

MONTANA HISTORIC PRESERVATION GRANT PROGRAM

Program Description

The Montana Historic Preservation Grant (MHPG) Program, administered by the Department of Commerce (DOC) and codified in Section 22-3-1305, MCA, provides competitive grants for public or private entities for the preservation of historic sites, historical societies, or history museums in the state. The executive recommendations for MHPG grants are contained in HB 12.

MHPG project grants are available on a competitive basis through statutory criteria established in Section 22-3-1306, MCA. The statutory criteria include the following:

1. Support of economic activity or stimulus
2. Purpose and need of proposed project
3. Project timeline and matching funds
4. State historic or heritage value
5. Experience and capacity to complete proposed project
6. Ongoing and future state economic benefit

Applicants must submit grant requests to DOC by March 1st of even numbered years. The MHPG program received 48 grant applications requesting \$14.1 million in funds. DOC has proposed 29 grants and appropriations of \$8.5 million for consideration by the Sixty-eighth Legislature. The proposed grants include the following project types:

- 23 historic sites
- 4 history museums
- 2 history museums/historic sites

Program Budget Comparison

Figure 20 summarizes the proposed executive budget for the program by biennium, type of expenditure, and source of funding.

Figure 20

Program Comparison -Montana Historic Preservation Grant Program				
Budget Item	Budget 2023 Biennium	Budget 2025 Biennium	Biennium Change	Biennium % Change
Number of Grants	26	29	3	11.5%
Grants Cost	<u>Appropriated</u> 5,490,121	<u>Proposed</u> 8,501,314	3,011,193	54.8%
Total Costs	\$5,490,121	\$8,501,314	\$3,011,193	54.8%
State Special	5,490,121	8,501,314	3,011,193	54.8%
Total Funds	\$5,490,121	\$8,501,314	\$3,011,193	54.8%

Executive Proposal

The executive proposal for the MHPG is a 54.8% increase over the appropriations provided in the 2023 biennium. The executive recommendation for the MHPG program includes an appropriation of \$8.5 million to fund 29 grants. The executive proposal is contained in HB 12. A complete listing of the MHPG grants may be

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seen in appendix A-18 of this report. The details behind the grants requested for the 2025 biennium MHPG is presented in Vol. 8 of the Governor’s Executive Budget.

LFD COMMENT	<p>Started in FY 2020, the MHPG program was designed to be managed like MCEP. The Long-Range Planning Interim Budget Committee, in the 2023 interim, was provided an overview, outlining the program’s related statutes, administrative rules, and program specifics, including match requirements and applicant eligibility: https://leg.mt.gov/content/publications/fiscal/2023-Interim/IBC-F/MHPG-guidelines.pdf</p>
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Funding

The historic preservation grants account funds appropriations for MHPG projects authorized by the legislature. The account receives revenues as established in 15-68-820, MCA, from the accommodations sales tax. The account will receive the following:

- Until December 30, 2024, 5% in the account established in 22-3-1307, MCA, for historic preservation grants
- Starting January 1, 2025, 6% in the account established in 22-3-1307, MCA, for historic preservation grants

The allowable uses of the historic preservation account, as provided in 22-3-1307, MCA, “may be used only for historic preservation grants to be administered by the Department of Commerce”. Unlike many of the other grant programs of the LRP budget, administrative costs are not allowed to be funded through the account.

Figure 21

Montana Historic Preservation Grants - 2025 Biennium Account - 02217					
	FY 2022 Actual	FY 2023 Projected	FY 2024 Projected	FY 2025 Projected	2025 Bien. Projected
Estimated Beginning Fund Balance	\$1,784,169	\$4,126,100	\$2,608,108	(\$2,061,441)	\$2,608,108
Revenue Projections ¹					
Accommodation Sales Tax	3,263,645	3,408,265	3,831,765	4,531,381	8,363,146
Expenditures					
Prior Biennium	355,602	2,202	0	0	0
2025 Biennium Grants	566,066	4,924,055	8,501,314	0	8,501,314
Fund Balance Adjustment	46	0	0	0	0
Total Expenditures/Appropriations	921,714	4,926,258	8,501,314	0	8,501,314
Ending Fund Balance	\$4,126,100	\$2,608,108	(\$2,061,441)	\$2,469,940	\$2,469,940
¹ HJ 2					

Figure 20 shows the projected balance of the historic preservation grants state special fund for the 2025 biennium. The fund is expected to begin the 2025 biennium with a fund balance of \$2.6 million. The revenues are projected to be \$8.4 million across the biennium. The executive proposal for the MHPG program is \$8.5 million. The balance at the end of the 2025 biennium is projected to be \$2.5 million.

Montana Historic Preservation Grant Program (MHPG)

HB 12 - 2025 Biennium Proposed

Rank	Project/Project Description	Project Type	Total Project Cost	Grants Proposed	Cumulative Total
1	Harlowton Roundhouse Repair the exterior walls, windows, and doors to insulate the historic Milwaukee Road's Harlowton Roundhouse	Historic Site	865,000	500,000	500,000
2	Fort Peck Theatre Updated heating, cooling, and ventilation to be able to keep the 1934 Fort Peck Theatre open year round rather than just seasonally	Historic Site	1,047,945	500,000	1,000,000
3	Baker State Bank Building Replacing the roof on the Baker State Bank Building	Historic Site	195,000	160,000	1,160,000
4	Petroleum County Courthouse Rehabilitation and adaptive reuse of the Petroleum County Courthouse to create four apartments and five office spaces on the underutilized second floor of the courthouse	Historic Site	1,650,000	498,720	1,658,720
5	Milligan Building Restoration of the windows, doors, ceiling, floors, and façade, and rebuilding of the storefront in a historically accurate manner for the Milligan Building in Miles City	Historic Site	13,200,000	500,000	2,158,720
6	Ringling Church Installing a new roof and listing on the National Register of Historic Places for the Ringling Church in Ringling	Historic Site	170,128	141,773	2,300,493
7	National Museum of Forest Service History Installation of security and fire suppression systems, climate control, and storage in the repository for the 50,000 items in the collections at the Conservation Legacy Center	History Museum	12,600,000	300,000	2,600,493
8	Historic Teslow Grain Elevator Completing structural reinforcement to the foundation and wooden walls, installing exterior insulation, adding 2 additional floors and code complaint stairs as part of a larger commercial reuse of the historic grain elevator	Historic Site	665,102	486,102	3,086,595
8	A.D. Whitcomb Garage Upgrade of the electrical system for code compliance, plaster wall repair and painting, window and exterior door replacement	History Museum, Historic Site	170,458	136,366	3,222,961
10	Havre Beneath the Streets Removing and replacing the sidewalk, interior wall, lighting, security system, and handicap stairlift in the vaulted sidewalk to reopen a portion of Havre Beneath the Streets	History Museum	447,172	359,672	3,582,633
11	Hockaday Museum of Art Replacing the heating and duct system in a 1904 former Carnegie library operating in downtown Kalispell as an art museum that offers youth and adult educational programming, classes, and tour	Historic Site	50,000	31,000	3,613,633
11	Historical Museum at Fort Missoula Updating the security system, installing climate control system, constructing access for collections movement and processing, and exterior restoration to transform Building T-203 at Fort Missoula into an appropriate space for museum collections storage	History Museum	340,684	272,000	3,885,633
13	Shelby Town Hall Installation of historically accurate windows on the old Shelby Town Hall	Historic Site	7,000	5,600	3,891,233
14	Coggswell-Taylor House Stabilizing and repairing the foundation, floors, walls, and roof along with rehabilitating and installing basic utilities within the Coggswell-Taylor House in Virginia City	Historic Site	261,562	176,562	4,067,795
15	Rocky Mountain Building Restoration of the façade, including replacing windows, on the Rocky Mountain Building in Great Falls	Historic Site	1,162,487	500,000	4,567,795
15	The History Museum Installation of HVAC and exterior wall insulation, electrical upgrades, flooring reinforcement, and a "visible vault" with additional storage for the collections at the History Museum in Great Falls	History Museum	425,000	340,000	4,907,795
15	Copper Village Museum and Arts Center Expansion of the fire suppression and alarm system into the first, second and attic floors of the old Anaconda City Hall owned and operated by Copper Village Museum and Arts Center	History Museum, Historic Site	282,000	235,000	5,142,795
18	Historic Hotel Libby Reroof of the Historic Hotel Libby to allow all additional renovation projects to move forward with the ultimate goal of opening as a fully functional hotel for the community of Libby	Historic Site	217,074	173,659	5,316,454
18	Old Roosevelt School Window repair and replacement at the Old Roosevelt School in Red Lodge	Historic Site	459,473	367,578	5,684,032
20	Kelly Block Building Replacing the roof framing, reroofing the roof, rehabilitating the original penthouse, and installing two fire stairs for code compliance in the Kelly Block in Uptown Butte	Historic Site	8,500,000	500,000	6,184,032
20	Montana Club HVAC system upgrades and ADA compliant restrooms	Historic Site	112,766	90,040	6,274,072
20	Charles Krug House Replace the windows in the 1907 Charles Krug House, which currently operates as a 25 room Airbnb, business and office space location in Glendive	Historic Site	175,000	145,000	6,419,072
23	Glendive Greenhouse at Bloom Coffeehouse and Eatery Clearing out foliage and debris, installing concrete, flooring, HVAC, and lighting, and replacing a broken panel and doors for the "conservatory" at the Glendive Greenhouse	Historic Site	300,000	250,000	6,669,072
23	Edwards & McLellan Block Restoration of the historic cornice, installation of energy efficient and code compliant storefront windows, foundation stabilization	Historic Site	359,390	221,590	6,890,662
25	Hickman House Structural stabilization and preservation of the long vacant and deteriorated residential structure	Historic Site	234,073	166,073	7,056,735
25	Paris Gibson Square Museum of Art Bat exclusion, clean-up, and exterior window repainting of the Paris Gibson Square Museum of Art housed in the former Central High building in Great Falls built in 1896	Historic Site	368,129	300,979	7,357,714

Rank	Project/Project Description	Project Type	Total Project Cost	Grants Proposed	Cummulative Total
25	Billings Depot Refinishing of exterior doors, repairs to sidewalks, roof, and floors, restoration of the Historic Post Building at the Billings Depot	Historic Site	518,000	414,400	7,772,114
28	Babcock Theatre Rehabilitation of the historic marquee, replacement of the	Historic Site	301,000	236,000	8,008,114
29	Wheeler Cabin Repairing the roof, upgrading plumbing and electrical, installing bathrooms, parking, and accessible paths, regrading the sides of the structure, repairing the foundation, sill logs, doors, windows, balcony, and exterior of the Wheeler Property in Glacier National Park	Historic Site	610,305	493,200	8,501,314
Total MHPG Grants			\$45,694,748	\$8,501,314	