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Testimony Regarding H.R. 642 Oil Region National Heritage Area Reauthorization Act

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Testimony for the April 30, 2019 Hearing of the
House Subcommittee on National Parks, Forests, and Public Lands;
Within the House Natural Resources Committee

Chairwoman Haaland, Ranking Member Young, and other distinguished members of the Subcommittee, my name is John R. Phillips II. I have been employed since 2011 as the President and Chief Executive Officer of the Oil Region Alliance of Business, Industry and Tourism, the nonprofit corporation which proudly administers the Oil Region National Heritage Area. This nationally significant landscape was designated by Congress in 2004 as a National Heritage Area as part of Public Law 108-447. Federal funding began in Federal Fiscal Year 2005. The 708-square mile geographical territory of Venango County and parts of eastern Crawford County (specifically the City of Titusville, Oil Creek Township, and Borough of Hydetown) in rural northwestern Pennsylvania were designated in order to preserve, enhance, and promote the area's distinctive legacy as birthplace of the world's petroleum industry, starting with Edwin Drake and his 1859 shallow drilled well along Oil Creek in Venango County. This region is also known as "The Valley That Changed The World."

That legislation indicated that the Oil Heritage Region, Inc., or its descendant nonprofit corporation would be responsible to administer and operate ORNHA in collaboration with the National Park Service, as well as numerous state, regional, and local partners throughout the public and private sectors. In 2005, Oil Heritage Region, Inc. and three other long-standing nonprofit organizations merged to comprise the Oil Region Alliance of Business, Industry and Tourism (ORA).

HR 642 which you are considering today would extend the period of federal funding authorization from its current sunset date of December 8, 2019 to become September 30, 2026. With federal funds which have averaged \$300,000 per fiscal year, the Oil Region NHA has consistently met and exceeded the annual performance criteria including the matching fund requirements.

The initial legislation indicated that prior to considering the extension of federal funding authorization for the Oil Region National Heritage Area, the Department of the Interior/National Park Service would conduct an independent evaluation to determine whether ORA/ORNHA has been addressing the legislated purposes as outlined in the ORNHA Management Action Plan which was approved by the Governor of Pennsylvania and the Department of the Interior in 2008. NPS contracted with the independent consulting firm of Westat, Inc. based in Rockville, Maryland in 2015 to conduct such an evaluation. Their Evaluation Findings report was published in July 2016; full report is available from NPS or ORA. Three key evaluation questions were examined and answered, as condensed below.

**Key Findings – Evaluation Questions and Findings (excerpt Report pages 5 – 9)
(Report Published by Westat in 2016) ****

#1: Based on its authorizing legislation and general management plan, has the heritage area achieved its proposed accomplishments?

“ORA has successfully fulfilled the legislative requirements in meeting Heritage Development Activity goals. From 2005 to 2015, ORA has invested \$6,879,852 in Heritage Development activities, or 35.3 percent of their investments. ...From 2009 to 2013, annual visitation ranged from 69,436 in 2010 to 239,122 in 2012. ORA also produces educational materials, documentaries, and events. Reports to NPS and data from respondent interviewees suggested that ORA met its goals of reusing and redeveloping ORNHA sites and collections; increasing protection of natural resources surrounding preserved sites; increasing preservation of historic petroleum/natural gas artifacts available for future generations; and increasing integration of subject matter expertise into ORNHA’s and partners’ programming.”

“ORA has successfully fulfilled the legislative requirements in meeting Economic Development Activity goals. From 2005 to 2015, ORA has invested \$6,724,393 in Economic Development activities, or 34.5 percent of investments.... {Examples} included the recent “Get on the Trail Entrepreneurial Business Plan Contest,” which awards local businesses funds to carry out innovative ideas along the portion of the Erie to Pittsburgh Trail within the NHA. Other activities include developing industrial parks such as the Sandycreek Industrial Park that retained 115 local jobs and created 30 new ones. Additionally, ORA shares its office and works closely with the Oil City Main Street Program.ORA had over 100 volunteers at key events in 2013 and 2014.”

“ORA has successfully fulfilled the legislative requirements in meeting the legislative requirements in meeting Tourism Destination Marketing Activity goals. From 2005 to 2015, ORA has invested \$1,993,259 in Tourism Destination Marketing Activities, or 10.2 percent of investments. Tourism destination marketing activities included producing a series of fishing reports together with the Pennsylvania Great Lakes Region, biking maps, and hiking-biking-Water trails maps of the region. The Visitor Guide and brochures are major activities for the ORA, and the Tourist Promotion Advisory Council distributes the guides widely throughout the ORNHA and beyond.According to intercept interviews,...74 percent were familiar with the ORA logo and 83 percent were familiar with the history of the region.Additionally, there was overwhelming support to preserve the regional heritage of the ORNHA.”

#2: *What have been the impacts of investments made by Federal, State, Tribal and local government and private entities?*

“ORNHA has met its match requirements, with the NPS contribution being less than 50 percent of total expenditures for all years. ORA financial statements indicate that between 2005 and 2015, \$9.37 million in NPS and matching financial resources were directed to related activities within the ORNHA. This demonstrates a record of finding alternative sources of revenue beyond what is required by the Congressional mandate (NPS expended funds were \$2.6 million and match was \$6.5 million).”

#3: *How do the heritage area’s management structure, partnership relationships, and current funding contribute to its sustainability?*

“In terms of sustainability, the evaluation found that ORA has demonstrated a capacity for overseeing operations as an indicator of sustainability not only through strong leadership, but also through its modes of monitoring visitors and long history with key partners. ... The ORA proactively conducted a sustainability plan that lays out a number of concrete steps to detail how ORA should support partners in the future. Highlights of the sustainability plan (completed in December 2015) suggest that ORA’s future paths for sustainability include educational travel and VolunTourism, outdoor recreational travel and tourism, entrepreneurial initiatives, and brownfield and community redevelopment initiatives. Almost unanimously, stakeholders suggested that heritage development activities would be sharply diminished if NPS funding disappeared.”

** Excerpts from “Oil Region National Heritage Area Evaluation Findings; July 2016; prepared for United States National Park Service; prepared by Westat in Rockville, Maryland; authored by Emanuel Robinson, Ph.D., Andrew Greer, Ph.D., and Kathryn Kulbicki, M.S., M.S.A.

Focus on H.R. 642

Turning to H. R. 642, the Oil Region National Heritage Area Reauthorization Act as introduced in the U. S. House of Representatives on January 17, 2019, please be aware that the entire Board of Directors and staff for the Oil Region Alliance of Business, Industry and Tourism (ORA) are in favor of the bill as introduced. More significantly, the 34 municipalities, more than 69,000 residents, extensive private businesses and organizations, the property owners, and former residents of the Oil Region National Heritage Area also strongly support the reauthorization of ORNHA.

H.R. 642 has three elements; it would extend the funding authorization through September 30, 2026. Our initial legislation reads in Section 608 as follows regarding the stage at which federal funding should be reviewed: “The Secretary may not make any grant or provide any assistance under this title after the expiration of the 15-year period beginning on the date that funds are first made available for this title.” The NPS has calculated that, without action of the reauthorization bill, federal funding to ORNHA would cease as of December 8, 2019, which is now less than eight months away.

Shortly after federal designation, the Oil Heritage Region, Inc. merged into the Oil Region Alliance of Business, Industry and Tourism. It is therefore appropriate to substitute in law the name for this area's management entity. The National Park Service does not object to this name update for the management entity.

The third element in H.R. 642 would increase the cumulative cap on federal funding through NPS to the ORNHA. As of September 30, 2018, a total of \$3,471,884 had been drawn down from the National Park Service in the Heritage Partnership Program category within the U. S. Department of Interior system. The initial designation legislation indicated a \$10 million cumulative cap. H.R. 642 would increase the cumulative cap to become \$20 million, in anticipation of the chronological extension of federal funding authorization through September 30, 2026.

The initial legislation (Public Law 108-447, Division J, Title VI, 118 Stat. 2809) also requires cash matching funds of at least \$1 non-federal for each NPS \$1. For the period from April 2005 (when we received our first NPS dollar) through September 30, 2018, the Commonwealth of Pennsylvania (especially the Pa. Department of Conservation and Natural Resources, and the Pa. Historical and Museum Commission) provided \$3,480,920 as match for heritage development projects. In addition during that time period, local public and private sources (including municipalities, counties, trusts/ Foundations, memberships, book sales, event proceeds, and other grants/donations for heritage development projects) have provided \$5,258,092 in revenues which were expended. Therefore, the total revenues for those multiple years was (rounded) \$12.2 million. This is a ratio of \$1 federal/\$2.52 from all other sources. And these figures do not even include in-kind donated goods or services.

Please be aware that there are zero National Park Service units located in northwestern Pennsylvania. The Oil Region National Heritage Area, therefore, is a particularly vital long-term partner of NPS; we participate in quite a few of the NPS-coordinated programs ranging from the NPS Passport Stamp Program to provision of historic preservation technical assistance.

Another highly relevant independent study conducted in 2013 (under contract with NPS) by the research firm Tripp Umbach based in Pittsburgh, PA calculated the annual economic impact of the Oil Region National Heritage Area. The full published report dated February 2014 is available on request; its title is "Economic and Community Impact of National Heritage Area Sites: Essex National Heritage Area, Oil Region National Heritage Area, Yuma Crossing National Heritage Area." Summarizing its findings about the Oil Region, the ORNHA directly and indirectly annually generates \$21.2 million in the regional economy, creating and supporting 313 jobs, generating \$1.5 million in state/local tax revenues, and partnering with local attractions hosting over 239,000 visitors each year.

The Oil Region National Heritage Area and its numerous partners have made great strides by achieving many of the projects contained in our approved Management Action Plan. But the accurate interpretation of the fascinating and highly relevant history of the petroleum industry (including oil and natural gas, its energy twin), economic benefits, and extensive community results preserving the distinctive cultural and natural resources in "The Valley That Changed the World" which remain to be achieved will only happen once there's federal funding to serve as the keystone for projects in the years ahead. We encourage your mark-up and then adoption of H. R. 642.

The Board and staff of the Oil Region Alliance will gladly provide any additional information, photographs, statements, reports, or materials requested by legislators related to H. R. 642 or other matters regarding the Oil Region National Heritage Area.

Focus on H.R. 1990

Also on today's hearing schedule is HR 1990, which would provide a similar sunset extension for the National Aviation National Heritage Area located in Ohio. National Aviation and Oil Region NHAs were designated in the same legislation in 2004; we encourage your favorable consideration of their extension as well. Remember, petroleum is what fuels aircraft!

Focus on H.R. 1049

We also wish to add our hearty support for H.R. 1049, the National Heritage Area Act of 2019, which would establish standards for the entire system of National Heritage Areas. Such standardization as implemented through the multi-faceted locally-managed techniques and resources which each particular National Heritage Area marshals will streamline federal oversight of the now 55 NHAs, while providing continuity and incentives for continued heritage development across the United States.

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Signed April 26, 2019

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