



## **GUIDELINES FOR DISTRIBUTION OF HERITAGE GRANTS FUNDING**

Austin Convention and Visitors Bureau (ACVB)  
Historic Landmark Commission (HLC)  
Grants Special Committee (Committee)

### **Section 1. Background/Purpose/General Criteria**

#### **1.01 Background**

In 1996, through a contract with the City of Austin, the Austin Convention and Visitors Bureau (now Visit Austin) was established as a private, non-profit entity to market and sell Austin as a premier business and leisure destination to enrich Austin's hospitality industry and the community's overall quality of life. Per the current city code (Section 11-2-7), 1.45 cents of the 9 cents of the hotel occupancy tax collected by the City of Austin is allocated to the Tourism/Promotion Fund and may be used to attract tourists and convention delegates to the city, including being used for historic preservation and restoration projects and activities. One element of the mission of Visit Austin is the marketing of the historical assets of the city, and a part of this function, includes the administration of the Heritage Grants Program. The ACVB works in conjunction with the Historic Landmark Commission (HLC) of the City of Austin to administer this program.

In accordance with state statute, any expenditure of hotel occupancy taxes must meet two criteria. First, the expenditure must directly enhance and promote tourism and the convention and hotel industry. Second, it must also fit into one of the state statutorily approved functions. For historic preservation and restoration projects, the project must be at, or in the immediate vicinity of, convention center facilities or visitor information centers; or located in the areas that would be frequented by tourists and convention delegates. If the project does not meet both requirements, it is not an allowable expenditure of hotel occupancy tax funds for historic preservation and restoration purposes.

#### **1.02 Purpose of the Grants Fund**

The purpose of the Heritage Grants Fund is to promote tourism through the preservation, restoration, or rehabilitation of historic buildings, structures, objects, monuments, sites or districts (historic property or historic properties). Funding is available for historic properties and for improvements within the public rights-of-way. Properties must show their appeal to tourists through location, advertising, public access, visitor counts and activities. Special consideration is given to historic properties located within the Congress Avenue, 6th Street, or Bremond Block National Register Districts.

### **1.03 General Criteria**

- A. Heritage Grants funding is provided to promote tourism and encourage preservation of historic structures in identified areas of the city frequented by tourists. Historic properties eligible for grants are:
  - 1. Properties designated historic landmarks by the City of Austin; properties individually listed in the National Register of Historic Places; Recorded Texas Historic Landmarks; State Archeological Landmarks; and properties listed as contributing to a National Register or Local Historic District.
  - 2. Historic properties shall be owned or leased by a governmental or non-profit entity. If leased, the lease shall be of sufficient duration to justify the expenditure of public funds.
- B. In addition to the above criteria, properties must:
  - 1. Be open to the public at regular hours for tours or visitation; provide documentation and/or copies of promotional material used to advertise the historic property and indicate where the materials are distributed (e.g., hotels, motels, Convention Center, Airport, out of town locations); provide a summary or estimate of the numbers of visitors per year, including out of town visitors. (This documentation provides the “tourism justification” and demonstrates how the project will promote tourism in Austin.)
  - 2. Use grant monies for façade or exterior restoration/rehabilitation, which may include:
    - a) Accessory structures; e.g., historic cupolas, carriage houses, pavilions, or other out-buildings.
    - b) Property grounds; e.g., historic gates, fencing, pools, walkways, or pools.
- C. Applicants who provide matching resources (in the form of cash or donated services and items), to match at least 50% of the Visit Austin grants, may be given preferential treatment.
- D. Modifications to the above criteria may be made on a case-by-case basis but only in accordance with state law and city ordinance.
- E. Prior to commencement of work, applicants and Visit Austin must execute a Preservation Agreement setting out terms and conditions of the grant. Visit Austin will not execute a Preservation Agreement until a Certificate of Appropriateness is approved by the HLC, if required.

## **Section 2. Funds**

### **2.01 Terms**

- A. The maximum amount of a grant award shall not exceed \$58,000.
- B. Full payment of the grant will be made after the Certificate of Occupancy (if required) is issued by the City of Austin; payment may be withheld if the work fails to meet the Preservation Agreement requirements. Scheduled payments may be approved on a case-by-case basis dependent upon project size and phasing.

## **2.02 Repayment**

- A. Applicants must repay all funds received from Visit Austin if any of the following circumstances occur within three years of completion of the work set out in the Preservation Agreement:
1. Historic property is conveyed to a private, profit-making owner.
  2. Applicant fails to maintain the historically-designated property in accordance with the City of Austin Building Codes and tax exemption criteria.
  3. Historic zoning or designation is removed.
  4. The restoration or rehabilitation is not completed in accordance with the Preservation Agreement.
  5. Applicant fails to provide proof of required insurance on an annual basis.
- B. Visit Austin may file a lien against the property to secure the repayment of funds as set out in Section 2.02 to the extent allowed by law.

## **Section 3. Conditions of Assistance**

3.01 The restoration or rehabilitation of a property must be structurally and financially feasible, and the applicant must establish to the satisfaction of the HLC the amounts of other committed funds to be used for the project.

3.02 Applicant shall comply with all permitting requirements of the Land Development Code, if applicable.

3.03 Applicant must provide a proposal which sets out specific time frames in which the work will be accomplished, if applicable.

3.04 Applicant must submit a complete application with all supporting documentation and comply with the City of Austin Equal Employment Opportunity Guidelines.

3.05 Title: If not the owner, applicant must provide permission of the owner to alter/restore/rehabilitate the historic property.

3.06 Notification: In all cases of transfer of title, the applicant must notify the ACVB. The applicant must notify Visit Austin whenever legal action is pending which may result in foreclosure on the historic property.

3.07 Changes in Use: If use of the historic property changes from that existing or proposed at the time of funding, the applicant must notify Visit Austin.

3.08 Visitation Records: Applicant must provide visitation records (number of guests including numbers who are from outside of the Austin Metropolitan Statistical Area) to Visit Austin for two years after completion of the project.

3.09 Work on approved projects must commence within the agreed upon time frame outlined in the Preservation Agreement. Projects that are not completed within the agreed upon time frame risk loss of grant funding.

3.10 Contingent upon the scope of the project, a preservation architect may be retained to represent the Visit Austin /HLC to monitor the progress of the work. The need for representation will be decided on a case by case basis and handled administratively by Visit Austin staff. This cost\_would be incurred by the applicant separate and apart from the grants funds

#### **Section 4. Procedure**

Any Heritage Grants award requires a majority vote of a quorum of the Committee. All grants must comply with the hotel occupancy tax statute which means the project should demonstrate how it enhances and promotes tourism and the convention and hotel industry. The City of Austin Law Department will confirm documentation of the benefit to tourism and that the project fits within the approved statutory uses. All awards receiving a recommendation from the Committee, and verification from the City's Law Department, will proceed to the City Manager's Office for review, and then to the HLC for public hearing and consideration.