



Allyson Brooks Ph.D., Director  
State Historic Preservation Officer

Mr. David Schumacher  
Office of Financial Management  
P.O. Box 43113  
Olympia, WA 98504

Re: 2023-2025 Biennium DAHP Capital Budget

Dear Mr. Schumacher:

On behalf of the Department of Archaeology and Historic Preservation, I am respectfully submitting our proposed 2023-2025 Biennium Capital Budget.

We are recommending continuation of the existing DAHP grant programs through the four decision packages listed below:

1. Heritage Barn grant program.
2. Historic County Courthouse grant program.
3. Historic Cemetery grants.
4. Historic Theatre grants.

All four requests are continuations of on-going successful programs that assist local businesses and employ local labor across our state. We are also requesting full reappropriation of the 19-21 and 21-23 grant programs.

Please do not hesitate to contact me with questions or concerns at 360.586.3066 or at [Allyson.brooks@dahp.wa.gov](mailto:Allyson.brooks@dahp.wa.gov).

Sincerely,

Allyson Brooks Ph.D.  
Director, State Historic Preservation Officer



**355 - Department of Archaeology and Historic Preservation  
Ten Year Capital Plan by Project Class**

2023-25 Biennium

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Version: CR 23-25 Agency Capital Request

Report Number: CBS001

Date Run: 9/16/2022 12:00PM

**Project Class: Grant**

Agency Priority	Project by Account-EA Type	Estimated Total	Prior Expenditures	Current Expenditures	Reapprop 2023-25	New Approp 2023-25	Estimated 2025-27	Estimated 2027-29	Estimated 2029-31	Estimated 2031-33
<b>0</b>	<b>3000023 2019-21 Historic County Courthouse Grants Program</b>									
	057-1 State Bldg Constr-State	1,119,000	504,000	455,000	160,000					
<b>0</b>	<b>4000005 21-23 Heritage Barn Grants</b>									
	057-1 State Bldg Constr-State	1,000,000		43,000	957,000					
<b>0</b>	<b>4000006 21-23 Historic County Courthouse Rehabilitation Program</b>									
	057-1 State Bldg Constr-State	1,862,000		59,000	1,803,000					
<b>0</b>	<b>4000007 21-23 Historic Cemetery Grant Program</b>									
	057-1 State Bldg Constr-State	300,000		10,000	290,000					
<b>0</b>	<b>4000012 21-23 Historic Theater Capital Grant Program</b>									
	057-1 State Bldg Constr-State	300,000		11,000	289,000					
<b>1</b>	<b>4000018 23-25 Heritage Barn Grant Program</b>									
	057-1 State Bldg Constr-State	1,000,000				1,000,000				
<b>2</b>	<b>4000015 23-25 Historic County Courthouse Rehabilitation Grant Program</b>									
	057-1 State Bldg Constr-State	4,761,000				4,761,000				
<b>3</b>	<b>4000016 23-25 Historic Cemetery Grant Program</b>									
	057-1 State Bldg Constr-State	515,000				515,000				
<b>4</b>	<b>4000017 23-25 Historic Theater Capital Grant Program</b>									
	057-1 State Bldg Constr-State	515,000				515,000				
<b>Total: Grant</b>		<b>11,372,000</b>	<b>504,000</b>	<b>578,000</b>	<b>3,499,000</b>	<b>6,791,000</b>				

**355 - Department of Archaeology and Historic Preservation  
Ten Year Capital Plan by Project Class**

2023-25 Biennium

\*

Version: CR 23-25 Agency Capital Request

Report Number: CBS001

Date Run: 9/16/2022 12:00PM

**Project Class: Grant - Pass Through**

Agency Priority	Project by Account-EA Type	Estimated Total	Prior Expenditures	Current Expenditures	Reapprop 2023-25	New Approp 2023-25	Estimated 2025-27	Estimated 2027-29	Estimated 2029-31	Estimated 2031-33
0	<b>3000022 Rehabilitation of Beverly Bridge</b>									
	001-7 General Fund-Private/Local	429,000			429,000					
	057-1 State Bldg Constr-State	5,146,000	2,547,000	2,443,000	156,000					
	<b>Project Total:</b>	<b>5,575,000</b>	<b>2,547,000</b>	<b>2,443,000</b>	<b>585,000</b>					
0	<b>4000001 2019-21 Historic Cemetery Grant Program</b>									
	057-1 State Bldg Constr-State	515,000	252,000	159,000	104,000					
0	<b>4000003 Ebey's National Historic Reserve</b>									
	057-1 State Bldg Constr-State	1,320,000	599,000	76,000	645,000					
<b>Total: Grant - Pass Through</b>		<b>7,410,000</b>	<b>3,398,000</b>	<b>2,678,000</b>	<b>1,334,000</b>					

**Total Account Summary**

Account-Expenditure Authority Type	Estimated Total	Prior Expenditures	Current Expenditures	Reapprop 2023-25	New Approp 2023-25	Estimated 2025-27	Estimated 2027-29	Estimated 2029-31	Estimated 2031-33
001-7 General Fund-Private/Local	429,000			429,000					
057-1 State Bldg Constr-State	18,353,000	3,902,000	3,256,000	4,404,000	6,791,000				
<b>Total</b>	<b>18,782,000</b>	<b>3,902,000</b>	<b>3,256,000</b>	<b>4,833,000</b>	<b>6,791,000</b>				

### Ten Year Capital Plan by Project Class

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**Report Number:** CBS001  
**Date Run:** 9/16/2022 12:00PM

<u>Parameter</u>	<u>Entered As</u>	<u>Interpreted As</u>
Biennium	2023-25	2023-25
Functional Area	*	All Functional Areas
Agency	355	355
Version	CR-A	CR-A
Project Classification	*	All Project Classifications
Include Enacted	No	No
Sort Order	Project Class	Project Class
Include Page Numbers	Y	Yes
For Word or Excel	N	N
User Group	Agency Budget	Agency Budget
User Id	*	All User Ids



355 - Department of Archaeology and Historic Preservation  
Capital Project Request

2023-25 Biennium

\*

Version: CR 23-25 Agency Capital Request

Report Number: CBS002

Date Run: 9/16/2022 12:40PM

Project Number: 30000023

Project Title: 2019-21 Historic County Courthouse Grants Program

Project Class: Grant

**SubProjects**

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SubProject Number: 40000014

SubProject Title: Historical Project Expenditures - 30000023

SubProject Class: Grant

Starting Fiscal Year: 2020

Agency Priority: 0

**Project Summary**

Continuation of previous biennium grants.

**Project Description**

Continuation of previous biennium grants.

**Location**

City: Statewide

County: Statewide

Legislative District: 098

**Project Type**

Grants

Grant Recipient Organization: Courthouses

RCW that establishes grant: 27.34

**Application process used**

Continue grants from last biennium

**Growth Management impacts**

Continue grants from last biennium

**Operating Impacts**

No Operating Impact

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355 - Department of Archaeology and Historic Preservation  
 Capital Project Request

2023-25 Biennium

\*

Version: CR 23-25 Agency Capital Request

Report Number: CBS002

Date Run: 9/16/2022 12:40PM

Project Number: 40000005  
 Project Title: 21-23 Heritage Barn Grants  
 Project Class: Grant

**Description**

Starting Fiscal Year: 2022  
 Agency Priority: 0

**Project Summary**  
 Continuation of grants from previous biennium.

**Project Description**  
 Continuation of grants from previous biennium.

**Location**  
 City: Statewide County: Statewide Legislative District: 098

**Project Type**  
 Grants

Grant Recipient Organization: Barn Owners  
 RCW that establishes grant: 27.34  
**Application process used**  
 Continuation of project from the previous biennium.

**Growth Management impacts**  
 Continuation of project from the previous biennium.

**Funding**

Acct Code	Account Title	Estimated Total	Expenditures		2023-25 Fiscal Period	
			Prior Biennium	Current Biennium	Reappropriations	New Appropriations
057-1	State Bldg Constr-State	1,000,000		43,000	957,000	
	<b>Total</b>	<b>1,000,000</b>	<b>0</b>	<b>43,000</b>	<b>957,000</b>	<b>0</b>
<b>Future Fiscal Periods</b>						
		<u>2025-27</u>	<u>2027-29</u>	<u>2029-31</u>	<u>2031-33</u>	
057-1	State Bldg Constr-State					
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**Operating Impacts**

No Operating Impact





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 Capital Project Request

2023-25 Biennium

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Version: CR 23-25 Agency Capital Request

Report Number: CBS002

Date Run: 9/16/2022 12:40PM

Project Number: 40000006

Project Title: 21-23 Historic County Courthouse Rehabilitation Program

Project Class: Grant

**Description**

Starting Fiscal Year: 2022

Agency Priority: 0

**Project Summary**

Continuation of grants from previous biennium.

**Project Description**

Continuation of grants from previous biennium.

**Location**

City: Statewide

County: Statewide

Legislative District: 098

**Project Type**

Grants

Grant Recipient Organization: Courthouses

RCW that establishes grant: 27.34

**Application process used**

Continuation of project from the previous biennium.

**Growth Management impacts**

Continuation of project from the previous biennium.

**Funding**

Acct Code	Account Title	Estimated Total	Expenditures		2023-25 Fiscal Period	
			Prior Biennium	Current Biennium	Reapprops	New Approps
057-1	State Bldg Constr-State	1,862,000		59,000	1,803,000	
	<b>Total</b>	<b>1,862,000</b>	<b>0</b>	<b>59,000</b>	<b>1,803,000</b>	<b>0</b>
			Future Fiscal Periods			
			2025-27	2027-29	2029-31	2031-33
057-1	State Bldg Constr-State					
	<b>Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Operating Impacts**

No Operating Impact

**SubProjects**

SubProject Number: 91000022

SubProject Title: Walla Walla

SubProject Class: Grant

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Capital Project Request

2023-25 Biennium

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Version: CR 23-25 Agency Capital Request

Report Number: CBS002

Date Run: 9/16/2022 12:40PM

Project Number: 40000006

Project Title: 21-23 Historic County Courthouse Rehabilitation Program

Project Class: Grant

**SubProjects**

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SubProject Number: 91000022

SubProject Title: Walla Walla

SubProject Class: Grant

Starting Fiscal Year: 2022

Agency Priority: 0

**Project Summary**

Continue grants from previous biennium.

**Project Description**

Continue grants from previous biennium.

**Location**

City: Statewide

County: Statewide

Legislative District: 098

**Project Type**

Grants

Grant Recipient Organization: Courthouses

RCW that establishes grant: 27.34

**Application process used**

Continue grants from previous biennium.

**Growth Management impacts**

Continue grants from previous biennium.

**Operating Impacts**

No Operating Impact

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SubProject Number: 91000027

SubProject Title: Lewis

SubProject Class: Grant

Starting Fiscal Year: 2022

Agency Priority: 0

**Project Summary**

Continue grants from previous biennium.

**Project Description**

Continue grants from previous biennium.

**Location**

City: Statewide

County: Statewide

Legislative District: 098

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Capital Project Request

2023-25 Biennium

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Version: CR 23-25 Agency Capital Request

Report Number: CBS002

Date Run: 9/16/2022 12:40PM

Project Number: 40000006

Project Title: 21-23 Historic County Courthouse Rehabilitation Program

Project Class: Grant

**SubProjects**

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**Project Type**

SubProject Number: 91000027

SubProject Title: Lewis

SubProject Class Grant

**Project Type**

Grants

Grant Recipient Organization: Courthouses

RCW that establishes grant: 27.34

**Application process used**

Continue grants from previous biennium.

**Growth Management impacts**

Continue grants from previous biennium.

**Operating Impacts**

No Operating Impact

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SubProject Number: 91000021

SubProject Title: Okanogan

SubProject Class Grant

Starting Fiscal Year: 2022

Agency Priority: 0

**Project Summary**

Continue grants from previous biennium.

**Project Description**

Continue grants from previous biennium.

**Location**

City: Statewide

County: Statewide

Legislative District: 098

**Project Type**

Grants

355 - Department of Archaeology and Historic Preservation  
Capital Project Request

2023-25 Biennium

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Version: CR 23-25 Agency Capital Request

Report Number: CBS002

Date Run: 9/16/2022 12:40PM

Project Number: 40000006

Project Title: 21-23 Historic County Courthouse Rehabilitation Program

Project Class: Grant

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**SubProjects**

SubProject Number: 91000021

SubProject Title: Okanogan

SubProject Class Grant

Grant Recipient Organization: Courthouses

RCW that establishes grant: 27.34

**Application process used**

Continue grants from previous biennium.

**Growth Management impacts**

Continue grants from previous biennium.

**Operating Impacts**

No Operating Impact

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**OFM**

**355 - Department of Archaeology and Historic Preservation  
Capital Project Request**

**2023-25 Biennium**

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**Version:** CR 23-25 Agency Capital Request

**Report Number:** CBS002

**Date Run:** 9/16/2022 12:40PM

**Project Number:** 40000018

**Project Title:** 23-25 Heritage Barn Grant Program

**Project Class:** Grant

**Description**

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# 355 - Department of Archaeology and Historic Preservation Capital Project Request

2023-25 Biennium

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Version: CR 23-25 Agency Capital Request

Report Number: CBS002

Date Run: 9/16/2022 12:40PM

Project Number: 40000018

Project Title: 23-25 Heritage Barn Grant Program

Project Class: Grant

## Description

Starting Fiscal Year: 2024

Agency Priority: 1

### Project Summary

As Senator Jim Honeyford once stated, “you can’t farm without a barn.” The existing Historic Barn Preservation Program is requesting \$1,000,000 for the 2023-25 biennium and a re appropriation of \$956,824 from the 2021-23 biennium to continue the heritage barn grant program. Over 800 barns are listed on the agency's Heritage Barn Register. The program was established in the 2007-09 biennium. Since that time, the program has received 567 applications requesting nearly \$14 million in grant funds – an average of nearly \$1.75 million in requested funds per biennium, demonstrating the continued need that exists in rural areas. The increases in labor and material costs (especially lumber) combined with a shortage of qualified contractors has exacerbated the already challenging task of preserving historic barns during the pandemic. The program is recognized nationally as a historic preservation grant opportunity that is solely focused on our agricultural heritage with priority given to working farms. Due to its unique purpose, the heritage barn program received an Honor award from the National Trust for Historic Preservation in 2012. In the 2021-23 biennium, the agency requested \$1,500,000 for the program and the legislature allocated \$1,000,000.

### Project Description

The heritage barn grant program is designed to help preserve Washington's agricultural heritage and landscape and our working farms/ranches. Priority for grant funding is always given to working farms, and for the repair of roofs and foundations. The grants require a 50-50 match between state funds resulting in each grant award leveraging additional private investment. Funding the program at \$1,000,000 for the biennium will generate an equal amount in additional historic barn rehabilitation, through both local cash match and donated labor and services. It also facilitates purchases at local hardware and supply stores throughout the state.

Combined, this investment will assist local farmers in rural areas maintaining their agricultural livelihood, promote agri-tourism, and encourage farm-to-table trades while preserving our rural landscapes. Local agricultural producers, especially those who provide agricultural products to small business, restaurants, eateries, hotels and other places where food is served, have been impacted by the COVID-19 virus. Demand for dine-in restaurant/food service has diminished to the point where some produce has been given away before it spoils due to a lack of storage capacity. Based on information from past funding rounds, the program will create/support approximately 150 local jobs in the following fields: timber framing; general and finish carpentry; roofing; window rehabilitation/fabrication & installation; general contracting; painting; heavy machinery operation; structural lifting (barn-jacking for foundation work) and others.

Presently, there are 851 barns listed on the Washington Heritage Barn Register. The agency continues to receive additional nominations from barn owners, with 26 added in 2021 and 30 in 2022, to date. Prior to the establishment of the Heritage Barn Register, the agency did not have a comprehensive inventory of our state's agricultural history. Information included in nominations barn owners submit has continued to inform the agency's understanding of this important resource type, filling knowledge gaps about barns and methods of construction, while adding significantly to our image archive.

In 2007 the legislature allocated \$500,000 to create the grant program. The legislature approved an additional \$300,000 for 2009-11, \$200,000 in the 2011-13 biennium, \$500,000 in the 2013-15 biennium, \$450,000 in 15-17, and \$515,000 in both 17-19 and 19-21, and \$1,000,000 in 21-23.

**1. Identify the problem or opportunity addressed. Why is the request a priority? This narrative should identify**

# 355 - Department of Archaeology and Historic Preservation Capital Project Request

2023-25 Biennium

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Version: CR 23-25 Agency Capital Request

Report Number: CBS002

Date Run: 9/16/2022 12:40PM

Project Number: 40000018

Project Title: 23-25 Heritage Barn Grant Program

Project Class: Grant

## Description

**unserved/underserved people or communities, operating budget savings, public safety improvements or other backup necessary to understand the need for the request. For preservation projects, it is helpful to include information about the current condition of the facility or system.**

The principal problem being addressed is the physical needs of heritage barns and farmers in Washington State. As outlined in the *Heritage Barns: Statewide Survey and Physical Needs Assessment*, Washington's heritage barns face a variety of challenges, each of which increase the collective threat to their preservation and continued use. The high cost of barn maintenance leads to disinvestment, which exacerbates the issue of deferred maintenance. This leaves barns susceptible to weather damage, especially in regions that experience high winds and heavy snow and rain. The *Heritage Barn* survey, completed in 2008, identified as much as \$34 million in need for barn rehabilitation throughout the state. Add to this the economic impact to farmers and agricultural producers brought on by COVID-19. Demand for certain products is sharply down, especially products that supply restaurants and other food-service industry and establishments. Furthermore, farmers have had to implement physical distancing procedures and protocols for farm labor, both in fields and in processing facilities. While these factors do not directly impact historic barns per se, diminished revenues and increased operating costs have made it even more challenging for farmers to address deferred maintenance and capital needs on historic barns.

When faced with significant maintenance and capital costs, barn owners are often forced to demolish their barns, delay implementing needed repairs (thus increasing capital costs in the future), or opting instead for cheaper alternatives. This grant program incentivizes rehabilitation of heritage barns, meeting several of the agency's activity and statewide preservation goals. The need for a preservation grants fund that targets historic barns drove the creation and continued funding of this program. Since the program's establishment, approximately \$3,630,000 invested by the state in grant funds have been utilized on 156 projects in 37 counties statewide, resulting directly in over \$8 million in historic barn capital investment. To date, the program is estimated to generate over \$500,000 in sales tax revenue.

Continued funding of this grant program would assist the agricultural community, boost local economies, ensure the survival of working farms and heritage barns, increase the number of historic barn rehabilitation projects in the state, foster tourism in rural counties, and increase the heritage resource inventory of the state.

### **2. What will the request produce or construct (i.e., predesign of a building, construction of additional space, etc.)? When will the project start and be completed? Identify whether the project can be phased, and if so, which phase is included in the request. Please provide detailed cost backup.**

The request will result in direct support for rehabilitation of historic barns in the form of matching grants. Grant funds are used to address critical areas of barn repair, including essential projects such as roof replacement, foundation repair, structural stabilization, and exterior rehabilitation. At the same time, these projects retain character-defining features significant to historic barns. Because of the relatively small scale of barn rehabilitation projects, phasing projects over multiple biennia is neither time efficient nor cost effective. Often, however, grant awards to barn projects reflect only a portion of the total funds requested. In instances where partial grants are awarded, funds are allocated to support the most critical needs of the barn – repairs that allow the barn to remain in use/be put into more active use. Less critical project work elements then become the sole responsibility of the barn owner and can be made over time as personal budgets and schedules allow. If funds for the program are allocated for the 2023-25 biennium, the call for grant applications would be issued in the late summer of 2023. Barn owners indicating an ability to complete project by June 30, 2025 would receive priority for funding.



# 355 - Department of Archaeology and Historic Preservation Capital Project Request

2023-25 Biennium

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Version: CR 23-25 Agency Capital Request

Report Number: CBS002

Date Run: 9/16/2022 12:40PM

Project Number: 40000018

Project Title: 23-25 Heritage Barn Grant Program

Project Class: Grant

## Description

### 3. How would the request address the problem or opportunity identified in question #1? What would be the result of not taking action?

For the 2021-23, biennium the program received 48 applications requesting over \$1.925 million in funds. With \$1,000,000 in funds available to distribute as grants the agency was able to award 35 grants in the current biennium, representing an applicant success rate of over 70% (although not all requests were fully funded). Over the life of the program, the agency has received 567 applications. Of these, a total of 157 have been awarded funds – a success rate just under 28%. The increased appropriation for the 21-23 biennium enabled the agency to fund a significantly larger percentage of requests received, but the program has remained highly competitive since being established, which speaks to the overall need of historic barns across the state as well as the desire of barn owners to actively engage in the preservation of the state's rural, agricultural heritage.

Barns that do receive funding contribute significantly to the local economy. Grants awarded in the 21-23 biennium are anticipated to generate an additional \$100,000 in cash and donated services identified as committed match by barn owners. Moreover, the last three biennia have witnessed an increase in the average funding request on a per project basis, with the highest in 21-23 at just over \$40,000 in requested grant funds per applicant. As such, the trend has witnessed barn owners asking for larger grants: a result of more comprehensive rehabilitation projects coupled with inflation and increased construction costs. Continued funding will help accommodate larger projects and subsequently contribute to the local economy. Through the grant program, just under \$2,000,000 in overall work to historic barns is expected to be implemented in the 2021-23 biennium. This follows on the heels of just under \$1 million in overall work to funded barns in the 2019-21 biennium. In both funding cycles, barn owners implemented projects essential for long-term barn preservation. The funding will be used to continue to award matching grants to qualifying historic barn repair and restoration projects throughout the state. DAHP's administration of the program gives funding priority to barns that remain in active agricultural use.

Research demonstrates that historic rehabilitation projects have a greater impact on the local economy compared to new construction. Rehabilitation work prioritizes repair over replacement. Repair work is more labor-intensive and less materials-intensive, resulting in a greater portion of overall expenditures going to contractors and craftspeople. As those working on barns are generally local, the wages from labor tend to remain in the local economy, thereby increasing the impact of the project. For project materials that do need to be purchased those, materials tend to be purchased from local suppliers, again working to keep project funds circulating in the local economy.

Major improvements to the State's agricultural heritage resources would be made through continued funding. Continued funding would also renew Washington's commitment to historic preservation, tourism, agricultural heritage and the farming economy. A direct result of the grant program has been an increase in agriculture-related tourism programming at the local level. County-wide barn tours and barn quilt programs have been developed by local historical societies that in turn draw artists and photographers and directly supports the State Scenic Byways and Main Street program. Several barns have been sensitively adapted for public use, such as events and educational programming. In addition, several publications have been created highlighting regional barns and rural landscapes. Such publications further highlight regional agricultural heritage, increasing tourist visitation. The program has even inspired a salvage ethic for those barns unable to be saved – rather than demolish barns sending construction debris to the landfill, a number of barn owners have worked to deconstruct their barns, allowing salvageable material to be used by other Heritage Barn owners engaged in rehabilitation work.

Barns that do not receive funding face further disinvestment and increased deferred maintenance. When unchecked, barns continue to deteriorate, making future repairs more costly and therefore less likely. When undertaken, barn rehabilitation projects do benefit the local economy. If the program were discontinued, the state would lose an increased number of historic barns and rural areas in need of local economic boosts would miss out.

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2023-25 Biennium

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Project Number: 40000018

Project Title: 23-25 Heritage Barn Grant Program

Project Class: Grant

## Description

**4. What alternatives were explored? Why was the recommended alternative chosen? Be prepared to provide detailed cost backup. If this project has an associated predesign, please summarize the alternatives the predesign considered.**

No alternatives were explored. If the program is not funded, this would end the statewide program to protect and preserve heritage barns. There would be no job creation, no local benefit, and no local or state tax revenue generated. Barns would continue to suffer from benign neglect creating greater need for funding requirements in the future.

**5. Which clientele would be impacted by the budget request? Where and how many units would be added, people or communities served, etc.**

The agricultural community in rural areas, including all economically distressed counties in the state. The Heritage Barn grant program has been supported by the Washington Farm Bureau, the Washington State Grange, the Washington State Cattlemen's Association, the Dairy Farmers of Washington, and countless local historical organizations whose missions include interpretation and education on the state's agricultural history.

**6. Does this project or program leverage non-state funding? If yes, how much by source? If the other funding source requires cost share, also include the minimum state (or other) share of project cost allowable and the supporting citation or documentation.**

The grants require a non-state match of 50% of the project cost. Match can be direct or indirect.

**7. Describe how this project supports the agency's strategic master plan or would improve agency performance. Reference feasibility studies, master plans, space programming, and other analyses as appropriate.**

The preservation and rehabilitation of historic places is fundamental to DAHP's mission. As such, administration of the Heritage Barn grant program is an ongoing element of DAHP's annual work plan as well as the State Historic Preservation Plan (PLAN). For the 2021-26 planning timeframe, this program is captured in Goal 1 B. *Seek opportunities to promote the connection between historic preservation, economic recovery, climate change, and sustainability/environmental initiatives.*

Also, Goal 4 A. III states: *Work to implement new or enhance existing financial incentive programs to support the rehabilitation of privately owned historic buildings.*

**8. Does this decision package include funding for any Information Technology related costs including hardware, software (to include cloud-based services), contracts or staff? If the answer is yes, you will be prompted to attach a complete IT addendum. (See Chapter 10 of the operating budget instructions for additional requirements.)**

No, this request does not include funding for IT related costs.

**9. If the project is linked to the Puget Sound Action Agenda, describe the impacts on the Action Agenda, including expenditure and FTE detail. See Chapter 13 (HEAL Act and Puget Sound Recovery) in the 2023-25 Operating Budget Instructions.**

This project is not linked to the Puget Sound Action Agenda.

**10. How does this project contribute to meeting the greenhouse gas emissions limits established in RCW 70A.45.050, Clean Buildings performance standards in RCW 19.27A.210, or other statewide goals to reduce carbon pollution and/or improve energy efficiency? Please elaborate.**

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Project Number: 40000018  
Project Title: 23-25 Heritage Barn Grant Program  
Project Class: Grant

## Description

The greenest building is one that is already built. This program uses existing resources and preserves them for current and future use by promoting re-use, repairing rather than replacing building components, and making energy efficient upgrades to reduce carbon emissions. The reuse of existing buildings is inherently sustainable and aligns perfectly with the state's carbon reduction targets. Reusing existing buildings takes advantage of existing infrastructure, and the minimal use of new materials reduces emissions associated with the extraction, manufacturing and transporting of materials. Furthermore, re-using existing buildings reduces or eliminates demolition debris from landfills.

The agency was also one of the first organizations to join the internationally recognized Climate Heritage Network, which focuses on assisting **communities in tackling climate change and achieving the ambitions of the Paris Agreement by promoting a culture of reuse to reduce greenhouse gas emissions and to conserve embodied energy.**

### 11. How is your proposal impacting equity in the state? Which communities are impacted by this proposal? Include both demographic and geographic communities. How are disparities in communities impacted?

Of the nearly 36,000 farms in Washington State, 67% are farms consisting of less than 50 acres of land, while 89% sell less than \$250,000 annually (per this Washington State Department of Agriculture [infographic](#)). By definition, these are small farms. The Heritage Barn grant program prioritizes funding for barns that remain in agricultural use. Of those barns receiving funds, a significant majority are on farms with less than 50 acres. Moreover, the vast majority are in rural areas. Thus, since being established, the program has benefited small farms (which are small businesses) in rural areas. Economic growth in the state since the Great Recession has not been realized evenly. Rural areas and small business, hit especially hard by the recession, were still in recovery mode when the COVID-19 pandemic hit. Like the recession, the pandemic disproportionately impacted small businesses.

For small farmers, barns represent the agricultural heritage of the state and often times the legacy of a multi-generational farming family (96% of Washington farms are family farms). But barns are also integral components of their small farm operations, used to house equipment and animals, store product, process crops, and a myriad of other uses. Barns have utility directly connected to a functioning farm operation. When these buildings fall into disrepair and are unable to be used, it impacts the overall efficiency of the farm. The *Heritage Barn Survey* identified specific factors that exacerbate the challenges barn owners/farmers face in terms of maintaining a functioning barn. These include zoning and code requirements developed for more suburban growth and land use patterns subsequently applied to rural areas in agricultural use. Certain building codes misapplied to barns lead to challenges with rehabilitation. Additionally, as population growth spreads into rural areas, nearby land values may increase. But these increases assume a residential use versus the current agricultural use, artificially raising property values. While policies do exist to address this, not all counties have adopted them and in counties that have, they can be applied unevenly. Given these realities, the barn program is actually an economic development program serving farmers and supporting small farm operations. Moreover, as there are nearly 27,000 female farmers statewide, the program also supports women owned farms.

Overall, the program impacts the agricultural community in rural areas, including all economically distressed counties in the state.

### 12. Is there additional information you would like decision makers to know when evaluating this request?

None stated.

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Capital Project Request**

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Version: CR 23-25 Agency Capital Request

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Date Run: 9/16/2022 12:40PM

Project Number: 40000018  
 Project Title: 23-25 Heritage Barn Grant Program  
 Project Class: Grant

**Description**

**Location**

City: Statewide

County: Statewide

Legislative District: 098

**Project Type**

Grants

**Grant Recipient Organization:** Barn Owners

**RCW that establishes grant:** 27.34.400

**Application process used**

Yes, this would use the same criteria for evaluating projects as the current barn grant program.

**Growth Management impacts**

Implementation of this program has, and will continue to support statewide and local growth management plans such as the State Growth Management Act goal 2 to "...Reduce the inappropriate conversion of undeveloped land into sprawling, low-density development" and Goal 8 "...Encourage the conservation of productive forestlands and productive agricultural lands, and discourage incompatible uses." This grant program is linked to these goals by supporting small scale and family farms in keeping historic barns in service and thereby the economic viability of working farms.

**Funding**

Acct Code	Account Title	Estimated Total	Expenditures		2023-25 Fiscal Period	
			Prior Biennium	Current Biennium	Reappropriations	New Appropriations
057-1	State Bldg Constr-State	1,000,000				1,000,000
	<b>Total</b>	<b>1,000,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,000,000</b>
<b>Future Fiscal Periods</b>						
		<u>2025-27</u>	<u>2027-29</u>	<u>2029-31</u>	<u>2031-33</u>	
057-1	State Bldg Constr-State					
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**Operating Impacts**

No Operating Impact

**OFM**

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**Version:** CR 23-25 Agency Capital Request

**Report Number:** CBS002

**Date Run:** 9/16/2022 12:40PM

**Project Number:** 40000015

**Project Title:** 23-25 Historic County Courthouse Rehabilitation Grant Program

**Project Class:** Grant

**Description**

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Version: CR 23-25 Agency Capital Request

Report Number: CBS002

Date Run: 9/16/2022 12:40PM

Project Number: 40000015

Project Title: 23-25 Historic County Courthouse Rehabilitation Grant Program

Project Class: Grant

## Description

Starting Fiscal Year: 2024

Agency Priority: 2

### Project Summary

The Department of Archaeology and Historic Preservation (DAHP) is requesting \$4,761,100 for the 2023-25 biennium, a re-appropriation of \$1,803,401 from the 2021-23 biennium, and a re-appropriation of \$160,000 from the 19-21 biennium to continue support for the existing Historic County Courthouse Rehabilitation Grant program. This funding request will support the rehabilitation of historic courthouses in ten counties across the state in the new biennium. The program is a match between state funds and county governments, resulting in each grant award leveraging additional investment. Inflation coupled with mandates to address public health concerns during the pandemic have hampered counties abilities to address needed capital improvements to courthouses. This program has the strong support of the Washington State Association of Counties. In the 2021-23 biennium, the agency requested \$2,932,254 for the program and the legislature allocated \$1,862,000.

### Project Description

In 2005, the Legislature established the Historic County Courthouse Rehabilitation Grant program in response to a statewide survey that found 33 of the state's county courthouses to be of architectural and historic merit. Collectively, these courthouses had upwards of \$94 million in identified capital improvement needs. Much of the identified need is associated with character-defining building elements that directly contribute to the historic significance of the courthouse. This request is a priority given the multiple challenges counties face in properly stewarding their respective county courthouses.

To address this capital need, the Legislature allocated \$5 million in the 2005-07 and 2007-09 capital budgets, \$2 million in the 2009-11 budget, \$750,000 in the 2011-13 budget, \$2M again in the 2013-15 budget, \$2.5M in the 2015-17 budget, \$1.137M in the 2017-19 budget, \$1.119M in the 2019-21 budget, and \$1.862M in the current 2021-213 budget. Since the program's inception, 123 applications have been submitted requesting over \$43.1 million in grant funds. Sixty-nine (69) grants have been awarded to 26 counties statewide, representing an investment of nearly \$21 million by the state. This investment has leveraged over \$53.5 million in overall capital improvements through courthouse rehabilitation projects. Sales tax revenue generated statewide through the courthouse program is estimated to be over \$4.5 million.

The proposal is to continue the Historic County Courthouse Grant Program. In August 2022, the grant program Steering Committee convened and reviewed applications to the program, recommending funding to ten (10) counties for the purpose of supporting historic county courthouse rehabilitation efforts in each of the ten counties, respectively. Funding the program at \$4,761,100 will provide grant assistance to ten (10) counties statewide, summarized in the following prioritized order:

1. Stevens - \$96,600
  2. Yakima - \$815,000
  3. Klickitat - \$585,000
  4. Lewis - \$120,000
  5. Okanogan - \$670,000
  6. Douglas - \$400,000
  7. Grant - \$250,000
  8. Grays Harbor – \$225,000
  9. San Juan - \$1,000,000
  10. Snohomish - \$599,500
- Total: \$4,761,100

These courthouses represent the history of the state at the local and regional level – each one is either listed in or eligible for listing in the National Register of Historic Places and the Washington Heritage Register. The State's funding ensures that

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Project Title: 23-25 Historic County Courthouse Rehabilitation Grant Program

Project Class: Grant

## Description

county courthouses are rehabilitated or restored using the Secretary of the Interior's Standards for the Treatment of Historic Properties and many of the projects serve to enhance ADA accessibility. By investing in the historic character of county courthouses, the State prolongs the useable life of the facility, acknowledges the rich history of local government and the role counties have played in Washington's development from a territory through statehood, saves significant buildings from demolition by neglect and reuses existing resources in a sustainable manner. Preservation and reuse of historic buildings reduces resource and material consumption, puts less waste in landfills, and consumes less energy than demolishing buildings. Investment in the continued use of civic buildings is an investment in sustainability. Historic preservation means environmental, cultural and economic benefits for Washington communities.

**1. Identify the problem or opportunity addressed. Why is the request a priority? This narrative should identify unserved/underserved people or communities, operating budget savings, public safety improvements or other backup necessary to understand the need for the request. For preservation projects, it is helpful to include information about the current condition of the facility or system.**

The principal problem being addressed is the physical needs of historic county courthouses in Washington State and the millions of dollars required for proper rehabilitation and restoration projects. Due to the cost and logistical challenges of historic rehabilitation, preservation is often de-incentivized and important resources like courthouses fall into disrepair. Increasingly, courthouse needs related to security and social justice require counties to find creative solutions for making courthouses safe and accessible to all. The same holds true for energy efficiency. It can be a difficult design problem to replace outdated mechanical and electrical equipment with updated, high-performing systems without impacting historic features. The courthouse grant program creates case studies in sustainability as projects improve building performance while enhancing historic and architectural character.

Additionally, as a result of the COVID-19 pandemic, counties have been faced with implementing measures to ensure physical distancing for the thousands of people who use courthouse facilities each year. While early in the pandemic many of these measures were temporary in nature. Counties are now taking efforts to make these interventions permanent, diverting county resources from other important capital needs in order to implement required public safety measures. As counties expend funds on measures to promote physical distancing, they have less available to address other critical capital needs associated with preservation of historic elements that mark courthouses with the dignity and gravitas befitting the civic role they play for communities across the state. Compliance with multiple mandates is expensive and it is imperative that solutions are implemented in a manner compatible with the significant historic character of their courthouses. Of the ten courthouse projects recommended for funding, six are located in counties defined as "distressed" by the Employment Security Department due to unemployment rates that significantly exceed the state average. This request will assist counties in being the best stewards possible of their historic courthouses.

The courthouse program also serves courthouses located in counties with smaller populations and less population density overall. Of the ten (10) counties recommended for funding, three (3) are located in counties with populations less than 100,00, while five (5) are in counties with populations less than 50,000 according to 2020 census figures. Considering the municipal level, two (2) of the recommended courthouses are located in cities with populations less than 10,000, while an additional six (6) are located in cities with populations less than 5,000, again per the 2020 census. The smaller population base of these counties results in less revenue available to county government for capital needs. Moreover, these counties do not have the same presence of large corporations as more urban counties, relying instead on small business to drive the local economy and provide the tax base for county revenue. Small business has been disproportionately impacted by COVID-19. By December of 2020, an estimated 27% of businesses in Washington State closed their doors due to mandated shutdowns. While recovery funds and the lifting of required closures have allowed many small businesses to re-open, it is clear a significant portion have closed permanently. Generally speaking, small business recovery in rural parts of the state has been slower than more densely populated areas, which has an impact on a county's revenue and ability to address

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Project Title: 23-25 Historic County Courthouse Rehabilitation Grant Program

Project Class: Grant

## Description

capital needs.

Add to this the impact inflation has had, especially with respect to construction materials. Steep increases to the cost of capital construction projects stemming from pandemic-related supply chain issues have forced counties to re-evaluate the initiation of needed capital projects. Projects that had been slated to move from the planning to implementation phase are now out of reach due to rising prices, forcing county officials to delay addressing capital needs. Such delays exacerbate deferred maintenance, often making projects even more expensive down the road in cases where deterioration of building elements continues unchecked.

When faced with improvements to courthouse buildings, counties are often forced to focus on life safety, code compliance and, amidst the pandemic, physical distancing measures. Additional economic factors – many pandemic-related – further impact a county's ability to preserve their cherished courthouse buildings. Projects addressing important building features – particularly character-defining features attributable to the significance of a courthouse – are omitted. Prolonged deferred maintenance of these features increases the probability they will be lost forever, impacting the historic nature of these important civic buildings. Program funding enables counties to implement cost-saving operational measures, public and life safety improvements, and security and ADA upgrades along with activity to preserve the historic nature of courthouses.

**2. What will the request produce or construct (i.e., design of a building, construction of additional space, etc.)? When will the project start and be completed? Identify whether the project can be phased, and if so, which phase is included in the request.**

The request will result in direct support for rehabilitation of historic courthouses in ten (10) counties statewide in the form of matching grants. Grant funds are specifically used to retain and preserve historic, character-defining features present both on the exterior and within the interior of courthouses. Grant funds also support essential projects such as roof replacement, foundation repair, structural stabilization and seismic retrofits. Because courthouse grant requests are packaged as a discrete scope of work able to be implemented by counties within a set timeframe, phasing is not applicable within a single biennium. However, as counties are eligible to apply for grant funds in successive biennia, several counties have presented application requests as a single phase of an overall multi-phased project intended to be implemented over multiple years. In this manner, counties are able to engage in more long-range planning, spreading the cost of comprehensive rehabilitation projects over several budget cycles.

If fully funded the program would directly support county government in ten (10) counties across the state. This in turn would impact residents of these ten counties, both from the standpoint of implementing needed capital improvements to historic courthouses and by embracing and highlighting county history. In general, the program impacts the state's economy by stimulating local economic development at the county level through job creation, increased tax revenue, reduced energy consumption and increased tourism.

If program funds are allocated for the 2023-25 biennium, the agency anticipates preparing contract documents to be ready for execution at the start of the biennium on July 1, 2023. All counties recommended for funding have indicated an ability to complete projects by June 30, 2025.

**3. How would the request address the problem or opportunity identified in question #1? What would be the result of not taking action?**

Continued funding of this grant program will increase the number and scale of historic county courthouse rehabilitation projects, enrich the heritage resource inventory of the state and ensure the survival of historic county courthouses. Investing in



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preservation projects has a significant positive impact on local economies through job creation, increased tax revenue and heritage tourism. Funding stimulates local economies, creates jobs in the construction field, increases the historic preservation profile of the state, and prevents demolition and waste. As historic preservation tends to be detailed work, the majority of the material and labor is local. Furthermore, preservation projects are typically labor intensive rather than materials intensive, resulting in a larger proportion of expenditures committed to hiring local workers than with new construction projects. This program acknowledges the importance of the history of local government in Washington.

Funding also results in increased energy efficiency for historic courthouses, enabling them to better perform in terms of energy use. While state grant funds are used specifically to preserve a building's character defining features, required local match expenditures frequently support updating mechanical, electrical and HVAC systems that are past their service life. Retrofitting existing courthouses with energy efficient systems is a far better alternative to constructing a new building. A new building, even one with the highest efficiency performance ratings possible, still consumes a tremendous amount of energy as it is being constructed. Rehabilitation of existing courthouses retains and harnesses all of the embodied energy utilized in the original construction of these courthouses, avoiding the energy costs associated with demolition and avoiding the need to add building debris resulting from demolition to already overcrowded landfills.

Furthermore, many counties in more rural areas fund capital projects through real estate excise tax revenue. With the pandemic affecting real estate activity, such revenues are less reliable. Washington state in general has experienced sharp increases in home prices. But these increases are far more pronounced in urban and suburban areas near larger population centers. Additionally, an increase in real estate prices can lead to a slow-down of both residential and commercial property sales. As real estate excise tax is more dependent on sales volume than sales price, a slowdown in sales can have the effect of lowering excise tax revenues despite an increase in price.

During the pandemic, use of local parks skyrocketed as people turned to the outdoors for activities enabled social-distancing and as a means to gather more safely when socializing. While increased park use is a positive thing, it did have the impact of putting additional pressure on county revenue, as increased park spending was needed to address issues associated with increased use. Again, this diverted already scant county resources from capital building needs.

Given that eight (8) of the ten (10) county courthouses recommended for funding in the 23-25 biennium are in small towns/cities with populations less than 10,000 (and of those, six are in towns with a population less than 5,000), this program supports rural economic development activity. County investment enabling courthouses to continue serving the public encourages communities at large to think creatively about the use of their historic assets in community planning and their response to sustainability goals and principles. Many of the courthouses are in downtown areas, so their continued existence is critical for the locally based surrounding businesses. This is the only source of state funding readily available specifically for historic county courthouses. The extremely competitive Heritage Capital Project program through the Washington State Historical Society is available for courthouse projects, but competition with other arts and heritage projects makes awarding funds to courthouses difficult. A dedicated source of funding to historic county courthouses is important because of the unique nature of the historic resources and the need to ensure historic preservation standards are maintained. Failure to take action on this program would decrease the amount of rehabilitation activity on the state's 33 historic county courthouses, increase levels of deferred maintenance, impact facility operating costs as counties grapple with repairing outdated systems, and potentially result in the loss of irreplaceable historic features intrinsically connected to the significance of the building.

**4. What alternatives were explored? Why was the recommended alternative chosen? Be prepared to provide detailed cost backup. If this project has an associated predesign, please summarize the alternatives the predesign considered.**

The courthouse grant program was created in part due to the direct lack of resources available to counties and since its

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Project Title: 23-25 Historic County Courthouse Rehabilitation Grant Program

Project Class: Grant

## Description

inception has focused solely on historic county courthouse preservation. The program does not compete with other property types and uses. Heritage Capital grants are available for county courthouses, but there are very few instances of counties utilizing Heritage Capital grants. The overall determination of courthouse capital needs came directly from a courthouse assessment study funded by the Legislature. As such, no other alternatives were explored. If the program is not funded, this would end the statewide program to protect and preserve county courthouses. There would be no job creation, no local benefit, and no local or state tax revenue generated. Courthouses would continue to suffer from benign neglect creating greater need for funding requirements in the future.

### **5. Which clientele would be impacted by the budget request? Where and how many units would be added, people or communities served, etc. Be prepared to provide detailed cost backup.**

If fully funded the program would directly support county government in ten (10) counties across the state. This in turn would impact residents of these ten counties, both from the standpoint of implementing needed capital improvements to historic courthouses and by embracing and highlighting county history. In general, the program impacts the state's economy by stimulating local economic development at the county level through job creation, increased tax revenue, reduced energy consumption and increased tourism. With the implementation of permanent measures to encourage social distancing, the program also supports public health initiatives as the state continues to navigate the impacts and outcomes of COVID-19.

This project supports the agency's mission to combine historic preservation with economic development. According to the Washington State Economic Benefits of Historic Preservation Study, every \$1 million spent on historic rehabilitation creates 28 jobs. Funding this program will assist the local economy and create local income multipliers by keeping work in the affected county. Additionally, five of the ten courthouses are located in communities served by DAHP's Main Street Program. Main Street focuses on historic preservation as economic development and these historic courthouses serve as anchors within the core of their respective downtowns. Preserving these buildings aligns with the work of Main Street, expanding the clientele to include not only county staff and visitors to the courthouse, but the entire downtown business/merchant core. The state's sustainability initiatives are also served by this program, as the grants provide incentives for the maintenance and increased energy efficiency of historic buildings, a green practice. Rehabilitation reduces the waste stream to landfills and promotes the recycling of existing structures. Historic county courthouse rehabilitation supports two DAHP activities: preserving and enhancing historic places and protecting archaeological and cultural resources.

### **6. Does this project or program leverage non-state funding? If yes, how much by source? If the other funding source requires cost share, also include the minimum state (or other) share of project cost allowable and the supporting citation or documentation.**

Yes. The grant program requires counties to provide a non-state match of at least 25% of the grant request, and in many cases the non-state match provided by the county equals or exceeds the full grant request. Match can be direct or indirect. There is no other state funding required to complete the project. Grant awards as recommended in the table provided above constitute the full scope of state funds. If fully funded at \$4,761,100 the program is anticipated to leverage an additional investment of over \$5.72 million, for a total capital investment of nearly \$10.5 million to the ten historic courthouses recommended to receive funding. In fact, over the life of the grant program, local county match has consistently exceeded the required minimum. Overall, 69 grants totaling nearly \$21 million in funds have been awarded. This investment has leveraged more than \$53.5 million in overall capital improvements. Non-state funding, therefore, has exceeded state funding by nearly 55% over the life of the program. Moreover, the program can be used in conjunction with Energy Efficiency grants through the Department of Commerce. This provides counties an opportunity to couple courthouse grants with energy efficiency grants, resulting in a more comprehensive rehabilitation project. In this way, the courthouse program facilitates the use of other state incentive programs. In every case, grants help to stimulate local government by increasing tax revenues and tourism.

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## Description

**7. Describe how this project supports the agency's strategic/master plan, contributes to statewide goals, or enables the agency to perform better. Reference feasibility studies, master plans, space programming, and other analyses as appropriate.**

This program is central to DAHP's functions and is one of the agency's flagship expenditure programs. This program complements the Heritage Barn Grant, Historic Cemetery Grant, and Historic Theaters Grant programs run by DAHP to provide the majority of preservation grant funding in the state. It supports heritage tourism within participating Main Street communities, as many county courthouses are located in communities with active Main Street programs. It will improve economic activity in many government jurisdictions and directly fulfills the statewide strategy of improving cultural and recreational opportunities throughout the state. It supports several of the agency's goals as outlined in the 2020-24 statewide preservation plan:

- Goal 1: Recognize the protection of cultural resources as key to fostering civic engagement, local identity, and community pride; and promote historic preservation as the "preferred alternative" when it comes to implementing programs, policies, and projects that shape how our communities look, feel, and change.
- Goal 2: Expand historic preservation work to a broader spectrum of places, persons, and experiences that have shaped our communities.
- Goal 4: Invest our time, expertise, and passion for preservation in the places, people, and organizations where decisions are made that affect our heritage.

**8. Does this decision package include funding for any Information Technology related costs including hardware, software (to include cloud-based services), contracts or staff? If the answer is yes, you will be prompted to attach a complete IT addendum. (See Chapter 10 of the operating budget instructions for additional requirements.)**

No, this request does not include funding for IT related costs.

**9. If the project is linked to the Puget Sound Action Agenda, describe the impacts on the Action Agenda, including expenditure and FTE detail. See Chapter 13 (HEAL Act and Puget Sound Recovery) in the 2023-25 Operating Budget Instructions.**

This project is not linked to the Puget Sound Action Agenda.

**10. How does this project contribute to meeting the greenhouse gas emissions limits established in RCW 70A.45.050, Clean Buildings performance standards in RCW 19.27A.210, or other statewide goals to reduce carbon pollution and/or improve energy efficiency? Please elaborate.**

The greenest building is one that is already built. This program uses existing resources and preserves them for current and future use by promoting re-use, repairing rather than replacing building components, and making energy efficient upgrades to reduce carbon emissions. The reuse of existing buildings is inherently sustainable and aligns perfectly with the state's carbon reduction targets. Reusing existing buildings takes advantage of existing infrastructure, and the minimal use of new materials reduces emissions associated with the extraction, manufacturing and transporting of materials. Furthermore, re-using existing buildings reduces or eliminates demolition debris from landfills.

The agency was also one of the first organizations to join the internationally recognized Climate Heritage Network, which

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Project Class: Grant

**Description**

focuses on assisting communities in tackling climate change and achieving the ambitions of the Paris Agreement by promoting a culture of reuse to reduce greenhouse gas emissions and to conserve embodied energy.

**11. How is your proposal impacting equity in the state? Which communities are impacted by this proposal? Include both demographic and geographic communities. How are disparities in communities impacted?**

Of the ten (10) courthouses recommended for funding with this request, two (2) are located in cities with populations under 10,000 and six (6) are in cities with populations under 5,000. Looking at the county level, nine (9) courthouses recommended for funding are in counties the state defines as 'rural.' Furthermore, six (6) of these counties are included on the Distressed Areas List maintained by the Washington State of Employment Security Department (distressed areas are counties where the three-year unemployment rate is at least 20 percent higher than the statewide average).

Rural and distressed counties face unique challenges when it comes to needed capital improvements for civic buildings. Smaller tax bases result in less revenue. Many counties rely on real estate excise tax revenue to fund capital projects. With fewer property sales in a real estate market that is short on supply, excise tax revenues have fallen. Often, the size/scale of a general contractor needed to implement major capital improvements to courthouses are found in more metropolitan areas. The distance contractors must travel to work on these structures can lead to increased costs already inflated by material and labor shortages. In short, rural areas are at a disadvantage when it comes to significant construction projects. As part of the application process, the agency gives special consideration to applicants from distressed counties. As such, the program serves to distribute state dollars in rural areas that are often most in need of economic development support.

**12. Is there additional information you would like decision makers to know when evaluating this request?**

This grant program is one of DAHP's flagship preservation programs. Historic preservation is a proven strategy that encourages economic growth, increases energy efficiency and reduces carbon emissions. Historic preservation supports locally based jobs and companies. It increases tax revenue for the state and local communities through local sales. Historic preservation also supports heritage tourism efforts. As historic country courthouses are located in 33 out of 39 counties, a grants program has the ability to bring local economic stimulus through preservation to almost every part of the state.

**Location**

City: Statewide

County: Statewide

Legislative District: 098

**Project Type**

Grants

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Project Title: 23-25 Historic County Courthouse Rehabilitation Grant Program

Project Class: Grant

**Description**

Grant Recipient Organization: County Courthouses

RCW that establishes grant: 27.34

**Application process used**

Yes, this would use the same process for evaluating projects as the current courthouse grant program. In the year preceding a legislative budget session, program staff work with county officials to develop proposed scopes of work for courthouse grant applications. Following the application deadline, program staff review and process all submittals, which are then distributed to the Courthouse Steering Committee for review. The committee then convenes to make funding recommendations to the agency. These recommendations are summarized in the table at the top of this document.

**Growth Management impacts**

Goal 13 of the Growth Management Act encourages the identification and preservation of historic places. This project directly supports this statewide goal in addition to local growth management goals on economic development, downtown revitalization, sustainability, infrastructure, and conserving natural resources.

**Funding**

Acct Code	Account Title	Estimated Total	Expenditures		2023-25 Fiscal Period	
			Prior Biennium	Current Biennium	Reapprops	New Approps
057-1	State Bldg Constr-State	4,761,000				4,761,000
	<b>Total</b>	<b>4,761,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,761,000</b>
<b>Future Fiscal Periods</b>						
		<u>2025-27</u>	<u>2027-29</u>	<u>2029-31</u>	<u>2031-33</u>	
057-1	State Bldg Constr-State					
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**Operating Impacts**

No Operating Impact

**OFM**

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**Date Run:** 9/16/2022 12:40PM

**Project Number:** 40000016

**Project Title:** 23-25 Historic Cemetery Grant Program

**Project Class:** Grant

**Description**

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Report Number: CBS002

Date Run: 9/16/2022 12:40PM

Project Number: 40000016

Project Title: 23-25 Historic Cemetery Grant Program

Project Class: Grant

## Description

Starting Fiscal Year: 2024

Agency Priority: 3

### Project Summary

The Department of Archaeology and Historic Preservation (DAHP) is requesting \$515,000 for the 2023-25 biennium, a re-appropriation of \$289,919 from the 2021-23 biennium, and a re-appropriation of \$104,280 from the 2019-21 biennium for continued support of the existing Historic Cemetery Program. In 2016 the legislature passed HB 2637, creating a state historic cemetery capital grant program in this agency. Grant funds support projects defined across three categories: protection & security, restoration & preservation, and interpretive displays. Funds can generally be used for construction, rehabilitation, or renovation that preserves and/or interprets the historic character, features, or materials of a decaying or abandoned cemetery. Grant requests cannot exceed \$50,000. In the 2017-19 biennium, the legislature allocated \$500,000 to fund the program, marking the first grant funding cycle subsequent to the legislature creating the program in statute in 2016. The legislature approved an additional \$515,000 for 2019-21. In the 2021-23 biennium, the agency requested \$515,000 for the program and the legislature allocated \$300,000.

### Project Description

**1. Identify the problem or opportunity addressed. Why is the request a priority? This narrative should identify unserved/underserved people or communities, operating budget savings, public safety improvements or other backup necessary to understand the need for the request. For preservation projects, it is helpful to include information about the current condition of the facility or system.**

Washington State has over 1800 historic cemeteries and burial sites. Due to burial alternatives, particularly cremation, cemeteries have seen a drastic decline in revenue across the nation and in the state of Washington. Over 80% of "burials" are cremations as opposed to in-ground interments resulting in a loss of operating revenue for existing cemeteries. Challenges for cemeteries have been exacerbated throughout the pandemic. Many cemeteries have associated funeral home services as part of their operations. For nearly a full year, funeral gatherings were not allowed to take place due to mandated social distancing. When allowed to return, operators found a hesitancy among the general public to gather in larger groups for funeral services. As such, revenue typically anticipated from providing funeral services dropped drastically. The overall lack of operating funds has resulted in the loss of budget dollars allocated for long-term cemetery care for many small and large community cemeteries. As a result, cemeteries are struggling to maintain the condition of their cemetery. It is estimated that more than 250 cemeteries statewide have experienced fiscal issues resulting in limited care or even abandonment.

While all cemeteries face challenges, it is frequently small cemeteries in more rural areas most heavily impacted. We have seen cases where privately owned cemeteries are especially susceptible to abandonment, as they are no longer fiscally viable. In areas where cemetery districts are in place to manage operations, revenue streams available at the local level are not robust enough to meet capital needs. Such cemeteries often contain and honor burials of military veterans. Rural cemeteries are also subject to vandalism and trespassing. Grant funds can be used for security measures such as fencing, lighting, and cameras, thereby discouraging vandalism and decreasing the costs associated with damage from vandals. To help address these challenges, in 2016 the legislature passed HB 2637, establishing a state historic cemetery capital grant program in this agency. This request for funds will satisfy the agency's statutory authority to provide grants (RCW 27.34.420) intended to preserve historic cemeteries.

These small grants will generally assist with modest preservation activities not to exceed \$50,000. There is no required match of federal, state, local or private funds. Grant applicants may opt to seek additional funds from applicable federal, state, local or private funds to implement a scope of work beyond the agency's grant award and are encouraged to do so. As many cemetery associations and organizations rely on volunteer labor for ongoing maintenance and care, it is anticipated that grant

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Project Class: Grant

## Description

applicants may also utilize volunteer labor and donated services to assist with project implementation. Although there is no local match required, to date the program has leveraged additional local investment in the form of both cash expenditures and donated services. Taken collectively, this additional local investment exceeds total grant funds awarded by approximately 20%.

Additionally, grant recipients must maintain the cemetery for 10 years. Privately owned cemeteries must enter into a 10-year easement ensuring public access to the cemetery. Overall, these grants will assist with protecting the integrity of the historic cemetery and funding necessary improvements and rehabilitation.

**2. What will the request produce or construct (i.e., design of a building, construction of additional space, etc.)? When will the project start and be completed? Identify whether the project can be phased, and if so, which phase is included in the request.**

The Historic Cemetery grant program will maintain historic cemeteries throughout the state. The program is intended to benefit the public by preserving outstanding examples of the state's heritage, enabling historic cemeteries to continue to serve their communities, and honoring the military veterans buried within them. Grants can be used for construction, rehabilitation, or renovation that preserves the historic character, features or materials of the cemetery. Grant funds support projects defined across three categories: 1. protection & security, intended to decrease incidents of vandalism, graffiti and trespassing; 2. restoration & preservation, focused on capital improvements, repair and treatment of elements such as headstones, markers, crypts, mausoleums and other structures or buildings on site; and 3. interpretive displays, intended to provide visitors with historic context for the cemetery.

The agency has received 114 applications requesting over \$4M in grant support in the three biennia since the program's establishment. The average grant request has been just over \$35,000. Of these applicants, 56 were awarded grants, with the average grant award at nearly \$21,500. With \$515,000 from the 2023-25 capital budget, the agency anticipates funding an additional 20 grant requests at comparable levels.

As a grant program that funds multiple individual projects, general phasing is not applicable. However, as grant requests may not exceed \$50,000, applicants may opt to phase projects exceeding this threshold over multiple funding cycles. Continuing the cemetery grant program allows cemetery owners and stewards to engage in more strategic long-term planning, accounting for possible grant awards as a potential source of funding for multi-year capital improvement efforts. If funds for the program are allocated for the 2023-25 biennium, the call for grant applications would be issued in the late summer of 2021. Applicants indicating an ability to complete cemetery projects by June 30, 2025 would receive priority for funding.

**3. How would the request address the problem or opportunity identified in question #1? What would be the result of not taking action?**

The Historic Cemetery grant program provides critical funding to communities around the state to complete projects at historic cemeteries that they would otherwise be unable to afford. Operating funds have declined significantly at cemeteries across the state as a result of changing funerary and burial practices. Many cemeteries rely on volunteers and nonprofit organizations for their operation and maintenance resulting in limited budgets that can cover minimal operating expenses each year. Cemeteries under the purview of a cemetery district are funded nearly entirely through cemetery district levies, the amount of which are capped by state law. In many cases, revenue from these districts is insufficient to cover operating costs, let alone critical preservation needs. Not taking action could result in continued decline of our historic cemeteries and ties to our heritage around the state including: further degradation of monuments and grave markers that honor our state's military veterans; increasing safety and security concerns; deferred maintenance on cemetery buildings; limited or restricted public



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access to burials because of safety concerns; more cemeteries abandoned because of cost; and increasing operating costs overall.

### **4. What alternatives were explored? Why was the recommended alternative chosen? Be prepared to provide detailed cost backup. If this project has an associated predesign, please summarize the alternatives the predesign considered.**

In 2016, the legislature passed HB 2637, which the Governor subsequently signed into law. The statute specifically creates the historic cemetery preservation capital grant program for the express purpose of preserving outstanding examples of the state's heritage and enabling historic cemeteries to continue to serve their communities and honor military veterans buried within them. Given the specificity within the statute, no alternatives were explored.

### **5. Which clientele would be impacted by the budget request? Where and how many units would be added, people or communities served, etc. Be prepared to provide detailed cost backup.**

Communities statewide would benefit from the grant program. Specifically, nonprofit cemetery associations with stewardship responsibilities for cemeteries would benefit, enabling such organizations to address deferred capital needs. Local cemetery districts relying on flat revenues amidst rising costs would also be supported in their efforts to provide care and maintenance for cemeteries under their watch. Local governments, too, would benefit, as many cemeteries are under local city control. As city revenues plummet in the wake of COVID-19, the cemetery program will provide an alternative means for taking care of these resources. More broadly, everyone who visits an ancestor or loved one buried in a Washington cemetery, who is engaged in historic research and/or genealogy work, or who simply enjoys the sacred space and serenity found in burial grounds will be positively impacted by this program. In the two funding cycles since the program's creation, grant awards have been made to 23 cemeteries. It is anticipated an additional 20 or more historic cemeteries across the state would receive grant awards if funding for the program continues.

City or county-owned cemeteries, Tribal cemeteries, and those under the jurisdiction of cemetery districts, are eligible to apply for (and have received) grant funding. Funding has worked to support preservation activities that otherwise would not be implemented due to a lack of operating funds. The program has received positive feedback from grant recipients and regularly receives inquiries about the potential for future funds. There is no anticipated opposition.

In addition to municipally owned cemeteries, many cemeteries across the state are owned and stewarded by local historical societies or fraternal organizations. Again, funding has worked to support activities otherwise out of reach for these organizations, which struggle at times to provide even basic maintenance/upkeep with volunteer labor. These organizations support the program. There is no anticipated opposition.

### **6. Does this project or program leverage non-state funding? If yes, how much by source? If the other funding source requires cost share, also include the minimum state (or other) share of project cost allowable and the supporting citation or documentation.**

There is no required match of federal, state, local or private funds. Grant applicants may opt to seek additional funds from applicable federal, state, local or private funds to implement a scope of work beyond the agency's grant award and are encouraged to do so. Grant applicants may also utilize volunteer labor and donated services. Although there is no local match required, the program has leveraged additional local investment, with overall expenditures for all projects exceeding total grant funds awarded by approximately 15%.

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**7. Describe how this project supports the agency's strategic/master plan, contributes to statewide goals, or enables the agency to perform better. Reference feasibility studies, master plans, space programming, and other analyses as appropriate.**

This program is central to DAHP's functions and is one of the agency's flagship expenditure programs. This program complements the Heritage Barn Grants and Historic County Courthouse Rehabilitation Grants programs run by DAHP to provide the majority of preservation grant funding in the state. It will improve economic activity in many government jurisdictions and directly fulfills the statewide strategy of improving cultural and recreational opportunities throughout the state. It supports several of the agency's goals as outlined in the 2020-24 statewide preservation plan:

- Goal 1: Recognize the protection of cultural resources as key to fostering civic engagement, local identity, and community pride; and promote historic preservation as the "preferred alternative" when it comes to implementing programs, policies, and projects that shape how our communities look, feel, and change.
- Goal 2: Expand historic preservation work to a broader spectrum of places, persons, and experiences that have shaped our communities.
- Goal 4: Invest our time, expertise, and passion for preservation in the places, people, and organizations where decisions are made that affect our heritage.

**8. Does this decision package include funding for any Information Technology related costs including hardware, software (to include cloud-based services), contracts or staff? If the answer is yes, you will be prompted to attach a complete IT addendum. (See Chapter 10 of the operating budget instructions for additional requirements.)**

No, this request does not include funding for IT related costs.

**9. If the project is linked to the Puget Sound Action Agenda, describe the impacts on the Action Agenda, including expenditure and FTE detail. See Chapter 13 (HEAL Act and Puget Sound Recovery) in the 2023-25 Operating Budget Instructions.**

This project is not linked to the Puget Sound Action Agenda.

**10. How does this project contribute to meeting the greenhouse gas emissions limits established in RCW 70A.45.050, Clean Buildings performance standards in RCW 19.27A.210, or other statewide goals to reduce carbon pollution and/or improve energy efficiency? Please elaborate.**

Repair and maintenance of cemeteries involves very low carbon-output activities, typically consisting of a lot of manual labor and limited use of motorized equipment and new materials.

**11. How is your proposal impacting equity in the state? Which communities are impacted by this proposal? Include both demographic and geographic communities. How are disparities in communities impacted?**

Cemeteries offer a final resting place for Washingtonians of all backgrounds, religions, ethnicities, and race. Grant funds have been awarded to projects designed to support interpretation of the multi-faceted history present at cemeteries. For instance, the Roslyn Cemetery in Kittitas County includes burial sections representing the town's rich multicultural mining history. Waves of immigrant groups arrived in Roslyn to work in the coal mines, and the cemetery reflects this diversity, with Irish, African American, Italian and Polish burial sections, to name a few. Grant funds supported creation of an interpretive

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kiosk at the cemetery providing a consolidated collection of information and material, including directions to specific ethnic and family plots. Additionally, the Confederated Tribes of the Chehalis Reservation received funds to support installation of interpretive markers at the Chehalis Tribal Cemetery. Many early burials, including a number of veterans, did not receive headstones or markers. The new markers will help identify dates and names of those buried when known, and will acknowledge the presence of a burial in cases where no further information is available. In this way, the program has supported cemetery stewards in their efforts to provide more complete information of our state's history.

One of the primary purposes of grant funding through the Historic Cemetery Preservation Grant Program is to enable historic cemeteries to continue to provide a public benefit by serving their communities and honoring military veterans throughout Washington. This is especially true in rural areas, where resources for cemetery stewardship are more difficult to come by given the small population centers.

**12. Is there additional information you would like decision makers to know when evaluating this request?**

This grant program is one of DAHP's flagship preservation programs. This is the only source of state funding readily available specifically for historic cemeteries.

**Location**

City: Statewide

County: Statewide

Legislative District: 098

**Project Type**

Grants

Grant Recipient Organization: Historic Cemeteries

RCW that establishes grant: 27.34.420

**Application process used**

The agency is required to establish a grants review committee. The committee must have at least five members with expertise or association with historic preservation, cemetery associations, local cemetery boards, or other professional organizations that the Director finds appropriate. Grant applications are considered on the basis of the relative historical significance of the cemetery, whether the proposed project will result in lower costs of maintenance and operations, and the relative percentage of military burials in the cemetery. Additional criteria include the demonstrated urgency of the project, public access to the cemetery, and the extent to which the project leverages community and volunteer support.

**Growth Management impacts**

Goal 13 of the Growth Management Act encourages the identification and preservation of historic places. This project directly supports this statewide goal in addition to local growth management goals on economic development, downtown revitalization, sustainability, infrastructure, and conserving natural resources.

## Funding

Acct Code	Account Title	Estimated Total	Expenditures		2023-25 Fiscal Period	
			Prior Biennium	Current Biennium	Reappropriations	New Appropriations
057-1	State Bldg Constr-State	515,000				515,000
	<b>Total</b>	<b>515,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>515,000</b>
<b>Future Fiscal Periods</b>						
		<u>2025-27</u>	<u>2027-29</u>	<u>2029-31</u>	<u>2031-33</u>	

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**Funding**

		Future Fiscal Periods			
		2025-27	2027-29	2029-31	2031-33
057-1	State Bldg Constr-State				
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Operating Impacts**

No Operating Impact

**OFM**

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Starting Fiscal Year: 2024

Agency Priority: 4

### Project Summary

The Department of Archaeology and Historic Preservation (DAHP) is requesting \$515,000 for the 2023-25 biennium and a re-appropriation of \$289,112 from the 2021-23 biennium for continued support of the existing Historic Theater Program. This competitive capital grants program addresses findings from an agency-directed Capital Needs Assessment which identified millions of dollars in needed capital improvements for historic theaters across Washington. Grants are used by small businesses and non-profit or local government theater owners for the following: exterior renovations, façade improvements, change of use for tenants, COVID related safety improvements and/or physical improvements, repair of deteriorating or failing structural and mechanical / electrical / plumbing systems, conserving historic finishes, and keeping up with the demanding technological advancements of the film industry and live performance requirements. The program will create labor-intensive construction jobs and create permanent employment by supporting small business' ability to remain operational and open to the public within safe public health guidelines. In the 2021-23 biennium, the agency requested \$515,000 for the program and the legislature allocated \$300,000. In the program's inaugural 2021-23 application round, the agency received \$830,000 in funding requests, demonstrating the degree to which historic theaters statewide have been critically impacted by the pandemic.

### Project Description

**1. Identify the problem or opportunity addressed. Why is the request a priority? This narrative should identify unserved/underserved people or communities, operating budget savings, public safety improvements or other backup necessary to understand the need for the request. For preservation projects, it is helpful to include information about the current condition of the facility or system.**

The COVID-19 pandemic has continued to wreak havoc on historic theaters. Precautionary forced closures of theaters lasted for 6 months, but many theater operators decided to remain closed for up to a year and a half, given the challenges of staffing, adapting physical space to facilitate social distancing, and the cost of complying with other public health safety measures. When finally able to re-open, revenues remain well below pre-pandemic levels. Overall moviegoing in North America in May was down 26% compared to May 2019, and in April was down 44% from April 2019. For small theaters in more rural areas, the results are even more stark, as smaller, local historic theaters typically offer only one viewing screen and have fewer amenities compared to the urban and suburban multi-plex theaters in the larger population centers. For historic theaters featuring live performances and serving as venues for other community events, many of the same challenges apply. Both operating capacity and audience attendance are down by 50% from pre-pandemic levels: the former due to staffing, inflation and the cost of pandemic safety measures; the latter due to an uncertain public opting to stay home over public health concerns. Ticket revenue to performing arts venues are reportedly down by one-third from pre-pandemic levels.

Financial resources for historic theaters are strained at best and are anticipated to remain so in the near-term as pandemic uncertainty continues while emergency and recovery funds that have kept theaters on life support dry up. Revenues that do come in will be dedicated towards re-employing lost staff and paying off debt accumulated over the last two years. Critical capital needs – many of which existed prior to the pandemic – will continue to be deferred. This delay exacerbates necessary improvements, ultimately making them more expensive, especially where deterioration of key elements goes unchecked. This grant program is critical in order to alleviate financial burdens from theater owners. It also creates jobs for skilled craftspeople and generates income and tax revenue for the communities in which theaters are located.

Capital needs for historic theaters throughout the state had been identified in a Capital Needs Assessment conducted by the agency in 2008. The study, completed by Artifacts, Inc, examined 80 operating theaters built before 1957 (over fifty years old at the time) to determine issues such as required safety improvements, building system deterioration, deferred maintenance, accessibility challenges, and other code compliance. The physical needs identified in the survey at that time totaled nearly \$38 million (\$52 million in 2022 dollars when adjusted for inflation). While some of these costs may have been absolved by

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repair and preservation projects that have occurred since 2008 with and without state capital assistance, the unaddressed, deferred preservation and maintenance needs have undoubtedly grown in costs to repair. Furthermore, nearly 70% of historic theaters included in the study are located in rural jurisdictions with fewer than 50,000 population, and an estimated one-third of these are located in economically distressed counties. Continued funding through this program would have a direct impact on rural and distressed communities. Moreover, the Washington State Main Street Program is housed in the agency. Main Street is an economic development program relying on historic resources in the downtown core to drive revitalization. Many historic theaters are located in communities participating in the agency's Main Street Program.

Historic theaters continue to face a variety of challenges, each of which increase the collective threat to their preservation and continued use. The high cost of maintenance leads to disinvestment, increasing the levels of deferred maintenance. This leaves theaters susceptible to further degradation, and state investment in these community beacons is imperative to promoting public mental health and supporting ongoing job creation and employment.

### **2. What will the request produce or construct (i.e., design of a building, construction of additional space, etc.)? When will the project start and be completed? Identify whether the project can be phased, and if so, which phase is included in the request.**

The Historic Theater grant program will continue to provide direct support for rehabilitation of historic theaters in the form of matching grants. Grant funds are used to address critical areas of deferred repairs, including essential projects such as roof replacement, foundation repair, structural stabilization, building systems repairs, historic interior finish material conservation, and exterior rehabilitation and restoration. At the same time, these projects retain character-defining features significant to historic theaters. Often, grant awards to theater projects reflect only a portion of the total funds requested. In instances where partial grants are awarded, funds are allocated to support the most critical needs to maintain publicly accessible and safe facilities, including work that allows theaters to remain in use/be put into more active use.

The proposal is to provide matching grants up to \$50,000 to support theater rehabilitation. Applicants must match at least 50% of the total project cost with non-state funds (for a projected estimated at \$100,000, applicants must provide at least \$50,000 in matching funds). If the theater is located in a jurisdiction with a population of under 50,000, or within a distressed county as defined by the Employment Security Department, the match requirement is 25% of the total project cost (for a \$100,000 total project, the applicant must provide at least \$25,000 in matching funds). Depending on the amount of the grant award, theaters receiving funding must enter into a five-to-fifteen-year term historic preservation easement, which specifies public benefit and minimum maintenance requirements. In the program's inaugural funding round in the 2021-23 biennium, the agency received 22 applications requesting nearly \$830,000 in grant support. The average grant request was over \$37,000. Of these applicants, eight were awarded grants, with the average grant award at just over \$35,000. With \$515,000 from the 2023-25 capital budget, the agency anticipates funding an additional 15-20 grant requests at comparable levels. If funds for the program are allocated for the 2023-25 biennium, the call for grant applications would be issued in the late summer of 2023. Theater owners indicating an ability to complete projects by June 30, 2025 would receive priority for funding.

### **3. How would the request address the problem or opportunity identified in question #1? What would be the result of not taking action?**

With small business owners and non-profit organizations continuing to face declining revenue and diminished clientele as a result of COVID-19, few are in a position to implement often costly requirements to ensure social distancing in their places of business and/or physical upgrades. Many theaters remained closed well beyond the required mandate given the public's lack of confidence regarding gathering for indoor activities. Furthermore, events and programming associated with

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theatergoing, whether it be for a unique event, to watch a film, or to attend a live performance, historically create a powerful secondary impact on local spending by patrons. Theater patrons attend a performance or movie, often coupling this activity by eating at restaurants, visiting and shopping in the small businesses that are concentrated in and around the theater, and patronizing other downtown establishments. Continued funding for the theater grant program will support theater owners in their efforts to make repairs critical to keeping the doors open and, by extension, support other downtown merchants and establishments. Without this catalyst, the domino effect of limited customers may have a negative overall impact on other small businesses that would otherwise benefit from theater patronage.

This investment into local economies will also continue to foster community social interactions, promote civic engagement, promote tourism, and continue the legacy of performing arts and community gathering for the future. As pandemic recovery continues, the public is eager (while still cautious) for opportunities to engage socially. Theaters as public venues offers this engagement and serve as important mechanisms to bring people together while simultaneously providing employment opportunities. As such, theaters play a role in the community's collective mental and economic health.

The majority of Washington's historic theaters are still used as theaters. They retain primary character defining features, both exterior and interior. These theaters operate on a shoestring. It is a struggle to run the business or nonprofit and maintain staff and audiences when admission must remain affordable and booking requirements add limitations. This grant would directly assist in preservation of these community gathering spots by providing funds for larger scale capital needs that slip by theater owners simply trying to keep the doors open.

Failing to invest in historic theaters will restrict the ability of many rural and economically distressed communities to bring the community together and to catalyze local small business support.

#### **4. What alternatives were explored? Why was the recommended alternative chosen? Be prepared to provide detailed cost backup. If this project has an associated predesign, please summarize the alternatives the predesign considered.**

Alternatives to this program include Building for the Arts and Heritage Capital Grants, both are which are highly competitive with other property use types that do not necessarily have the same set of challenges as theaters. Both programs also require greater than a 1:1 match. While this program targets smaller theaters in rural downtowns, the existing grant programs are better suited for very large theaters, which have better access to resources than a typical Main Street downtown theater. No other alternatives were explored. The alternative to providing grant support to small theater owners is the absence of grant support. This would result in more theaters being unable to operate at sustainable levels, leading to increased layoffs, and closures.

#### **5. Which clientele would be impacted by the budget request? Where and how many units would be added, people or communities served, etc. Be prepared to provide detailed cost backup.**

Private, non-profit, and local government owners of historic theaters would be directly impacted by this request. Considering the economic impact associated with rehabilitation work, funding the program is an investment in local economies, the majority of which will boost rural and distressed areas. Theater preservation projects are by nature labor intensive, as they work to repair existing historic material rather than purchase new, pre-fabricated assemblies often shipped from out of state production facilities. As the projects are relatively small from a construction standpoint, they inevitably use small or sole-practitioner contractors. The program is also generally sustainable. Again, with repair being the focus, smaller amounts of construction debris are taken to local landfills. In short, funding will create work for local companies; use local labor; promote preservation and sustainable practices; reduce waste from demolition; and maintain intact community assets



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critical to attracting tourism and supporting community gatherings.

Preservation of historic theaters is a public benefit to the state. In this way, the clientele impacted by the budget request includes both residents of and visitors to Washington. Theater rehabilitation preserves our built heritage and informs a broader understanding of this significant element of our state's development. Stakeholders include the entire theater-going public of Washington state and visitors/tourists who enjoy patronizing historic theaters. Stakeholders also include small businesses and merchants in the downtown commercial core of cities and towns where theaters are located. Theater patronage is very often accompanied by additional economic activity, such as eating out at restaurants and shopping. There has been no opposition to the theater program to date and none is anticipated.

**6. Does this project or program leverage non-state funding? If yes, how much by source? If the other funding source requires cost share, also include the minimum state (or other) share of project cost allowable and the supporting citation or documentation.**

Yes. Grants made through this proposed grant program are matching grants. Theater owners must provide a match of funds received. Owner match can be in the form of cash expenditures but may also be in the form of in-kind (donated) labor, goods and services. Currently, there are no existing state federal programs providing grants to private owners of theaters for rehabilitation purposes, and opportunities for those owned by non-profits or local governments are limited and highly competitive with other dissimilar property types. There may be rural economic development programs where owners could secure low-interest loans eligible to be used for business-related capital projects. Local and private funding sources, to the degree they are available, could be provided as match for state funds for this program.

**7. Describe how this project supports the agency's strategic/master plan, contributes to statewide goals, or enables the agency to perform better. Reference feasibility studies, master plans, space programming, and other analyses as appropriate.**

The Historic Theater Capital Grant program supports the State Historic Preservation Plan (PLAN). For the 2021-26 planning timeframe, this program is captured in Goal 1 B. *Seek opportunities to promote the connection between historic preservation, economic recovery, climate change, and sustainability/environmental initiatives.*

Also, Goal 4 A. III states: *Work to implement new or enhance existing financial incentive programs to support the rehabilitation of privately owned historic buildings.*

In addition to support of the State Historic Preservation Plan, this grant program is linked to the following Results WA goals: Prosperous Economy; Healthy and Safe Communities; and Sustainable Energy and Clean Environment/ This will be achieved by providing access to living wage jobs and increasing the economic security of Washingtonians. These outcomes will be reached by assisting the operations of small privately or publicly owned theater facilities, their staffs, local contractors and craft persons in specialized trades, and conserving/recycling resources through rehabilitation of historic buildings rather than new construction.

**8. Does this decision package include funding for any Information Technology related costs including hardware, software (to include cloud-based services), contracts or staff? If the answer is yes, you will be prompted to attach a complete IT addendum. (See Chapter 10 of the operating budget instructions for additional requirements.)**

No, this request does not include funding for IT related costs.

**9. If the project is linked to the Puget Sound Action Agenda, describe the impacts on the Action Agenda, including**

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Project Class: Grant

## Description

expenditure and FTE detail. See Chapter 13 (HEAL Act and Puget Sound Recovery) in the 2023-25 Operating Budget Instructions.

This project is not linked to the Puget Sound Action Agenda.

**10. How does this project contribute to meeting the greenhouse gas emissions limits established in RCW 70A.45.050, Clean Buildings performance standards in RCW 19.27A.210, or other statewide goals to reduce carbon pollution and/or improve energy efficiency? Please elaborate.**

The greenest building is one that is already built. This program uses existing resources and preserves them for current and future use by promoting re-use, repairing rather than replacing building components, and making energy efficient upgrades to reduce carbon emissions. The reuse of existing buildings is inherently sustainable and aligns perfectly with the state's carbon reduction targets. Reusing existing buildings takes advantage of existing infrastructure, and the minimal use of new materials reduces emissions associated with the extraction, manufacturing and transporting of materials. Furthermore, re-using existing buildings reduces or eliminates demolition debris from landfills.

The agency was also one of the first organizations to join the internationally recognized Climate Heritage Network, which focuses on assisting **communities in tackling climate change and achieving the ambitions of the Paris Agreement by promoting a culture of reuse to reduce greenhouse gas emissions and to conserve embodied energy.**

**11. How is your proposal impacting equity in the state? Which communities are impacted by this proposal? Include both demographic and geographic communities. How are disparities in communities impacted?**

The majority of historic theaters are located in rural areas, with many in jurisdictions defined as distressed counties. Furthermore, these theaters are frequently operated by nonprofits (a number of historic theaters are actually owned by the local jurisdiction and managed by a nonprofit under an operating agreement). Privately owned historic theaters are almost invariably small business enterprises. Rural areas home to our smaller towns and cities do not experience/enjoy the same access to activities/gathering places that exist in the larger population centers. In this way, historic theaters in rural areas truly provide an important and often infrequent opportunity to bring the community together socially. As such, the theater grant program is part of a rural economic development strategy. Of the 22 grant applications received in the 2021-23 biennium, 5 were located in jurisdictions with a population under 40,000, while 13 – more than half – were located in jurisdictions with a population under 20,000. Of the 8 grant recipients receiving funds in 2021-23, 6 are in jurisdictions with a population under 40,000 (4 of these were under 20,000). 3 of the 8 are in distressed counties. The theater grant program provides support for important community resources with very few options available in terms of preservation and rehabilitation.

The agency is aware of the unique role local, neighborhood theaters play in the social fabric of their communities. In very rural areas, theaters may offer one of the few opportunities for the community to gather socially. In other contexts, historically marginalized communities may comprise a significant portion of theater patronage. Local, small theaters also have a reputation for featuring content, films, events and programs that represent multiple narratives. The theater grant takes these considerations into account as part of the application review process. Specifically, one of the scoring criteria addresses equity & accessibility. Applicants are encouraged to describe how their theater features programming that may solicit a diverse audience or provide new perspectives to a typical mainstream audience, along with providing information on additional efforts to welcome under-represented communities through programming or fee structures. The grant review panel considers these responses as part of the evaluation process: the degree to which theater applicants can demonstrate equity and accessibility is reflected in the review of their application.

# 355 - Department of Archaeology and Historic Preservation Capital Project Request

2023-25 Biennium

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Version: CR 23-25 Agency Capital Request

Report Number: CBS002

Date Run: 9/16/2022 12:40PM

Project Number: 40000017

Project Title: 23-25 Historic Theater Capital Grant Program

Project Class: Grant

## Description

### 12. Is there additional information you would like decision makers to know when evaluating this request?

This program will help the state achieve its carbon reduction targets. The greenest building is one that is already built. This program uses existing resources and preserves them for current and future use by promoting re-use, repairing rather than replacing building components, and making energy efficient upgrades to reduce carbon emissions. The reuse of existing buildings is inherently sustainable and aligns perfectly with the state's carbon reduction targets. Furthermore, re-using existing buildings reduces or eliminates demolition debris from landfills.

Furthermore, the innovation and creativity theater owners employ to stay in business speaks volumes to their dedication to their communities. This was demonstrated profoundly during the pandemic. When forced to close as a result of COVID-19, theater operators 'pivoted' and found ways to remain engaged with their patrons and with the community. By offering virtual content and events, streaming certain performances, and engaging in online activities, theaters continued serve as important gathering spaces, albeit digital ones. Such activities generally were not revenue-producing, as virtual content was typically offered free. But these activities did have the impact of filling the social void created by the pandemic. In this sense, theaters remained key community gathering spaces even when physically closed.

The response to COVID-19 is just the most recent example of a long tradition of resiliency. Several years ago, small theaters were required to digitize projection equipment required by the film industry in order to keep up with larger corporate theaters and continue to feature first-run films. Theater owners and operators exhibited their entrepreneurialism in the face of this challenge, offering creative programming and events that were unique to their communities and creating experiences unrivaled by a traditional movie-going outing. They also organized themselves to lobby the legislature to allow the sale of alcohol in their facilities in order to enhance user experience and expand their variety of programming to promote off-peak use.

There is also a long-standing history of State support for the Historic Theater grant program. In response to an economic downturn in the late 1980's the Legislature appropriated funding administered by DAHP to support the rehabilitation of historic theaters. This successful effort resulted in the revival of theater operations and programming at venues such as the Rose Theater in Port Townsend, the Ruby Theater in Chelan, and the Lincoln Theater in Mt. Vernon. All of these and other examples remain community magnets for movies, live performances, and programs that boost local economies as well as civic pride and social capital.

### Location

City: Statewide

County: Statewide

Legislative District: 098

### Project Type

Grants

**355 - Department of Archaeology and Historic Preservation  
Capital Project Request**

2023-25 Biennium

\*

Version: CR 23-25 Agency Capital Request

Report Number: CBS002

Date Run: 9/16/2022 12:40PM

**Project Number:** 40000017  
**Project Title:** 23-25 Historic Theater Capital Grant Program  
**Project Class:** Grant

**Description**

**Grant Recipient Organization:** Theater Owners

**RCW that establishes grant:** None

**Application process used**

A process and evaluation criteria have not yet been established for this project. However, DAHP has extensive experience in evaluating applications and efficiently managing similar grant programs such as the Heritage Barn, Historic Cemetery, and Historic County Courthouse rehabilitation programs. We were also heavily involved in assisting the Department of Commerce create the Library Capital Improvement Program. DAHP is also administering a similar grant program using federal funds to rehabilitate historic downtown buildings in rural communities. In addition, DAHP's Main Street program managers are adept at tracking data supporting Results WA outcome measures such as job creation, new businesses, and new public/private investments. These measures are readily incorporated into project evaluation tracking outcomes. When funds are allocated to grant programs administered by DAHP, program staff distribute application information. Additional outreach efforts are handled through press releases, stories generated through media outlets and social media outreach. Workshops to assist applicants in completing application materials are held in different regions throughout the state, and can easily be offered virtually if in-person workshops are not feasible. Following the application deadline, program staff review all applications submitted to determine if they are complete. Additionally, program staff conduct an initial review of applications based on several threshold criteria. Following this review, applications are forwarded to an Advisory Committee composed on state and non-state representatives for funding recommendations. The committee reviews all forwarded applications based on criteria specified in statute. Following an in-person convening, the committee makes funding recommendations to the agency.

**Growth Management impacts**

Goal 13 of the Growth Management Act encourages the identification and preservation of historic places. This project directly supports this statewide goal in addition to local growth management goals on economic development, downtown revitalization, and sustainability. By rehabilitating and sustaining historic theaters, this grant program will not only boost employment and business activity but also enhance sales and payroll tax revenues for local and state coffers.

**Funding**

Acct Code	Account Title	Estimated Total	Expenditures		2023-25 Fiscal Period	
			Prior Biennium	Current Biennium	Reappropriations	New Appropriations
057-1	State Bldg Constr-State	515,000				515,000
	<b>Total</b>	<b>515,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>515,000</b>
<b>Future Fiscal Periods</b>						
		<u>2025-27</u>	<u>2027-29</u>	<u>2029-31</u>	<u>2031-33</u>	
057-1	State Bldg Constr-State					
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**Operating Impacts**

No Operating Impact

**355 - Department of Archaeology and Historic Preservation  
Capital Project Request**

2023-25 Biennium

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Version: CR 23-25 Agency Capital Request

Report Number: CBS002

Date Run: 9/16/2022 12:40PM

Project Number: 40000001  
 Project Title: 2019-21 Historic Cemetery Grant Program  
 Project Class: Grant - Pass Through

**Description**

Starting Fiscal Year: 2020  
 Agency Priority: 0

**Project Summary**  
 Continuation of grants from previous biennium.

**Project Description**  
 Continuation of grants from previous biennium.

**Project Type**  
 Grants

**Grant Recipient Organization:** Historic Cemeteries

**RCW that establishes grant:** 27.34

**Application process used**  
 Continuation of project from the previous biennium.

**Growth Management impacts**  
 Continuation of project from the previous biennium.

**Funding**

Acct Code	Account Title	Estimated Total	Expenditures		2023-25 Fiscal Period	
			Prior Biennium	Current Biennium	Reappropriations	New Appropriations
057-1	State Bldg Constr-State	515,000	252,000	159,000	104,000	
	<b>Total</b>	<b>515,000</b>	<b>252,000</b>	<b>159,000</b>	<b>104,000</b>	<b>0</b>
<b>Future Fiscal Periods</b>						
		<u>2025-27</u>	<u>2027-29</u>	<u>2029-31</u>	<u>2031-33</u>	
057-1	State Bldg Constr-State					
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**Operating Impacts**

No Operating Impact

355 - Department of Archaeology and Historic Preservation  
**Capital Project Request**

2023-25 Biennium

\*

Version: CR 23-25 Agency Capital Request

Report Number: CBS002

Date Run: 9/16/2022 12:40PM

Project Number: 40000003  
 Project Title: Ebey's National Historic Reserve  
 Project Class: Grant - Pass Through

**Description**

Starting Fiscal Year: 2020  
 Agency Priority: 0

**Project Summary**  
 Continuation of project from previous biennium.

**Project Description**  
 Continuation of project from previous biennium.

**Location**  
 City: Statewide County: Statewide Legislative District: 098

**Project Type**  
 Grants

**Grant Recipient Organization:** Vendors on the project  
**RCW that establishes grant:** none  
**Application process used**  
 Continuation of project from the previous biennium.

**Growth Management impacts**  
 Continuation of project from the previous biennium.

**Funding**

Acct Code	Account Title	Estimated Total	Expenditures		2023-25 Fiscal Period	
			Prior Biennium	Current Biennium	Reapprops	New Approps
057-1	State Bldg Constr-State	1,320,000	599,000	76,000	645,000	
	<b>Total</b>	<b>1,320,000</b>	<b>599,000</b>	<b>76,000</b>	<b>645,000</b>	<b>0</b>
		<b>Future Fiscal Periods</b>				
		<u>2025-27</u>	<u>2027-29</u>	<u>2029-31</u>	<u>2031-33</u>	
057-1	State Bldg Constr-State					
	<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	

**Operating Impacts**

No Operating Impact



## Capital Project Request

2023-25 Biennium

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<u>Parameter</u>	<u>Entered As</u>	<u>Interpreted As</u>
Biennium	2023-25	2023-25
Agency	355	355
Version	CR-A	CR-A
Project Classification	*	All Project Classifications
Capital Project Number	*	All Project Numbers
Sort Order	Project Class	Project Class
Include Page Numbers	Y	Yes
For Word or Excel	N	N
User Group	Agency Budget	Agency Budget
User Id	*	All User Ids