews, and Historic Sites Surveys. THC Rider 18 appropriates up to \$97,000 of the application fees received for the State Franchise Tax Credit program. These fees are deposited in appropriated receipts. THC Rider 10 allows the use of unexpended balances of Bond funds from previous biennia for courthouse grants.

H. Identify any programs, internal or external to your agency, that provide identical or similar services or functions. Describe the similarities and differences.

Architecture, Archeology and the History Programs Divisions of the THC participate in Section 106 review; however each division plays a well-defined and separate role within the process. When a project comes in for review, History Programs staff first evaluate if any resources are listed in or eligible for the National Register of Historic Places. If so, Architecture staff review the project for the effect it might have on those resources and determine if any mitigation is necessary.

Externally, several state agencies have architectural historians and preservationists on staff to conduct preliminary reviews for Section 106. The THC serves the critical and required role of oversight to ensure compliance with state and federal statutes. Recommendations are forwarded to THC reviewers for concurrence or further consultation.

History Programs staff also conduct reviews of Part 1 and A applications for the preservation tax incentives programs, to verify or determine that a building is considered to be historic, and therefore eligible to participate (or not). They also review the applicability of the Texas Courthouse Law as it pertains to the architectural and historical significance of a county courthouse.

I. Discuss how the program or function is coordinating its activities to avoid duplication or conflict with the other programs listed in Question H and with the agency's customers. If applicable, briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

The agency has MOAs or programmatic agreements with the following agencies to streamline coordination and review as mandated by state and federal law:

- Texas Department of Transportation & Federal Highway Administration
- Federal Emergency Management Agency and the Texas Division of Emergency Management
- US Air Force for Joint Base San Antonio
- US Department of Energy for energy efficiency and weatherization projects
- US Army for Fort Bliss
- Texas Department of Licensing and Regulation for the Texas Historic Courthouse Preservation Program.
- General Land Office for the Alamo
- State Preservation Board for the Governor's Mansion

J. If the program or function works with local, regional, or federal units of government include a brief description of these entities and their relationship to the agency.

The THC as the SHPO is mandated by the National Historic Preservation Act of 1966 to represent the interests of the state when consulting with federal agencies under Section 106. The Advisory Council on Historic Preservation, an independent federal agency in the executive branch, oversees the Section 106 review process. In addition to the views of the SHPO and the Advisory Council, input from the general public and Native American tribes is also required.

Under the Antiquities Code of Texas, the THC may consult with state and political subdivisions regarding changes to buildings more than 50 years old. Unless the building is designated as a State Antiquities Landmark or has some other restriction such as a preservation easement, the THC's role is strictly advisory.

The federal historic preservation tax incentives program is a partnership program among SHPOs, the National Park Service (NPS), and the IRS. The THC reviews applications and makes recommendations to the NPS, who then assess applications for conformance with the Secretary of the Interior's Standards for Rehabilitation, issue certification decisions in writing, and transmit copies of all decisions to the IRS. Some local historic landmark commissions, which assist in the oversight of local codes, base their decisions on those of the THC for tax credit projects that also fall under their local purview. This is not a requirement of the tax incentives programs, but some commissions and city preservation offices find it helpful for their review of local projects.

THC staff work with local governments who have submitted master plans and grant applications for restoration work to their courthouse under the Texas Historic Courthouse Preservation Program as well as those who are proposing to make alterations or changes other than routine maintenance under the Texas Courthouse Laws.

K. If contracted expenditures are made through this program please provide:

- a short summary of the general purpose of those contracts overall;
- the amount of those expenditures in fiscal year 2016;
- the number of contracts accounting for those expenditures;
- the method used to procure contracts
- top five contracts by dollar amount, including contractor and purpose;
- the methods used to ensure accountability for funding and performance; and
- a short description of any current contracting problems.

In FY 2016, the Division of Architecture had \$242,147 of contract related expenditures for 10 THC and several state (DIR, CPA, CCG) contracts. The largest contracts were for the procurement of services. The Division of Architecture had two contracts with McCoy-Rockford Inc (\$6,910 & \$8,866) for the design and installation of cubicles and modular furniture. Ten Twenty-Four Industries LLC (\$8,427) furnished and installed solar film on building windows to reduce heat gain. Restorhaus LP (\$6,851) replaced and weather-stripped exterior doors. THC has an internal audit contract with McConnell & Jones LLP (\$6,774) which reviewed the grants processes. The Division of Architecture had additional contracts for minor operating expenses such as copiers, HVAC maintenance, software, janitorial services, and postage. THC procures contracts following CPA guidelines. The program utilizes budget reports to ensure project funding is available and manages the contract to ensure successful performance.

L. Provide information on any grants awarded by this program.

Texas Historic Courthouse Preservation Program

The Texas Historical Commission's nationally recognized and award-winning Texas Historic Courthouse Preservation Program (THCPP) has turned around the trend of disrepair and begun restoring these treasured historic landmarks. To date, the program has funded 67 Texas courthouse restorations and another 26 courthouses have received emergency or planning grants to complete small projects. This grant program awards funds based on a comprehensive application, rating and evaluation process, and includes both courthouse building restoration and separate grants for emergency repairs. These grants require matching funds participation by the applying counties. More detail information on this grant program is addressed in the Program overview section of the Division of Architecture in Section E. The Texas Preservation Trust Fund Program

Texas Preservation Trust Fund

The Texas Historical Commission awards grants for preservation projects from the Texas Preservation Trust Fund (TPTF). Created by the Texas Legislature in 1989, the TPTF is an interest-earning pool of public and private monies. The earned interest and designated gifts are distributed as matching grants to qualified applicants for acquisition, survey, restoration, preservation, planning, and heritage education activities leading to the preservation of historic properties and archeological sites. Competitive grants are awarded on a one-to-one match basis and are paid as reimbursement of eligible expenses incurred during the project. As this grant program is defined as a THC strategy, more information on this grant program is provided in the Guide to Agency Programs – Texas Preservation Trust Fund.

M. Are there any barriers or challenges that impede the program's performance including any outdated or ineffective state laws? Explain.

The Texas Historic Courthouse Preservation Program requires an appropriate level of consistent and long-term funding to maximize the benefits of the state funds expended. The economic and local benefits would be greater if counties could plan ahead for their involvement in the program, for example budgeting monies that will provide their matching funds several years in advance.

The THC's offices are housed in five historic buildings within the capitol complex.. The THC's historic properties have been granted local, state and national landmark status. Any maintenance, repairs, or improvements must take into account the historic character of the buildings as well as their unique materials and construction techniques. The size, materials, and historic character of these buildings make them unique. The professional staff of the THC is specifically trained and has an extensive experience in the design and repair of historic properties. Sufficient funding for repairs and deferred maintenance is

required to properly maintain these historic buildings and ensure safe and efficient office space for THC staff.

The state historic preservation tax credit is an exceptional program that could be used to assist in accelerating the reconstruction of communities after natural disasters such as Hurricane Harvey. At the federal level, following Hurricanes Katrina and Sandy, Congress authorized an increase in the federal preservation tax credit from 20% to 26%. A similar increase in the state tax credit would help damaged communities to rebuild, but would require legislative action. The timing of Hurricane Harvey means that this kind of adjustment will have to wait two years, until the 2019 legislative session. It would be very helpful if legislation could be developed giving this agency the authority under specific and limited circumstances to enhance the state tax credit in disaster areas as designated by the Governor without the necessity of waiting for the next legislative session.

N. Provide any additional information needed to gain a preliminary understanding of the program or function.

N/A

O. Regulatory programs relate to the licensing, registration, certification, or permitting of a person, business, or other entity. For each regulatory program, if applicable, describe:

- why the regulation is needed;
- the scope of, and procedures for, inspections or audits of regulated entities;
- follow-up activities conducted when non-compliance is identified;
- sanctions available to the agency to ensure compliance; and
- procedures for handling consumer/public complaints against regulated entities.

State Antiquities Landmark designation stipulates that the property cannot be removed, altered, damaged, salvaged or excavated without a permit from the THC. It is an important designation that a property owner can initiate and use to increase protection and preservation of their property into the future.

Occasionally development projects move forward without first notifying and obtaining a permit from the THC under the Antiquities Code or State Antiquities Landmark regulation. Private citizens have notified the THC of activities without a permit, and in those situations the THC contacts the entity or person responsible for the work and informs them of the review requirements. We strive to maintain positive relationships while ensuring that projects are reviewed properly.

Relating to sanctions available for non-compliance with Architectural permitting or other requirements as noted in state law, in certain cases, fines can be levied and/or legal remedies pursued.

Please see Question F of this section for more information about State Antiquities Landmark review and permitting.

P. For each regulatory program, if applicable, provide the following complaint information. The chart headings may be changed if needed to better reflect your agency’s practices.

N/A

A. Provide the following information at the beginning of each program description.

Name of Program or Function	Community Heritage Development Division
Location/Division	Austin
Contact Name	Brad Patterson, Division Director
Actual Expenditures, FY 2016	\$2,240,542
Number of FTEs as of August 31, 2016	18.4

B. What is the objective of this program or function? Describe the major activities performed under this program.

The Community Heritage Development Division works in partnership with communities and regions to revitalize historic areas, stimulate tourism, and encourage economic development through the use of preservation strategies. The three areas of the Community Heritage Development Division are the Certified Local Government Program, Heritage Tourism including the Texas Heritage Trails Program, and the Texas Main Street Program including the Town Square Initiative. The administration of the Texas Treasure Business Award program crosses agency strategies but most closely aligns with the Community Heritage Development programs and is also included in this section.

Certified Local Government Program

The Certified Local Government (CLG) Program is a local, state, and federal government partnership for historic preservation. It is designed to help cities and counties develop high standards for preservation to protect a wide range of important historic properties—from ornate courthouses to working-class neighborhoods. The CLG program places a heavy emphasis on supporting local communities and their residents. It helps them foster an alliance among designated representatives, community leaders, and elected officials by providing technical and financial assistance through participation in the federal Historic Preservation Fund grants-in-aid program. Local governments that participate in the CLG Program act independently to develop and maintain a successful preservation program. The THC administers the program at the state level and the National Park Service (NPS) is the responsible federal agency. CLG grants are funded with money appropriated from Congress for preservation efforts through the federal Historic Preservation Fund (HPF). By federal law, the THC must set aside at least 10 percent of its HPF appropriation for CLG grants each year. CLG grants provide funding to enable local communities to develop quality programs and fully participate in the state's preservation process. CLG grants require a cash or in-kind service match from the community.

Heritage Tourism and The Texas Heritage Trails Program

The THC's heritage tourism program is required to raise the standards of heritage and cultural attractions around Texas. Other responsibilities include fostering heritage preservation and education, encouraging regional cooperation and promotion of heritage and cultural attractions, and fostering effective local tourism leadership and organizational skills. The THC is also charged with promoting heritage tourism by assisting local governments, organizations, and individuals in preserving, enhancing, and promoting heritage and cultural attractions in the state. Entering its twentieth year, the nationally recognized Texas Heritage Trails Program with its 10 non-profit regional organizations is one of the primary delivery methods for the agency's heritage tourism services.

The Texas Heritage Trails Program is a regional initiative that combines historic preservation and tourism. This economic development effort encourages communities to partner to promote Texas' historic and cultural resources. Successful local preservation efforts, combined with statewide product development and marketing of the areas as heritage regions, increase visitation to cultural and historic sites and bring more dollars to Texas communities, especially rural areas. The program provides technical, financial and marketing assistance to ten heritage trail regions across Texas that leverage the existing branding of the 1968 Texas Travel Trails. These regions provide the basis for involving every corner of the state in this heritage tourism program. Since 1998, the program has revitalized local economies, increased visitation to cultural and historic sites and raised the awareness of the importance of historic preservation to the tourism industry. Regions see many benefits when they participate in the program including: tourism evaluations of historic and cultural sites; funds to facilitate development of the regional program; training for regional directors and boards; advertising and media placements; and, networking opportunities with other heritage tourism organizations.

The THTP has traditionally relied on printed guides to promote travel to the state's communities and heritage sites. Hundreds of thousands of guides are distributed annually through TxDOT Travel Information Centers, consumer travel shows, direct fulfillment, and visitors centers and bureaus. During recent years, the THTP transitioned from individually printed guides for each of the 10 regions to a single, larger but more sustainable *Texas Heritage Travel Guide*. In addition to this guide, the THC currently produces and distributes: *Hispanic Texans: Journey from Empire to Democracy*, an extensive travel guide printed in English and Spanish to increase its reach; the companion travel guide *African Americans In Texas: A lasting Legacy*; *The Chisholm Trail: Exploring the Folklore and Legacy* travel guide; and, *Bankhead Highway: The Broadway of America*.

The rise of digital media has increased opportunities for reaching receptive audiences, but has not lessened the demand for printed materials. The agency has invested heavily in web and social media promotion geared to the travel market. The Texas Time Travel website and its affiliated 10 regional sites, provides comprehensive and curated information about the state's best heritage destinations and travel experiences. TexasTimeTravel.com is now supplemented and enhanced by the multi-platform Texas Time Travel Tours mobile tour application highlighting thematically-related heritage sites through twelve different tours. The THC staff and regional directors work with communities and individual sites across the state to help them leverage the untapped potential of their heritage. Developing historic and cultural sites so they are quality attractions for visitors is a key goal of the Heritage Tourism Program. The long-term work with stakeholders in each community is designed to help them leverage their heritage, raise awareness, and increase tourism opportunities. Examples of this include collaborative work with local Main Streets, communities connected by their cultural and ethnic heritage, those along historic highways, and those connected by common events such as the Red River War in the panhandle or LaSalle's 17th Century expedition along the Gulf Coast.

In addition to the Texas Heritage Trails Program (THTP), the THC's overall heritage tourism program works to develop and promote the state as a tourist destination in conjunction with the agency's State Historic Sites, the Office of the Governor, Economic Development and Tourism, Texas Department of Transportation, Texas Commission on the Arts, and the Texas Parks and Wildlife Department. The THC lends heritage tourism expertise to the other partners, including local and regional tourism assessments coordinated by the Office of the Governor.

The heritage tourism program at the THC partners with the National Park Service (NPS) and statewide partners to support, develop, and market El Camino Real de los Tejas National Historic Trail from the Rio Grande to Louisiana as well as El Camino Real de Tierra Adentro as it crosses through the El Paso area. Among other support, the agency helps shepherd the process for the local communities to install guidance

signs along these national trails and facilitates the development with NPS and TxDOT. National Historic Trails commemorating the cattle heritage of Chisholm Trail and Western Trail as well as the historic overland routes of the Butterfield Trail are in development at the federal level and require ongoing coordination and partnership with the THC.

The Texas Main Street Program and the Town Square Initiative

The Texas Main Street Program helps Texas cities revitalize their historic downtowns and neighborhood commercial districts by utilizing preservation and economic development strategies. The program began in 1981 and is affiliated with the National Trust for Historic Preservation. The Texas Main Street Program is among the most successful downtown revitalization programs in the nation, and has assisted more than 175 Texas cities. The program has resulted in the private reinvestment of more than two billion dollars in Texas downtowns and neighborhood commercial districts, the creation of more than 37,000 jobs, and the establishment of more than 9,000 new businesses.

The TMSP revitalizes Texas' historic downtowns and neighborhood commercial districts through economic development and historic preservation. It guides local participants in creating priorities, including the recruitment of managers, stakeholders, and volunteers. The program provides free architectural and graphic design services to help local organizations and businesses with logo and sign development, retail merchandizing, conceptual design for building improvements, accessibility compliance, environmental sustainability, and preservation assistance.

In recent years, the agency introduced the Town Square Initiative as part of the TMSP to provide in-depth and focused attention on select community revitalization projects. With this initiative, the agency has been able to add city planning, economic development specialties, and small business development services to the staple of benefits and consultations our staff can provide. In 2015, we unveiled the TMSP online resource library with hundreds of guidance documents, articles, technical resources, blogs, and videos/webinars of specific interest to Main Street participants. Further, through a partnership using both federal and private funds, we have developed a new, innovative software tool DowntownTX.org otherwise not available in the marketplace to assist revitalization efforts. The tool was created to specifically address vacant and underutilized properties within historic downtown cores. The website highlights historic downtown properties that are available for reinvestment and rehabilitation, connects parties directly with local incentives and the Texas Historic Preservation Tax Credit program, and behind the scenes gives the local community leaders a powerful new management and inventory tool for their historic core.

Texas Treasure Business Award

First established by the Legislature in 2005 and reenergized by the THC in 2013, the Texas Treasure Business Award program helps illustrate that the Texas economy is strong, and that this is a great place to do business. Near the close of FY 2016, more than 395 businesses across the state had been designated. The administration of the award program crosses agency strategies but most closely aligns with the Community Heritage Development programs. The award recognizes Texas owned and operated businesses that have served the state's people and economy for fifty years or longer. Recipients are encouraged to display and utilize the award's logo to increase awareness and recognition of their long-term success and contributions to their communities.

C. What evidence can you provide that shows the effectiveness and efficiency of this program or function? Provide a summary of key statistics and performance measures that best convey the effectiveness and efficiency of this function or program.

On behalf of the agency and the division, The University of Texas at Austin, in collaboration with

Rutgers University, completed a major update to the *Economic Impact of Historic Preservation in Texas* study. The 2015 report documented the annual contribution of \$4.6 billion to the state's economy and more than 79,000 Texas jobs generated from historic preservation activities. The Community Heritage Development Division empowers local efforts for preservation and economic development; therefore its primary measures of effectiveness and efficiency are the changes that occur within communities.

A powerful measure of effectiveness for the Community Heritage Development Division is the cumulative impact of its programs on the Texas economy. Main Street programs throughout the state have resulted in more than two billion dollars in private reinvestment to their downtown areas, opened more than 9,000 new businesses and created more than 37,000 new jobs. The program has also generated an increase in volunteerism in its member communities, with people in local Main Street programs donating more than 1,500,000 hours to help revitalize their commercial districts.

In fiscal year 2016, Main Street staff made 185 visits to local communities to provide design, technical, planning, and training assistance. This represents a 15 percent increase in site visits versus the prior year and nearly a 100 percent increase over the course of the past three years. Eighty percent of our participating communities requested substantive technical training or assistance during the fiscal year. During that same period, our staff received 252 requests for design assistance to be delivered on-site or remotely. During fiscal year 2016, program staff undertook approximately 6,164 hours of work for specific projects requested by local communities. From follow-up with our communities, we know that our design staff projects have already helped directly result in approximately \$10.3 million of local reinvestment. The total hours of work provided to specific projects increased 4 percent over fiscal year 2015, and the resulting dollar value was up by nearly 40 percent over that same period.

Local Main Street managers track and report reinvestment statistics to state staff on a quarterly basis. The Texas Main Street Program compiles and analyzes the data every six months. State reporting of the reinvestment results is required by the National Main Street Center and Legislative Budget Board on different schedules. The program utilizes calendar-year quarters for organization of the data; therefore, it does not align perfectly with the state's fiscal year.

Since 1999, our currently active 89 local communities have reported more than 1.5 million hours of volunteer effort toward downtown revitalization, with a statewide value exceeding \$38 million. In FY 2017 alone, our programs reported more than 83,000 volunteer hours in their communities, a value of more than \$2 million created through the TMSP.

Other FY 2017 totals reported by the local programs and tracked by the agency include: 577 private rehabilitation projects worth more than \$92 million; \$114 million in new downtown construction; the sale and purchase of more than \$19 million of downtown real estate; net gains of 339 business starts and 1,735 new jobs in Main Street districts; and a gain of approximately 137 downtown residents and 83 housing units. In total, over \$314 million of public and private funds were reinvested in Texas Main Street communities during the period roughly equivalent to state fiscal year 2017. The 2017 figures represent the highest totals of the past ten years.

According to the Office of the Governor, Economic Development and Tourism, Texas tourism is a \$69 billion annual industry, with visitor spending in the state directly supporting 671,000 jobs in 2016. The office also determined that FY 2017 in-state advertising by the five state tourism MOU agencies, including the THC, generated \$49 million in tax revenue for an ROI of \$8.74 for every \$1 invested. The 2015 economic impact study update demonstrated that heritage travelers account for about 12.5 percent of direct travel spending in Texas. Of that amount, nearly \$2.3 billion can be attributed annually to heritage-related activities of visitors. Travelers in Texas that engage in heritage activities spend \$30 more each day, per person, than non-heritage travelers. This same study surveyed sites participating in the Texas

Heritage Trails Program and found that this participation increased revenues and visitation by nearly 14 percent.

The 2015 study demonstrated that for every \$1 million spent by Texas heritage travelers, 24 Texas jobs are created and the Gross State Product increases by \$1.3 million with further positive impacts on the national economy.

The Texas Heritage Trails Program is a national leader in heritage tourism development; it received the *Preserve America Award* for Heritage Tourism from President George W. Bush. This honor recognizes exemplary accomplishments in the sustainable use and preservation of cultural or natural heritage assets in heritage tourism development. In the past 19 years of the THTP, its heritage regions covering all 254 Texas counties have raised more than \$2.7 million in regional cash contributions, \$4.1 million in in-kind contributions to fund their operations, and more than 95,000 volunteer hours. During the first three quarters of the fiscal year 2017, the regions have among other activities:

- Provided 10 hospitality training sessions that reached 748 participants
- Planned and executed 35 educational meetings that were attended by 902 individuals representing 172 organizations
- Held 15 workshops reaching 366 individuals and 40 entities
- Placed more than 40 cooperative travel advertisements in more than 20 different print publications
- Increased their combined social media followers by nearly 25 percent to a total of 121,932

The Texas Time Travel.com suite of websites for heritage travel planning and promotion had more than 330,000 unique users and about 385,000 sessions during FY17. The complementary Texas Time Travel Tours mobile tour application reached approximately 10,000 users via the web and were in use as native applications on an additional 2,200 mobile devices during FY17. By distributing select videos produced for the Texas Time Travel Tours on social media networks, this collection of travel oriented videos was viewed more than 898,000 times. During this same fiscal year, approximately 220,000 of the multiple THC-produced travel guides were distributed to travelers.

Though they are separate operations within the agency, the development and promotional efforts of the heritage tourism and Texas Heritage Trails Program complement the work of the Historic Sites Division by increasing awareness of both state-owned and non-state-owned heritage sites and attractions. The 20 plus State Historic Sites managed by the THC have seen significant increases in visitation, including 31 percent in FY16, some of which should be attributed to the work of the heritage tourism programs.

The CLG Program assists 74 communities in strengthening their city's or county's local preservation program. Since its inception in 1986, the CLG Program has awarded \$3,041,330 in direct grants to local projects.

The work of the Community Heritage Development programs has also been recognized by peers and the public at large. Recent notice has included the Celebrate Main Street 35th Anniversary, multi-city travel promotion was recognized with the 2017 Innovation on Main Street Award from the National Main Street Center. The National Association for Interpretation recognized Texas Time Travel Tours with national, third place, 2016 Interpretive Media Award for Digital Media. *Texas Monthly* magazine in 2016 recognized Texas Time Travel Tours as one of their top apps for a Texas road trip. *True West* magazine named www.TexasTimeTravel.com Best Promotion of a Historic Place in their 2013 Best of the West awards.

D. Describe any important history regarding this program not included in the general agency history section, including how the services or functions have changed from the original intent.

After significantly-reduced appropriations in 2011, the Visionaries in Preservation Program (VIP) of the Community Heritage Development Division was eliminated. Heritage Tourism Partnership Grants to local and regional collaborative projects were also eliminated.

At the beginning of Fiscal Year 2016, the non-profit Texas Brazos Trail Region ceased operations due to lack of state funding and loss of local capacity within the non-profit's board. The other nine Texas Heritage Trail Regions were able to keep operating for the FY16-17 biennium. A new Texas Brazos Trail Region organization is being formed to begin operations in FY18.

In FY16, the first Real Places conference was hosted by the agency to bring together various constituencies and stakeholders from across the state for education and networking. This conference was in part, a response to the loss of the previous statewide historic preservation conference that ceased after the 2011 budget reductions. The success of Real Places in 2016 has led to the upcoming Real Places 2018 Conference: Preserving Historic Texas which is intended to become an annual gathering of agency partners and stakeholders.

In 2017 the new www.DowntownTX.org launched as a collaborative project between the Texas Main Street Program, Certified Local Government Program, and private funding sources.

The 85th Legislature added the charge of developing the Texas Music History Trail and the Tom Lea Trail for heritage tourism promotion to the agency. No funds were appropriated to support this assignment.

E. Describe who or what this program or function affects. List any qualifications or eligibility requirements for persons or entities affected. Provide a statistical breakdown of persons or entities affected.

Certified Local Government Program

The CLG Program affects cities and counties that request to be certified. There are 74 CLGs in Texas (58 cities and 16 counties). More than 12 million Texans reside within these CLG communities. Urban areas are highly represented, with many of the CLGs located within the state's Metropolitan Statistical Areas. However, twenty-eight percent of the participants are cities or counties below 25,000 population. Approximately one half of the participating jurisdictions represent cities or counties below the 50,000-population threshold. The participating communities are well dispersed geographically across Texas except for the far west portions of the state and panhandle where program representation has been limited. The customers for the CLG program are the communities and their citizens in general but the services are usually delivered to the city staff and local volunteer commissioners.

To qualify as a CLG, a local government must:

- Enforce state or local legislation that protects historic properties
- Establish a qualified review commission composed of professional and lay members
- Maintain a system for surveying and inventorying historic properties
- Provide for public participation in the historic preservation process, including recommending properties to the National Register of Historic Places

Heritage Tourism and The Texas Heritage Trails Program

The Texas Heritage Trails Program is a regional heritage tourism initiative designed to promote tourism visitation to historical and cultural sites. It creates sustainable partnerships among preservation and tourism professionals while marketing heritage regions as destinations. The Texas Forts Trail Region was chosen in 1998 as the pilot project. Thereafter, an application process for designation was established and all ten heritage trail regions had been accepted and activated by 2005.

When originally selected for participation, a detailed application covered the following criteria for Heritage Trail Region designation: geographic location; evidence of broad-based community support, including a resolution of support from 75 percent of the counties within the heritage region and letters of support from groups and/or individuals supporting the effort; a narrative addressing the benefits and/or actions that the heritage region expects by participating in the Texas Heritage Trails Program, and demonstrating a clear understanding of historic preservation, heritage tourism and the Texas Heritage Trails Program; existence of partnership potential with groups committed to development and long-term continuation of the heritage trail region; and evidence of tourism development organizations partnerships. Today the ten regional organizations are established and serve every community in Texas.

The target audience for THC and THTP heritage tourism marketing efforts are travelers within the state of Texas. Outreach through travel and trade shows, trainings, speaking engagements, and the distribution of printed marketing materials is almost exclusively focused within the state. Digital materials such as downloadable documents, the TexasTimeTravel.com suite of websites, and the mobile tours are not confined by state or other political boundaries and therefore reach audiences outside of the Texas and the nation at times.

In 2010, the marketing firms of Hahn, Texas and Sanders\Wingo undertook a research initiative in connection with the development of a THTP travel marketing campaign that ultimately ran from 2011-2015. The team identified audience targets that they categorized as Legacy Texans, Texas Transplants and Young Adults (experientials). They conducted stakeholder interviews, focus groups, and quantitative research to test messaging but also key areas of travel and media habits.

The 2015 University of Texas study found that conservatively, 10.5 percent of the travel in Texas is from visitors that engage in heritage travel related activities during their stay. Other studies of specific types of travelers, such as international overseas visitors, cite much higher percentages of travelers engaging in heritage activities. Likewise, analysis of specific Texas locales such as San Antonio have demonstrated that over 58 percent of all overnight visitors to the city and 47 percent of the daytrip visitors fall into their categorization of heritage visitors. Notably, San Antonio found that these heritage visitors had per visit expenditures greater than other tourists in the sectors studied. This type of higher spending is consistent with multiple studies both within Texas and nationally as well as the 2015 UT study for the THC. Previous data for EDT has shown that for those parties visiting historic sites, the average party per trip spending is \$1,206 or \$438 more than the average party of visitors. While those specific figures are now a few years old, evidence still suggest a correlation for heritage travelers spending more than typical or non-heritage travelers. Our built environment, including downtowns and historic neighborhoods, are part of what draws visitors in search of authenticity. There are positive and real economic consequences for protecting the historic character and integrity of our communities, a key component of THC's overall mission and an ultimate outcome envisioned for the THTP bringing travelers to historic communities across the state. Mandala Research found that 63% of surveyed leisure travelers agreed that they "seek travel experiences where the destination, its buildings and surroundings have retained their historic character." While 40% of surveyed leisure travelers "would pay more for lodging that reflects the cultural and/or heritage destination they are visiting."

The TexasTimeTravel.com heritage travel site serves as the landing page for the statewide heritage trails network and the gateway to the ten individual trail region sites. The THC's Texas Time Travel website unifies travel information for all 10 heritage trail regions under one statewide umbrella, allowing locational, thematic, and point-to-point searches. In Fiscal Year 2016 the users of the primary time travel domain were relatively evenly distributed across age groups with 11 percent of the users in the 18-24 age bracket at the low end and 21 percent of users in the 55-65 age group. The remainder of the age categories represented 16-18 percent of the users in each bracket. 53 percent of the users were female. 88 percent of the traffic was identified as originating in the United States and 77 percent of the traffic is from Texas. The largest volume of out of state traffic originates from California at slightly more than 3 percent. Within Texas, Houston, Austin, and Dallas topped the charts each with roughly 12 percent of the traffic.

Of note, traffic declined upon conclusion of the paid marketing campaign in 2015. This is especially the case with the primary domain but larger percentages of the traffic are reaching and interacting with the individual region websites linked to www.texasmetravel.com. The Brazos Trail Region ceased operations in September of 2015 due to the lack of state funding. The THC has continued to host and maintain the regional website for the Brazos Trail but unlike the other regions that have seen increased traffic, the Brazos Region traffic declined nearly 71 percent from the previous year. This drop far exceeds the decline of the main domain and is contrary to the gains of eight other regions. Therefore, the decline in Brazos Trail traffic is almost certainly due to the region ceasing operations, including marketing, outreach, and associated referrals from other organizations rather than just the loss of statewide advertising. From 2015-2017 the constituents within the Brazos Trail were underserved by the heritage tourism programs, triggered by the loss of funding in that period. However, the regional organization is being revived at the end of FY17 and the stakeholders, partners, and communities within the geographic region will once again be receiving the full benefit of the programs.

The Texas Main Street Program

The Texas Main Street Program has assisted 175 cities or districts, both rural and urban, since its inception. At the end of Fiscal Year 2017, the program actively serves 89 communities. The program has a systemic effect on communities and its residents, mobilizing a large volunteer base and leveraging partnerships between city government, building owners, merchants, chambers of commerce, downtown organizations and civic interest groups. The focus of the Texas program is generally smaller (more rural) communities, with 83 percent of the participating communities having populations below 50,000 and a median population of 15,640. Statewide the program currently serves more than 3 million Texans.

The participating communities are well dispersed geographically across Texas except for the far west portions of the state and panhandle where program representation is present but has been more limited. All of the current participating communities comprise the primary commercial downtown of the city, regardless of size. Communities such as Linden, Mount Vernon, Goliad, and San Augustine with populations hovering around 2,000 represent the lower limits of the successful program model while participants such as Corpus Christi, Brownsville, and Laredo represent the current larger size participants. The model program has been very successful in a wide range of communities but requires an investment of time, human resources, and financial support that has not been feasible or sustainable for communities much below the 2,000-population level. Conversely the state's largest major metropolitan areas have not shown significant interest in the program over the past decade. In part the agency believes, this is because they have the resources and access to expertise on their own that makes the program less attractive. The core principles of downtown revitalization that were novel when the program was founded in the early 1980s are now commonly accepted and acknowledged and economic conditions have changed for the major urban cores.

Texas cities with historic commercial buildings in their downtowns and neighborhood business districts may apply for Main Street designation. Cities with populations up to 50,000 must agree to hire a full-time

Main Street manager for three years, provide funding for the local program, and pay an annual fee of \$535. Cities with a population of more than 50,000 may cooperate with a private nonprofit organization, hire a full-time staff of two for at least five years, provide funding for the local program, and pay an annual fee of \$2,600.

As part of the Main Street Program, the Town Square Initiative works primarily, but not exclusively, with participating Main Street communities. The initiatives work can be highly targeted so it may attempt to address and resolve specific technical issues, obstacles to rehabilitation, or feasibility studies for endangered landmarks. Community leaders and property owners may apply for the targeted assistance and the requests are evaluated against initiative criteria. To provide the most strategic benefits, some of the projects or issues undertaken are outside existing Main Street program boundaries. The DowntownTX.org tool is currently serving 30 communities that are either Main Streets, Certified Local Governments or both with continued expansion underway. The audience being served by the project includes the communities in need of downtown reinvestment and revitalization as well as property owners, business owners seeking to expand, real estate brokers and the real estate development community.

Texas Treasure Business Award

The award recognizes Texas owned and operated businesses that have served the state's people and economy for fifty years or longer. Near the close of FY 2016, more than 395 businesses across the state have been designated. Nominations for the award continue to be strong with 40-50 received annually. This, however, is a very small percentage of the eligible businesses, which could reasonably be estimated to be at least a few thousand. Anyone may nominate a business for the recognition, including the business itself. There is no fee for the application or the award and nominations are accepted year-round.

F. Describe how your program or function is administered. Include flowcharts, timelines, or other illustrations as necessary to describe agency policies and procedures. List any field or regional services.

Certified Local Government Program

Cities or counties must apply through a series of steps for CLG status. The THC reviews CLG applications within 60 days of receipt of the formal request. Upon approval, the THC forwards a Certification Agreement to the applicant that restates the responsibilities of the CLG and the THC. After the chief elected official of the local government signs the agreement, it is returned to the THC for the executive director's signature. A copy of the application material and Certification Agreement are forwarded to the NPS for a 15-day review and approval. The NPS then issues a formal letter of designation to the new CLG and the THC. The date of that letter serves as the official date of certification. Once a CLG is certified, the community can access a number of benefits, including:

- Annual grants for local preservation projects and training
- Technical assistance and training from the THC
- Review and comment opportunity on local National Register nominations
- Participation in a statewide information network that provides members access to helpful publications, videos, and instructional materials

CLG grants provide funding that enables local communities to develop high quality preservation programs. CLG grants require a cash or in-kind service match from the community. Applications are reviewed by an interdisciplinary panel of agency staff and are approved by the THC.

Eligible grant projects include, but are not limited to:

- Training for local preservation commissions
- Completing or updating surveys of historic resources
- Developing design guidelines for historic properties
- Producing historical walking or driving tour brochures, videos or other educational materials
- Preparing preservation plans
- Preparing National Register of Historic Places nominations

Heritage Tourism and The Texas Heritage Trails Program

The Texas Heritage Trails Program provides technical, financial and marketing assistance to all 254 counties in Texas to help them preserve, protect and promote their cultural and historic resources. By developing heritage-themed travel marketing, communities partner to share resources, information, time and expertise. In doing so, they create enticing destinations out of locations that may not have attracted visitors on their own. The program relies on a strong coalition of leaders from the region to implement the work. Heritage Trails staff provides technical, educational and financial assistance to selected heritage regions in the areas of organizational development, product development, site interpretation, preservation practices and marketing, that help community leaders and volunteers develop, promote and enhance their heritage tourism attractions.

Each of the ten heritage trail regions is its own 501(c)3 non-profit organization created for the purpose of participating in the Texas Heritage Trails Program. From 1998-2005 the regional organizations formed with assistance from the THC and they applied to participate in the THTP and were each formally accepted by vote of the Commission. Each regional organization is governed by its own board of directors and operations are led by a full-time, professional executive director. Each region operates under its own bylaws and structure with board representation primarily from cities, counties, CVB, chambers, or attractions within the region. THC provides organizational and technical assistance but has no representation on the boards. The THC and representatives from all of the regions gather together annually or semi-annually for business meetings.

The THC has provided financial assistance to each of the regions for the majority of their existence and participation. The assistance has primarily been intended to cover the salary and benefits of a professional full-time executive director for each region and to provide some assistance for general operations. THC has four agency staff dedicated full time to heritage tourism and support of the THTP. Additional services are provided by administrative staff, management, and from the agency's Public Information and Education Department.

The THC has annual contracts for services with each of the regional organizations that include proposed budgets and scope of work individualized to each region. Regions provide quarterly and annual reports of various types to the agency. We also enter into formal Participation Agreements with each of the regions, in addition to contracts for any money transfers. Each of the active regions relies on volunteer efforts and fundraising to supplement the state's financial assistance and recently implemented procedures formalize regional matching requirements for the receipt of THC funds.

The division implements broader heritage tourism efforts such as coordinating with other state and federal agencies along with statewide and industry organizations that complements the THTP work. The majority of this coordination is handled by the division director with assistance from the heritage tourism staff.

The Texas Main Street Program

The Texas Main Street Program accepts applications annually and selects up to five cities of any population size to participate. Applications are reviewed by the Main Street Interagency Council, comprised of representatives from the Office of the Governor, Economic Development and Tourism

Division, the Texas Department of Agriculture's Office of Rural Affairs, an advisor from the Office of the Governor and Texas Main Street staff. A representative from the Legislative Budget Board serves as a non-voting member of the council.

The Main Street Interagency Council carefully reviews the submitted applications. The council uses an established set of criteria to rank the applications, which are then forwarded to the members of THC at the fall quarterly meeting. The members of the THC make the final decision regarding the cities designated as official Texas Main Street cities.

Once a city is designated an official Main Street City, it begins a multi-year intensive process which includes:

- Ongoing comprehensive training for Main Street managers and board members
- Training for communities in successful economic development approaches
- A multi-day, on-site evaluation and full report with recommendations
- Design assistance
- Consultation with downtown merchants about best business practices, visual merchandising, and window display
- Participation in the First Lady's Tour
- Economic development assistance
- Strategic planning and facilitation
- Access to a network of preservation and revitalization tools, including an online resource library
- Assistance with heritage tourism and marketing
- Training in volunteer management
- Access to www.DowntownTX.org to highlight available downtown properties for sale or lease as well as the exclusive management and inventory tools

Cities that complete the initial multi-year program may continue to participate in the Main Street network.

Texas Treasure Business Award

The award recognizes Texas owned and operated businesses that have been in continuous for-profit operation in Texas for at least 50 years; continue to operate the same or a very similar type of business as it did at least 50 years ago; have a continuous record of employment for at least the past 50 years; continue to operate as an independent, for-profit business (i.e., it cannot be operating as a subsidiary of or have been absorbed into another business); and maintain a good business relationship with the state. Forty to fifty nominations for the award are received annually. Anyone may nominate a business for the recognition, including the business itself. There is no fee for the application or the award and nominations are accepted year-round. Nominations are initially received and processed by CHD then are reviewed and approved by the executive director. Presentation of the award is arranged and made locally, usually with legislative representation. Given the locations and frequency of the awards, THC is unable to provide staff representation at all the ceremonies. THC staff participate in the presentations whenever possible.

G. Identify all funding sources and amounts for the program or function, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

The Community Heritage Development Division is primarily General Revenue funded. This program receives funds from the Historic Preservation Fund Grant for the Certified Local Government program.

Main Street program receives fees from cities participating in the program. These fees are deposited into appropriated receipts. In 2016, THC was still receiving funds through a Transportation Enhancement pass-through grant from TxDOT for the Texas Heritage Trails Regions.

H. Identify any programs, internal or external to your agency, that provide identical or similar services or functions. Describe the similarities and differences.

The programs of the Community Heritage Development Division are unique within and outside of the THC. While other entities are involved in travel and tourism promotion, none focus on the heritage traveler segment. Private consultants and other organizations may be involved in downtown revitalization however none of them approach it from a historic preservation perspective. A few external entities that may provide similar services but on a much more limited scale are partners with the THC in their work. Examples include the Texas Downtown Association and the Camino Real de los Tejas National Historic Trail Association.

The Texas Department of Agriculture has their Family Land Heritage Program that recognizes family owned agricultural land that has been in production for 100 years or more. The requirements are notably different than the Texas Treasure Business Award and TTBA is not awarded to agricultural operations.

I. Discuss how the program or function is coordinating its activities to avoid duplication or conflict with the other programs listed in Question H and with the agency's customers. If applicable, briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

The THC participates in an MOU regarding tourism with the Office of the Governor, Economic Development and Tourism; Texas Department of Transportation; Texas Parks and Wildlife Department and Texas Commission on the Arts. The purpose of the MOU is for coordination and non-duplication of tourism efforts among these five state agencies. The THC is also a member of the Texas State Agency Tourism Council, which brings these five MOU agencies together with other state agencies and programs involved in tourism. This council meets on a quarterly basis and provides coordination of state-level tourism efforts. The CHD division director serves as an ex-officio board member on the Texas Travel Industry Association, as do officials from the other four MOU agencies. The CHD division director also serves as an advisor to the non-profit El Camino Real de los Tejas National Historic Trail Association in their efforts to develop, protect, and promote this significant trail.

The Main Street Interagency Council, which has been meeting for more than 30 years, is comprised of representatives from other state agencies that work with community development. While no formal MOU exists, there is a high level of cooperation and communication between the THC and these agencies. The Main Street Program partners with the non-profit Texas Downtown Association to implement an annual downtown revitalization conference and the program staff serves on the board in an ex-officio capacity.

As a matter of policy, the Texas Treasure Business Award will not be given to agricultural production businesses such as farms or ranches in order to avoid the potential overlap with the Family Land Heritage Program of the Texas Department of Agriculture.

J. If the program or function works with local, regional, or federal units of government include a brief description of these entities and their relationship to the agency.

The CLG Program works specifically with local governments and their landmark commissions and staff. The THC administers the program at the state level and the NPS is the responsible federal agency. CLG grants are funded with appropriations from Congress for preservation efforts through the federal Historic Preservation Fund. The local officials and boards implement the local preservation ordinances and programs. The local CLG is an official governmental body at either the city or county level. CLGs sign a certification agreement when they enter the program and provide periodic reporting to THC.

The Heritage Tourism and Texas Heritage Trails Programs work with local and regional governments as they participate as volunteers and partners with each heritage region. Examples of local governments that the Texas Heritage Trails Program works with are county and city governments, as well as extensions of those governments—chambers of commerce, convention and visitor bureaus, councils of government, economic development councils and rural development organizations. The non-profit heritage trail organizations enter into formal agreements with THC to participate. The local city and county governments that participate are direct partners with their individual trail region and do not have an official or formal relationship with THC for heritage tourism. However, the THC does work frequently with these local bodies or officials, providing heritage tourism assistance.

The National Historic Trails Program is part of the National Park Service (NPS) and the THC partners with NPS to develop the national trails. In some situations, the two entities have a formal cooperative agreement but at other times the ongoing relationship is not formalized except under the broader umbrella of the agency's federal obligations.

The Texas Main Street Program works closely with participating cities' governments. Local governments operate and fund the local Main Street programs, including hiring a local Main Street Manager. A few of the local programs are operated through a local non-profit or governmental body such as an economic development corporation. In addition, the state program maintains an association with the National Main Street Center and licenses the rights to the programs national model. While not a government agency, the National Main Street Center is a wholly owned subsidiary of the National Trust for Historic Preservation which is the leading national nonprofit organization for historic preservation that was originally chartered by Congress.

K. If contracted expenditures are made through this program please provide:

- a short summary of the general purpose of those contracts overall;
- the amount of those expenditures in fiscal year 2016;
- the number of contracts accounting for those expenditures;
- the method used to procure contracts
- top five contracts by dollar amount, including contractor and purpose;
- the methods used to ensure accountability for funding and performance; and
- a short description of any current contracting problems.

In FY 2016, the Community Heritage Development Division had \$440,939 of contract related expenditures for 10 THC and several state (DIR, CPA, CCG) contracts. The largest contracts were for the procurement of heritage tourism services including: THC sponsorship of the Friends of the Texas Historical Commission (\$90,000) 2016 Real Places heritage tourism conference; Audissey Guildes (\$44,910) for the production of mobile tours; Hecho a Mano Productions (\$24,620) for mobile heritage tourism thematic tours; Toxey-McMillan Design Associates (\$66,000) for interpretive coordinator services for the Bankhead Highway; and, Trademark Media (\$14,300) for website design, maintenance, and hosting services. The Community Heritage Development Division had additional contracts for minor

operating expenses such as copiers, software, janitorial services, and postage. THC procures contracts following CPA guidelines. The program utilizes budget reports to ensure project funding is available and manages the contract to ensure successful performance.

L. Provide information on any grants awarded by this program.

The THC distributes at least 10 percent of its federal apportionment to Certified Local Governments in the form of matching grants-in-aid. In the past two years, approximately \$280,000 in federal grant funding was awarded to 17 projects across 26 CLG communities for local preservation projects, creating a total investment exceeding \$468,000. Such projects include surveying and documenting historic resources, training local commission members, and rehabilitating historic buildings. During this period, 17 communities were awarded grants to allow 27 historic preservation officers or local commission members to attend the National Alliance of Preservation Commissions' professional development seminars.

The Texas Main Street Program partners with the Texas Department of Agriculture on the Texas Capital Fund, providing Texas Main Street communities with an exclusive and competitive matching pool of \$600,000 for local initiatives such as downtown infrastructure improvements and accessibility. Non-entitlement Main Street cities (cities not already entitled to Community Development Block Grant funds) are eligible for the Texas Capital Fund Main Street Improvement grant. Since being established in 1993, the Texas Capital Fund has provided more than \$13 million in federal assistance, resulting in nearly \$27 million in local projects within Main Street cities. The federal funds are provided through the Texas Department of Agriculture's budget.

Although Main Streets and projects from within Main Streets are eligible to apply for other agency grants, most project funding is local and the THC does not directly provide funds to Main Streets. In 2016, The Texas Main Street Program was selected to be the state program for the inaugural Main Street America Façade Improvement Pilot Program funded through the 1772 Foundation. The THC applied for the national pilot project and was selected largely based on our long track record and strong staffing in multiple disciplines. Goals of this pilot program include demonstrating that there can be tangible economic benefit to individual businesses and local economies through coordinated, small-scale façade improvements, and also to support the local Main Street district's ability to attract additional private investment. Additionally, it is anticipated that generating examples of successful and catalytic façade improvement projects will serve as a resource library/toolkit for local Main Street districts and coordinating programs that would like to develop their own revolving loan programs. Working with THC staff, Main Street America selected the cities of San Augustine and Texarkana to be eligible for the pilot. Businesses and property owners within those two Main Street districts are able to apply for a combination of low interest loans and grants from Main Street America to make exterior improvements to the properties. There is approximately \$80,000 available between the two communities. The national organization along with the 1772 Foundation will administer the loans and grants while being responsible for due diligence and underwriting. Funded work will not be implemented without design and appropriateness approval from THC staff.

M. Are there any barriers or challenges that impede the program's performance including any outdated or ineffective state laws? Explain.

N/A

N. Provide any additional information needed to gain a preliminary understanding of the program or function.

N/A

O. Regulatory programs relate to the licensing, registration, certification, or permitting of a person, business, or other entity. For each regulatory program, if applicable, describe:

- **why the regulation is needed;**
- **the scope of, and procedures for, inspections or audits of regulated entities;**
- **follow-up activities conducted when non-compliance is identified;**
- **sanctions available to the agency to ensure compliance; and**
- **procedures for handling consumer/public complaints against regulated entities.**

N/A

P. For each regulatory program, if applicable, provide the following complaint information. The chart headings may be changed if needed to better reflect your agency's practices.

N/A

A. Provide the following information at the beginning of each program description.

Name of Program or Function	History Programs Division
Location/Division	Austin
Contact Name	Charles Sadnick, Division Director
Actual Expenditures, FY 2016	\$2,693,389
Number of FTEs as of August 31, 2016	22.5 FTEs

B. What is the objective of this program or function? Describe the major activities performed under this program.

The History Programs Division works with citizens, county historical commissions, museums, cemetery associations, local governments, state and federal agencies, and other interested parties to identify, evaluate, and interpret the historic and cultural resources of Texas.

A major activity of the division is to administer federal programs, including the National Register of Historic Places, federal historic preservation tax incentives, and Section 106 reviews. State programs include managing the Official Texas Historical Marker Program, County Historical Commission Outreach Program, Military Sites Program, Cemetery Preservation Program, Historic Resource Survey Program, Historic Texas Highways Program, Museum Services Program, and Youth Education Program. The Division also manages the agency library and records and coordinates the agency awards program each year.

Federal Programs

National Register of Historic Places

The National Register of Historic Places is the nation's inventory of properties deemed worthy of preservation. The National Historic Preservation Act of 1966 created the National Register to recognize historic places that represent our country's heritage. These properties — whether districts, sites, buildings, structures or objects — are determined to be architecturally, archeologically or historically significant for their associations with important persons, events, or patterns of development. The National Register is an integral part of the THC's effort to promote preservation, providing a basis for both federal and state programs. Listing a property in the National Register encourages the preservation of historic properties, provides prestigious recognition to significant sites, aids in planning, promotes tourism and economic development, and can be a factor in financial incentives, such as the federal and state Historic Preservation Tax Credits, the Texas Preservation Trust Fund, and local tax abatements. HPD staff has recently completed work on an online National Register database which will greatly streamline the process of fulfilling public requests for copies of approved National Register nominations.

Historic Preservation Tax Incentives & Section 106 Reviews

History Programs Division staff participates in the federal and state historic preservation tax incentives programs and Section 106 review. A federal tax credit worth 20 percent of the eligible rehabilitation costs and a state credit worth 25% of the same costs are available for buildings listed or eligible for listing in the National Register of Historic Places. The work undertaken as part of the project must meet the Secretary of the Interior's Standards for Rehabilitation. The federal tax credit is available only for income-producing properties (i.e., office, retail, hotel, apartments), while the state credit is available for

buildings rehabilitated for commercial, non-profit, or higher education purposes. History Programs staff participates in both tax credit programs, evaluating properties for their eligibility to the National Register and facilitating their designation.

Under Section 106, projects that are federally funded, licensed, or permitted, and will affect historic properties, must be reviewed by the THC to determine if they will impact historic properties listed in or eligible for listing in the National Register. The goal of this review is to ensure efficient and thoughtful expenditure of public funds and to have the opportunity to mitigate the loss of significant historic resources. Projects reviewed vary from highway projects to housing developments to military installations. Approximately 11,000 resources are reviewed annually by the agency. History Programs Division staff work with state and federal agencies to understand the review requirements, which can be tailored for the nature of the projects for a more streamlined process.

State Programs

Official Texas Historical Marker Program

The Official Texas Historical Marker Program is one of the oldest and most identifiable programs of the THC. There are more than 16,000 Official Texas Historical Markers and another 200-250 applications are processed each year. Markers are located in each of the state's 254 counties and provide Texans and visitors tangible links to the past. A vital part of the state's heritage tourism efforts, markers convey stories of local, regional and national history.

The marker program includes subject markers, which are solely educational in nature; Recorded Texas Historic Landmark (RTHL) markers, which convey a legal designation for historic structures and buildings; and Historic Texas Cemetery markers, which interpret the history of designated cemeteries. RTHLs are properties judged to be historically and architecturally significant; buildings must be at least 50 years old and judged worthy of preservation for their architectural and historical associations. RTHL is a legal designation and comes with a measure of protection. Since 1962, more than 3,800 properties have received RTHL designation, and surveys show that more than 95 percent still retain their historic and architectural integrity.

County Historical Commission Outreach Program

In 2008, THC created the CHC Outreach Program to administer statutory responsibilities assigned to the THC related to County Historical Commissions (CHC), and to build the capacity of these county-appointed, volunteer organizations. In 1955, the Texas State Historical Survey Committee (now THC) adopted a plan to encourage county judges to establish County Historical Survey Committees—precursors to CHCs—to identify important historical sites and preservation needs within each county. These county committees were asked to be local preservation eyes and ears for the state. Over time, these county committees became formalized commissions as per Local Government Code, Chapter 318.

State statutes enable county commissioners courts to establish CHCs to initiate and manage programs for the preservation of the county's historic and cultural resources. County commissioners courts provide CHC oversight and the THC acts as an advisory partner. State statutes direct the THC to serve as a repository for CHC appointee rosters, annual reports, and survey/assessment data for historic resources. Statutes also direct the THC to provide CHCs with preservation program recommendations, orientation materials, and training. THC's CHC Outreach Program receives CHC documentation and uses data to develop CHC educational material, which is posted on the THC website and, when workload allows, presented in-person. CHC Outreach staff also administer the Distinguished Service Award. Using statutory-related criteria, this award acknowledges above average CHC service based on documentation submitted in CHC annual reports.

Historic Resource Surveys and Special Resources Programs

The History Programs Division manages a number of programs that assist in the survey of historic resources and provide specialized assistance to unique property types, including cemeteries and military sites. A historic resource survey is the process of identifying and documenting properties of historic and cultural significance within a defined geographic area. Surveys are the basis for local, regional and statewide preservation planning, and are important tools for economic development and incorporating preservation into broader community goals. The THC supports and assists local historic resource surveys throughout the state, providing communities with financial and technical assistance to ensure that the end product is informative and useful. The THC also serves as a central archive for local survey efforts, retaining copies of all survey reports for public use and maintaining a statewide inventory of identified historic resources. With written and photographic documentation on more than 280,000 properties in Texas, this collection represents an invaluable record of the state's cultural heritage. Historic resource survey remains a critical focus of the THC's work.

Cemetery Preservation Program

Cemetery preservation has long been a concern of the THC, but it was not until the late 1990s that funding was in place to establish a separate Cemetery Preservation Program within the History Programs Division. The program has two objectives: to locate and protect historic cemeteries, and to provide assistance to local preservationists through workshops, on-site visits and publications. The program has several facets, including the Historic Texas Cemetery designation to ensure cemeteries are properly recorded in deed records of the counties, special markers that serve to enhance public awareness of the historic burial grounds, and a survey program which has updated existing map information and gathered documentation on cemeteries across the state. This data has been posted to the THC's Historic Sites Atlas and available for use by researchers, planners, government agencies and other concerned parties.

Military Sites Program

In 1995, the Texas Legislature established the Military Sites Program within the THC. The purpose of the program is to identify, record, designate, commemorate and promote historic sites, both inside and outside the state, where Texas military forces served with distinction. This program has participated in several high-profile projects, including the popular Texas in the Civil War brochure, restoration of the ornate Texas monument in the Vicksburg National Military Park in Mississippi, and the Texas Flags exhibit in Houston in 2002. The program conducted WWII and Cold War initiatives, and is currently coordinating the THC's efforts as the lead agency in Texas for commemoration of the 100th anniversary of WWI. The ambitious initiative commemorates the significant role Texas played in the war.

Historic Texas Highways Program

In 2009, House Bill 2642 established the Texas Historic Roads and Highways Program with the goal to identify, designate, interpret, and market historic roads and highways in Texas. The Texas Historical Commission and the Texas Department of Transportation entered into an agreement to administer projects relating to this program.

This program has researched and written a historic context called "The Development of Highways in Texas" focusing on six key highways: the Bankhead, the Meridian, Old Spanish Trail, the Del Rio-Canadian, North Texas, and East Texas Highways. The historic context traced the evolution of highways in Texas from the period of early settlement ca. 1700 through the completion of the modern interstate highway system ca. 1980. Emphasis was placed on the period from ca. 1800 through ca. 1932, which witnessed the emergence of a complex network of county roads, named highways, and state highways for vehicles with internal combustion engines. Each defined time period includes a statewide overview that examines some of the broad trends and social history related to highway development at that time, as well as description of the evolution of the routes associated with early named highways in Texas. The THC updated the Administrative Code in 2015 to designate 46 named highways as per the 1923 Rand McNally

Auto Trails Map. As funding permits, historic highways will be surveyed, followed by various interpretation such as interactive webpages, travel brochures, short videos, mobile app tours, workshops and presentations, etc. as a means of interpreting and marketing these historic roadways.

Museum Services Program

According to the Institute of Museum and Library Services 2014 census, Texas has an estimated 2,200 museums. Of those, approximately half are history-related and nearly 900 of those are small, history museums. The American Alliance of Museums recently found that 17% of museums are located in rural areas with fewer than 20,000 residents. These small, local history museums are the main audience for the Museum Services Program. These small museums serve as rallying points for community and county pride and assist in telling important history and stories. Community-based museums hold invaluable artifacts and unique pieces of Texas history, but in many cases lack of funding and professional training have resulted in improper storage, conservation, documentation and exhibition of these important collections.

The THC's Museum Services Program staff of two full-time employees consults with history museums throughout the state on achieving national museum standards in all areas of operations. Program staff provides individual consultations by phone and email, free educational and reference material, low-cost training workshops and free training webinars. Additionally, staff maintains a museum database, and provides workbooks, presentations and handouts on various topics for free on the THC website and also maintains an email distribution list in addition to program web pages to alert museums to upcoming training opportunities.

Over the past twelve years, the program averaged 172 requests for assistance each month. During 2014 – 2016, program staff offered ten workshops on six topics and instructed nearly three-hundred museum staff and volunteers. When a workshop series is complete, the presentation and associated resources are made available on the Museum Services Technical Assistance page on the THC website. This page provides articles, vendor lists, workbooks, plan templates, workshop materials and many other resources that have information helpful to those working at museums. Many of the technical assistance documents are popular and have been downloaded thousands of times.

In 2017, Museum Services began offering webinars as another service to museums. To date, eleven webinars have been held with another four scheduled through the end of 2017. Of the eleven offered to date, 561 people attended the webinars. The webinars are recorded and are available to watch through the THC website. An additional 331 people watched the webinars as recordings. A total of 892 people received training through these webinars.

Other Programs

Library and Records Management

Since 1998, the Library has served the agency and the public as the THC's main repository of reference materials. Located in the nationally registered 1883 Gethsemane Lutheran church building, it houses approximately 4,000 books about city, county, and state history, historic preservation, museum studies, archeology, and architecture in Texas. The library's collection also includes thousands of files, bound reports, recordings, journals, and maps relating to National Register of Historic Places properties, Texas historical markers, cemetery surveys, and military and general content oral histories.

The THC maintained a full-time librarian until 2004. The librarian also served as the agency's records manager, administering a state-mandated records management program. Currently, the agency's records management responsibilities rest with each division's administrative staff.

Texas Historical Commission Awards

History Programs Division staff coordinates the agency's annual awards program. The awards program recognizes a variety of accomplishments and exemplary individual, community, and strategic leadership in the preservation of Texas heritage. Most awards are presented at the THC's Real Places Conference, but our most prestigious award, the Governor's Award for Historic Preservation, is presented in a special ceremony arranged with the staff of the Governor's Office.

C. What evidence can you provide that shows the effectiveness and efficiency of this program or function? Provide a summary of key statistics and performance measures that best convey the effectiveness and efficiency of this function or program.

The effectiveness and efficiency of the History Programs Division are measured in a number of ways: quantity of services and designations; cost of evaluating properties; outreach to the public, presentations and site visits; and projects completed.

The nature of many of the federal and state programs that the agency manages require staff to respond to projects brought forward, including National Register nominations, historic preservation tax incentives, Section 106 reviews, and the Official Texas Historical Marker applications. The volume of these projects fluctuates depending on the economy, the undertaking of projects which initiate Section 106 review, the local climate for private development utilizing tax credits, and the public's desire to recognize historic resources. History Programs Division staff has a strong connection with local efforts through the county historical commissions, and encourages local preservation projects through outreach, educational workshops and site visits to communities across the state. In 2016, staff made 30 presentations throughout Texas.

In fiscal year 2016, History Programs Division staff evaluated 497 properties, including properties being considered for the National Register, State Markers, Historic Texas Cemeteries, and Section 106. Staff contributed to the designation of 331 properties in Texas.

While some HPD programs focus on historic properties, the CHC Outreach Program focuses on services for a unique audience tasked with preserving historic properties—County Historical Commissions (CHC). CHCs are stakeholders in a variety reviews conducted by THC staff. However, the primary performance measures for the CHC Outreach Program are associated with annual CHC reports and biennial CHC appointments, data that is tracked and reviewed by CHC Outreach staff.

CHC Outreach tracks 185 to 225 CHC appointee rosters each biennium after appointments are made in January of odd-numbered years. There are approximately 4,500 CHC appointees in Texas who report a cumulative 430,000 volunteer hours per year on average. Generally speaking, 90% of Texas counties have an organization referred to as a CHC; approximately 75% of CHCs have an active program of work. Because the THC does not oversee CHCs—county commissioners courts govern CHCs—THC relies on counties and CHCs to provide regular activity reports to the THC.

The CHC Outreach Program receives between 165 and 190 CHC reports each year. As reports are reviewed, CHC Outreach staff distribute reporting information to THC staff members associated with the counties, disciplines, and/or projects documented in each report. Using reporting data from the 2016 year of service, CHC Outreach staff shared approximately 550 updates on CHC-related preservation matters to more than 50 THC staff members. This information is used to improve services that THC staff provide to local communities. CHC Outreach staff also use reporting data to identify CHC organizational problems and challenges, helping these local preservationists to serve counties more effectively, as well as, participate more fully in THC programs.

As directed in state statutes, the THC provides orientation material to CHCs. Since its creation in 2008, the CHC Outreach Program has evaluated CHC orientation material twice, updating existing CHC Handbook in 2010 and developing new orientation material in 2015, which was presented in-person in eight workshops across the state in 2016. Orientation material is posted on the THC website (free of charge) with an accompanying introductory webinar video. Additional in-person trainings are provided from year to year that address CHC organizational and preservation needs. New web material is created each month to support ongoing CHC appointee continuing education. CHC Outreach staff field questions and comments from CHC appointees, elected officials, and the public daily.

CHC Outreach staff also administer the Distinguished Service Award (DSA). The DSA criteria for this longstanding THC award was reworked in 2010 as directed by THC administration. Now, DSAs are assigned based on statutory directives and breadth of activity, acknowledging above average CHC service documented in CHC annual reports. Since 2010, the number of CHCs that have been awarded a DSA has increased from 72 to 89 as CHCs improve programming and the ways in which they report accomplishments.

Statistics tell only part of the story of the effectiveness of the division's programs. Throughout the years staff has managed or partnered in many high-profile projects that raised the level of awareness around the state for the importance of history and preservation. Since the inception of the Historic Texas Cemetery designation, 2,152 cemeteries have been entered into county deed records. THC staff have entered data on nearly 11,500 cemeteries into the Historic Sites Atlas since October of 2001 and add additional cemetery locations regularly.

The Military Sites Program has completed projects which include production of the *Texas in the Civil War* and *Texas in World War II* brochures; research, documentation, and production of onsite and online interpretation of internment camps at five sites in Texas during WWII; and development of oral history training workshop series, Texas in the Cold War.

The most recent project is the centennial commemoration of Texas' role in World War I. The THC is the state's lead agency for this commemoration, and has developed and promoted activities that outline the significant role Texas played in the conflict. Military Sites Program staff has worked closely with volunteers and organizations throughout the state to educate the public about Texas and WWI. While the coordination of the overall project rests with the History Programs Division, all divisions of the agency are involved in the initiative.

D. Describe any important history regarding this program not included in the general agency history section, including how the services or functions have changed from the original intent.

Official Texas Historical Marker Program

For the Texas Centennial in the 1930s, the state erected nearly 1,200 historical markers, monuments, statues, memorial buildings and other projects. These Centennial markers and monuments were among the first projects assigned to the THC in 1953. Granite grave markers were placed for veterans of the Texas Revolution in the 1950s. The marker program expanded in the 1960s with the introduction of roadside historical markers and building medallions to honor state landmarks that represented both historical significance and architectural integrity. In 1962, the first roadside marker was dedicated at Camp Ford in Tyler and the first building medallion was placed in Gonzales for the Eggleston House. Soon after, the THC began offering interpretive plaques to accompany the medallions, and later it developed the Recorded Texas Historic Landmark designation to provide a measure of legal protection for properties bearing the building markers.

In the late 1990s Historic Texas Cemetery markers were first offered. Bearing the distinctive logo of the program, the markers are for those cemeteries that have been approved for this special designation. In 2006, following recommendations of the Sunset Advisory Commission, the THC initiated an annual electronic application period for marker applications, along with an application fee for new and replacement markers to fund the Undertold marker program, which addresses historical gaps, promotes diversity of topics, and proactively documents significant undertold or untold stories. More than 140 undertold topics have been selected through this program.

Cemetery Preservation Program

In December 1998, an interim report by a committee to the 76th Legislature called for establishment of a program to “increase awareness and citizen involvement in preserving Texas cemeteries.” Legislation passed in a subsequent session called for an Adopt-a-Cemetery program, along the lines of the state’s existing Adopt-a-Highway and Adopt-a-Beach efforts. The purpose of the legislation, which was not funded, was to heighten awareness of the need to preserve cemeteries and encourage local businesses, civic organizations, churches and schools to become involved. It also set up the mechanism for locating and documenting abandoned cemeteries and for establishing grants. Because the Adopt-a-Cemetery program has remained unfunded through subsequent legislative sessions, it has not been implemented.

In 2001, the THC received a federal transportation enhancement grant to locate and document all cemeteries in the state’s fastest-growing counties, most prone to cemetery encroachment due to development pressures. The survey program, known as RIP (Record, Investigate, Protect), began in January 2002 and concluded in August 2005. The functions of the Program changed after 2011 staff reductions. Since that time, Historic Texas Cemetery Designations have been a priority. Increasing awareness through public outreach, providing technical support to constituents, receiving and filing legal notices, and updating the Historic Sites Atlas are also significant functions.

E. Describe who or what this program or function affects. List any qualifications or eligibility requirements for persons or entities affected. Provide a statistical breakdown of persons or entities affected.

The History Programs Division serves the general public of Texas through its broad-based programs that support local interest and efforts to preserve history and culture. There are no eligibility requirements for people who engage with the History Programs Division — rather the historic resources that people are interested in preserving must meet eligibility standards to be considered historic and significant.

Section 106 requires all projects that are federally funded, licensed or permitted to be reviewed by the THC for potential impacts to historic resources. This requirement affects federal, state and local agencies undertaking projects that require compliance with this law, examples of which include reservoirs built by the U.S. Army Corps of Engineers, new highway construction by the Texas Department of Transportation that utilizes federal funds, and local municipalities that receive federal grant funds to rehabilitate or demolish substandard housing. Agencies for which the THC frequently reviews projects include the Air Force, Army, Economic Development Administration, Federal Communications Commission, Federal Emergency Management Agency, Federal Transit Administration, Housing and Urban Development, Navy, National Park Service, Texas Department of Transportation and United States Postal Service. The History Programs Division works in cooperation with the Division of Architecture and the Archeology Division to ensure a comprehensive review of projects.

As noted above, there are no eligibility requirements for people who engage with the History Programs Division. However, the CHC Outreach Program provides services to County Historical Commissions (CHC), organizations which have statutory directives associated with CHC appointee selection and the

work in which CHCs may participate. These parameters are outlined in Chapter 318 of the Texas Local Government Code.

F. Describe how your program or function is administered. Include flowcharts, timelines, or other illustrations as necessary to describe agency policies and procedures. List any field or regional services.

Each program of the History Programs Division has a formalized structure and process. Staff is headquartered in Austin; however, site visits and field work are a regular part of each program.

National Register of Historic Places

History Programs Division staff coordinates the process of listing properties in the National Register of Historic Places in cooperation with the National Park Service and the applicant. Staff reviews hundreds of properties each year to determine if they qualify for listing in the National Register, reviews nominations and works one-on-one with applicants to ensure the nominations are complete. Once a final draft is prepared, the nomination is considered by the State Board of Review, a citizen committee of experts in the fields of Texas architecture, history, archeology and related disciplines. In public meetings held three times a year, the board assesses each nominated property according to National Register criteria. Approved nominations undergo a final editing process by the staff, and the completed application is signed by the State Historic Preservation Officer who in Texas is the THC executive director. We then send it to the National Park Service for final review and listing.

Tax Incentive Program and Section 106

History Programs Division reviewers are the first to see applications for the federal and state historic preservation tax incentives programs. The first part of the process for each program requires a determination of eligibility for the National Register. Upon positive review from the HPD staff, these projects are passed to reviewers in the Division of Architecture for completion of the second and third parts, involving the actual rehabilitation of the property.

Sponsors of development projects that trigger Section 106 are required to consult with the THC to avoid or minimize adverse effects to historic properties. All projects are logged into a computer database to track each review, and the agency recently took major steps in creating the electronic THC Review and Compliance (eTRAC) system. The agency strives to examine all projects within 30 days, and most projects are reviewed in a much shorter time. History Programs Division staff examines the historical importance or architectural merit of all buildings 50 years old or older that will be directly affected by construction or close enough to the construction site to be indirectly affected. If historians determine a building or structure is eligible for inclusion in the National Register, an architectural review by Division of Architecture staff is conducted to determine the effect the project will have on the building or structure.

County Historical Commissions

The CHC Outreach Program fields calls and email daily from County Historical Commissions (CHC), county officials, associated partner organizations, and the public. Organizational questions are answered by CHC Outreach staff and individuals with technical preservation questions are directed to the THC staff member assigned to the program or discipline in question. CHC Outreach staff frequently receive requests from CHC appointees and county officials to mediate organizational disagreements and provide recommendations to address political challenges related to CHCs. Site meetings and in-person CHC training are conducted as schedules allow and as particular needs arise throughout each year.

State statutes direct that county commissioners courts make CHC appointments in January of odd-numbered years. The bulk of appointee rosters are submitted to the THC between January and March of

odd-numbered years as county commissioners courts transition officials and enter a new year of business. CHC Outreach creates an appointee roster spreadsheet for county use, as well as, a CHC template report. CHC annual reports for the previous year of service are due by February 28; the bulk of reports are submitted by CHCs by this deadline. CHCs that do not report by this date are ineligible for a Distinguished Service Award (DSA). However, extensions are given when CHCs report extenuating circumstances related to health and natural disasters.

CHC Outreach staff review CHC reports and disseminate critical updates to THC staff between March and May of each year. This review period stages consideration for DSAs, which are announced and distributed in June. Throughout the year, CHC Outreach develops additional educational material, expands CHC web content, addresses day-to-day correspondence from CHCs, and contributes to THC initiatives.

Official Texas Historical Marker Program

The Texas marker process is unique in that it begins at the local level. Applications are first reviewed by the county historical commissions and then forwarded to the THC. We evaluate applications on criteria related to age, historical significance and, for Recorded Texas Historic Landmarks, architectural integrity. Anything that is questionable is referred to the History Committee of the THC for final review. Once an application is approved, we draft the marker inscription, which is then approved by the county historical commission and the applicant before the marker is ordered from the foundry. We also provide suggestions on how to plan and promote marker dedication ceremonies, which are popular events that attract local citizens, dignitaries and schoolchildren, while also serving as a source of community pride and promotion. The marker program in Texas has served as a model for more than a dozen other states.

If a property is designated a Recorded Texas Historic Landmark, owners must give the THC 60 day-notice before any alterations are made to the exterior of the structure. Unsympathetic changes to these properties may result in removal of the designation and historical marker. To nominate a property as a Recorded Texas Historic Landmark, the owner's consent is required.

Cemetery Preservation Program

The Historic Texas Cemetery designation is an official recognition of family and community graveyards and encourages preservation of historic cemeteries. The designation imposes no restrictions on private owners' use of the land adjacent to the cemetery, but provides for the recordation of the cemetery into the county deed records as a historically dedicated property worthy of preservation. To nominate a cemetery, the owner will be notified, though the owner's consent is not required. To receive the designation, the applicant must submit an application, show proof the cemetery is at least 50 years old, provide a history and precise information about its location and photographic documentation.

The Cemetery Preservation Program also provides technical assistance through workshops, on-site visits, publications, cooperative ventures, phone calls, emails and correspondence. The 81st Texas Legislature passed HB 1468, which provided visitation and access rights to land-locked cemeteries. Again, in the 85th Texas Legislature, THC staff collaborated to provide additional rights to landowners whose land contains a cemetery and to continue to pursue equal rights for the protection of all graves through the passage of SB 1630.

Museum Services Program

The Museum Services Program employs two trained museum professionals to assist history museums on achieving national museum standards in all areas of museum operations. The THC provides the services free of charge to Texas' small history museums. The Museum Services Program staff is available by phone, mail, or email to answer questions regarding museum planning, exhibit design, educational program development, artifact storage, fundraising, and other issues. Services available to the estimated

900 history museums throughout the state include email updates, telephone consultations, dissemination of educational and reference materials, training workshops and training webinars. Staff also maintains a robust webpage with many technical assistance resources available for download in addition to current training opportunities and links to current articles and other resources relating to the museum profession. Training topics offered 2016 – 2017 include understanding audience and visitors, caring for photographs, textile conservation, exhibit development, communicating with millennials, developing core policies such as mission statements and collections management policies, developing engaging tours, and managing membership programs to name a few.

The program also maintains the museum database that is available to the public through the THC Atlas. Staff works to keep the contact information updated as much as is possible. Most updates occur when notified by the museum that contact information has changed or by some other method staff is alerted to out of date information. This is a tool to help other museums and the public locate museums in a specific area in Texas.

Library

Although library material does not circulate outside the agency, researchers, students and the public are welcome to use the collection on site. Researchers can access the library collection through the online library catalog on the THC website, or by calling for assistance. The library is currently open to the public on Monday through Friday from 8:00 a.m. to 5 p.m. by appointment only.

Texas Historical Commission Awards

Printed guidelines and the THC's web site explain the awards in detail, and nominations are due the second Friday of July each year.

G. Identify all funding sources and amounts for the program or function, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

The History Programs Division is primarily General Revenue funded. This program also receives funds from the Historic Preservation Fund Grant for federal project reviews, historic sites surveys, the National Register program, and State Board of Review.

THC also receives funding from TxDOT through an on-going interagency contract for expedited reviews of State and Federal highway projects. In 2016, THC received a one-time Federal Transportation Enhancement pass-through grant for the Historic Texas Highways program from TxDOT.

The Historical Marker program receives application fees and cost reimbursement fees from sponsors of Historic Markers (THC Rider 3). The Historic Cemetery program receives application fees from applicants for the registration of historic cemeteries (THC Rider 5). These fees are deposited in appropriated receipts.

H. Identify any programs, internal or external to your agency, that provide identical or similar services or functions. Describe the similarities and differences.

The Architecture and Archeology Divisions of the THC participate in Section 106 review. However, each division plays a well-defined and separate role within the process. The History Programs Division coordinates with the Division of Architecture to review property eligibility for historic preservation tax

incentives; again, each division's role is separate and well-defined within the process.

As part of the Section 106 process, Texas Department of Transportation (TxDOT) conducts determinations of eligibility for properties and assessments of the impact for all projects that relate to the Federal Highway Administration (FHWA). History Programs Division staff play the important role of concurring or objecting with their determinations.

Some cities and counties designate local landmarks through criteria which may not overlap with Recorded Texas Historic Landmark (RTHL) criteria (i.e., properties which have been relocated or significantly altered do not qualify for RTHL designation but may still qualify for local landmark status as important early buildings and structures). Some cities and counties also have active local historical marker programs, often associated with local landmark buildings but also commemorating sites, events and individuals. These markers range from simple emblems, affixed to buildings and placed at sites to identify local landmarks and points of historic interest, to large historical markers designed to complement the Official Texas Historical Marker program. THC staff is contacted by a few cities, counties and county historical commissions each year seeking guidance on developing such programs.

The Texas Association of Museums (TAM) is an organization that advocates for Texas museums and provides training. THC Museum Services program partners with TAM to conduct training, but rather than working in advocacy, THC's program provides resources, information, and consultation to history museums throughout the state, specifically addressing those working in local history and not focusing on leadership, both of which are the case with TAM.

I. Discuss how the program or function is coordinating its activities to avoid duplication or conflict with the other programs listed in Question H and with the agency's customers. If applicable, briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

The THC has agreements with TxDOT that outlines the processes by which TxDOT will coordinate projects under state and federal laws that protect historic and cultural resources. These agreements include a memorandum of understanding for work performed with no federal funding, a programmatic agreement for work funded by the Federal Highway Administration, and an interagency contract that prescribes expedited review services for both the state and federal projects. For these projects, a staff member reviews projects for both the History Programs and Division of Architectures. Because of the volume of TxDOT/FHWA projects and the quantity of resources that are potentially eligible and impacted, this agreement serves to streamline the process for both agencies while still upholding the requirements of Section 106. History Programs Division staff work closely with TxDOT historians to ensure local partners, like the County Historical Commissions around the state, are informed about projects that affect their local resources. In addition to supporting TxDOT project planning efforts, History Programs Division staff help support TxDOT public outreach efforts.

In many cases, local landmark designation programs are developed in consultation with THC's marker staff through the Certified Local Government (CLG) program, since local marker programs are often associated with local preservation ordinances and the ability of property owners to receive local property tax incentives through annual CLG review of properties. The foundry which produces Official Texas Historical Markers (The Southwell Company, San Antonio) also produces markers and plaques for other municipalities in Texas and across the nation, and for several other state marker programs. Southwell ensures that these markers' shape, color and typeface are designed differently enough from Official Texas Historical Markers so as not to cause confusion. Local historical markers often incorporate features not offered through the Official Texas Historical Marker program (i.e., engraved historic images, names of

living persons, numbered markers and plaques associated with walking or driving trails).

The THC's Museum Services program communicates frequently with the Texas Association of Museums (TAM) regarding training to avoid duplication and partner when possible. The program also offers consultation, communications, and webinars specifically aimed at local history museums, services that are not a focus of TAM, which has limited staff and a mission to serve museums of all kinds, not just history museums.

J. If the program or function works with local, regional, or federal units of government include a brief description of these entities and their relationship to the agency.

The National Park Service (NPS) of the U.S. Department of the Interior maintains the National Register of Historic Places in cooperation with the SHPO (the THC). We maintain a close relationship with the NPS and frequently communicate with the Keeper of the National Register and review staff at the NPS. The federal historic preservation tax incentives program is jointly managed by the NPS and the IRS in partnership with SHPOs. The SHPO is mandated by federal law to represent the interests of the state when consulting with federal agencies under Section 106 and to maintain a database of historic properties. The Advisory Council on Historic Preservation, an independent federal agency in the executive branch, oversees the Section 106 review process.

THC staff work with federal agencies, preservation consultants, property owners, and the public throughout Section 106 reviews. One primary public stakeholder in Texas are County Historical Commissions (CHC)—county-appointed stewards of cultural and historic resources. Because state statutes assign THC as an advisor to CHCs, these political subdivisions are a logical participant in Section 106 public consultation periods and can serve as local experts who can field questions about historic properties in their respective county.

In 2009, HB2642 established the Texas Historic Roads and Highways Program, the goal of which is to identify, designate, interpret, and market historic roads and highways in Texas. THC and Texas Department of Transportation (TxDOT) staff administer projects relating to this program together.

County Historical Commissions (CHC) assist county commissioners courts and the THC in the preservation of historic and cultural resources. CHC volunteer participate in a wide range of THC programs, including the Official Texas Historical Marker program. All historical marker applications are required to receive CHC approval and must be submitted by either a CHC chairperson or marker chair to be considered.

K. If contracted expenditures are made through this program please provide:

- a short summary of the general purpose of those contracts overall;
- the amount of those expenditures in fiscal year 2016;
- the number of contracts accounting for those expenditures;
- the method used to procure contracts
- top five contracts by dollar amount, including contractor and purpose;
- the methods used to ensure accountability for funding and performance; and
- a short description of any current contracting problems.

In FY 2016, the History Programs Division had \$431,053 of contract related expenditures for 10 THC and several state (DIR, CPA, CCG) contracts. The largest contracts were for the procurement of services.

Hardy Heck Moore Inc (\$164,923) had a contract for survey work for the Meridian Historic Highway Project. The University of North Texas (\$25,200) digitalized slides for The Portal to Texas History. TIBH Industries Inc (\$19,152) provided custodial services. CIMA Solutions Group LTD (\$14,340) provided digital cloud backup services. TIBH Industries Inc (\$13,036) provided temporarily staffing services for the division. In addition, the History Programs Division contracted with the Texas State Historical Association (\$480,000) to publish the *Texas Almanac* in FY 2016.

The History Programs Division had additional contracts for minor operating expenses such as copiers, software, printing, and postage. THC procures contracts following CPA guidelines. The program utilizes budget reports to ensure project funding is available and manages the contract to ensure successful performance.

L. Provide information on any grants awarded by this program.

N/A

M. Are there any barriers or challenges that impede the program’s performance, including any outdated or ineffective state laws? Explain.

The Historic Texas Highway program’s goals include installing signage to identify historic routes, although conflicts with state and federal highway signage policy have limited the success of these efforts.

N. Provide any additional information needed to gain a preliminary understanding of the program or function.

N/A

O. Regulatory programs relate to the licensing, registration, certification, or permitting of a person, business, or other entity. For each regulatory program, if applicable, describe:

- why the regulation is needed;
- the scope of, and procedures for, inspections or audits of regulated entities;
- follow-up activities conducted when non-compliance is identified;
- sanctions available to the agency to ensure compliance; and
- procedures for handling consumer/public complaints against regulated entities.

N/A

P. For each regulatory program, if applicable, provide the following complaint information. The chart headings may be changed if needed to better reflect your agency’s practices.

N/A

A. Provide the following information at the beginning of each program description.

Name of Program or Function	Historic Sites Division
Location/Division	Various
Contact Name	Joseph Bell, Deputy Executive Director of Historic Sites
Actual Expenditures, FY 2016	\$13,642,378
Number of FTEs as of August 31, 2016	109.6

B. What is the objective of this program or function? Describe the major activities performed under this program.
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The Texas Historical Commission's state historic sites are relevant and innovative heritage sites engaging visitors in discovering Texas through the state's unique history. Each site has its unique interpretive focus and plan. There are scheduled annual events at each site to engage the community and larger public and each site actively partners with school districts, higher education institutions and other heritage and cultural institutions. The historic sites provide the public, and specifically teachers and students, a forum and location to learn about important Texas people and places. The properties are vital in the curriculum development of local schools and as a destination for the local heritage tourism markets. They engage communities and they are important in local planning initiatives and promotions. The THC state historic sites also utilize social media to engage the public's interest in a variety of topics.

The THC's Historic Sites Division:

- Focuses interest on the sites' programming as a source of a quality visitor learning experience.
- Markets the network of sites as a branded system of destinations connected by unique and compelling Texas stories.
- Strengthens brand identity of the historic sites as part of the Texas Historical Commission with excellent customer service.
- Grows public interest to visit, revisit, and support the network of sites through many avenues.
- Builds strong local partnerships and networks as well as connects to local educational and tourism objectives.

By effectively promoting diverse and unique programs, the historic sites have expanded their target market and built a larger visitor base. Several programs have been developed at the state historic sites. These programs extend history education into other affinity and interest groups.

Key Goals of the THC State Historic Sites:

- Increase visitation through dynamic programming.
- Increase earned revenue.
- Preserve cultural resources – buildings, archeological resources and artifacts.
- Tell the real stories of Texas history in a way that engages and educates our visitors.
- Build partnerships, community impact and support.

Historic Sites Division (HSD) is building brand identity and name recognition through marketing, quality programming, engaging interpretation, excellent customer service, well-maintained facilities and enterprise development to complement the state investment. It is creating new strategies to reach a larger

and more diverse audience, including the establishment of new means of income generation through quality experiences and programs that are fun, exciting, and enlightening to all ages. The functional work areas are as follows:

Historic Sites Business Operations

The business operation of the HSD is building the Texas Historical Commission's state historic sites' business strength by strategically deploying funds, developing brand identity, managing human resources, and establishing and maintaining industry standards. HSD is investing public resources in the care and stewardship of valued state assets. A major focus is to retain, develop and promote talent and resources to grow business initiatives and expand market potential at each historic site. The operations of the state historic sites have strengthened revenue streams annually and have grown business investment by supporting innovative operational ideas and concepts as well as providing stewardship of valued state assets. Management coordinates funding needs with the Friends of the THC and local site Friends groups; identifies and invests in staff training; and, rewards exceptional work and enhances leadership skills system wide. Staff have built a financial model to reflect the success of meeting the public's needs and maximizing our impact on the local economy through ongoing preservation and care of state owned historic assets and developing earned revenue activity. These are focused on enhancing the customer learning and on-site amenities to enhance and complement the visitor experience to support brand identity.

Exhibits and Interpretation

HSD has improved the performance of programming through staff training and quality public engagement. The organization has integrated technology to better serve the public and enhance the visitor experience. The exhibits have incorporated new technologies to meet the needs of the public. Developed programs are delivered by utilizing webinars, Facebook, Twitter and YouTube. They provide vital, informative and fun programming to build understanding, knowledge and appreciation for Texas's legacy and stories through diverse means and methods. Programming includes innovative foodways with science and cultural programming to expand interest groups. The program has developed a publications series featuring the sites' most interesting features and personalities. There have been four site guidebooks published with two in development. The exhibits and the facilities help support local identity, provide authentic sensory experiences, and enhance learning.

Collections Management

Stewardship of artifacts is an important role of the HSD. Collections management and registration of artifacts, archival materials, photographs, and textiles are ongoing projects. The stewardship and conservation of valued site specific and period specific collections are managed in this program area. The collections preserve the stories reflected in the material culture that document Texas heritage for the benefit of current visitors and future generations. The Chief Curator also provides oversight of the decorative arts collection at the Governor's Mansion. These items fall under the Texas Historical Commission's stewardship.

Historic items in our collections, such as paintings, architectural items, and everyday objects of special significance, are professionally conserved to ensure their long-term survival.

In 2010, the THC's curatorial facility for artifact research (CFAR) opened. Built to accommodate a variety of collections from HSD's historic sites, this 8,000-square foot building incorporates offices for three collections managers, a collections processing lab, three enclosed vault spaces (for archives and archeology collections) and one warehouse space for decorative and fine arts collections. Of the 20,000 cubic feet of collections storage space, 100% of it is in use today serving the original collections transferred in 2008.

Since then, the THC's oversight of collections has grown. In 2016, TPWD transferred additional collections to the THC. In September 2017, the French Legation Museum will become the THC's 22nd state historic site and it has collections that will need to be stored. In the last two years, in addition to storing HSD's expanding collections, CFAR stores portions of the Texas Governor's Mansion collection.

Numerous historic monuments at our sites have been conserved and are cared for on an ongoing basis, including:

- the statue of Elizabeth Crockett at Acton
- the Eisenhower Statue at Eisenhower Birthplace
- the Lt. Dick Dowling statue at Sabine Pass
- the 1936 Centennial Monument at Fort Griffin
- the seated statue of Stephen F. Austin at San Felipe de Austin

Historic Preservation and Real Estate Management

A priority of the HSD program is to preserve the rich cultural legacy of Texas in structures and landscapes for the benefit of the public. There are scheduled stewardship projects that improve the site's appearance, use, and access. Staff provide the best professional stewardship standards and training. HSD looks at innovative approaches to care for and establish interest in the properties. Staff tracks planned historic preservation, construction, and maintenance projects. Every historic site demonstrates best stewardship practices for the care of state assets. The portfolio of sites held by the agency includes an array of historic structures, cultural landscapes, archeological resources, and artifacts spanning 1,200 years of Texas history.

Since the transfer, each of the THC historic sites has received:

- New site signage with THC branding
- Accessibility improvements
- Updated interpretive exhibits
- A new website with comprehensive site information
- Cataloging of all held-in-trust collections
- Extended hours of operation.

Improvements at the state historic sites since they were transferred to the THC are listed below:

Acton State Historic Site

- Elizabeth Crockett statue was restored
- New interpretive signage added

Caddo Mounds State Historic Site

- Renovated and enlarged museum
- New immersive exhibit and orientation film
- Acquisition of Forest Service property to safeguard ceremonial mound
- Enhanced El Camino Real interpretation
- New interpretive signage

Casa Navarro State Historic Site

- Preservation of the three original structures
- New exhibit on the life and influence of José Antonio Navarro
- Mural of Laredito district by noted artist Jesse Trevino
- The project to preserve the three historic structures received a 2012 Preservation Award from the

San Antonio Conservation Society. In 2017, the National Park Service named Casa Navarro State Historic Site a National Historic Landmark.

Fannin Battleground State Historic Site

- Preservation of 1928 Bandstand and 1938 Pavilion
- New exhibit on the Battle of Coletto Creek
- New outdoor interpretation of memorials
- New site entrance gateway
- Construction of a new maintenance building

Fort Griffin State Historic Site

- Preservation of historic bakery, powder magazine, well and cistern
- Renovated and expanded museum
- New exhibit and orientation film
- Restoration of 1936 Centennial Monument
- New interpretive signage
- Construction of new maintenance building

Fort Lancaster State Historic Site

- Renovated and expanded museum
- New exhibits and orientation film
- New interpretive signage
- Construction of expanded maintenance building

Fort McKavett State Historic Site

- Renovated museum
- New exhibits
- New site interpretive signage

Fulton Mansion State Historic Site

- Preservation of 1871 Mansion
- Construction of new visitor center museum
- New exhibits in museum and in mansion

Landmark Inn State Historic Site

- Preservation of five historic buildings on site, including the Vance Hotel
- New interior and exterior exhibits

Levi Jordan Plantation State Historic Site

- Preservation of 1853 plantation house
- New museum and interpretive exhibits in progress
- Archeological investigations in progress
- Construction of a new maintenance building

Magoffin Home State Historic Site

- Preservation of historic adobe home. Project received honor award from Preservation Texas.
- New exhibits and new interpreted rooms
- Restored circa 1901 home to serve as Visitors Center
- New exhibit and orientation film

- New museum store

Mission Dolores State Historic Site

- Renovation of museum and visitor center building in progress
- Renovation of museum exhibits in progress

Sabine Pass Battleground

- New interpretive signage
- New interpretive exhibits
- Development of an interpretive cell phone tour
- Construction of a new maintenance building

Sam Bell Maxey House State Historic Site

- Preservation of 1868 mansion, servant's quarters, and stable. Mansion preservation received honor award from Preservation Texas.
- Restoration of interior finishes in progress

Sam Rayburn House State Historic Site

- Preservation of 1916 historic home
- Stabilization of outbuildings – smoke house, tractor shed, garage, barn
- New exhibit in visitor center
- Cultural landscape restoration in progress
- Conservation and restoration of historic vehicles

San Felipe de Austin State Historic Site

- Conservation of Stephen F. Austin statue
- Rehabilitation of Josey Store as temporary visitor center
- Additional portion of original town site purchased by the State
- Archeological investigations in progress
- New museum in progress

Starr Family Home State Historic Site

- Preservation of 1871 mansion "Maplecroft," the adjacent Blake House and numerous secondary structures
- Implementation of historic furnishings plan

Varner-Hogg Plantation State Historic Site

- Rehabilitation of 1920s cottage as visitor center, museum store and exhibit gallery. Rehabilitation of additional 1920s cottage to hold new exhibits.
- New interpretive signage
- Archeological investigations of slave quarters
- Construction of a new curatorial and collections storage building

Community Development and Partnerships

Of the Texas Historical Commission's 22 state historic sites, 13 have active Friends support groups that vary in organizational capacity, complexity, and activity level. They provide operational and programming support through volunteers. Local Friends groups provide financial and labor support to the site's operations and stewardship efforts. Local stakeholders are routinely engaged to provide insight and advice to the historic sites as new exhibits and programs are developed. This work fosters a deep-seated

sense of pride and ownership. HSD is working to develop new Friends organizations and enhance existing local Friends groups.

C. What evidence can you provide that shows the effectiveness and efficiency of this program or function? Provide a summary of key statistics and performance measures that best convey the effectiveness and efficiency of this function or program.

The HSD is responsible for overseeing the preservation of the agency's 22 historic sites located throughout the state. The Texas Historical Commission acquired 18 of the sites from the Texas Parks and Wildlife Department through legislative action in 2008. Since then, the agency has effectively and efficiently maintained and preserved the sites.

With a knowledgeable staff, the division has been able to allocate their expertise and resources to maintain, upgrade, renovate, and reconstruct various properties. Listed below are the 18 state historic sites that were transferred to the agency in 2008 and the costs associated with the scope of work encompassed to date:

Texas Historical Commission - Historic Sites Division Architectural Capital Project Costs 2008 to August 2017				
Site	Maintenance	Upgrades	Rehabilitation	New Construction
Caddo Mounds			\$377,551	\$880,952
Casa Navarro			\$584,638	\$194,879
Confederate Reunion Grounds			\$299,465	\$74,866
Eisenhower Birthplace	\$29,966			\$51,381
Fannin Battleground			\$572,157	\$264,134
Fort Griffin	\$134,586		\$278,109	\$1,867,814
Fort Lancaster			\$807,274	\$538,182
Fort McKavett	\$402,460			
Fulton Mansion			\$3,052,949	\$1,058,136
Landmark Inn	\$121,124		\$1,880,825	
Levi Jordan Plantation		\$36,308	\$1,225,783	\$334,816
Magoffin Home	\$12,200		\$1,985,728	\$238,864
Museum of the Pacific War	\$498,380		\$40,049	
Sam Bell Maxey House	\$13,850		\$1,519,527	
Sam Rayburn House			\$1,375,792	
San Felipe de Austin			\$160,311	
Starr Family Home			\$832,372	\$146,889
Varner-Hogg Plantation	\$209,921		\$120,702	\$403,714
Total	\$1,422,487	\$36,308	\$15,113,231	\$6,054,628

Figure 1 Exhibit 12 Architectural capital project costs for the Historic Sites Division, 2008-2017.

Cumulatively the THC has invested \$22.6 million in upgrading these historic sites. The return on this investment has been substantial. Using a formula derived from The University of Texas at Austin and Rutgers University's *Economic Impact of Historic Preservation in Texas* 2015 study, this construction

activity has yielded 428 Texas jobs, \$23,164,110 in Texas income and \$29,762,600 in Texas GDP.

From an operational perspective, there are key fundamental metrics that can be derived that illustrate our efficiency. The visitor and revenue data for FY 2013 thru FY 2016 serve as examples. Over this four-year period, we have increased the number of visitors seeing our sites by 63% and increased our revenues by 91%. This performance can be analyzed in our Key Financial Performance Indicators. This positive report is despite a complicated facility investment schedule that at times in the past few years had sites closed for renovation, new construction and infrastructure improvements.

Measures of progress:

- Visitation – has increased from 175,356 in 2008 to 396,005 in 2016, an increase of 126%.
- Earned revenue – has increased 91%.
- Capital investment - \$22.6 million invested since 2009.
- Public support – between 2010 and 2015, \$764,000 was donated to the THC in support of projects at the sites by the Friends of THC and local site-associated Friends organizations.

Our revenue increase can be attributed to increased visitation, donations, and gift shop sales. Our gift shop sales per visitor have increased by 9% and this has greatly factored into our gross profit per visitor increasing by 13% with retail development and merchandizing focus. Due to the site management being able to focus more on cost control when the demand for service increased, our expenses per visitor have decreased by 21%.

D. Describe any important history regarding this program not included in the general agency history section, including how the services or functions have changed from the original intent.

In 2007, the 80th legislature transferred eighteen of Texas Parks and Wildlife Department's (TPWD) state historic sites to the THC as of January 1, 2008. Along with this transfer came 6% of the proceeds from the sporting goods sales tax on an annual basis for the operation of the sites and a one-time allotment of \$34 million for capital improvements at those sites. At that time, the THC appointed a Historic Sites Committee to oversee the transfer and hired staff to form the Historic Sites Division at the agency. The THC was already managing the Sam Rayburn House Museum as well as the National Museum of the Pacific War and these two properties were also moved into the new Historic Sites Division. The Historic Sites Division was given the mandate to address the deferred maintenance issues at the sites, while also improving the interpretive and educational offerings of the sites.

With the transfer of the historic sites and the employees who operated the sites, the THC nearly doubled in the number of agency staff. The state historic sites within the Historic Sites Division include: Acton (Granbury), Caddo Mounds (Alto), Casa Navarro (San Antonio), Confederate Reunion Grounds (Mexia), Eisenhower Birthplace (Denison), Fannin Battleground (Goliad), Fort Griffin (Albany), Fort Lancaster (Ozona), Fort McKavett (Menard), Fulton Mansion (Rockport), Landmark Inn (Castroville) Levi Jordan Plantation (Brazoria), Magoffin Home (El Paso), National Museum of the Pacific War (Fredericksburg), Sabine Pass Battleground (Port Arthur), Sam Bell Maxey House (Paris), Sam Rayburn House (Bonham), San Felipe de Austin (San Felipe), Starr Family Home (Marshall), and Varner-Hogg Plantation (West Columbia). In 2016, the THC accepted the Mission Dolores site (San Augustine) as its 21st state historic site, and as of September 1, 2017, the French Legation Museum in Austin will become the 22nd state historic site.

E. Describe who or what this program or function affects. List any qualifications or eligibility requirements for persons or entities affected. Provide a statistical breakdown of persons or entities affected.

Our sites represent a collection of destinations and experiences that, individually and as a whole, tell the real stories of the state and its people. Because of this our focus is to make our sites more visible to both in-state and out-of-state travelers as they consider destinations and develop itineraries.

This will be achieved with effective marketing, themed programs, quality services and creating an active sensory hands-on environment that is managed by a single history missioned entity. A big focus will be to create active programs that engage and excite the public, to provide an authentic and dynamic experience that guests will remember, promote and revisit. As a result, the business operation will create a vibrant and dynamic business model that will generate additional earned revenue that can be invested into future upgrades and new programming.

One way to accomplish this is by solidifying our commitment to enhancing our brand image by focusing more on our social media presence. We started to accomplish this task in 2015 when new webpages were merged into the THC website. Because of this we have enhanced our internet presence and our branding. Listed below are our current Internet and social media statistics:

THC Historic Sites Internet Presence

Total Sessions for Historic Site Webpages

- FY 2015 – 374,023
- FY 2016 – 396,375
- FY 2017 – 392,631 (as of 8/16/17)

Unique Page Views of Education/Interaction-Related Webpages

- FY 2015 – 2,470
- FY 2016 – 6,247
- FY 2017 – 10,937

Historic Sites Social Media Followers – All Sites Combined, as of 8/16/2017

- Facebook – 54,152
- Instagram – 4,011
- Twitter – 5,498

Visitor Demographics

To enhance our future outreach, we recently had a study conducted by Hahn Public, which created a marketing plan for the agency. They conducted an in-depth review of our sites and our visitors and made recommendations on how we could enhance awareness of our sites. They provided us with detailed information so we could better understand our visitors. Listed below is a sample demographic snapshot that was collected during the survey that includes email intelligence data providing demographic and interest-specific information on visitors:

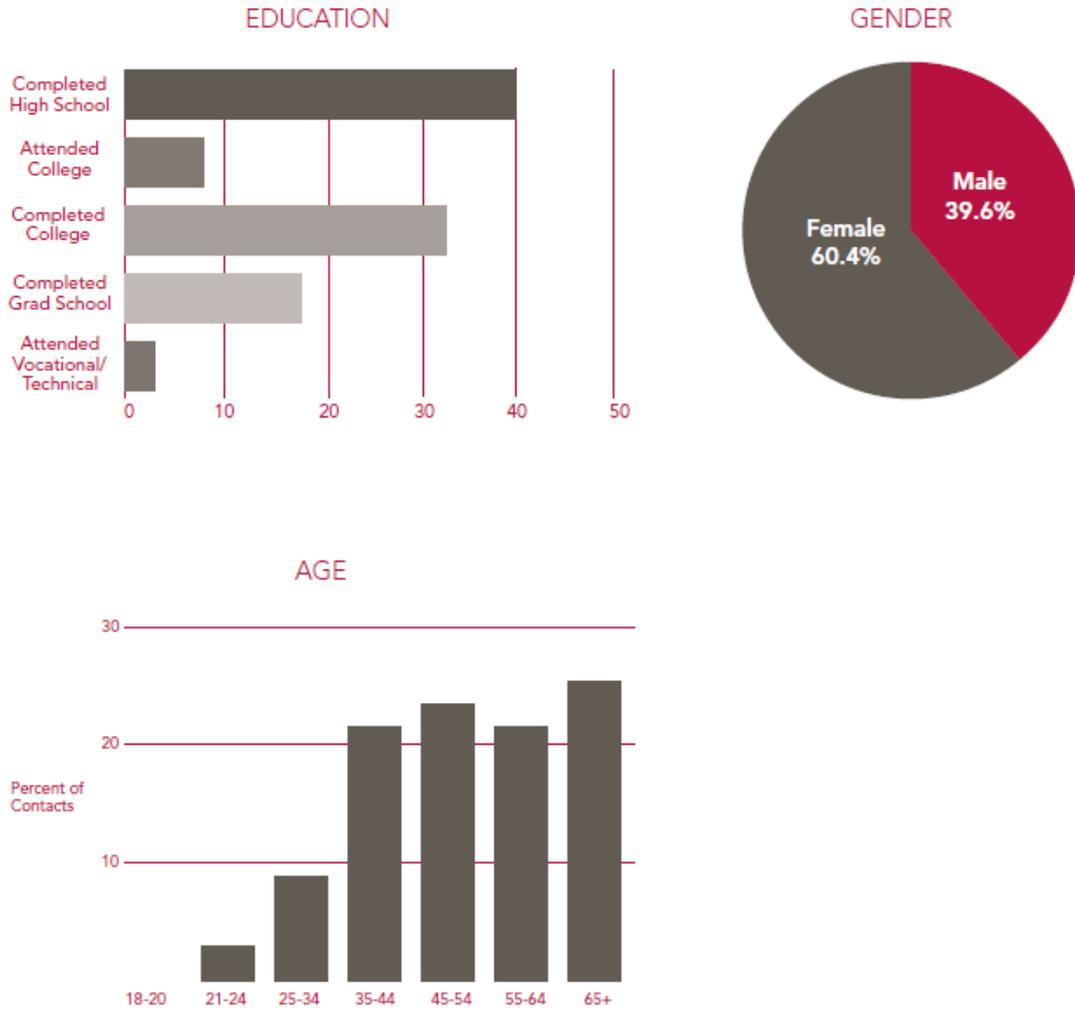


Figure 2 Exhibit 13 Demographic snapshot of THC Historic Sites visitors.

Defining targeted tourists’ demographics provides information for which tourists would be attracted to the destination’s sites. The analysis is used for future communications and targeting and calculating the Return on Investment (ROI). The following are six potential groups:

Families

A large segment of families are looking for quality learning experiences that the entire family can enjoy.

School Groups

School grades 4 and 7 are the primary classes that utilize the sites for their core history course support. There are also other classes that use the historic sites for history content.

Primary – Boomers (ages 53 – 77)

Baby Boomer households continue to generate the highest travel volume in the United States. There are 78 million boomers in the US today and the oldest boomers are retiring. They still represent the largest opportunity for the sites. According to the Association of Travel Marketing Executives, Baby Boomers:

- Consider travel a necessity;

- Have traveled considerably more than their predecessors and they seek out more exotic destinations and more in-depth ways of experiencing familiar places;
- Are time deprived and seek to relax and rejuvenate;
- Will pay for luxury, expertise and convenience; and,
- Like to associate with people like themselves.

Secondary – Gen Xers (ages 32-52) With or Without Children

This is a relatively new, but important group regarding travel analysis and targeting. They are the offspring of the Baby Boomers, so share some common traits, but have developed new ways of communication and expectation regarding travel, lodging, and tourism experiences. They are looking for something different than boomers. They bring their own device, termed “Bring Your Own Device” (BYOD).

Gen Y (Age 20 – 31)

While not one of our target markets for revenue, they will be an important market to consider as they become older with more disposable income for travel.

Tertiary - Mature Traveler (ages 77+) Without Children

This group has been the traditional traveler. The research shows:

- Mature travelers represent 21 percent of all leisure travelers and they take the lengthiest trips of all travelers;
- They take an average of 4.1 leisure trips each year. (US Travel Association, 2011);
- They come to a specific location year after year (8.8 times on average in the last 10 years)

Going forward we will focus more on brand building and reinforcing a robust content strategy that involves reinventing our web presence as a digital newsroom, featuring a regularly updated suite of engaging original multi-media content that can be widely distributed to potential travelers.

Also, we will cautiously invest in digital and paid social media, targeted to the most likely travelers and with the strongest demographics for the THC and the state historic sites. This will form the core of a paid media plan for the state historic sites. Our approach will also take advantage of cost-effective placements in traditional print and online outlets catering to Texas travelers and outdoor media that can be used to fully deploy the storied sites of Texas identity.

The visitor should be expected to possess different levels of historical knowledge. Everything from the international visitors who may have a limited understanding of Texas history, to the history buffs that have an in depth understanding of a historical theme or period. Regardless of the individual, our goal is to enhance the visitor experience in a fulfilling way.

F. Describe how your program or function is administered. Include flowcharts, timelines, or other illustrations as necessary to describe agency policies and procedures. List any field or regional services.

The HSD unit comprises most of the FTEs and budget of the agency. As the agency’s cultural destination business team, the HSD works to build its presence in the many markets it services across the state. The operational unit is assigned to the Deputy Executive Director of Historic Sites. He is supported by an executive assistant and financial analyst.

The management and leadership functions of the HSD are carried out through regular and open communication with division staff through weekly meetings across the program area from Austin staff to

on-site state historic site staff. Work initiatives and project status reports are provided. Planning activities to coordinate the different requirements and public processes are discussed. The Austin staff is organized into Historic Site Business Operations, Historic Preservation/Real Estate Management, Interpretive/Exhibit Services, Collection Management, Community Development/Partnerships and Business Services including financial analysis and retail management support.

The Historic Sites program requires a large team structure to manage and operate the 22 state historic sites statewide. There is a diverse interdisciplinary teamwork and communication within the business unit. Each state historic site is managed by a Site Manager. The Site Manager reports to a Director of Historic Sites Operations. They are supported by the Chief Architect and Chief Curator's teams as well as Head Interpretive Specialist, Retail Manager, Financial Analyst and Development Specialist. The Site Manager manages a designated team of professionals on-site. The composition of the team varies by site. The Site Managers attend two regularly scheduled annual meetings that feature topics emphasizing a range of business, education, preservation and operational topics. The goal of the meetings is to provide and share information and training, review operational procedures and policy and strengthen the working relationship and build teamwork among managers.

G. Identify all funding sources and amounts for the program or function, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

The Historic Sites Division is primarily General Revenue - Sporting Goods Sales Tax (SGST) funded. Texas Tax Code Section 151.801 allocates 6% of the SGST collections to THC. The Comptroller determines the available SGST each biennium based on the estimated sales tax related to the sales of bicycles, hunting and fishing equipment, exercise equipment, and fishing tackle. The Historic Sites are also appropriated regular General Revenue and General Revenue - Fees from Historic Sites (THC Rider 8). THC Rider 10 allows the use of unexpended balances of Bond funds from previous biennia for Historic Sites Capital Projects. The appropriated receipts for this division include Gift Shop Sales, Housing Reimbursements, Donations, and Cattle Sales. In 2016, THC received a Governor's Office Emergency Deficiency Grant for a roof restoration project at the National Museum of the Pacific War. In 2016, THC received a one-time interagency contract with TxDOT for the construction of a driveway and parking lot at the Levi Jordan Plantation State Historic Site.

H. Identify any programs, internal or external to your agency, that provide identical or similar services or functions. Describe the similarities and differences.

Texas Parks and Wildlife Department's (TPWD) Historic Sites and Structures Program of the State Parks Division manages several properties identified by them as State Historic Sites. Although it was anticipated in 2007 that some of these properties would transfer to the THC after the first group transferred in that year, that additional transfer has yet to be accomplished. TPWD is perhaps more general and broad-based in its historical focus with more attention on land and wildlife management, nature, and outdoor recreation.

Both the General Land Office (GLO) and the State Preservation Board (SPB) manage historic properties. GLO has responsibility for the Alamo, but has contracted operations to a nonprofit, and so does not manage the property directly. THC has an MOA with the GLO, and continues to review and permit archeological and historic preservation projects at that site. SPB manages the State Capitol and grounds, the old GLO building (Capitol Visitor Center), the Bullock Texas State History Museum, and shares

management responsibility for the Governor’s Mansion with THC. The scale and operational needs of the Capitol and its grounds and visitor center are clearly very different from the needs of local state historic sites. And the Bullock’s primary revenue generation comes from its very modern IMAX theater operation, which has no comparison to historic forts or house museums. Since the Governor’s Mansion is a designated State Antiquities Landmark, THC continues to review and permit any archeological or architectural issues, and as detailed elsewhere, manages the contents of the mansion, referred to as the “Mansion Collection.”

I. Discuss how the program or function is coordinating its activities to avoid duplication or conflict with the other programs listed in Question H and with the agency’s customers. If applicable, briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

As mentioned above, the Alamo and the Governor’s Mansion are both State Antiquities Landmarks. THC maintains a MOA with the GLO governing THC’s authority to issue permits for work at the Alamo. THC has also been represented on the advisory committee for the development of a new interpretive plan for the Alamo, and is kept very well informed on those efforts. THC also reviews and permits work at the Governor’s Mansion, and THC and SPB both attend meetings of the Friends of the Governor’s Mansion. Both agencies participate in an annual walk-through of the property. But SPB’s primary role is related to the first family’s occupation of the property, their comfort and their safety. The THC’s role is more specific to the preservation of the house, its grounds and contents.

THC also maintains a very close relationship with TPWD. Their State Historic Sites are designated State Antiquities Landmarks, and projects on those sites require permits from the THC. The two agencies also work together whenever possible to build attendance at both agency’s sites. For example, a special event at THC’s Caddo Mounds might be scheduled to complement an event at TPWD’s nearby Mission Tejas. The two agencies co-manage the state longhorn herd under a joint management committee, although the herd manager is a THC employee.

The THC works in partnership with the TPWD, the GLO and other agencies and provides feedback on projects, exhibits and stewardship efforts. The THC also loans collection items to these agencies for exhibits as appropriate.

The difference is that only THC is completely dedicated to historic preservation and history education with a statewide focus. Our partner agency’s missions extend beyond those subjects to hunting and fishing, operating state offices, theaters and concessions, and managing state lands for financial investment purposes. The THC has a diverse range of programs, but each is rooted in historic preservation and the State’s history.

J. If the program or function works with local, regional, or federal units of government include a brief description of these entities and their relationship to the agency.

While the Historic Sites Division does not have any formal relationships or agreements with local, regional, or federal units of government, the division does consult with them on certain projects. Examples of such consultations include inviting city and county officials to participate in planning meetings when new interpretive plans are being developed for a THC-owned historic site located in their city or county, or when new construction of a museum is being planned. The planning processes at the THC historic sites has engaged and partnered with 113 community organizations and groups since October 2009.

The division also consults with the Caddo Nation tribal government on interpretive matters related to Caddo Mounds State Historic Site. The division has partnered with the National Park Service on interpretation of the El Camino Real de los Tejas National Historic Trail, which passes through Caddo Mounds State Historic Site and Mission Delores State Historic Site. The division also has a Memorandum of Agreement with the Texas Parks and Wildlife Department on the co-management of the Official State of Texas Longhorn Herd, part of which is located at Fort Griffin State Historic Site.

K. If contracted expenditures are made through this program please provide:

- a short summary of the general purpose of those contracts overall;
- the amount of those expenditures in fiscal year 2016;
- the number of contracts accounting for those expenditures;
- the method used to procure contracts
- top five contracts by dollar amount, including contractor and purpose;
- the methods used to ensure accountability for funding and performance; and
- a short description of any current contracting problems.

In FY 2016, the Historic Sites Division had \$8,077,162 of contract related expenditures for 36 THC and several state (DIR, CPA, CCG) contracts. The largest contracts were for the procurement of services and construction. THC has an operating agreement with the Admiral Nimitz Foundation (\$2,671,016) for the operation of the National Museum of the Pacific War. Howard-Revis Design Services (\$584,116) worked on interpretative exhibits for the new museum at the San Felipe de Austin State Historic Site. Lanmarc Construction (\$403,713) constructed a new curatorial facility at the Varner-Hogg Plantation State Historic Site. A-1 Striping and Paving Company (\$343,250) constructed a driveway and parking lot for the Levi Jordan Plantation State Historic Site. G2 Contractors LLC (\$318,018) replaced the roof at the Nimitz Museum at the National Museum of the Pacific War. The Historic Sites Division had additional contracts for maintenance and minor operating expenses at the State Historic Sites such as copiers, software, janitorial services, and postage. THC procures contracts following CPA guidelines. The program utilizes budget reports to ensure project funding is available and manages the contract to ensure successful performance.

L. Provide information on any grants awarded by this program.

N/A

M. Are there any barriers or challenges that impede the program's performance, including any outdated or ineffective state laws? Explain.

There are several challenges facing the State Historic Sites Division. Business growth is limited by staffing levels. It would be helpful to have the ability to hire seasonal or temporary staff. The temporary staff can help to address programming needs without an impact to the agency's FTE count. In addition, particularly following the damage caused to state-owned resources during Hurricane Harvey, it would be beneficial for agencies like THC to have an appropriation adequate to allow the purchase of insurance to protect our state historic sites during major weather events. Returning these iconic properties to public service quickly helps to raise morale in their host communities, and would permit other agency activities to go forward uninterrupted rather than having to focus staff time on responding to the damage. It would also reduce monetary loss from facility closures.

N. Provide any additional information needed to gain a preliminary understanding of the program or function.

One of our main goals in FY2018 will be to establish a new marketing plan for the historic sites. Our focus within the revised marketing strategy is geared towards understanding our customer base in greater detail and offering additional goods and services that will add value to their site visit. These strategies include the following:

Established Marketing Strategies

Examine market and set objectives based on revenue requirements

- Analyze distribution of users: families, groups, individuals (demographic profiles)
- Understand the target market
- Test pricing thresholds and value
- Utilize and analyze past use of “Groupon” or other promotional avenues to promote awareness
- Promote sites’ legacy and history
- Develop packaged tours tied to other area destinations

Branding/Awareness/Advertising Objective

- Develop strong and consistent messages
- Highlight sites’ unique status as a historic property and its legacy
- Integration of the sites’ history and mission in all messaging
- Commitment to provide effective marketing
- Learning through active collection of data and research; then reacting on a timely basis

Create new Advertising Strategy and Investment in the Sites’ Singular Brand Identity

- Look at sustainable base attendance and built programs
- Review strategy of advertising the site’s core experiences based on its history and setting
- Create “signature” events to be promoted

Target Regional Visitor Centers’ Staff in Area to Encourage On-Site Visits

- Promote sites as “A Texan Cultural Adventure”
- Build a quality visitor experience timeline (arrival to departure)
- Build revenue projections based on market need

Developed Partnerships

- Detail site’s value and benefits to others
- Balance the “value and support” positioning of the partnership
- Plan programs to capture annual renewing visits and interest
- Become active in the local Chamber of Commerce and business groups

Marketed New Revenue-Enhancing Opportunities to Expand Brand Awareness

- Educational learning experiences: groups/adults
- Partnerships with other cultural institutions
- Retail local products and art
- Farm to Table experience (foodways programs)
- Promote facility rental opportunities in the off-season
- Special events to support local cultural institutions to become local asset and vital resource.

- O. Regulatory programs relate to the licensing, registration, certification, or permitting of a person, business, or other entity. For each regulatory program, if applicable, describe:**
- why the regulation is needed;
 - the scope of, and procedures for, inspections or audits of regulated entities;
 - follow-up activities conducted when non-compliance is identified;
 - sanctions available to the agency to ensure compliance; and
 - procedures for handling consumer/public complaints against regulated entities.

N/A

P. For each regulatory program, if applicable, provide the following complaint information. The chart headings may be changed if needed to better reflect your agency's practices.

N/A

A. Provide the following information at the beginning of each program description.

Name of Program or Function	Texas Preservation Trust Fund
Location/Division	Austin
Contact Name	Lisa Harvell, Program Specialist
Actual Expenditures, FY 2016	0
Number of FTEs as of August 31, 2016	0 FTE

B. What is the objective of this program or function? Describe the major activities performed under this program.

The THC awards grants for preservation projects from the Texas Preservation Trust Fund (TPTF). The 71st Texas Legislature established the TPTF in 1989. The fund is currently managed by the Texas Treasury Safekeeping Trust Company. The TPTF investment earnings are distributed as matching grants to qualified applicants for the acquisition, survey, restoration, preservation or for the planning and educational activities leading to the preservation of historic architectural and archeological properties and associated collections of the State of Texas. TPTF grants pay up to one-half of total project costs to help preserve Texas' historic and cultural resources. Project types eligible for grant assistance include archeological sites; commercial buildings; public buildings such as schools, city halls, libraries, and museums; unique historic structures such as bridges, water towers, lighthouses and ships; and monies for training and educating individuals and organizations about historic resources and preservation techniques.

C. What evidence can you provide that shows the effectiveness and efficiency of this program or function? Provide a summary of key statistics and performance measures that best convey the effectiveness and efficiency of this function or program.

The effectiveness and efficiency of the Texas Preservation Trust Fund is measured in a number of ways, including grant applications received and grants awarded; the required match by applicants represents an investment in projects by both parties; the involvement of the TPTF Advisory Board that provides guidance on grant allocations and efficient utilization of the Trust Fund, and the successful completion of the grant projects.

The TPTF is an important source of funding for local and statewide preservation efforts. In the FY 2015 grant cycle the THC reviewed 79 initial grant applications (of a two-step application process) requesting over \$2.4 million in grant funds. The THC invited 41 projects to the project proposal phase. Twenty-three grants totaling \$530,000 were awarded with an average grant award over \$23,000. All twenty-three grant projects successfully completed their respective projects by the August 2017 deadline. Similarly, in the FY 2016-17 grant cycle the THC reviewed 81 initial grant applications requesting over \$2.4 million in grant funds. The THC invited 42 projects to the project proposal phase. Again, twenty-three grants totaling \$530,000, were awarded. The FY 2016-17 projects are currently all underway with their respective scopes of work.

To be eligible for TPTF grant assistance, applicants must provide a minimum of one dollar in cash to match each state dollar of approved project costs. For every two dollars spent, one dollar is reimbursed, up to the grant amount. The grant amount will be reimbursed only after approved costs have been

expended and documented as required.

The Texas Preservation Trust Fund Advisory Board, as established per Texas Government Code Section 442.015, make recommendations to the Commission through the Executive Committee on all Trust Fund project allocations. The board further consults with and advises the Executive Committee and Commission staff on matters relating to more efficient utilization or enhancement of the Trust Fund in order to further the cause of preservation throughout Texas. The advisory board further provides advice and guidance in their respective area of expertise. Board members include architects, archeologists, non-profit preservation directors, preservationists, attorney, real estate professional, and bank/savings and loan association representative. The TPTF Advisory Board is an important resource to the Commission that helps ensure the grant program is effective and efficient.

D. Describe any important history regarding this program not included in the general agency history section, including how the services or functions have changed from the original intent.

Operations of the TPTF were suspended essentially from October 2009 until April 2015, a gap of 66 months. Because of the economy and depressed earnings from Texas Safekeeping Trust investments, in 2008 the THC moved to delay grants until October 2009 then delayed again in 2010. With the exception of a single \$25,000 grant in April 2011, Legislative action then precluded TPTF grants until 2015.

Most of the TPTF in 2011 was moved (proposed in the filed HB1-SB1) from outside the Treasury and the Safekeeping Trust into a dedicated account in the General Fund for the purposes of helping to balance the budget and partially offset significant reductions in THC appropriations and FTE. (See Rider 19, THC bill pattern, Article I, HB1) Conforming amendments to statute were enacted in a fiscal matters bill, SB1, first called session, 81st Legislature, June 2011.

In 2013, the TPTF was returned to previous status and purpose in SB1, the GAA, with conforming amendments contained in SB1546. The fund balance dropped from the \$10,090,000 estimated in Rider 19 to \$5,921,185 end of FY 2013. After re-authorization, the THC was further delayed before returning to grant making by the reduced corpus of the fund and slow accumulation of earnings.

E. Describe who or what this program or function affects. List any qualifications or eligibility requirements for persons or entities affected. Provide a statistical breakdown of persons or entities affected.

Grants through the TPTF can be made to owners, managers, lessees and maintainers of eligible historic properties, and survey and heritage education proponents including political subdivisions of the state and nonprofit organizations. To be eligible for grant assistance, applicants must provide a minimum of one dollar in cash to match each state dollar for approved project costs. The match must be available at the time of the project proposal submission. Applications are scored by level of endangerment, significance, project viability, and special consideration based on other factors not considered in the other scoring criteria, such as the relationship to other agency programs and initiatives, geographic distribution, exceptional rarity of the resource or project type, project represents a unique educational partnership opportunity, project addresses issues of diversity or historically underserved communities and resources, etc.

Below is a statistical breakdown of entities that applied in the initial application phase for FY 2015 and FY 2016-17:

Entities	FY 2015	Percentage	FY 2016-17	Percentage
Political Subdivisions:	24 applicants	30%	20 applicants	25%
Non-profit organizations:	44 applicants	56%	49 applicants	60%
Private entities:	11 applicants	14%	12 applicants	15%
Total applicants:	79 applicants	100%	81 applicants	100%

Figure 3 Exhibit 14 Texas Preservation Trust Fund application statistics FY 2015 and FY 2016-17.

F. Describe how your program or function is administered. Include flowcharts, timelines, or other illustrations as necessary to describe agency policies and procedures. List any field or regional services.

The TPTF accepts applications typically on an annual basis and follows a standard timeline for reviewing and accepting proposals. Money for grants varies each year due to the TPTF investment earnings but is limited to 7.25%. The following FY 2018 timeline represents a typical grant cycle:

December 1, 2016: TPTF initial application and guidelines available via the THC website.

January 31, 2017: Deadline for THC to receive complete applications.

February 1–March 30, 2017: THC staff reviews initial grant applications.

March 31, 2017: THC sends project manuals to selected applicants for the preparation of the project proposal.

April 1–July 13, 2017: THC staff works with applicants on the project proposal, conduct site visits, etc. These meetings typically involve THC staff visiting projects and meeting with t applicants and their respective teams on site.

July 14, 2017: Deadline for the THC to receive the project proposals from the selected applicants.

July 2017 – late September 2017: THC staff reviews the project proposals.

Late September or Early October 2017: The TPTF Advisory Board meets to review the project proposals and formulates a funding recommendation. for the THC to consider at the October quarterly meeting.

October 26-27, 2017: The award of the grant projects at the THC Quarterly Meeting.

November 2017: The THC sends grant award notifications to all grant recipients.

December 2017: Grant recipients sign the funding agreement document. By its execution, the grant recipient commits to carry out the project in conformance with the program requirements and the procedures of the project manual. Project work is expected to begin within 90 days of the fully executed funding agreement.

December 2017: For development and acquisition projects, the THC will prepare a preservation easement for the subject property to ensure the long-term preservation of the grant-assisted property. The preservation easement must be fully executed by the submission of the request for reimbursement.

August 30, 2019: Grant recipients must provide to the THC reimbursable project expenses and the Project Completion Report or planning document, depending on the project type. Staff reviews and approves the reimbursement and completion documents for compliance with the program rules.

G. Identify all funding sources and amounts for the program or function, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

The Texas Preservation Trust Fund Grants are entirely General Revenue Dedicated Account 664 – Texas Preservation Trust Fund funded (THC Rider 13). The Texas Treasury Safekeeping Trust Company holds and invests the Trust fund. Investment earnings are transferred to THC when needed to pay grants.

H. Identify any programs, internal or external to your agency, that provide identical or similar services or functions. Describe the similarities and differences.

The agency also administers the Certified Local Government grant program which provides funding that enables local communities to develop high quality preservation programs. CLG grants, like the TPTF program, require a match from the community. Applications are reviewed by an interdisciplinary panel of agency staff and are approved by the THC.

CLG grants typically focus on local government preservation planning activities. Eligible grant projects include, but are not limited to:

- Training for local preservation commissions
- Completing or updating surveys of historic resources
- Developing design guidelines for historic properties
- Producing historical walking or driving tour brochures, videos or other educational materials
- Preparing preservation plans
- Preparing National Register of Historic Places nominations

The National Trust for Historic Preservation administers the National Trust Preservation Funds (NTPF) grant program which offers seed money to public agencies and non-profits for local preservation projects. These grants are smaller amounts, typically ranging from \$2,500-\$5,000. Their purpose is to help stimulate public discussion, enable local groups to gain the technical expertise needed for particular projects, introduce the public to preservation concepts and techniques, and encourage financial participation by the private sector. Currently, there are three rounds offered each year.

I. Discuss how the program or function is coordinating its activities to avoid duplication or conflict with the other programs listed in Question H and with the agency's customers. If applicable, briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

N/A

J. If the program or function works with local, regional, or federal units of government include a brief description of these entities and their relationship to the agency.

N/A

- K. If contracted expenditures are made through this program please provide:**
- a short summary of the general purpose of those contracts overall;
 - the amount of those expenditures in fiscal year 2016;
 - the number of contracts accounting for those expenditures;
 - the method used to procure contracts
 - top five contracts by dollar amount, including contractor and purpose;
 - the methods used to ensure accountability for funding and performance; and
 - a short description of any current contracting problems.

This program has no contracts. All of the funds from this program are distributed as competitive grants.

L. Provide information on any grants awarded by this program.

This program is solely a “grant” program. As mentioned above, in the FY 2016-17 grant cycle the THC reviewed 80 initial grant applications (of a two-step application process) representing total requests of \$2.4 million. The THC invited 42 projects to the project proposal phase. Twenty-three matching grants totaling \$530,000 were awarded with an average grant award over \$23,000.

M. Are there any barriers or challenges that impede the program’s performance, including any outdated or ineffective state laws? Explain.

N/A

N. Provide any additional information needed to gain a preliminary understanding of the program or function.

N/A

- O. Regulatory programs relate to the licensing, registration, certification, or permitting of a person, business, or other entity. For each regulatory program, if applicable, describe:**
- why the regulation is needed;
 - the scope of, and procedures for, inspections or audits of regulated entities;
 - follow-up activities conducted when non-compliance is identified;
 - sanctions available to the agency to ensure compliance; and
 - procedures for handling consumer/public complaints against regulated entities.

N/A

P. For each regulatory program, if applicable, provide the following complaint information. The chart headings may be changed if needed to better reflect your agency’s practices.

N/A

A. Provide the following information at the beginning of each program description.

Name of Program or Function	Indirect Administration
Location/Division	Austin
Contact Name	Alvin Miller, Deputy Executive Director for Administration
Actual Expenditures, FY 2016	\$1,745,329
Number of FTEs as of August 31, 2016	17.3

B. What is the objective of this program or function? Describe the major activities performed under this program.

Indirect Administration includes the Administration, Public Information and Education, and Staff Services Divisions of the THC. Administration also encompasses the Human Resources and Information Technology functions. These functions umbrella the entire agency and provide important common resources to all staff and programs.

Administration Division

The Administration Division is responsible for oversight of division programs and operations, directs agency and statewide planning, provides direct Human Resource and Information Technology support to all agency program areas, and works closely with commission members to develop broad agency policies and goals. In addition, the executive director represents the agency at various meetings of preservation organizations and stakeholders. The executive director serves as Texas' State Historic Preservation Officer, as mandated by the National Historic Preservation Act of 1966. The office includes the deputy executive director for administration, the agency planner, the human resources director, the information resources manager, the executive assistant and administrative assistant.

Public Information and Education

The Public Information and Education Division supports and promotes all projects the agency is involved in including archeology, architecture, history programs, and heritage tourism. The division is responsible for developing outreach programs and increasing awareness of the agency's initiatives through public relations, promotions, special events, print pieces and digital media including social networks and video. These include:

- Marketing communications campaigns
- Heritage tourism promotions
- Promotional materials such as brochures, newsletters, invitations, advertisements, direct mail, banners and *The Medallion* quarterly newsletter
- The agency web site, videos and PowerPoint presentations
- Public and media relations
- Community relations
- The THC Historic Preservation Conference, regional workshops and special events

Staff Services Division

The Staff Services Division is responsible for receipt and deposit of all revenue; accounting for all

revenue and expenditures; purchasing and contracting for all goods and services; grant management and oversight; maintaining property records and inventories; preparing the payroll and reports; preparing financial and budget reports; processing vouchers for vendor payments; maintaining the agency vehicles; and management of the agency Historically Underutilized Business (HUB) program.

C. What evidence can you provide that shows the effectiveness and efficiency of this program or function? Provide a summary of key statistics and performance measures that best convey the effectiveness and efficiency of this function or program.

Administration Division

The Administration Division monitors its effectiveness through the agency's success in meeting its performance goals, annual customer service surveys and input, and regular participation in the biennial Survey of Employee Engagement conducted by the School of Social Work at the University of Texas at Austin. Highlights of the division's effectiveness include:

- Achieving very favorable results and feedback from employees on the Survey of Employee Engagement completed in 2016
- Holding a high standard for customer service, as reflected in the very positive results achieved in the most recent customer service survey conducted in 2016
- Managing complaints effectively (we received six complaints in 2015 and one in 2016 and resolved them within the required timeframes)
- Consistent customer demand for public presentations from all divisions of the agency.
- Positive findings for most internal audits
- Successfully raising private funds for projects of the agency in partnership with Friends of the THC
- Developing and implementing the Statewide Comprehensive Preservation Plan using extensive public participation
- Managing quarterly meetings so commission members' talents and feedback are used effectively

Public Information and Education Division

The Public Information and Education Division does not have formal performance measures, however, it regularly monitors the effectiveness of its services through web traffic, growth of social networks and reach to news media audiences.

Lower cost digital media has potential for far greater reach than print, within Texas and beyond, than traditional print media. To this end, PIE has prioritized these channels and their strategic use.

The THC agency website (thc.texas.gov) received about 800,000 visitors in 2016. A major redesign of the agency website was launched at the beginning of 2013 utilizing the open source Drupal content management system. In 2015, 20 separate websites for THC's State Historic Sites were incorporated into the agency website, consolidating this content in one place and offering visitors to these sites a consistent experience. With the launch of a new ".gov" domain and the application of best-practice search engine optimization technology and strategies, more web surfers and social media users are able to discover information about Texas history and historic preservation projects.

Beginning in 2012, THC launched several social media resources to extend its informational reach into new audiences. As of the end of 2016, Facebook followers numbered almost 25,000 and Twitter followers numbered more than 4,600.

In 2016, THC began to produce in-house videos to showcase properties, programs and the Texas historic preservation community. Response has been extremely positive, with tens of thousands of views of the online videos across the agency's social networks and almost 750 video subscribers on YouTube. Additionally, the videos are utilized on agency websites to improve communications and attract visitors to the website.

Since its launch in 2014, the agency's robust monthly email newsletter has grown to more than 15,000 subscribers.

All digital media resources have a consistent brand, design and tone to encourage recognition of agency resources. This consistency is also followed through in print resources produced by PIE including brochures, flyers, invitations, and ads for the THC's 22 State Historic Sites, as well as guides, signage, and displays for the THC's Real Places 2016 conference. In fiscal 2016, the agency delivered a reprint of the popular *African Americans in Texas: A Lasting Legacy* travel guide.

Consistency of message is carried into PIE media relations efforts, which are handled statewide by PIE. PIE staff have worked to create a statewide network of reporters and writers who highlight the THC's work and accomplishments to large audiences across Texas. In 2016, the total publicity value for THC earned media in Texas newspapers was more than \$20 million, reaching an average of 7 million media consumers a month.

PIE also publishes *The Medallion*, the THC's free quarterly magazine that now reaches nearly 14,000 people via subscription and digital access. The publication educates subscribers about Texas history, highlights lesser-known heritage travel destinations across the state, and offers updates on agency and County Historical Commission news.

PIE also promotes and provides graphic design and other support for the agency's semi-annual historic preservation conference, Real Places, working closely with the Community Heritage Development Division.

The Public Information and Education Division also supports promotion efforts for the Texas Heritage Trails Program and for THC's 22 Historic Sites. It coordinates the production of heritage tourism brochures and provides public relations services for TexasTimeTravel.com, TexasHistoryApps.com and other Community Heritage Division programs and services.

Together, these communication initiatives educate the public about opportunities to help preserve the real stories and places that tell the history of Texas.

Staff Services Division

The THC has undergone post-payment and financial audits by both the State Comptroller's Office and the THC Internal Auditors over the past several years. These audits have shown that the agency has been in compliance with state purchasing guidelines and has successfully implemented all internal audit recommendations submitted to date. THC receives federal funds from the National Park Services as the State Historic Preservation Office. THC has consistently utilized all available federal funds.

D. Describe any important history regarding this program not included in the general agency history section, including how the services or functions have changed from the original intent.

N/A

E. Describe who or what this program or function affects. List any qualifications or eligibility requirements for persons or entities affected. Provide a statistical breakdown of persons or entities affected.

By nature these functions umbrella the entire agency and affect all internal divisions and programs. In addition, the statewide planning functions of the Administration Division and the activities of the Public Information and Education Division reach out to the general preservation public, building partnerships between local, regional and statewide preservation organizations.

F. Describe how your program or function is administered. Include flowcharts, timelines, or other illustrations as necessary to describe agency policies and procedures. List any field or regional services.

Administration Division

The management and leadership functions of the Administration Division are carried out through regular and open communication with division staff through weekly and monthly meetings, as well as bimonthly all agency meetings. Administration is responsible for scheduling and coordinating the Commission's quarterly meeting; facilitating agency planning activities to coordinate the different requirements and public processes; systematically collecting and addressing complaints; managing internal audits as well as the process for annual staff performance evaluations.

The executive director, who also serves as the State Historic Preservation Officer, directly supervises the agency's development director and government relations specialist. In addition, he supervises the deputy executive director of historic sites, reported elsewhere, and the deputy executive director of administration who serves as the agency's chief operations officer, overseeing the remaining functions of this division.

Public Information and Education

THC's Public Information and Education Division (PIE) coordinates agency efforts to reach new audiences with information about agency programs, historic places, and the importance of historic preservation. PIE supports programs and divisions across the organization by providing consistency in external messaging, standards for all media products and compliance with privacy requirements and online security.

Agency policies define PIE's communication director and media relations coordinator as the single point of contact for news media inquiries, including web journalists and publishers. PIE works with subject matter experts in the agency and the commission, crafting effective messages, speaking on behalf of the agency and in special circumstances identifying and empowering staff to perform these duties. This ensures effective and consistent communications with media across the state.

Most externally-facing media channels – including publications, the website, social media and video – are produced centrally by PIE, ensuring compliance with quality control, best practice design standards and all branding policies. Rigorous review of print and digital products in accordance with both the AP Style Guide and a supplemental style guide created by PIE ensure that the public always receives an accurate, quality product.

Finally PIE ensures the privacy of visitors to the agency website and users of social media by researching and updating the agency's online privacy policy and following sound information technology practices. Staffers act as gatekeepers for staff access to THC's cloud-hosted web content management system and

any agency social media. Email newsletter follow applicable state and federal anti-spam laws. Password restricted access to these tools is monitored and policed by PIE staff.

All the policies mentioned above – media relations, branding, editorial and social media – are communicated to staff through a variety of internal channels and are also accessible on the agency network and intranet. The agency's privacy policy is available to the public on the agency website.

Staff Services

Staff Services centrally manages the agency accounting, purchasing, contracting, and property management functions under the Chief Financial Officer to ensure compliance with THC rules, state and federal requirements.

G. Identify all funding sources and amounts for the program or function, including federal grants and pass-through monies. Describe any funding formulas or funding conventions. For state funding sources, please specify (e.g., general revenue, appropriations rider, budget strategy, fees/dues).

The Administrative Divisions are primarily General Revenue funded. This program receives funds from the Historic Preservation Fund Grant for Administration and Texas Statewide Historic Preservation Plan.

H. Identify any programs, internal or external to your agency, that provide identical or similar services or functions. Describe the similarities and differences.

N/A

I. Discuss how the program or function is coordinating its activities to avoid duplication or conflict with the other programs listed in Question H and with the agency's customers. If applicable, briefly discuss any memorandums of understanding (MOUs), interagency agreements, or interagency contracts.

N/A

J. If the program or function works with local, regional, or federal units of government include a brief description of these entities and their relationship to the agency.

The executive director of the THC, in his role as State Historic Preservation Officer, maintains a close relationship with the National Park Service and U.S. Department of the Interior, along with the Advisory Council on Historic Preservation. The National Park Service manages federal preservation programs in partnership with SHPOs, including the National Register of Historic Places, the Historic Preservation Tax Incentives Program, and the Certified Local Government Program.

The SHPO is mandated by the National Historic Preservation Act of 1966 to represent the interests of the state when consulting with federal agencies under Section 106 and to maintain a database of historic properties. The Advisory Council on Historic Preservation, an independent federal agency in the executive branch, oversees the Section 106 review process.

K. If contracted expenditures are made through this program please provide:

- a short summary of the general purpose of those contracts overall;
- the amount of those expenditures in fiscal year 2016;
- the number of contracts accounting for those expenditures;
- the method used to procure contracts
- top five contracts by dollar amount, including contractor and purpose;
- the methods used to ensure accountability for funding and performance; and
- a short description of any current contracting problems.

In FY 2016, the Administration Division had \$269,211 of contract related expenditures for seven THC and several state (DIR, CPA, CCG) contracts. The largest contracts were for the procurement of services, including Information Technology Services through the Texas Department of Information Resources (DIR) - awarded Statewide Contracts. THC has an internal audit contract with McConnell & Jones LLP (\$17,859) which reviewed the human resources and grants processes. OneTouchPoint (\$9,778) printed the quarterly *Medallion* publication. Environmental Systems Research Institute Inc. (\$9,401) provides ArcGIS software maintenance support. Verizon (\$9,194) provides wireless phone service for the agency. Trademark Media (\$8,865) for website design, maintenance, and hosting services. The Administration Division had additional contracts for minor operating expenses such as copiers, software, janitorial services, and postage. THC procures contracts following CPA guidelines. The program utilizes budget reports to ensure project funding is available and manages the contract to ensure successful performance.

L. Provide information on any grants awarded by this program.

N/A

M. Are there any barriers or challenges that impede the program's performance, including any outdated or ineffective state laws? Explain

There are several outdated state laws that could be eliminated, although they do not impede this program's performance.

Government Code 442.0087—Directs THC to provide assistance in the development of a museum at Ft. Bliss. That project concluded several years ago.

Government Code 442.018— Directs THC to create an Underground Railroad program. This program has never received an appropriation and has not been implemented.

Government Code 443.014—Directs THC to assist in developing the Congressional Medal of Honor exhibit in the state capitol. The exhibit was completed several years ago.

Government Code 443.025— Provides for the sale of Woodlawn, also known as the Pease Mansion. The property was sold several years ago.

Parks Code 13.010— Provides that THC and TPWD may work together on a historic marker program. Since most of the state historic sites are now being administered by THC, this statute is no longer

necessary.

In addition, in 2009 the Legislature created the Texas Holocaust and Genocide Commission (THGC) and attached it administratively to THC. At that time, the THGC had .5 FTE. Today, THGC has 6 FTE and their activities absorb an increasing amount of time from THC's human resources, IT, purchasing, payroll, and accounting staff. In addition, the primary mission of the THGC appears to be youth education efforts with a special focus on anti-bullying instruction. Consequently, there is virtually no overlap in missions between THC and THGC. We submit that THGC would fit better as an administrative attachment to one of state's education agencies or as a program in the Governor's Office.

N. Provide any additional information needed to gain a preliminary understanding of the program or function.

N/A

O. Regulatory programs relate to the licensing, registration, certification, or permitting of a person, business, or other entity. For each regulatory program, if applicable, describe:

- why the regulation is needed;
- the scope of, and procedures for, inspections or audits of regulated entities;
- follow-up activities conducted when non-compliance is identified;
- sanctions available to the agency to ensure compliance; and
- procedures for handling consumer/public complaints against regulated entities.

N/A

P. For each regulatory program, if applicable, provide the following complaint information. The chart headings may be changed if needed to better reflect your agency's practices.

N/A

VIII. Statutory Authority and Recent Legislation

A. Fill in the following chart, listing citations for all state and federal statutes that grant authority to or otherwise significantly impact your agency. Do not include general state statutes that apply to all agencies, such as the Public Information Act, the Open Meetings Act, or the Administrative Procedure Act. Provide information on Attorney General opinions from FY 2011 - 2015, or earlier significant Attorney General opinions, that affect your agency's operations.

Texas Historical Commission Exhibit 15: Statutes	
Citation/Title	Authority/Impact on Agency (e.g., provides authority to license and regulate nursing home administrators)
National Historic Preservation Act of 1966	Directs the state to administer federal preservation laws and policies
The Tax Reform Act of 1986	Directs states to coordinate federally established tax incentives for the rehabilitation of historic properties
Texas Tax Code Subchapter S 2013	Establishes a state Historic Tax Credit within the Franchise Tax section of the Code equal to 25% of eligible costs of rehabilitation; transferrable to an entity with tax liability; applicable to certified historic buildings; administered by the THC and Comptroller
The Americans with Disabilities Act of 1990	Directs the state to determine whether building modifications to improve accessibility will threaten or destroy the historic integrity of the building
The Archeological Resources Protection Act of 1979	Declares illegal to collect artifacts or dig on archeological sites on federal land without a permit
The Native American Graves Protection and Repatriation Act of 1990	Requires federal land-managing agencies to consult with Indian tribes when burials are found on their land
Texas Government Code/Title 4, Chapter 442	Directs the THC to provide leadership and coordinate services in the field of historic preservation
Texas Natural Resource Code/Title 9, Chapter 191 (Antiquities Code of Texas)	Requires antiquities permit for projects undertaken on state or locally-controlled land
Texas Local Government Code, Chapter 318	Establishes county historical commissions and sets forth their responsibilities for carrying out preservation efforts within counties
Texas Government Code /Title 4, Chapter 449	Creates and charges the Texas Holocaust and Genocide Commission administratively attached to THC

Table 12 Exhibit 15 Statutes

Texas Historical Commission Exhibit 16: Attorney General Opinions	
Attorney General Opinion No.	Impact on Agency
GA-1045	Held that the effective date of the historic tax credit is 1-1-2015; that the 9-1-2013 date merely applies to determinations of eligibility; that the first applicable tax year is 2015; that the THC may review applications prior to

	1-1-2015 but may not issue a certificate of eligibility until after that date; that the law provides no judicial appeal of a denial of a certificate of eligibility although mandamus relief may be allowed by a court; and that the credit is available to entities other than taxable entities.
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Table 13 Exhibit 16 Attorney General Opinions

B. Provide a summary of recent legislation regarding your agency by filling in the chart below or attaching information already available in an agency-developed format. Briefly summarize the key provisions. For bills that did not pass, briefly explain the key provisions and issues that resulted in failure of the bill to pass (e.g., opposition to a new fee, or high cost of implementation).

Texas Historical Commission Exhibit 17: 85th Legislative Session Chart		
Legislation Enacted - 85th Legislative Session		
Bill Number	Author	Summary of Key Provisions
HB1003	Rep. Giovanni Capriglione	Expands eligibility of the existing State Historic Tax Credit to historically designated state higher education properties from now until 1-1-2022. Effective 6-14-2017.
HB1492	Rep. Rick Miller	Establishes a National Museum of the Pacific War museum fund outside the state treasury administered by the THC but allowing contractual management of the fund by the Admiral Nimitz Foundation. The museum fund would include admissions revenue, donations, and interest income. Effective 6-1-2017.
HB2079	Rep. Todd Hunter	Requires the THC to develop a music history trail program to promote and preserve Texas music history; authorizes the THC to work with other state agencies to implement the heritage tourism program. Effective 9-1-2017.
HB3810	Rep. Kirk Watson	Transfers the French Legation historic site in Austin from the Texas Facilities Commission to the THC effective 9-1-2017; allows the THC to negotiate a continuing role with the DRT.
SB550	Sen. Donna Campbell	Allows the State Historic Tax Credit to be taken against either State Insurance Premium Tax or against State Franchise Tax. Effective 5-4-2017.
SB763	Sen. Joan Huffman	Amends law to expand the Commission from 9 to 15 members requiring appointments as soon as practicable; new Commissioners terms will expire 2-1-2019 (2), 2-1-2021 (2), and 2-1-2023 (2). Appointments may include three Commissioners with individual expertise in archeology (2019), history (2021), and architecture (2023).
SB928	Sen. Jose Rodriguez	Designates 21 highway segments in various parts of the state as the Tom Lea Trail; requires that the THC develop a Tom Lea Trail heritage tourism program. Effective 9-1-2017.
SB1630	Sen. Dawn Buckingham	Allows the THC to approve a limited exception to public notice requirements regarding a possible cemetery on private land where indications of interments have been found; requires additional notifications to landowners; adds additional definitions regarding terms in existing cemetery law. Effective 9-1-2017.

Table 14 Exhibit 17 Legislation Enacted 85th Legislation

Legislation Not Passed - 85th Legislative Session		
Bill Number	Author	Summary of Key Provisions/Reason the Bill Did Not Pass
HB1359	Rep. James White	Allows criminal prosecution of public officials moving or demolishing monuments or renaming schools or streets dedicated to veterans of a war in which the State of Texas participated.
HB3418	Rep. Gary Elkins	Requires 3/4ths votes of city councils and planning commissions for historic designations; 30-day limit on city decisions.
HB4146	Rep. Terry Wilson	Requires an administrative hearing and subsequent court appeals of contested historical marker inscriptions.

Table 15 Exhibit 17 Legislation Not Passed 85th Legislation

IX. Major Issues

Issue 1. State Historic Site Management

A. Brief Description of Issue

Multiple state agencies have responsibility for managing the museums and historic sites owned by the State of Texas. In some instances this makes perfect sense. Certainly the state capitol and its visitor center belong under the State Preservation Board, where the historic character of the property can be factored in to decisions that affect the most basic operations of the state's elected officials. But in other instances, multiple sites could benefit from being managed by a single agency dedicated to their preservation and without competing missions. Maintaining the status quo limits each agency's ability to properly brand, market, and manage these sites as individual elements of a greater collection. The result is public confusion and a reduction in potential revenue generation and public education opportunities.

B. Discussion

In 1971 the Texas legislature transferred the Sam Rayburn House in Bonham to the Texas Historical Commission. After extensive renovations, the house opened to the public as the agency's first state historic site in 1975. In 2005 the legislature authorized transfer of the Nimitz Museum and National Museum of the Pacific War in Fredericksburg from Texas Parks and Wildlife Department to the THC. Two years later, in 2007, the legislature transferred an additional 18 state historic sites from TPWD to THC, provided that 6% of the state's Sporting Goods Sales Tax be allocated to THC for operational expenses, and appropriated the funds necessary to complete restoration projects and to construct visitor centers and maintenance facilities at those sites. A list of major projects accomplished since that transfer can be found in this report under the Historic Sites Division program function. In subsequent years, THC accepted the donation of Mission Dolores historic site in San Augustine from the city of San Augustine, and in 2017 the legislature transferred the French Legation in Austin from the Texas Facilities Commission to the THC and entrusted THC with its restoration and operation as a state historic site.

The Historic Sites Division at THC constitutes fully one-half of the agency's operations in terms of FTE and operational appropriation. Additional statutory revisions and accompanying regulations position THC at the forefront of historic site management nationally. We have very high-quality curatorial facilities in Austin and in West Columbia (housing collections associated with the two plantation properties in that vicinity including the Ima Hogg furnishings collection). We have educators, docents, and customer service professionals to ensure that our visitors have a meaningful experience. We have a marketing plan, a retail development plan, and new brand images representing each of our sites.

Each site has a multi-talented manager responsible for day-to-day operations. Where appropriate due to geographical location, multiple sites may share a manager. The site managers are also emissaries to their communities where they represent the agency and the state of Texas, participating in local events and providing expertise in their professions as needed.

These sites are key destinations for heritage travelers who stay longer and spend more than other travelers. An annual goal for revenue generation is established at each site, and the managers meet regularly to share best practices and compare accomplishments. Since the 18 sites were transferred to THC in 2008 (following the 2007 legislative session), visitation has increased 126%. In just the last four years, earned revenue has increased 91%. Studies indicate that visitors to historic sites spend less than 10% of their total expenditures at the site itself, so these numbers become even more meaningful when

considering total impact on host communities.

C. Possible Solutions and Impact

Now, with more than a decade of experience in establishing and improving state historic sites, THC is well-positioned to accept transfer of additional properties from other agencies. Such a transfer, with the necessary resources, would make it much easier to brand and market these sites under a single management plan. The result would be a collection of historic sites, connected to one another both visually and through the stories they tell, established under a single plan to communicate key messages to heritage travelers, and managed under a uniform program insuring that each visitor has a quality experience. This process began in 1971 when the state entrusted the Sam Rayburn House to the THC, and this agency is ready to move this project forward.

Issue 2. County Historical Commission Structure

A. Brief Description of Issue

The THC relies on a network of county historical commissions (CHC) to act as local agents for carrying out preservation activities. CHCs are appointed by each county's commissioners court and have a long history of volunteer preservation activities. CHCs have the potential to be invaluable resources for preservation, acting as extensions of the THC and helping to educate the public about the benefits of historic preservation. However, many CHCs are not active, knowledgeable or diverse entities for local preservation. Should Local Government Code, Chapter 318, be modified to better define the role, responsibilities, and membership requirements for county historical commissions, as well as the THC's responsibilities to them?

B. Discussion

The system of CHCs was set up by the Texas Legislature in 1956 to assist local commissioners courts and the state in the preservation of each county's historic and cultural resources. The duties and responsibilities of a CHC are set forth in detail in the state's Local Government Code, Chapter 318. The statute is fairly broad, leaving latitude for each CHC to organize and undertake activities appropriate to the county's size and resources. The statute mandates three activities for CHCs, which include regular meetings, filing of an annual report and reviewing applications for Official Texas Historical Markers. There are no penalties for inactivity. Approximately 75% the 254 CHCs are currently operating at basic capacity, fulfilling the three mandated functions.

Several CHCs are models for activity and partnership with THC services; many CHCs struggle with the required responsibilities and lack a broad and representative membership. Working to create knowledgeable and engaged CHCs whose members represent diverse populations and interests throughout each county is perhaps the agency's biggest opportunity for improvement. We realize that if we strengthen this structure for preservation at the local level, every program and service we offer will be more effective, and we will enhance our ability to reach greater numbers of the public. We have identified several causes for this issue, including a lack of real powers and duties for the CHCs, an ineffective appointment process, undefined composition and term limits and no training requirements.

C. Possible Solutions and Impact

The THC has identified several solutions that could strengthen the CHC structure and enable a more effective partnership. The first and most statutorily relevant solution is to give CHCs real powers and duties within the Local Government Code. Historic markers are currently the only program of the agency that CHCs are required to engage in; we are interested in adding other services of the THC that would benefit from local CHC participation and require their involvement as a condition for local participation (such as survey and inventory, the Texas Historic Courthouse Preservation Program, etc.). In addition, our enabling statute stipulates that property owners notify the THC if they are planning to alter or demolish a resource with a local, state or national historic designation located outside a municipality with a building permit procedure; it also enables counties to pass property tax abatements as an incentive to preservation. Very few counties are active in either of these programs, and they could be used as an incentive to revitalizing historic properties outside the land use authority of the city. The impact of this change would not only engage the CHCs in an important function, but would also give counties a much needed tool and incentive they can offer property owners for historic preservation. Cities across Texas (and a few counties) have used property

tax incentives successfully to catalyze economic development and rehabilitation of historic buildings, resulting in millions of dollars of reinvestment in historic neighborhoods and central business districts.

A second solution to invigorating CHCs is to examine the process for appointing members and strengthen the requirements for diversity in their membership. The current statute stipulates that members be individuals who “broadly reflect the age, ethnic, and geographic diversity of the county,” and have an interest in historic preservation. The majority of CHCs have very little member turnover and the demographic of members is overwhelmingly older Caucasian men and women. While CHCs adopt their own membership requirements and term definitions, it would be helpful to make global changes to the statute with specific diversity requirements and term limits for membership. The THC can assist member recruitment through our diversity network, marketing materials and using existing program participants as a member pool.

These statutory solutions have the potential to create stronger and more meaningful structures and functions for CHCs across Texas. We also recognize that providing training will be an important facet to knowledgeable and active CHCs. We suggest changing the statute to require annual CHC member training that we can provide through a number of venues, including our annual preservation conference and regional workshops.

Issue 3. Survey and Inventory

A. Brief Description of Issue

We lack basic information about historic resources throughout the state to do our jobs effectively and efficiently. Our current inventory contains more than 270,000 sites in Texas. However, with 90 percent of archeological resources located on private land and less than half of the counties in Texas represented in our inventory, there are large gaps of information about existing resources. Should the THC be statutorily mandated to coordinate, undertake and maintain a comprehensive survey and inventory of historic resources throughout Texas?

B. Discussion

A survey is the first step in most of our programs, including federal and state mandated reviews, as well as programs that are proven catalysts for economic development including historic preservation tax incentives, the Texas Main Street Program and the Texas Heritage Trails Program. Having a comprehensive inventory of historic resources that is continually maintained and updated would enable us, as well as federal, state and local governments and organizations, to be proactive about using historic resources as a tool for proven revitalization and economic development. The THC currently manages the Historic Sites Atlas that includes all properties on the National Register of Historic Places, designated state landmarks and markers, and surveys including properties surveyed up to 1997 and those for the Bankhead and Meridian Highways. We maintain hard files for this inventory and any properties that have been added since 1997, and continue to digitally map additional historic resources. While this may seem impressive, this inventory represents only one-third of the counties in the state, and by and large the information we do have is either outdated or the methodology used to survey the properties is questionable.

The THC has one survey coordinator position responsible for maintaining the current inventory, serving as a resource for survey activities and developing a uniform system for all survey efforts. Undertaking a

statewide survey far exceeds the capacity of one staff person. Most State Historic Preservation Offices have a plan and allocate resources and staff for systematically surveying their entire state. Good examples of statewide survey efforts include North Carolina, Nebraska, Wisconsin, New York, and Rhode Island.

C. Possible Solutions and Impact

A number of solutions could provide knowledge about historic resources throughout the state. We could change the agency's enabling statute to require a statewide survey and inventory and look at ways to focus resources to accomplish this. Because a statewide inventory would be a tremendous resource to other state and federal agencies, as well as preservation organizations across the state, we could also develop a plan to accomplish a survey in cooperation with our various partners that are engaged in historic preservation activities. Undertaking a joint project of this proportion could result in more effective relationships among partner agencies. Another option would be to develop an incremental plan for undertaking the survey, focusing on the fastest growing counties and regions initially, or specific endangered resource types (e.g., historic schools).

A survey of this scale would require a substantial financial investment, not only for conducting it, but also for maintenance and updates; however, there are ways to reduce the cost burden by engaging volunteers and programs across the state, including CHCs, Certified Local Governments, and university preservation and architecture programs. The impact of having and maintaining a statewide historic resources inventory is far reaching:

- Economic development programs such as the Texas Main Street Program, historic preservation tax incentives and the Texas Heritage Trails Program rely on survey information to identify properties for rehabilitation, attract investors to communities and to promote heritage destinations
- A survey and inventory would significantly streamline Section 106 review for the THC and all other state and federal agencies such as the General Land Office, Texas Department of Transportation, Texas Parks & Wildlife, Texas Water Development Board, Federal Highway Administration, Federal Emergency Management Administration, and Housing and Urban Development
- The THC and local communities use survey information to identify properties eligible for the National Register of Historic Places, state and local landmark designations
- A survey is the basis for city, county and regional planners to develop preservation management plans and integrating preservation into comprehensive community plans
- Survey information provides educators, civic organizations and interested citizens with a basis for learning about the history of their community

Issue 4. Technology

A. Brief Description of Issue

Since the last Sunset review in 2007, THC has made significant progress in reducing the technology gap that existed at the time. Major technology improvements have been implemented in our technology infrastructure to improve our ability to promote heritage destinations, increase the public's access to preservation services and raise our staff's overall efficiency levels. We have implemented a four-year personal computer replacement cycle and have updated our employee productivity software to current versions on the Microsoft 365 platform through DIR's Data Center Services Program. With a limited Information Technology Staff to support agency operations due to our FTE cap, THC must continue to leverage the efficient utilization of DIR's state-wide contracts for information technology services.

B. Discussion

A previous internal audit of THC's information technology staffing levels reflected that the number of THC FTEs assigned to the Information Technology function were significantly below the average number of FTEs dedicated to this function for other comparably-sized state agencies.

THC's challenge is to continue our progress in improving our technology infrastructure and systems capabilities to promote the state's historic travel destinations, to improve electronic or digital file storage in order to streamline our functions and simplify our services to the public, to modernize and centralize archival data storage and retrieval, to continue enhancements to THC's Atlas historical information database, and finally to implement customer service improvements through expanded on-line interactive forms and web services.

C. Possible Solutions and Impact

In the FY 2018-2019 Legislative Appropriations Request, THC requested funding and secured legislative approval to implement the financial and procurement modules of the state's Centralized Accounting and Payroll/Personnel System (CAPPS) to further expand the technology capabilities of our central support operations. THC's plan is to pursue deployment of the Human Resource modules in the next biennium.

To ensure THC's information technology infrastructure and development resources are sufficient to meet the current and future demands for THC services, we will continue to leverage the efficient utilization of DIR statewide contracts for software as a service, and will identify needed information technology FTE and funding requirements as a component of the FY 2020-2021 Legislative Appropriations Request process.

Issue 5. Equitable Representation in Monuments

A. Brief Description of Issue

With the stated intent of ensuring the diverse history of Texas is accurately represented on land owned by the state other than the Capitol Complex, Government Code 442.0084, Equitable Representation in Monuments, was enacted in 2001. This provision specifically charged the THC, with the assistance of the History Department Chairs of Prairie View A & M, The University of Texas at Austin, or other land grant state universities, with collecting information relating to each monument to ensure the historical accuracy of the monuments, and the equitable representation of all Texans, including African slaves, African Americans, Hispanic Americans, Native Americans, women in Texas History, and Texans exemplifying military services and rural heritage. This provision also mandated that this collected monument information would be made available to the public.

B. Discussion

This legislation was enacted with no additional funding or other resources for implementation. This unfunded mandate was identified in THC's previous Sunset Self-Evaluation Report in 2005. With the increased interest and focus on Texas monuments, collecting this information on Texas Monuments and making this information available to the public would be beneficial.

C. Possible Solutions and Impact

With adequate resources, THC would be able to fulfill this responsibility. THC will seek support for the necessary funding in its upcoming Legislative Appropriations Request to address this government provision.

X. Other Contacts

A. Fill in the following chart with updated information on people with an interest in your agency, and be sure to include the most recent e-mail address.

Texas Historical Commission Exhibit 18: Contacts			
INTEREST GROUPS (groups affected by agency actions or that represent others served by or affected by agency actions)			
Group or Association Name/ Contact Person	Address	Telephone	E-mail Address
Texas Municipal League Bennett Sandlin, Executive Director	1821 Rutherford Lane Suite 400 Austin, Texas 78754	512/719-6300	exec@tml.org
Texas Association of Counties Gene Terry, Executive Director	P.O. Box 2131 Austin, Texas 78768-2131	512/478-8753	genet@county.org

Table 16 Exhibit 18 Interest Groups

INTERAGENCY, STATE, OR NATIONAL ASSOCIATIONS (that serve as an information clearinghouse or regularly interact with your agency)			
Group or Association Name/ Contact Person	Address	Telephone	E-mail Address
Advisory Council for Historic Preservation John M. Fowler, Executive Director	1100 Pennsylvania Ave. NW Suite 809 Washington, D.C. 20004	202/517-0200	jfowler@achp.gov
Bullock Museum Catherine Taylor, Director	P.O. Box 12874 Austin, TX 78711	512/936-8746	contactus@ thestoryoftexas.com
Council of Texas Archeologists Jon Lohse, President			jlohse@coastalenv.com
Humanities Texas Mike Gillette, Executive Director	1410 Rio Grande Street Austin, TX 78701	512/440-1991	mgillette@ humanitiestexas.org
National Conference of State Historic Preservation Officers Erik Hein, Executive Director	444 N. Capitol St. NW Suite 342 Washington, D.C. 20001-1512	202/624-5465	hein@ncshpo.org
National Park Service Vacant, Associate Director Cultural Resources	1849 C St. NW Washington, D.C. 20240	202/208-7625	www.nps.gov/orgs/1345/
National Trust for Historic Preservation David J. Brown, Chief Preservation Officer	2600 Virginia Avenue NW Suite 1100 Washington, DC 20037	202/588-6227	dbrown@savingplaces.org
Preservation Action Russ Carnahan, President	1307 New Hampshire Ave NW Third Floor Washington, DC 20036	202/463-0970	mail@preservationaction.org
Preservation Texas, Inc Evan Thompson Executive Director	P.O. Box 12832 Austin, TX 78711	512/472-0102	info@preservationtexas.org
Texas Archeological Society	601 University Drive	512/245-1696	tasinquiries@txarch.org

Charles Frederick	San Marcos TX 78666-4684		
Texas Downtown Association Catherine Sak, Executive Director	P.O. Box 203455 Austin, Texas 78720	512/472-7832	catherine@ texasdowntown.org
Texas Historical Foundation Gene Krane	P.O. Box 50314 Austin, TX 78763	512/453-2154	director@ texashistoricalfoundation.org
Texas Society of Architects James T. Perry Executive Vice President	500 Chicon St. Austin, TX 78702	512/478-0528	james@texasarchitects.org
Texas State Historical Association Brian Bolinger, Chief Executive Officer	3001 Lake Austin Blvd. Suite 3.116 Austin, TX 78703	512/471-2600	jcmartin@austin.utexas.edu
Texas Travel Industry Association David Teel, President	3345 Bee Cave Rd, West Lake Hills, TX 78746	512/328-8842	david@ttia.org

Table 17 Exhibit 18 Interagency, State and National Association

LIAISONS AT OTHER STATE AGENCIES (with which your agency maintains an ongoing relationship, e.g., the agency's assigned analyst at the Legislative Budget Board, or attorney at the Attorney General's office)			
Agency Name/Relationship/ Contact Person	Address	Telephone	E-mail Address
Legislative Budget Board Avery Saxe	P.O. Box 12666 Austin, Texas 78711	512/463-1200	avery.saxe@lbb.state.tx.us
Office of the Attorney General Alice McAfee	P.O. Box 12548 Austin, TX 78711-2548	512/465-4685	alice.mcafee@oag.state.tx.us
Office of the Governor, Economic Development and Tourism Bryan Daniel, Executive Director	P.O. Box 12428 Austin, Texas 78711	512/936-0101	www.governor.state.tx.us/ divisions/ecodev/
Texas Commission on the Arts Gary Gibbs, Executive Director	P.O. Box 13406 Austin, TX 78711-3406	512/936-6561	ggibbs@arts.texas.gov
Texas Department of Transportation James M. Bass, Executive Director	125 E. 11th St. Austin, TX 78701-2483	512/463-8585	www.txdot.state.tx.us
Texas Parks and Wildlife Carter Smith, Executive Director	4200 Smith School Rd. Austin, TX 78744	512/389-4802	www.tpwd.state.tx.us
Texas State Library and Archives Commission Mark Smith, Director	P.O. Box 12927 Austin, TX 78711-2927	512/463-5455	dir.lib@tsl.state.tx.us
Texas State Preservation Board Rod Welsh, Executive Director	P.O. Box 13286 Austin, TX 78711	512/463-5495	rod.welsh@tspb.state.tx.us

Table 18 Exhibit 18 Liaisons at other State Agencies

XI. Additional Information

- A. Texas Government Code, Sec. 325.0075 requires agencies under review to submit a report about their reporting requirements to Sunset with the same due date as the SER. Include a list of each agency-specific report that the agency is required by statute to prepare and an evaluation of the need for each report based on whether factors or conditions have changed since the statutory requirement was put in place. Please do not include general reporting requirements applicable to all agencies, reports that have an expiration date, routine notifications or notices, posting requirements, federally mandated reports, or reports required by G.A.A. rider. If the list is longer than one page, please include it as an attachment.**

Texas Historical Commission Exhibit 19: Evaluation of Agency Reporting Requirements					
Report Title	Legal Authority	Due Date and Frequency	Recipient	Description	Is the Report Still Needed? Why?
N/A					

Table 19 Exhibit 19 Agency Reporting Requirements

- B. Has the agency implemented statutory requirements to ensure the use of “first person respectful language”? Please explain and include any statutory provisions that prohibits these changes.**

Yes. Our Public Information and Education Department reviews all agency publications to ensure compliance.

- C. Fill in the following chart detailing information on complaints regarding your agency. Do not include complaints received against people or entities you regulate. The chart headings may be changed if needed to better reflect your agency’s practices.**

Texas Historical Commission Exhibit 20: Complaints Against the Agency for Fiscal Years 2015 and 2016		
	FY 2015	FY 2016
Number of complaints received	6	1
Number of complaints resolved	6	1
Number of complaints dropped/found to be without merit	0	1
Number of complaints pending from prior years	0	0
Average time period for resolution of a complaint	30 days	30 days

Table 20 Exhibit 20 Complaints Against the Agency

D. Fill in the following chart detailing your agency's Historically Underutilized Business (HUB) purchases.

**Texas Historical Commission
Exhibit 21: Purchases from HUBs**

Fiscal Year 2015

Category	Total \$ Spent	Total HUB \$ Spent	Percent	Agency Specific Goal*	Statewide Goal
Heavy Construction	\$1,213	\$0	0%	11.2%	11.2%
Building Construction	\$4,345,552	\$87,445	2.01%	21.1%	21.1%
Special Trade	\$1,853,022	\$42,715	2.31%	32.9%	32.9%
Professional Services	\$695,075	\$376,885	54.22%	23.7%	23.7%
Other Services	\$4,378,975	\$1,156,215	26.40%	26.0%	26.0%
Commodities	\$1,035,469	\$143,011	13.81%	21.1%	21.1%
TOTAL	\$12,309,308	\$1,806,273	21.1%		

Table 21 Exhibit 21 HUB Purchases for FY 2015

Fiscal Year 2016

Category	Total \$ Spent	Total HUB \$ Spent	Percent	Agency Specific Goal	Statewide Goal
Heavy Construction	\$7,650	\$0	0%	0%	11.2%
Building Construction	\$3,808,625	\$0	0%	15.80%	21.1%
Special Trade	\$1,471,278	\$360,186	24.48%	10.30%	32.9%
Professional Services	\$165,068	\$80,440	48.73%	57.60%	23.7%
Other Services	\$3,408,072	\$418,163	12.27%	17.00%	26.0%
Commodities	\$1,371,738	\$312,529	22.78%	11.60%	21.1%
TOTAL	\$10,232,433	\$1,171,319	11.45%		

Table 22 Exhibit 21 HUB Purchases for FY 2016

Fiscal Year 2017 Semi-Annual Report

Category	Total \$ Spent	Total HUB \$ Spent	Percent	Agency Specific Goal	Statewide Goal
Heavy Construction	\$124,924	\$121,124	96.96%	0.0%	11.2%
Building Construction	\$2,005,523	\$0	0.0%	14.6%	21.1%
Special Trade	\$207,897	\$27,175	13.07%	10.5%	32.9%
Professional Services	\$600,282	\$129,483	21.57%	36.7%	23.7%
Other Services	\$1,530,042	\$65,196	4.26%	16.9%	26.0%
Commodities	\$753,787	\$141,266	18.74%	17.7%	21.1%
TOTAL	\$5,222,456	\$484,246	9.27%		

Table 23 Exhibit 21 HUB Purchases for FY 2017

E. Does your agency have a HUB policy? How does your agency address performance shortfalls related to the policy?

Yes, THC has a HUB policy. THC is committed to promoting and increasing contract opportunities with HUBs directly and indirectly through subcontract opportunities. THC will encourage the use of HUBs by implementing policies focusing on vendor outreach, education, and recruitment. THC will also work aggressively in staff education, training and methods of communication and distribution of HUB related information. In our efforts to build a strong HUB program, THC strives to ensure a good faith effort to utilize HUBs in all procurement opportunities.

THC reviews performance shortfalls annually to help determine potential opportunities for the next fiscal year.

F. For agencies with contracts valued at \$100,000 or more: Does your agency follow a HUB subcontracting plan to solicit bids, proposals, offers, or other applicable expressions of interest for subcontracting opportunities available for contracts of \$100,000 or more? (Tex. Government Code, Sec. 2161.252; TAC 111.14)

Yes, this requirement is part of our solicitation packages for all solicitations with an expected value of \$100,000 or more, which includes potential amendments.

G. For agencies with biennial appropriations exceeding \$10 million, answer the following HUB questions.

	Response / Agency Contact
1. Do you have a HUB coordinator? (Tex. Government Code, Sec. 2161.062; TAC 111.126)	Corey Crawford, CFO Procurement/HUB Coordinator (512) 475-0774 Corey.Crawford@thc.texas.gov

<p>2. Has your agency designed a program of HUB forums in which businesses are invited to deliver presentations that demonstrate their capability to do business with your agency? (Tex. Government Code, Sec. 2161.066; TAC 111.127)</p>	<p>THC's HUB program reaches a large number of HUB vendors through multiple meeting opportunities. THC co-sponsors an annual HUB vendor fair, participates in HUB fairs, Spot Bid fairs, and other vendor economic opportunity forums.</p> <p>At all of these events, HUBs learn about the business opportunities available at THC and provide information about their company and their products and/or services.</p>
<p>3. Has your agency developed a mentor-protégé program to foster long-term relationships between prime contractors and HUBs and to increase the ability of HUBs to contract with the state or to receive subcontracts under a state contract? (Tex. Government Code, Sec. 2161.065; TAC 111.128)</p>	<p>The THC has developed a mentor-protégé program to foster long-term relationships between prime contractors and HUBs and to increase the ability of HUBs to contract with the state or to receive subcontracts under a state contract.</p>

H. Fill in the chart below detailing your agency's Equal Employment Opportunity (EEO) statistics.

**Texas Historical Commission
Exhibit 22: Equal Employment Opportunity Statistics**

1. Officials / Administration

Year	Total Number of Positions	Percent African-American	Statewide Civilian Workforce Percent	Percent Hispanic	Statewide Civilian Workforce Percent	Percent Female	Statewide Civilian Workforce Percent
2015	10	0	7.4%	10%	22.1%	40%	37.4%
2016	10	0	7.4%	10%	22.1%	30%	37.4%
2017	12	0	7.4%	8.3%	22.1%	33.3%	37.4%

Table 24 Exhibit 22 EEO Statistics for Officials/Administration

2. Professional

Year	Total Number of Positions	Percent African-American	Statewide Civilian Workforce Percent	Percent Hispanic	Statewide Civilian Workforce Percent	Percent Female	Statewide Civilian Workforce Percent
2015	118	.85%	10.4%	3.3%	19.3%	61%	55.3%
2016	143	2.1%	10.4%	4.9%	19.3%	59.4%	55.3%
2017	141	1.4%	10.4%	9.9%	19.3%	61.7%	55.3%

Table 15 Exhibit 22 EEO Statistics for Professionals

3. Technical

Year	Total Number of Positions	Percent African-American	Statewide Civilian Workforce Percent	Percent Hispanic	Statewide Civilian Workforce Percent	Percent Female	Statewide Civilian Workforce Percent
2015	0	0	14.4%	0	27.2%	0	55.3%
2016	0	0	14.4%	0	27.2%	0	55.3%
2017	0	0	14.4%	0	27.2%	0	55.3%

Table 26 Exhibit 22 EEO Statistics for Technical

4. Administrative Support

Year	Total Number of Positions	Percent African-American	Statewide Civilian Workforce Percent	Percent Hispanic	Statewide Civilian Workforce Percent	Percent Female	Statewide Civilian Workforce Percent
2015	36	2.8%	14.8%	22.2%	34.8%	88.9	72.1%

Year	Total Number of Positions	Percent African-American	Statewide Civilian Workforce Percent	Percent Hispanic	Statewide Civilian Workforce Percent	Percent Female	Statewide Civilian Workforce Percent
2016	39	5.1%	14.8%	23.1%	34.8%	84.6%	72.1%
2017	35	2.8%	14.8%	20%	34.8%	85.7%	72.1%

Table 27 Exhibit 22 EEO Statistics for Administrative Support

5. Service / Maintenance

Year	Total Number of Positions	Percent African-American	Statewide Civilian Workforce Percent	Percent Hispanic	Statewide Civilian Workforce Percent	Percent Female	Statewide Civilian Workforce Percent
2015	34	8.8%	13.0%	20.6	54.1%	14.7	51.0%
2016	38	7.9%	13.0%	21.1%	54.1%	7.9%	51.0%
2017	28	10.7	13.0%	21.4	54.1%	0	51.0%

Table 28 Exhibit 22 EEO Statistics for Service and Maintenance

6. Skilled Craft

Year	Total Number of Positions	Percent African-American	Statewide Civilian Workforce Percent	Percent Hispanic	Statewide Civilian Workforce Percent	Percent Female	Statewide Civilian Workforce Percent
2015	0	0	10.6%	0	50.7%	0	11.6%
2016	0	0	10.6%	0	50.7%	0	11.6%
2017	0	0	10.6%	0	50.7%	0	11.6%

Table 29 Exhibit 22 EEO Statistics for Skilled Craft

<p>I. Does your agency have an equal employment opportunity policy? How does your agency address performance shortfalls related to the policy?</p>

The agency has an equal employment opportunity policy that states all employees receive equal opportunity in accordance with individual job related qualifications. Personnel actions will be administered without regard to race, color, religion, gender, sexual orientation, national origin, age, genetic information or disability. Equal opportunity includes, but is not limited to employment, reclassification, promotion, demotion, transfer, rates of pay and selection for training.

The agency follows fair hiring practices and seeks to recruit members of historically underrepresented groups at all levels through our on-going diversity initiatives. Although improvement has been made, particularly in offering opportunities for women, the agency still has progress to make in the hiring of African Americans, Hispanic Americans and people with disabilities. The agency is focused on recruiting, retaining, and developing a diverse workforce that reflects the state's population.

The fields of historic preservation and cultural resource management struggle with representing the experiences, history and places of diverse groups in the United States. The THC recognizes this long-standing gap in historic preservation and is committed to advancing diverse participation in Texas preservation activities, as well as focusing on underrepresented stories and sites to ensure that an inclusive history is communicated. THC works closely with the Friends of the Texas Historical Commission in promoting and implementing a diversity internship program and scholarship fund to better identify and attract qualified members of historically underrepresented groups to seek careers in the historic preservation profession. In addition, THC's human resources department annually participates in job fairs and college campus recruitment events to solicit and attract diverse candidates for agency job positions.

The agency strives to maintain a high-quality, well-educated, diverse workforce with the skills vital to accomplishing its mission and goals. The agency performs ongoing analysis of workforce skills needed to reach our goals and objectives. Every attempt will be made to train replacement staff in critical agency tasks before staff members leave the agency. For positions with staff that are eligible to retire in the near future, the agency identifies employees who can be developed for those positions to increase continuity of knowledge.

The THC will continue to focus on hiring multi-talented professionals, with expertise and experience in historic preservation, architecture, archeology, history, historic site management, heritage tourism development, economic development, museum services, computer science, accounting, purchasing, human resources, project design, communications, public relations, and graphic design.

Goals to Address Workforce Competency

- Agency processes will be evaluated on an annual basis and changes made when deemed necessary.
- Retention programs will include staff development through ongoing training, and awards and recognition at agency-wide meetings.
- Recruitment plans will include the targeted posting of jobs through professional networks, professional associations, on the agency's website, and the Work-in-Texas site, contacting outlets that reach underrepresented EEO populations, participating in job fairs, and offering internships through our very successful diversity internship program.
- Career development programs will include training for job skills, promotions from within, and cross-training skills.

- The agency will develop leaders within the organization by encouraging staff to attend leadership training, such as the governor's Management Development Programs.

XII. Agency Comments

Recommendation 1.1: Require THC to adopt rules governing the relationship between the agency and any affiliated nonprofit organization. This was accomplished through the adoption of TAC Title 13 Pt. 2 Chapter 11 Section 11.9 entitled “Donations and Relationships with Affiliated Nonprofit Organizations”.

Recommendation 1.2: Prohibit the THC Executive Director from serving as a voting member of the board of any affiliated nonprofit organization. This was also accomplished through the adoption of Section 11.9 as noted above.

Recommendation 1.3: Require THC to establish guidelines that will identify and define the type of administrative and financial support the agency should give to the nonprofit organization Friends of the Texas Historical Commission. This was also accomplished through the adoption of Section 11.9 as noted above.

Recommendation 1.4: Direct THC to establish a clear and open process to prioritize projects for financial assistance from Friends of the Texas Historical Commission. This was accomplished through an MOA between the THC and Friends of the THC.

Recommendation 2.1: Require THC to approach the marker program more strategically by awarding a more limited number of markers based on statewide themes and significance. This was accomplished. The Commission adopts an annual plan that includes the number of markers that will be approved and identifies statewide themes that are awarded extra points in the review process.

Recommendation 2.2: Direct the agency to help build the capacity of CHCs to more effectively research and evaluate resources appropriate for official historical markers. This was accomplished and is ongoing. Both online and onsite trainings have been deployed, additional guidance has been made available on the internet, and the CHC program staff has been expanded.

Recommendation 2.3: Direct THC to establish an application fee for historical markers. This was implemented. The marker application fee generates enough revenue to permit the erection of not more than 20 markers annually representing “undertold” stories of Texas history.

Recommendation 3.1: Continue THC. The state legislature chose to continue the agency.

Recommendation 3.2: Direct THC staff to evaluate and prioritize its many programs and initiatives, linking them back to the agency’s most important goals. This is an ongoing activity that governs deployment of FTE and financial resources. It resulted in the creation of two FTE positions dedicated to youth education, the development of a state historic sites program, and continues to govern the preparation of annual work plans for every THC employee.

Attachments

Attachments Relating to Key Functions, Powers, and Duties

1. Agency's enabling statute.
 - a. Texas Government Code Chapter 442 accessible online at: <http://www.statutes.legis.state.tx.us/Docs/GV/htm/GV.442.htm>
2. Annual reports published by the agency from FY 2015-2017.
 - a. 2014/2015 Biennial Report
 - b. 2015/2016 Biennial Report
3. Internal or external newsletters published by the agency from FY 2016-2017.
 - a. *The Medallion* – Fall 2015, Winter 2016, Spring 2016, Summer 2016, Fall 2016, Winter 2017, Spring 2017, Summer 2017
 - b. *Courthouse Cornerstones* – 2015, 2017
 - c. *Historic Heights* – 2017
4. List of studies that the agency is required to do by legislation or riders.
N/A
5. List of legislative or interagency studies relating to the agency that are being performed during the current interim.
N/A
6. List of studies from other states, the federal government, or national groups/associations that relate to or affect the agency or agencies with similar duties or functions.
N/A

Attachments Relating to Policymaking Structure

7. Biographical information for the Texas Historical Commission members.
8. Agency's most recent rules.
 - a. Texas Administrative Code, Title 13, Part 2 accessible online at: [http://texreg.sos.state.tx.us/public/readtac\\$ext.ViewTAC?tac_view=3&ti=13&pt=2](http://texreg.sos.state.tx.us/public/readtac$ext.ViewTAC?tac_view=3&ti=13&pt=2)

Attachments Relating to Funding

9. Legislative Appropriations Request for FY 2018-2019.
10. Annual financial reports from FY 2015-2016.
 - a. Annual Financial Report for the Year Ended August 31, 2015
 - b. Annual Financial Report for the Year Ended August 31, 2016

11. Operating budgets from FY 2015-2017.
 - a. Annual Operating Budget, FY 2015
 - b. Annual Operating Budget, FY 2016
 - c. Annual Operating Budget, FY 2017

Attachments Relating to Organization

12. Maps illustrating regional boundaries, headquarters locations and field or regional offices.
 - a. Map of the Texas Heritage Trail Regions
 - b. Map of the State Historic Sites – the most current version is available [online here](#).

Attachments Relating to Agency Performance Evaluation
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13. Quarterly performance reports completed by the agency in FY 2015 – 2017.
 - a. Annual Performance Measure Report, FY 2015
 - b. Annual Performance Measure Report, FY 2016
 - c. Performance Measure Report, Quarters 1-3, FY 2017
14. Any recent studies on the agency by outside management consultants or academic institutions.
 - a. *Economic Impact of Historic Preservation in Texas; Update 2015*
15. Agency's current internal audit plan.
16. Agency's current strategic plan.
 - a. Texas Historical Commission Strategic Plan 2017-21
17. List of internal audit reports FY 2013 – 2017*.
 - a. FY 2013 Annual Internal Audit Report
 - i. Governance Audit, May 25, 2013
 - b. FY 2014 Annual Internal Audit Report
 - i. Historic Sites Risk Management Audit, February 20, 2014
 - ii. IT Advisory Project, August 31, 2014
 - iii. Property Management Audit, July 25, 2014
 - c. FY 2015 Annual Internal Audit Report
 - i. Internal Audit Report of Accounts Payable, August 31, 2015
 - ii. Internal Audit of Management Reports, 2015
 - d. FY 2016 Annual Internal Audit Report.
 - i. Internal Audit Report of Grants Management, August 2016
 - e. FY 2017 Annual Internal Audit currently in progress.*
 - i. Internal Audit Report of Human Resources, December 2016
18. List of state auditor reports FY 2013 – 2017.
 - a. N/A
19. Customer service surveys conducted in FY 2016-2017.
 - a. Report on Customer Service Survey, Spring 2016