



National Conference of State Historic Preservation Officers

SUITE 342 HALL OF THE STATES
444 NORTH CAPITOL STREET, NW, WASHINGTON, DC 20001-1512
202/624-5465 FAX 202/624-5419 WWW.NCSHPO.ORG

Elizabeth Hughes, President
National Conference of State Historic Preservation Officers and
Deputy State Historic Preservation Officer,
Maryland Historical Trust
Testimony before the
U. S. House of Representatives Committee on Appropriations
Subcommittee on Interior, Environment and Related Agencies
The Honorable Ken Calvert, Chairman

April 3, 2014

Fiscal Year 2015 Historic Preservation Fund (HPF) Total Request:

- \$50 million for State Historic Preservation Offices (SHPOs)
- \$15 million for Tribal Historic Preservation Offices (THPOs)
- \$6 million for survey, inventory and digitization of records
- \$3 million for a competitive grant program for underrepresented populations
- \$10 million for a bricks & mortar competitive grant program

Funded through withdrawals from the Historic Preservation Fund (16 USC 470*h*) U. S. Department of the Interior's National Park Service Historic Preservation Fund (HPF).

Unique and Successful Federal-State Partnership

In 1966 Congress, recognizing the importance of our heritage enacted the National Historic Preservation Act (NHPA 16 USC 470), which established historic preservation as a priority of the federal government. Recognizing that States are the experts of their own history, instead of using federal employees to carry out the Act, the Department Of Interior and the Advisory Council on Historic Preservation partner with the States and use SHPOs to: 1) locate and record historic resources; 2) nominate significant historic resources to the National Register of Historic Places; 3) cultivate historic preservation programs at the local government level; 4) provide funds for preservation activities; 5) comment on federal rehabilitation tax credit projects; 6) review all federal projects for their impact on historic properties; and 7) provide technical assistance to federal agencies, state and local governments and the private sector. And, States provide a forty percent minimum match to the federal appropriation.

Jobs and Economic Development

From the West to the East coasts, historic preservation plays a key role in creating, maintaining, and growing communities while preserving their historical significance. The Federal Rehabilitation Tax Credit (HTC) program, administered by the State Historic Preservation

Offices in cooperation with the National Park Service, is an important driver in economic development. The program benefits communities by:

- Increasing the value of the rehabilitated property by returning vacant or underutilized structures to the tax rolls and stimulating adjacent development projects.
- Encouraging protection of landmarks through the promotion, recognition, and designation of historic structures, and acting as a catalyst for further community renewal.
- Revitalizing downtowns and neighborhoods and often increasing the amount of available housing within the community.

Since inception, the HTC has rehabilitated nearly 39,000 buildings, created 2.4 million jobs and leveraged \$109 billion in private investment nationwide. On average, the HTC leverages \$5 dollars in private investment for every \$1 dollar in federal funding creating highly effective public-private partnerships. In 2013, the HTC spurred \$3.39 billion in rehabilitation work, created nearly 63,000 skilled, local jobs and over 25,000 new or renovated housing units. All of which brings short and long-term economic opportunities for the community.

A recent successful example is the \$100 million rehabilitation of Building 91 of the former R.J. Reynolds Tobacco Co. manufacturing plant in Winston-Salem, North Carolina. This 242,000 square foot building now houses the research department arm of the Wake Forest University Baptist Medical Center along with space for other biotechnology start-up companies. Winston-Salem Mayor Allen Joines said of the project, “It’s been extremely gratifying to watch this solid old building bounce back to life. It lets us preserve some of the city’s tobacco heritage while putting us on a path toward a knowledge based future.”

Heritage tourism also creates jobs, new businesses, builds community pride and can improve quality of life. SHPOs are essential, ground level partners in identifying historic places and providing research for tourism interpretation. A minimal \$3 million increase in SHPO funding would allow SHPOs to expand their public outreach and assistance, enabling communities to take greater advantage of heritage tourism opportunities. Cultural and heritage travelers spend an average of \$994 per trip and contribute more than \$192 billion annually to the U.S. economy.¹

Community Revitalization

Nationwide, communities have experienced how historic preservation plays a prominent and effective role in community and neighborhood revitalization. In many cases, historic preservation combats the effects of vacancy by using the historic built environment as a catalyst for community change. These changes result in historic downtown districts and neighborhoods becoming “destinations” consisting of restaurants, office space, art galleries, specialty shops, living spaces, and civic centers.

For example, Kentucky’s LowerTown neighborhood was 20 square blocks of once-beautiful homes blighted by crime and neglect. Its commercial center sat 70 percent vacant. Thanks to a revitalization plan that included a focus on historic preservation, these same blocks are now

¹ U.S. Cultural and Heritage Tourism Study (October 2009) conducted by Mandala Research, LLC for U.S. Cultural & Heritage Tourism Marketing Council, U.S. Department of Commerce, and Gozaic/Heritage Travel Inc., a subsidiary of the National Trust for Historic Preservation

home to a vibrant arts and small business community that attracts more than \$200 million in annual tourist income.

The redevelopment of Logan Apartments on West Boyd Street in Norman, Oklahoma is another excellent example of historic preservation spurring community revitalization. Located near the University of Oklahoma campus, the long vacant building, now a federal rehabilitation tax credit project, represents a positive change in the surrounding university neighborhood and will provide much needed housing.

Finding and Saving America's Heritage

While historic preservation generates economic development and community revitalization, it of course also saves old buildings and significant places. These sites represent the many people, places, and events that have left marks on and shaped our national landscape. The authors of the 1966 National Historic Preservation Act wrote:

“the historical and cultural foundations of the Nation should be preserved as a living part of our community life and development in order to give a sense of orientation to the American people;”

The first step in preserving and protecting America's heritage is identifying it - which comes through survey, inventory and creating digital records. This information forms the fundamental building blocks of our Nation's historic preservation program and is a key program area that's lacking at the current level of appropriation. The NCSHPO requests a minimum of \$6 million a year, for each of the next ten years, specifically for survey, inventory, and records digitization.

Having accurate, up-to-date, digitally accessible information on our Nation's historic resources would drastically increase the efficiency and effectiveness of all local, state, and federal projects. From deciding on the design of local in-fill development, to state transportation planning projects, to federal large-scale energy projects and disaster recovery efforts – every single project, and the American people would benefit.

Once identified and documented, America's historic resources are primarily recognized at the local, state, and national levels through historic districts and listing on National and State Historic Registers. State Historic Preservation Officers, through the authority of the National Historic Preservation Act assist, support and encourage communities with their efforts. National Register recognition by the Secretary confirms citizens' belief in the significance of their community.

The National Historic Preservation program is primarily one of assistance, not acquisition. The federal government does not own, manage, or maintain responsibility for most of the historic assets in the National Historic Preservation program. Instead, the program, through the SHPOs, provides individuals, communities, and local, state, and federal governments the tools they need to identify preserve and utilize the historic assets of importance to them.

To that end, in addition to the \$6 million for survey, inventory, and digitization, the NCSHPO requests a minimum of \$50 million for SHPOs, to simply sustain their current operating levels.

The NCSHPO also requests \$3 million for a competitive grant program to survey and nominate to the National Register of Historic Places or National Landmark Program, sites associated with populations that are currently underrepresented. SHPOs have created many programs and activities to support this effort but the current funding level restricts their ability to be fully implemented. Three million will provide a positive step in their implementation. The NCSHPO also supports \$10 million for a competitive grant program that provides seed money for bricks & mortar rehabilitation projects listed at the local, state, and national levels of significance. There is currently no federal funding provided for this activity.

The NCSHPO also requests that in 2015, the subcommittee supports a reauthorization of the Historic Preservation Fund that includes full and permanent funding at \$150 million a year.

2013 State Historic Preservation Offices' Accomplishments

SHPOs used their HPF allocations well in 2013. While virtually every state continues to experience staffing and operational reductions, SHPOs are still charged with implementing the requirements of the NHPA to the fullest extent. Highlights of 2013 historic preservation accomplishments include:

- Reviewing nearly 103,000 Federal undertakings within 30 days
- Leveraging over \$3.39 billion of private investment in the rehabilitation of commercial historic properties under HTC program.
- An estimated 70,000 jobs created by the HTC program in 2013.
- Over 7,000 low and moderate income housing units created through the HTC.
- Approximately 16.3 million acres surveyed for the presence or *absence* of cultural resources.
- 1,175 new listings in the National Register of Historic Places.
- 82,100 National Register eligibility opinions.
- 29 new communities became Certified Local Governments (CLGs).
- Under local law, CLG's newly designated 54,500 properties, and 93,900 properties took part in local preservation review, programs, and incentives.

Conclusion

On behalf of all 59 SHPOs, I'd like to thank you Chairman Calvert, Ranking Member Moran, and members of the House Appropriations Subcommittee on Interior, Environment and Related Agencies for the opportunity to submit testimony.

Historic preservation recognizes that what was common and ordinary in the past is often rare and precious today, and what is common and ordinary today may be extraordinary - fifty, one hundred or five hundred years from now. I would like to thank the committee for their commitment to historic preservation. The federal government plays an invaluable role in preserving our nation's history and our collective sense of place. Through our partnership, SHPOs remain committed to working together to identify, protect, and maintain our Nation's historic heritage. Thank you.