

Submitted to the House Committee on Corrections and Institutions
and the Senate Committee on Institutions

Historic Property Stabilization and Rehabilitation Special Fund 2015 Annual Report



2015 Annual Report

Historic Property Stabilization and Rehabilitation Special Fund

**Submitted to the House Committee on Corrections and Institutions
and the Senate Committee on Institutions
in accordance with 29 V.S.A. §155(c)**

**Laura V. Trieschmann
State Historic Preservation Officer
Vermont Division for Historic Preservation**

**Noelle MacKay
Commissioner of the Department of Housing and Community Development
Agency of Commerce and Community Development**

**Michael Obuchowski
Commissioner of the Department of Buildings and General Services
Agency of Administration**

January 15, 2015

Table of Contents

Executive Summary	Page 3
Accomplishments in 2014	Page 4
Proposed FY15 Activities	Page 5
The Fund: Program Description and Process	Page 7
Appendix I – Detailed description of historic properties in the Fund	Page 10
Appendix II – 29 V.S.A. §155. The Historic Property Stabilization and Rehabilitation Special Fund	Page 14
Appendix III – 22 V.S.A. §14. The Vermont Historic Preservation Act	Page 16

Executive Summary

Purpose: The Historic Property Stabilization and Rehabilitation Fund finances stabilization and rehabilitation of state-owned historic properties. The Fund was to provide net proceeds realized from the sale and/or lease of other vacant or underutilized historic properties owned by the state. This pilot program was to fill a funding gap and provide a higher level of stewardship for state-owned historic resources by allowing private sector partnerships to stabilize and rehabilitate underutilized properties. Sale or lease of any of the eligible properties was not to yield much money, because transfers and leasing was coordinated with local municipality and/or non-profit organization with a preservation and history focus.

The Legislative Joint Fiscal Committee approved the proposal for implementing the Fund at its July 21, 2011, meeting. The Vermont Department of Buildings and General Services (BGS), Division for Historic Preservation (DHP), and the Vermont Advisory Council for Historic Preservation have worked diligently to transfer, sell, or deaccession properties approved for inclusion in the Fund.

Properties eligible for the Fund: In 2011, the General Assembly approved fourteen historic properties as eligible for this Fund. Eight properties remain on the list, two of which were added in 2014.

Accomplishments in 2014: The current Fund balance as of November 15 is \$100,000, which is the appropriated funding amount; eight properties are currently eligible for this Fund. In 2014, ownership of one property was transferred to a local historical society and two properties were returned to active use as historic sites, with lease agreements in progress. Retention of two other properties was the result of archaeological and historical research that identified the potential to yield significant information about prehistory and history; the standing structures on associated with these properties are not contributing to the identified significant contexts. Preparations for a master plan are pending for another property with two historic resources. No activity occurred in 2014 to facilitate the transfer, sale, or enhance the use of two additional properties.

Property	Town	Dept	Proposed Action	2014 Finding/Action
Farmhouse and barn, Lower Newton Rd	St. Albans	BGS	Subdivide up to 10 acres & sell property.	No Action
Arsenal & Fairbanks buildings	Vergennes	BGS	Subdivide & sell or lease portion or all of property.	Master Plan RFP released
Fuller Farmhouse	Hubbardton	DHP	Explore possibility of subdivision & sale or lease of house and/or land.	Determination not to deaccession or lease; significant property
Eureka Schoolhouse	Springfield	DHP	Transfer with covenants to an organization or municipality, or sell with covenants.	Lease agreement with Springfield Chamber of Commerce; no income received
Bradley Law Office	Westminster	DHP	Transfer with covenants to a non-profit organization.	Transferred to Westminster Historic Society; no income received
Bishop Cabin	Orwell	DHP	Sell or enter into a long-term lease with covenants on the land.	Determination not to deaccession or lease; significant property
Burtch-Udall (Theron Boyd House)	Quechee	DHP	Identify opportunities for leasing, partnering, or otherwise enhancing use of property	No Action; tours by appointment
Kent Museum	Calais	DHP	Identify opportunities for leasing, partnering, or otherwise enhancing use of property	Two short-term lease agreements implemented, no income received; tours by appointment

Accomplishments in 2014

The Bradley Law Office State Historic Site was successfully transferred to the Westminster Historical Society, which has taken a great interest in continuing restoration of the building and promoting its historical significance.

After discussions with the Town of Springfield, interested residents, and the Chamber of Commerce regarding the Eureka Schoolhouse, the Division for Historic Preservation (DHP) has determined it is in the best interest to retain ownership of this property and continue to operate it as an historic site open to the public on weekends. In order to best facilitate this, a lease agreement with the Springfield Chamber of Commerce will enable the site to be open on weekdays for tours.

Archaeological and historical studies completed by DHP staff have aided in recording the archaeological significance of the land associated with the Fuller Farmhouse at the Hubbardton Battlefield and Bishops Cabin at Mount Independence, leading to a determination that these properties should not be deaccessioned or leased. Removal of any acreage associated with the Revolutionary War battlefield (July 7, 1777) in Hubbardton because of the proposed sale of Fuller Farmhouse would compromise the historical integrity of the site. Bishops Cabin is located on Lake Champlain shore at Mount Independence, where Native Americans over 13,000 years ago lived and soldiers fighting during the American Revolution camped and died. Accordingly, these sensitive archaeological sites must be protect and the non-contributing farmhouse and cabin razed for security and safety issues, as well as integrity of the sites.

A request for proposals was recently distributed for the preparation of a Master Plan for the Arsenal and Fairbanks Buildings in Vergennes. This master plan will ensure the preservation and future adaptive use of these historic resources.

No activity occurred in 2014 to facilitate the transfer or sale of the farmhouse and barn in St. Albans or the leasing/enhancement of the Burtch-Udall House. DHP has undertaken a preservation plan for the exterior restoration of the Burtch-Udall House as well as opened the building to the public by appointment for tours.

Two short-term agreements to lease the Kent Museum were initiated. The museum was opened to the public by appointment for tours.

The current Fund balance as of November 15 is \$100,000, which is the appropriated funding.

Calendar Year 2014 Activities:

Property	Town	Dept	Actions Taken	Income into Fund
Farmhouse and barn, Lower Newton Rd	St. Albans	BGS	None	\$0
Arsenal & Fairbanks buildings	Vergennes	BGS	Master Plan RFP released	\$0
Fuller Farmhouse	Hubbardton	DHP	Completed archaeological assessment. Documented the historical and architectural significance of the farmhouse as it relates to the context of the town and the Battle of Hubbardton (7/7/1777).	\$0

			Assessment of Integrity completed on farmhouse for eligibility. Complete assessment for septic system location.	
Eureka Schoolhouse	Springfield	DHP	Agreement with Springfield Chamber of Commerce for leasing of property, opening schoolhouse for tours and community events. Hired seasonal staff for weekend tours.	\$0
Bradley Law Office	Westminster	DHP	Successful transfer to the Westminster Historical Society.	\$0
Bishop Cabin	Orwell	DHP	Conducted archaeological assessment, determining sensitivity of land to yield information significant to the history and prehistory. Assessment of Integrity completed of cabin for eligibility.	\$0
Burtch-Udall House (Theron Boyd)	Quechee	DHP	Opened for tours by appointment and preservation plan for exterior implemented.	\$0
Kent Museum	Calais	DHP	Established leasing agreements through insurance certificates for short-term leasing. Opened house for tours by appointment.	\$0

Proposed Events for 2015

The lack of revenue from this pilot program has suggested it is not overwhelmingly successful. Therefore, it is proposed that for FY2015, the Fund be used to raze non-contributing buildings at Hubbardton and Mount Independence and used to relocate or demolish the house and barn at St. Albans, should marketing for the properties sale or development not prove fruitful. The Fuller Farmhouse, Bishops Cabin, Arsenal & Fairbanks buildings, St. Albans Farmhouse and barn, Eureka Schoolhouse, Kent Museum, and Burtch-Udall House should be removed from the list of approved properties for the reasons stated in this document. Thereafter, with no approved properties on the eligible list, the future of the Fund should be explored for feasibility and practicality. A program of this type can be proactive for the adaptive use, rehabilitation, and stabilization of historic resources. Aspects to consider in the feasibility study are criteria for inclusion on the eligible list, addition of other state agencies managing historic properties, and realistic expectations of income for replenishment of the Fund.

Proposed Calendar Year 2015 Activities:

Property	Town	Dept	Proposed Action	Proposed Income into Fund
Farmhouse and barn, Lower Newton Rd	St. Albans	BGS	Develop marketing strategy to sell or develop the property.	Unknown

			Explore relocation or demolition of house and barn; mitigation to document and salvage.	
Arsenal & Fairbanks buildings	Vergennes	BGS	Conduct structural analysis. Complete Master Plan. Identify and collaborate with partners to find best use for the buildings and/or the larger property. Protect archaeological sites and buildings.	Unknown
Fuller Farmhouse	Hubbardton	DHP	Demolish or relocate house; protect archaeological site	NA
Eureka Schoolhouse	Springfield	DHP	Finalize lease agreement with Springfield Chamber of Commerce	None
Bishop Cabin	Orwell	DHP	Demolish cabin; protect archaeological site.	NA
Burtch-Udall (Theron Boyd House)	Quechee	DHP	Identify opportunities for leasing, partnering, or otherwise enhancing use of all or part of the property (now vacant). There is no intent to sell the property. Rather, the goal is to identify partners and actions that will enhance preservation and sustainability.	Unknown
Kent Museum	Calais	DHP	Further leasing agreements with Art at the Kent and Cradle to Grave Arts. Identify additional opportunities for leasing, partnering, or otherwise enhancing use of the property. There is no intent to sell the property. Rather, the goal is to identify partners and actions that will enhance preservation and sustainability.	Unknown

Annual Review of the Fund by BGS and the Vermont Advisory Council on Historic Preservation:

The Fund is a self-contained, funded program, revenue to expenditures. The Fund was seeded with a \$100,000 appropriation and possible net proceeds from the sale or lease of properties approved in ACT 40 of 2011. The annual balance is limited to \$250,000. Any unencumbered overage returns to the General Fund for reallocation. The current Fund balance as of November 15 is \$100,000; expenditure of the fund requires that BGS request excess receipts.

In accordance with the Fund management process, approved by the Legislative Joint Fiscal Committee in July 2011, meetings were held to discuss and review the status of the program. The annual review meeting between BGS and DHP was held on December 4, 2014, to discuss the draft of this report, FY14 project status, and proposed FY15 projects.

A draft of this report was distributed to the Vermont Advisory Council on Historic Preservation (Council) in and was discussed at their December 17, 2014, meeting. The Council unanimously moved to approve the following motion:

The Council has reviewed the Draft 2014 Annual Report to the General Assembly on the Historic Property Stabilization & Rehabilitation Special Fund and concurs with the proposed activities for 2015.

The Council reiterates that this is an important program for state-owned historic properties. It requires diligent attention to ensure implementation. The Council recommends that the program be integrated into BGS and DHP work plans to ensure steady progress and emphasizes that finding a purpose, or repurpose, for vacant or under-utilized historic state properties is an important aspect of the state's stewardship responsibilities. The Council would like to see this model replicated by other state agencies, in particular, the Vermont Agency of Natural Resources property-holding divisions.

The Fund: Program Description and Process

1. Purpose of the fund

Act No. 40 ("An act relating to capital construction and state bonding") established the Historic Property Stabilization and Rehabilitation Special Fund (Fund) during the 2011 Legislative session. An innovative partnership between the Department of Buildings and General Services (BGS) and the Division for Historic Preservation (DHP), the Fund finances stabilization and rehabilitation of state-owned historic properties from the net proceeds realized from the sale and/or lease of other under-utilized historic properties owned by the state. The Fund is a pilot program at this time; it only includes historic properties owned by BGS and DHP as designated by the General Assembly.

The Fund:

- Fills a funding gap and provides a higher level of stewardship for state-owned historic resources.
- Allows the state to comply with 22 V.S.A. §14, which directs state agencies to develop plans for maintaining historic properties under their ownership and to institute procedures to assure plans and programs contribute to the preservation of historic properties in their portfolio, while avoiding unreasonable economic burden to the state.
- Ensures the historic integrity of properties sold or leased with historic preservation easements or covenants.
- Allows the state to form private-sector partnerships in order to stabilize and rehabilitate underutilized properties.
- Is a self-contained funded program.

2. Statutory Authority

The Fund was established by Act No. 40 during the 2011 Legislative session by amending 29 V.S.A. §155. Act No. 41 during the 2012 Legislative session amended the law. The Fund is managed by and under the authority and control of the Commissioner of BGS. (See Appendix II for the full text.)

During the 2012 legislative session, the General Assembly amended 29 V.S.A. §155 to:

- 1) Include net revenue from "lease" of properties, along with sale, into the Fund.
- 2) Clarified that, if the Fund balance exceeds \$250,000.00 as of November 15 in any year, then the general assembly shall reallocate "funds not subject to encumbrances for other purposes."
- 3) Clarified the purposes of the Fund to state that "rehabilitation and stabilization" include "payment of costs of historic resource evaluations and archaeological investigations, for building assessments related to a potential sale, or lease, for one-time fees for easement stewardship and monitoring, and for related one-time expenses."
- 4) Clarified that "lease" of historic properties are included in the Fund.

The Legislative Joint Fiscal Committee approved the proposal for implementing the Fund at its July 21, 2011, meeting.

3. Summary

All state agencies own and manage historic properties and there are not enough monies to maintain and manage all of them. BGS owns and/or administers over 150 buildings that have been identified as historic. DHP owns and maintains more than 80 buildings. Most are actively used for state programs and services under a stable preservation maintenance program. Several of those owned by DHP are open to the public. Some, however, are vacant or underutilized, with little prospect for productive use. In times of tight budgets, maintenance is often lacking and many of the buildings considered neglected. The establishment of the Fund is an innovative response to this problem, one that prioritizes underutilized properties for stabilization and rehabilitation, provides a revenue stream to help fund needed repairs, and fosters the lease or sale of properties that would better serve non-state purposes. Included in the list of properties for possible lease or sale are some owned by DHP that are not related to the mission of DHP's state historic sites program. Several of these properties (such as Bishop Cabin, in Orwell, and Fuller Farmhouse, in Hubbardton) are not open to the public.

The Fund is not meant as a substitute for capital budget support for the state historic sites that are maintained by DHP and open to the public. The state historic sites regularly open to the public will continue to be funded in the capital budget. However, several properties that are currently not officially open to the public -- Kent Museum and the Theron Boyd House -- may use monies from the Fund to supplement capital budget appropriations for work necessary to stabilize and maintain them.

It is the intention of the State that historic properties, which have received investments from the Historic Property Stabilization and Rehabilitation Special Fund, be kept by the State in its portfolio. However, if the Commissioner of BGS determines, based upon a recommendation from the Fund Advisory Group, that an investment from the Fund is necessary to secure a building from further deterioration, or to conduct an archaeological study, or for any other necessary purpose PRIOR to transfer or sale, then use of the Fund is appropriate, and the historic property can be removed from the State's portfolio.

Deaccessioning, transfer or sale of historic buildings should be based on the following criteria:

- a building is not suited to serve a mission-related purpose;
- a building will better serve the public in non-state ownership and/or use; and/or
- there is better opportunity for long-term preservation than if the building remained in state ownership.

Prior to transferring a property to a municipal or non-profit entity, it will be important to ascertain that entity's commitment and ability to sustain future operating and maintenance costs.

By November 1 of each year, BGS and DHP will hold an Annual Review meeting to review activities and accomplishments of the program during the previous year, select the priority projects that will be funded in the following calendar year, and ensure that no funds above \$250,000 remain unobligated.

If in the future, the program is expanded to include other state agencies and departments, a prerequisite for participation will be a completed inventory of the historic status of the properties that the agency or department administers, and a recommended list of properties for potential stabilization, rehabilitation, lease, transfer, or removal, along with associated cost estimates.

4. Management of the Fund

The BGS Commissioner manages the program associated with the Fund with a dedicated Fund Advisory Group consisting of a BGS Commissioner designee; the State Curator and Assistant State Curator; the State Historic Preservation Officer or designee, and State Historic Sites Chief or designee; and the Commissioner of the Department of Housing and Community Development or designee. The Advisory Group makes recommendations to the BGS Commissioner on the operations of the Fund.

The BGS Commissioner, working with the Fund Advisory Group, will submit a Report to the Legislature by January 15 of each year, developed on the following timetable and outline:

- Annual Review meeting between BGS and DHP held each year
- Draft of Report circulated to DHP and Advisory Council on Historic Preservation each year
- The Report will include information on deposits, disbursements, properties sold and stabilized or rehabilitated, and plans for future property transfers, leases and stabilization or rehabilitation of state-owned properties, and recommendations for changes and improvements in the program.

The Advisory Group will meet and request disbursements from the Fund as needed. Requests will be presented to the BGS Commissioner for his/her review and final approval.

5. Deposits into the Fund

The Fund was capitalized with \$100,000 seed money in the FY12 capital bill.

The FY12 capital bill authorized the deposit of net revenues from:

- the sale of 3469 Lower Newton Road, St. Albans
- the sale or lease of the Fuller Farmhouse at the Hubbardton Battlefield, Hubbardton
- from the donation of the Hyde Log Cabin, Grand Isle
- from the sale or lease of the Bishop Cabin at Mount Independence
- from the donation of the Bradley Law Office, Westminster
- from the donation or sale of the Eureka Schoolhouse, Springfield

BGS Commissioner will deposit net revenues from the sale of underutilized state-owned historic properties into the Fund.

The Fund balance on November 15 of any year is capped at \$250,000. Unobligated monies in excess of that amount will be reallocated by the General Assembly for other purposes in the next enacted capital appropriations bill. The BGS Commissioner may seek additional appropriations for the Fund through the Capital Budget.




Historic properties transferred out of state ownership will be protected with a covenant and/or historic preservation easement if DHP deems it necessary. The intent is to protect the exterior of the building, any outstanding interior features and/or associated collections, and, if warranted, associated property and landscape features, and/or archaeological sites. DHP will recommend historic features that should be protected, and will require that the property owner obtain DHP's prior written approval before undertaking any construction, alteration, rehabilitation, or other activity that might affect the protected features of the historic property.




6. Disbursements from the Fund




The Fund can be used for: 1) rehabilitation or stabilization of state-owned historic properties; 2) payment of costs of historic resource evaluations, archaeological investigations, and/or building assessments related to potential sale, transfer, or lease; 3) easement stewardship fees; and 4) other related expenses. The Fund is available for payment of easement stewardship fees that cover baseline documentation and annual stewardship monitoring.


Appendix I

Detailed description of historic properties in the Fund as of December 2014

Property/Address	Department	Why is this property in the Fund? Proposed Action/Status	Deposits into Fund to date	Proposed Income into Fund
<p>Farmhouse and barn 3469 Lower Newton Rd, St. Albans</p> 	BGS	<p><u>Why is this property in the Fund?</u> Property does not provide a useful function to the St. Albans Prison and is now vacant. It does not enhance the mission of BGS but it is an historic site.</p> <p><u>Proposed Action:</u> Advertise sale or adaptive use of property. If proven not viable, prepare documentation recording the structures, salvage architecturally significant elements, and relocate or raze buildings.</p>	\$0	Unknown
<p>Arsenal Building Fairbanks Building Weeks School Vergennes</p>  	BGS	<p><u>Why is this property in the Fund?</u> Buildings, part of the Weeks School Complex, are now vacant and mothballed. They do not enhance the mission of BGS, but are historic sites.</p> <p><u>Proposed Action:</u> Prepare Master Plan.</p> <p>Because of the historic and architectural significance of the larger property, rehabilitation/adaptive use is possible. Each of the buildings should be evaluated individually for its contribution to the whole.</p>	\$0	Unknown
<p>Fuller Farmhouse 441 Frog Hollow Rd Hubbardton</p>	DHP	<p><u>Why is this property in the Fund?</u> The house is not associated with the history of the Hubbardton Battlefield; it is now vacant. The house does not enhance the</p>	\$0	\$0

Property/Address	Department	Why is this property in the Fund? Proposed Action/Status	Deposits into Fund to date	Proposed Income into Fund
		<p>mission of the Historic Sites program.</p> <p>The land, however, is archaeologically sensitive and is likely to yield information associated with the battle and possibly Native American sites.</p> <p><u>Proposed Action:</u> Retain ownership of land and protect archaeological site; raze house.</p>		
<p>Eureka Schoolhouse, 470 Charlestown Rd Springfield</p> 	DHP	<p><u>Why is this property in the Fund?</u> Additionally research has determined that the property, improved by a reconstructed schoolhouse and relocated covered bridge, contribute to the State Historic Sites' mission of interpreting Vermont's history. The schoolhouse is leased to the Springfield Chamber of Commerce as a tourist information center and opened by DHP on the weekends for tours.</p> <p><u>Proposed Action:</u> Maintain lease with Springfield Chamber of Commerce and continue DHP operation as historic site on weekends.</p>	\$0	\$0
<p>Bishop Cabin Orwell</p> 	DHP	<p><u>Why is this property in the Fund?</u> Only accessible by water, this small lot of land is part of the Revolutionary War site and is historically and archaeologically significant. However, the cabin has no historical or architectural significance.</p> <p><u>Proposed Action:</u></p>	\$0	\$0

Property/Address	Department	Why is this property in the Fund? Proposed Action/Status	Deposits into Fund to date	Proposed Income into Fund
		Retain ownership of the land and protect archaeological site; raze the cabin.		
<p>Bradley Law Office, 3613 US Route 5 Westminster</p>  	DHP	<p><u>Why is this property in the Fund?</u> Although the building is a historically significant, rare two-room office building from the early 19th century, its location makes it difficult for DHP to staff and operate it as one of the State-owned Historic Sites.</p> <p>The Westminster Historical Society opens it for tours to herald the history of the community and William Czar Bradley.</p> <p><u>Proposed Action:</u> The property was transfer with covenants to the Westminster Historical Society.</p>	\$0	\$0 Transferred 2014
<p>Burtch-Udall House (Theron Boyd) 75 Hillside Road, Quechee</p> 	DHP	<p><u>Why is this property in the Fund?</u> This property was added to the Fund to aid in exploring opportunities for leasing, partnering, or otherwise enhancing use of all or part of the property (now vacant and closed to the public except by appointment).</p> <p>*Deed restriction: must be retained by “a qualified public or non-profit historic preservation organization.”</p> <p><u>Proposed Action:</u> There is no intent to sell the property. Rather, the goal is to identify partners and actions that will enhance preservation and sustainability.</p>	\$0	\$0
Kent Museum	DHP	<u>Why is this property in the Fund?</u>	\$0	\$0

Property/Address	Department	Why is this property in the Fund? Proposed Action/Status	Deposits into Fund to date	Proposed Income into Fund
<p>281-299 Old West Church Road, Calais</p> 		<p>This property was added to the Fund to aid in exploring opportunities for leasing, partnering, or otherwise enhancing use of all or part of the property (now vacant and closed to the public except by appointment).</p> <p>*Deed restriction: must be retained by “a qualified public or non-profit historic preservation organization.”</p> <p><u>Proposed Action:</u> There is no intent to sell the property. Rather, the goal is to identify partners and actions that will enhance preservation and sustainability. Short-term leases have been made for two exhibits in 2015.</p>		

Appendix II

Act No. 40 An act relating to capital construction and state bonding. (H.446). Approved May 20, 2011. 29 V.S.A. §155 was amended during the 2012 legislative session.

Sec. 25. PROPERTY TRANSACTIONS; MISCELLANEOUS

(f) Following consultation with the state advisory council on historic preservation as required by 22 V.S.A. §742(7) and pursuant to 29 V.S.A. §166, the commissioner of buildings and general services is authorized to subdivide and sell the house, barn, and up to 10 acres of land at 3469 Lower Newton Road in St. Albans. Net proceeds of the sale shall be deposited in the historic property stabilization and rehabilitation fund established in Sec. 30 of this act.

Sec. 26. PROPERTY TRANSACTIONS; MISCELLANEOUS

(b) The commissioner of buildings and general services on behalf of the division for historic preservation is authorized to enter into the agreements specified for the following properties, the proceeds of which shall be dedicated to the fund created by Sec. 30 of this act:

- (1) Fuller farmhouse at the Hubbardton Battlefield state historic site, authority to sell or enter into a long-term lease with covenants.
- (2) Hyde log cabin in Grand Isle, authority to donate property free of covenants to Grand Isle or, in the alternative, to donate the building to Hyde Park, or in the alternative to sell the property.
- (3) Bishop Cabin at Mount Independence State Historic Site in Orwell, authority to sell or enter into a long-term lease with covenants on the land.
- (4) Eureka Schoolhouse in Springfield, authority to transfer with covenants to a local organization or, in the alternative, to sell the property.
- (5) Bradley Law Office in Westminster, authority to transfer with covenants to a local organization.

Sec. 30. 29 V.S.A. §155 is added to read:

§155. HISTORIC PROPERTY STABILIZATION AND REHABILITATION SPECIAL FUND

(a) There is established a special fund managed by and under the authority and control of the commissioner, comprising net revenue from the sale or lease of underutilized state-owned historic property to be used for the purposes set forth in this section. Any remaining balance at the end of the fiscal year shall be carried forward in the fund; provided, however, that if the fund balance exceeds \$250,000.00 as of November 15 in any year, then the general assembly shall reallocate the funds not subject to encumbrances for other purposes in the next enacted capital appropriations bill.

(b) Monies in the fund shall be available to the department for the rehabilitation or stabilization of state-owned historic properties that are authorized by the general assembly to be in the fund program, for payment of costs of historic resource evaluations and archaeological investigations, for building assessments related to a potential sale or lease, for one-time fees for easement stewardship and monitoring, and for related one-time expenses.

(c) On or before January 15 of each year, the department shall report to the house committee on corrections and institutions and the senate committee on institutions concerning deposits into and disbursements from the fund occurring in the previous calendar year, the properties sold, leased, and stabilized or rehabilitated during that period, and the department's plans for future stabilization or rehabilitation of state-owned historic properties.

(d) Annually, the list presented to the general assembly of state-owned property the commissioner seeks approval to sell pursuant to section 166 of this title shall identify those properties the commissioner has identified as underutilized state-owned historic property pursuant to subsection (b) of this section.

(e) For purposes of this section, "historic property" has the same meaning as defined in 22 V.S.A. §701.

Sec. 31. TRANSITION; FUNDING

(a) On or before July 15, 2011, the department of buildings and general services and the division for historic preservation shall develop a proposal for the program required in Sec. 30, 29 V.S.A. §155(b), of this act and shall present the proposal to the chairs of the house committee on corrections and institutions and the senate committee on institutions. The chairs shall review the proposal and recommend to the joint fiscal committee whether or not to approve the proposal. After review of the proposal and the chairs' recommendations, the joint fiscal committee shall approve the proposal, disapprove the proposal, or direct the departments to amend and resubmit the proposal to the chairs by a date certain.

(b) Of the funds appropriated in Sec. 6(a)(3) of this act, the sum of \$100,000 is allocated in fiscal year 2012 to the historic property stabilization and rehabilitation special fund created in Sec. 30 of this act.

Appendix III

Title 22: Libraries, History, and Information Technology

Chapter 14: HISTORIC PRESERVATION

22 V.S.A. §701. Definitions

(6) "Historic property" or "resource" means any building, structure, object, district, area or site that is significant in the history, architecture, archaeology or culture of this state, its communities or the nation.

22 V.S.A. §743. Cooperation of agencies

An agency, department, division or commission shall:

(1) Consult the Vermont advisory council on historic preservation before demolishing, altering or transferring any property that is potentially of historical, architectural, archaeological or cultural significance, including any property listed on the state register. An agency, department, division or commission shall submit its annual capital improvement plan to the council.

(2) Initiate measures and procedures to provide for the maintenance, through preservation, rehabilitation or restoration, of properties under its ownership that are listed on the state or National Register; the measures and procedures shall comply with applicable standards prescribed by the state historic preservation division.

(3) Develop plans for the maintenance, through preservation, rehabilitation or restoration, of historic properties under their ownership in a manner compatible with preservation objectives and which does not result in an unreasonable economic burden to public interest.

(4) Institute procedures to assure that its plans, programs, codes and regulations contribute to the preservation and enhancement of sites, structures and objects of historical, architectural, archaeological or cultural significance. (Added 1975, No. 109, § 4.)

22 V.S.A. §742. Duties and powers of the council

(7) Provide an advisory and coordinative mechanism by which state undertakings of every kind which are potentially deleterious to historic preservation may be discussed, and, where possible, resolved, giving due consideration to the competing public interests which may be involved. The head of any state agency or department having direct or indirect jurisdiction over a proposed state or state-assisted undertaking, or independent agency having authority to build, construct, license, permit, authorize or approve any undertaking, shall prior to the approval of the state funds for the undertaking, or prior to any approval, license, permit or authorization as the case may be, take into account the effect of the undertaking on any historic property that is included in the state register of historic places. Where, in the judgment of the council such undertaking will have an adverse effect upon any listed district, area, site, building, structure or object, the head of the state agency or department shall afford the council reasonable opportunity to comment with regard to the undertaking.

(8) Advise on any participation in the review of federal, federally assisted, and federally licensed undertakings that may affect historic properties and sites and approve any participation in the review of nonfederal undertakings, including, but not limited to proceedings under the state land use and development act (10 V.S.A. chapter 151).

22 V.S.A. §765. Transfer of state property

When transferring real property under its jurisdiction that contains significant archaeological, aboriginal or other anthropological resources, the state, may, upon the recommendation of the state historic preservation officer, with the advice of the state archaeologist, condition the transfer upon such covenants, deed restrictions or other

contractual arrangements as will limit the future use of the property in such a way as will protect those resources. (Added 1975, No. 109, §4; amended 1995, No. 46, §47.)

22 V.S.A. §766. Reservation of lands to be sold

Upon written notice to the head of a state agency administering state lands, given by the state historic preservation officer, with the advice of the state archaeologist, the agency head shall reserve from sale any state lands, including lands forfeited to the state for nonpayment of taxes, on which sites or artifacts are located or may be found, as designated by the state archaeologist under section 763 of this title, provided, however, that the reservation of the lands from sale may be confined to the actual location of the site or artifacts. When the sites or artifacts have been explored, excavated or otherwise examined to the extent desired by the state archaeologist, he or she shall then file with the agency head a statement releasing the lands and permitting their sale. (Added 1975, No. 109, § 4; amended 1995, No. 46, § 48.)

22 V.S.A. §767. Cooperation between agencies

All state agencies, departments, institutions and commissions, as well as all municipalities, shall cooperate fully with the state archaeologist in the preservation, protection, excavation, and evaluation of specimens and sites; and to that end:

- (1) When any state, regional or municipal agency finds or is made aware by an appropriate historical or archaeological authority that its operation in connection with any state, state assisted, state licensed, or contracted project, activity, or program adversely affects or may adversely affect scientific, historical, or archaeological data, the agency shall notify the state archaeologist and shall provide him or her with information concerning the project, program, or activity. The provisions of this chapter shall be made known to contractors by the state agencies doing the contracting.
- (2) The state archaeologist, upon notification or determination that scientific, historical, or archaeological data including specimens, is or may be adversely affected, shall, after reasonable notice to the responsible agency, conduct or cause to be conducted a survey and other investigations to recover and preserve or otherwise protect such data, including analysis and publication, which in its opinion should be recovered in the public interest.
- (3) The division shall initiate actions within 60 days of notification under subdivision (1) of this subsection and within such time as agreed upon in other cases. The responsible agency is authorized and directed to expend agency funds for the purpose of recovering the data, including analysis and publications, and the costs shall be included as part of the contractor's costs if the adverse effect is caused by work being done under contract to a state agency. (Added 1975, No. 109, §4.)