Montana Historic Preservation Grant (MHPG) – Program Discussion

Section F Long Range Planning
Interim Budget Committee
June 15, 2022
MHPG Success

2023 Biennium: 26 projects awarded for $5,449,350.

“MHPG Program is the lifeblood of projects like ours and historic preservation in Montana”
- John and Karen Thorson
MHPG Outlook

• Commerce outreach:
  – 4 webinars / workshops for potential applicants
  – 56 technical assistance conversations

• General trends for this cycle:
  – More competitive projects, but fewer applications
  – Larger grant requests due to the 15-month timeline between application and award
Match Requirement

• MHPG Guidelines incorporated the match requirement from HB 12 in 2021 (as SB 338 in 2019 did not include one):
  – 20% match of the total project cost for government entities
  – 20% match of the total grant request for other entities

• Request legislative intent clarification regarding match requirements (i.e., match requirement for all projects or last cycle).

• The match requirement has been a barrier for non-profit applicants with limited resources.
  – Potential solution: reduce the match for non-profit applicants.
Eligible Applicants

• Person, association, or representative of a governing unit (22-3-1305(1), MCA)

• Points of discussion from the 2021 legislative session:
  – Should governing units include state agencies?
  – Should associations include for-profits?
Eligible Applicants (State Agencies)

- MHPG Guidelines define “governing units” as:
  - Incorporated cities or towns, counties, consolidated governments, tribal governments, or representatives of a governing unit such as a library or school district

- State agencies are not expressly included.
  - One state agency application was funded in the last cycle.
  - Request legislative intent clarification regarding state agencies eligibility.

- Commerce believes the program could function successfully either way.
Eligible Applicants (For-profits)

• MHPG Guidelines define “association” as:
  – For-profit or non-profit
  – Association is not defined in statute, so Commerce used statutory references (22-3-1305 and 22-3-1306, MCA) along with the general definition of association

• Commerce recommends for-profits remain eligible applicants.
  – For-profits play an important role in historic preservation
  – For-profits increase the economic impact of the program
  – Potential solution: institute other ways to ensure for-profits are not unduly enriched (e.g., statutory criteria, recapture provision)
Reduced Awards

• Would the legislature be open to reduced awards?
  – The benefits:
    • Spread the funds to more applicants across the state
    • Fund the immediate needs for projects with multiple components

• Commerce would not reduce awards in a way that creates funding gaps for projects.