

Project Title	2010 Agency Priority Ranking	Agency Project Request for State Funds (\$ by Session)				Governor's Recommendations 2010	Governor's Planning Estimate	
		2010	2012	2014	Total		2012	2014
Historic Sites Asset Preservation	1	\$6,713	\$4,783	\$2,975	\$14,471	\$0	\$0	\$0
Oliver H. Kelley Farm Historic Site Revitalization	2	9,857	0	0	9,857	0	0	0
County and Local Historic Preservation Grants	3	1,500	1,500	1,500	4,500	0	0	0
Forest History Center Visitor Center Expansion		0	0	750	750	0	0	0
Fort Snelling Revitalization		0	12,000	0	12,000	0	0	0
History Center Expansion Space Utilization		0	2,000	6,000	8,000	0	0	0
Total Project Requests		\$18,070	\$20,283	\$11,225	\$49,578	\$0	\$0	\$0

Historic Sites Asset Preservation

2010 STATE APPROPRIATION REQUEST: \$6,713,000

AGENCY PROJECT PRIORITY: 1 of 3

PROJECT LOCATION: Statewide

Project At A Glance

The Minnesota Historical Society (MHS) is requesting \$6,713,000 for the preservation and restoration of historic structures, landscapes and building systems in the State Historic Sites Network and for monuments located statewide. This request is for work that is critical to the preservation and maintenance of these important state resources.

Project Description

Over the past three decades more than 15 million students, families, and tourists have visited the 130 landmark buildings, trails and museums of the Historic Sites Network. MHS is making this request its highest priority in order to keep these extraordinary properties open to the public now and for future generations. While most of the historic structures are now more than one hundred years old and holding up remarkably well, age and modern visitation do take their toll. While keeping pace with the impacts of visitor traffic and continuous aging of the historic structures is our chief concern, we also must keep up with changes in life/safety systems, environmental concerns, and infrastructure upgrades. The asset preservation investment for such a vast network of varied structures is an indispensable complement to the Society's repair and replacement funding in the operating budget.

In recognition of the integral part that these buildings and landscapes play in public education, the people of Minnesota have invested significantly in the State Historic Sites Network. Maintaining these resources is expensive. As non-renewable social and cultural resources, historic buildings require a high standard of care. Specially qualified architects, engineers and contractors skills are required to assess, design and implement repairs, maintenance, and systems improvements. The cost of first-quality materials rises every year. The investment is well rewarded by the public appreciation for preserving the state's precious heritage.

The Historic Sites Network also serves as a showcase for the principles and techniques of historic preservation, setting a standard for the state. These structures are learning resources used by students of Minnesota history, by students and practitioners of architecture, and by the traditional building trades. Minnesota continues to be a leader in the field of preservation.

The Society's Historic Properties Office is responsible for all 130 of the structures in the Historic Sites Network. Every year the staff typically manages 5 or 6 large projects over \$1 million and dozens of small projects scattered across the state. Staff prioritize work projects based upon long-range planning, building analysis, and structural conditions. Working in consultation with preservation architects and specialty engineers, cost estimates are prepared for appropriation requests.

Historic Sites Asset Preservation

Inventory of Asset Preservation Needs for 2010

Mille Lacs Indian Museum	Ayer House Rehabilitation	\$ 215,000
Statewide	HVAC Replacement and Energy Efficiency Improvements	750,000
Fort Snelling	Buildings 17 &18 Exterior Preservation	1,200,000
Statewide	Design for future asset preservation projects	452,000
Fort Ridgely	Commissary Interior Remodel	300,000
Forest History Center	Interpretive Buildings Rehabilitation	746,000
Mill City Museum	Masonry Stabilization	1,000,000
Fort Snelling	Historic Fort Rehabilitation and Preservation	500,000
Statewide	Monuments & Markers Preservation	150,000
Split Rock Lighthouse	Exhibit Replacement in VC and Fog Signal Building and Rebuild Barn #3	1,400,000
Total		\$ 6,713,000

Inventory of Asset Preservation Needs for 2012

Statewide	HVAC Replacement and Energy Efficiency Improvements	\$ 500,000
Split Rock Lighthouse	Historic Site Handicapped Accessibility Replacement	1,440,000
Hill House	Interior Restoration of House and Gatehouse	1,500,000
Statewide	Roof Replacement	300,000
Statewide	Design for future asset preservation projects	268,000
Ramsey House	Carriage Barn Rehabilitation	375,000
Statewide	Masonry Preservation	400,000
Total		\$ 4,783,000

Inventory of Asset Preservation Needs for 2014

James J. Hill House	Landscape and Site Feature Restoration	\$ 350,000
Jeffers Petroglyphs	Visitor Center Remodel	275,000
Statewide	Design for future asset preservation projects	300,000
Statewide	Roof Replacement	300,000
Statewide	HVAC Replacement	350,000
Historic Forestville	Historic Building Exterior Restoration	375,000
Ramsey House	Landscape and Site Feature Restoration	375,000
Lindbergh House	Boyhood Home Interior, WPA Structure and Landscape Restoration	650,000
Total		\$ 2,975,000

Each of the projects named above are part of the State Historic Sites Network, as defined in M.S.138.661, and have strong local and regional support from the areas in which they are located. Local citizens, businesses, and support group members have assisted these sites with volunteer hours,

Historic Sites Asset Preservation

in-kind contributions, and grass-roots leadership. Local legislators have also shown leadership that has kept these sites open to the public and kept them in good operating condition. Minnesotans are rightfully proud of the sites.

The historic buildings, artifacts, and landscapes within the State Historic Sites Network are of national and state significance. They fulfill the mission given by the Territorial Legislature to the Society to collect and preserve evidence of human culture in the state, and to teach Minnesota history in all its academic, technological, and social diversity. Failure to maintain these cultural treasures will result in irreversible loss of material and intellectual culture.

Impact on Agency Operating Budgets (Facilities Notes)

Not applicable

Previous Appropriations for this Project

Appropriations for asset preservation of the State Historic Sites Network have been made in every capital budget bill since 1990. In 2009 this area received \$2.165 million, in 2008 it received \$4 million, in 2006 it received \$3 million, in 2005 it received \$4 million.

Other Considerations

These asset preservation requests will allow the Society to maintain the State Historic Sites Network of structures and landscapes. In addition to the necessary work on historic structures, many of the visitor centers erected 20 to 30 years ago are now in need of renewal or are reaching the end of their useful life. Increasingly, this list will include appropriation requests to replace worn out infrastructure, such as HVAC or septic systems, or to conduct assessments for future projects now visible on the horizon.

The capital budget is the primary source of funding for all of the preservation needs of these irreplaceable state resources.

The Society's current repair and replacement budgets are inadequate to meet asset preservation needs within the state's Historic Sites Network. A total of \$14.471 million is requested through the year 2014 (see table). This

figure will likely increase as additional problems are discovered in historic structures, the buildings increase in age, costs rise through inflation, and the required skills and materials become more and more difficult to find.

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Governor's Recommendations (To be completed by MMB at a later date)

Oliver H. Kelley Farm Historic Site Revitalization

2010 STATE APPROPRIATION REQUEST: \$9,857,000

AGENCY PROJECT PRIORITY: 2 of 3

PROJECT LOCATION: Twin Cities Metro/ Elk River

Project At A Glance

This request provides design completion and construction for the revitalization and renewal of the Oliver H. Kelley Farm Historic Site, including the site's visitor center and other essential visitor services and site operations facilities. A 2008 capital budget appropriation has provided for the vital Pre-Design and Schematic Design steps for this project. This request will fund completion of design and construction. The Minnesota Historical Society has also completed a Comprehensive Interpretive Planning process, Cultural Landscape Report, Audience Research, and Interpretive Program Visioning Report. These studies and reports will direct both the comprehensive physical revitalization and historic site's public educational programming for the next ten years. As a result of these processes, including extensive input from external stakeholders, the Kelley Farm story of Minnesota's agriculture from the pioneering period will expand to include farming, farm life, food and the vital impact of agriculture on our economy, environment and culture in the present and the future.

Project Description

Project History:

Located on the east bank of the Mississippi River, the Oliver H. Kelley Farm was homesteaded by Kelley in 1849. He lived and farmed the site for the next twenty years. As a successful farmer he began to dabble in land development and politics. On a land speculation trip through the post-Civil War rural South, Kelley devised the idea to create a nationwide agricultural organization to assist farmers financially and socially as well as to help implement the most modern farming and marketing techniques available. In 1867, the Patrons of Husbandry, better known as the Grange, was founded.

The national Grange organization later acquired the Kelley Farm property and managed it until 1961 when it was donated to the Minnesota Historical Society. The site, 189 acres of farm fields, prairie and woods, became a National Historic Landmark in 1964. The Society operated the farm site on a limited basis until 1981, when it expanded public offerings with the construction of the site's Visitor Center and development of the agricultural living history program, including a source of heritage seeds and back-bred farm animals in support of the public educational program.

Project Overview:

This long-range plan for the Kelley Farm includes the important story of agriculture in the state of Minnesota beyond the current "pioneering" period of farming. Telling the broader story, within a historical context, of the economic, social and environmental impacts on agriculture today and on into the future is vital to the state of Minnesota. Today, 2% of Minnesotans actually farm the land, yet agriculture and agricultural industries represent over 20% of the state's overall economy. In Minnesota's rapidly urbanizing society it is vital that we understand and appreciate where our food comes from, how it is grown and processed and how central farming and agriculture is to our lives.

To better understand the importance of this story and to discover new ideas and methods to share the story of Minnesota's agricultural past, present and future, the Minnesota Historical Society launched a Comprehensive Interpretive Planning (CIP) process in the fall of 2006. Completed in 2007, the CIP successfully sought input from a wide range of external stakeholders. Experts from tourism, education, farm organizations, agricultural industries, state agencies including the Department of Agriculture, legislators and local and regional communities participated in forums, including a forum convened by the Commissioner of Agriculture, to help provide initial direction of the educational plans for the Kelley Farm. This public planning process, successfully used by the Minnesota Historical Society to revitalize the Forest History Center, will guide the current and future revitalization and public educational programming for the Kelley Farm for the next ten years.

In 2008, the legislature appropriated and the Governor approved a \$300,000 capital budget request for Pre-Design and Schematic Design for the renovation of Kelley Farm. Those funds allowed the Society to move the revitalization project forward, strengthening the success of the CIP process

Oliver H. Kelley Farm Historic Site Revitalization

and working more deeply with external stakeholders. In conjunction with the Pre-Design and Schematic Design process the Society has completed extensive Audience Research, Interpretive Planning Visioning Report, and a Cultural Landscape Report. These have supported the successful completion of the Kelley Farm Revitalization Pre-Design and Schematic Design process. The revitalization of the Kelley Farm will allow all Minnesotans to closely examine the compelling story of Minnesota's farming, agricultural, and food ways and their impact on our economy, culture and environment.

Impact on Agency Operating Budgets (Facilities Notes)

Inevitably a change of this magnitude will require additional operating dollars. New ongoing investments in historical programming and intensive marketing will be required to deliver new and creative services to help Minnesotans understand agriculture of the past, present and future and learn how they and their children fit into the story of farming and agriculture of their state. As a result of the Kelley Farm revitalization, the Minnesota Historical Society projects there will be additional earned income through admissions and museum store sales. As an example, FY '07 attendance at Kelley Farm was up 35% over FY '06 and FY '08 was up over FY '07.

Previous Appropriations for this Project

\$300,000 -- 2008 Capital Budget Appropriation for Pre-Design and Schematic Design for the Renovation of Oliver H. Kelley Farm visitor center and operations facilities.

Other Considerations

The Oliver H. Kelley Farm serves between 25,000 and 30,000 visitors a year, of which 40% are school children from throughout the state. While attendance is currently below the physical carrying capacity for the *entire farm site*, these attendance levels vastly exceed the Visitor Center's capacity. Visitor amenities in the 1981 visitor center, such as restrooms and classrooms, are very inadequate. The prime motivation for this revitalization is to tell the complete and ever changing story of Minnesota's agricultural past, present and future. Given its prime location in the fast growth northwestern suburbs, an educational message of universal interest

and planned marketing enhancements, the Society believes that visitation numbers can grow to approximately 60,000 following the planned revitalization completion date of 2012.

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Governor's Recommendations (To be completed by MMB at a later date)

County and Local Historic Preservation Grants

2010 STATE APPROPRIATION REQUEST: \$1,500,000

AGENCY PROJECT PRIORITY: 3 of 3

PROJECT LOCATION: Statewide

Project At A Glance

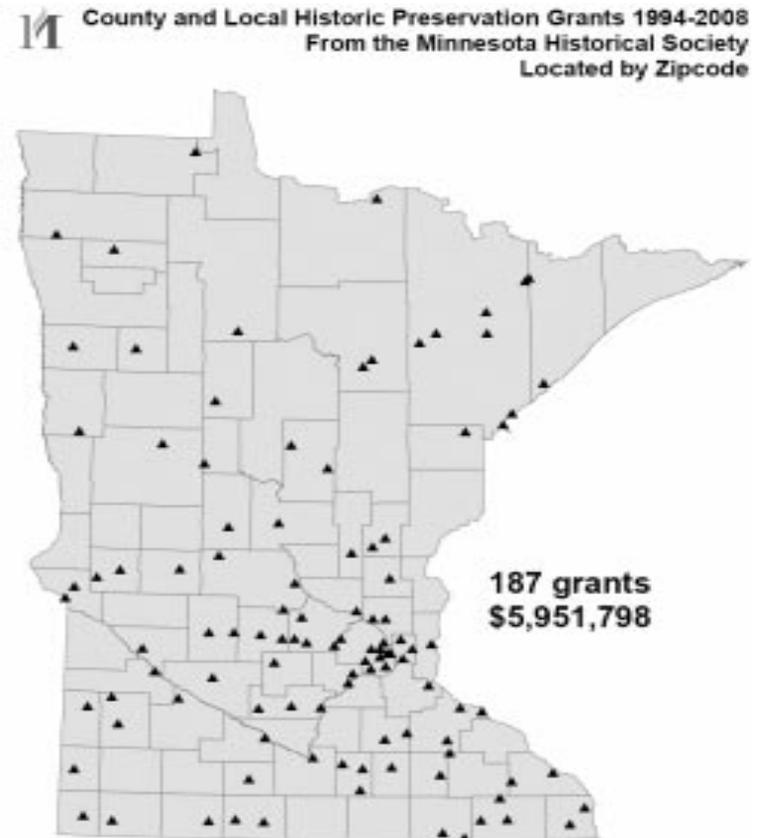
This project provides funding, on a competitive matching basis, for county and local historic preservation projects. This project will allow local communities to preserve their most significant historical resources.

Project Description

Grant-in-aid funds are made available on a local match basis to preserve historic assets owned by public entities. These properties are historically significant structures, with priority given to those that are listed on the National Register of Historic Places. This program is one of the most successful of its type with relatively small amounts of money leveraging vast sums of local funding and volunteer efforts. Since recipients of county and local preservation grants are required to fully match state funds, this project provides the best possible return on the state's investment. Funds appropriated between 1994 and 2008 were spread across Minnesota on a competitive grant basis, with requests nearly double the funds available.

This project has the effect of reducing the state's overall share of investment in preserving historic resources while fulfilling the state's statutory commitment to preserving elements of the state's inventory of historic resources (according to M.S. 138.665). Some states, for example, attempt to preserve 125+ historic sites at the state level. In Minnesota, we have limited the state's historic sites network to 32 sites, allowing the Minnesota Historical Society (MHS) to concentrate on its mission of interpreting historic sites of statewide significance. Minnesota's grant-in-aid program, initiated in 1969, encourages local organizations to take on such preservation projects rather than depend on the state to fund both their capital and operating costs. Since 1969 more than 1,000 capital and operating grants have been awarded to

qualified historical organizations in all 87 counties resulting in the preservation of the evidence of Minnesota's past.



In recent rounds of grants, 187 grants from the Society's capital bond-funded grant program have assisted in preserving and making accessible such projects as historic county courthouses (45 grants to 25 different

County and Local Historic Preservation Grants

courthouses); historic city halls (25 grants to 17 different city halls); and historic library buildings (20 grants to 16 different libraries). In addition, grants have helped to preserve publicly owned historic structures that provide a unique lens on our state's history. Types of historic structures preserved with grants funds include depots, senior and community centers, schools, bridges, theaters, park buildings, museums, water towers, and township halls. Specific examples include the Andrew Volstead House roof replacement (City of Granite Falls); the Olof Swensson House roof replacement (Chippewa County); the O.G. Anderson and Company Store restoration (City of Minnesota); the Anna and Mikko Pyhala Farm Restoration project (Town of Embarrass); the Mahnommen City Hall Restoration; Winona Masonic Hall / Senior Center (City of Winona); the Rensselaer Hubbard House restoration (City of Mankato); Robbinsdale Branch Library restoration (City of Robbinsdale), and the Minneapolis Pioneers and Soldiers Memorial Cemetery Preservation.

From the financial perspective, 1994, 1996, 1998, 2000, 2003, 2005, 2006, and 2008 appropriations totaling nearly \$6 million, will leverage at least an equal amount in local match funding, as well as countless hours of volunteer effort. Additionally, this project helps to fulfill two goals identified in the Society's long-range strategic plan: serving larger audiences, and increasing its services outside the metropolitan area.

Other accomplishments include:

- ◆ Grants for historic preservation have stimulated local economies. Local matches used to implement projects have more than doubled the \$6 million in state funds. Tourists coming to visit these historic resources bring new dollars to Minnesota communities.
- ◆ Professional standards and expertise were increased among staff and volunteers at county and local historical organizations receiving grants because of the technical assistance that accompanies them.
- ◆ Many projects made possible by these grants enabled communities, most commonly through county and local governments and historical organizations, to reach out beyond their traditional constituencies and attract new audiences, including significant new volunteer activities.

In summary, this grants program has enabled many throughout the state to preserve significant historic places and other priceless evidence of the past at very modest cost to the state.

Impact on Agency Operating Budgets (Facilities Notes)

The funding of this program will not impact operating budgets.

Previous Appropriations for this Project

Appropriations for this grant program were made in 1994, 1996, 1998, 2000, 2003, 2005, 2006 and 2008. In 2008, this effort received \$1.6 million, in 2006 it received nearly \$1 million.

Other Considerations

Against a backdrop of the economic downturn and heightened concern for the environment, historic preservation has a proven track record in stimulating local economies and revitalizing local communities, large and small. It has been said: "the greenest building is the one that is already built." Continuation of funding for this grant program leverages local resources and helps to preserve the built environment, thereby conserving the resources already put into these buildings and further the efforts to contribute to a sustainable future.

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