



**National Trust for
Historic Preservation**
Save the past. Enrich the future.

**HOUSE NATURAL RESOURCES COMMITTEE
1324 LONGWORTH HOUSE OFFICE BUILDING
HEARING ON EXPLORING INNOVATIVE SOLUTIONS TO REDUCE THE
DEPARTMENT OF THE INTERIOR'S MAINTENANCE BACKLOG
MARCH 6, 2018
TESTIMONY OF THE NATIONAL TRUST FOR HISTORIC PRESERVATION**

Chairman Bishop, Ranking Member Grijalva and members of the Committee, I appreciate the opportunity to share the National Trust for Historic Preservation's perspectives on the Department of the Interior's maintenance backlog. My name is Pam Bowman and I am the Director of Public Lands Policy.

The National Trust for Historic Preservation is a privately-funded charitable, educational and nonprofit organization chartered by Congress in 1949 in order to "facilitate public participation in historic preservation" and to further the purposes of federal historic preservation laws.¹ The intent of Congress was for the National Trust "to mobilize and coordinate public interest, participation and resources in the preservation and interpretation of sites and buildings."² With headquarters in Washington, D.C., nine field offices, 27 historic sites, more than one million members and supporters and a national network of partners in states, territories, and the District of Columbia, the National Trust works to save America's historic places and advocates for historic preservation as a fundamental value in programs and policies at all levels of government.

We appreciate the Committee scheduling this hearing to discuss innovative solutions to address the deferred maintenance backlog of the Department of the Interior's land management agencies and thereby preserve the ability for Americans and visitors to enjoy and experience iconic historic resources and natural wonders on federal lands. While we recognize that several agencies face a maintenance backlog, we have confined this testimony to the National Park Service.

The Need

The National Park System, in particular, is one of our nation's best ideas – a network of 417 parks and sites that protect spectacular historic, cultural, and natural resources and tell the stories of remarkable people and events in our country's history. The National Park Service (NPS) is responsible for maintaining a system comprised of more than 84 million acres across all 50 states, the District of Columbia, and many U.S. territories.

The National Park System tells an incredible story at sites as diverse as Gettysburg National Military Park, the Statue of Liberty, Shenandoah National Park, the Martin Luther King Jr. National Historical Park, and Native American cultural sites like those at Chaco Culture National Historical Park and Mesa Verde National Park. National parks, and the historic and cultural sites they protect, are some of our nation's most popular attractions and were visited by

¹ 54 U.S.C. §§ 312102(a), 320101.

² S. Rep. No. 1110, 81st Cong., 1st Sess. 4 (1949).

over 330 million people last year. In 2015 alone, these millions of visits generated visitor spending of an estimated \$16.9 billion in nearby communities – spending that supported 295,300 jobs and provided a \$32 billion boost to the national economy.

The size and complexity of the NPS infrastructure and the importance of preserving our parks' invaluable resources represent a significant challenge. Unfortunately, after 100 years of operation and inconsistent public funding, the National Park System faces a deferred maintenance backlog estimated at \$11.6 billion, and according to FY 2016 data, 47% of the backlog is attributed to historic assets.³

Deferred maintenance in our national parks puts historic and cultural sites at risk of permanent damage or loss, and in the absence of funding, the condition of these assets will continue to deteriorate and become more expensive to repair and preserve in the future. Some of the National Park Service's most significant historic sites are at risk of falling into disrepair. For example, the Statue of Liberty National Monument in New York Harbor, which includes Ellis Island – an iconic symbol of American freedom and immigration – has repair needs of over \$160 million.

Direct Federal Investments

The NPS maintenance backlog of \$11.6 billion demonstrates that additional investments and new strategies are necessary if NPS is to meet their stewardship responsibilities. We are encouraged by the many statements of support by Secretary Zinke, members of this committee, and others for reducing the maintenance backlog and prioritizing this issue as part of policy proposals seeking to make investments in our nation's infrastructure.

We believe that congressional appropriations providing sustained and robust funding levels for Repair and Rehabilitation, Cyclic Maintenance, and Line-Item Construction are needed to alleviate the maintenance backlog and ensure adequate preservation and protection of resources in our parks. After years of level funding or modest increases for both Repair and Rehabilitation and Cyclic Maintenance, we were pleased to see increases for FY16 enacted of \$35 million for both accounts, followed by an additional increase of \$39 million for FY17. Unfortunately, the President's budget request proposes substantial decreases for these two key accounts that address the deferred maintenance backlog, with Repair and Rehabilitation seeing a \$25 million decrease and Cyclic Maintenance a \$13.6 million decrease. As Congress considers FY18 funding levels after the recent budget deal, along with FY19 allocations, we believe that additional investments will contribute to the successful preservation of historic sites and other resources in the National Park System.

Additionally, a reliable, dedicated federal funding source distinct from annual appropriations to address the deferred maintenance backlog, along with providing sufficient staffing capacity would ensure that we preserve historic sites, maintain buildings and infrastructure in safe condition, and keep our parks open and accessible. Along with the Pew Charitable Trusts, National Parks Conservation Association, and other partners, the National Trust has focused intently on pursuing dedicated funding for this important issue. We strongly support the bipartisan legislative efforts to introduce the National Park Service Legacy Act (S. 751, H.R. 2584) by Senators Warner and Portman and Representatives Hurd, Kilmer, Reichert, and Hanabusa and thank them and the over 75 cosponsors of these bills for their leadership and support.

³ National Park Service data, FY2016

The National Park Service Legacy Act provides dedicated funding of more than \$11 billion to address the maintenance backlog through receipts from onshore and offshore energy development that are not otherwise allocated to other purposes. Also included in the legislation are components promoting public-private partnerships that leverage private funding for maintenance projects and discretion for congressional appropriators to evaluate priority projects. The National Trust also strongly supports a provision that provides funding parity between non-transportation and transportation-related maintenance needs, which ensures that funds are available for the preservation of historic structures and cultural artifacts.

We also appreciate the Administration's proposal to establish a Public Lands Infrastructure Fund that would direct funds toward addressing the Department of the Interior's maintenance backlog, as well as the many other legislative and policy proposals that demonstrate a recognition this is a pressing issue that must be addressed. As the committee considers these proposals, we urge support for a solution that includes reliable, dedicated funding and provides certainty for park units about the availability of funds for high priority projects. We look forward to an open dialogue with the Administration, this committee, and other key stakeholders as we pursue a bipartisan legislative solution in the coming months.

The nation faces a challenging fiscal environment, and the National Trust recognizes there is a need for fiscal restraint and cost-effective federal investments. However, we do not believe that preservation and conservation programs should suffer from disproportionate funding reductions, or that a successful solution to address the maintenance backlog can omit significant financial investments. Given the magnitude of the maintenance backlog, we understand the need to explore complementary proposals and opportunities, and we offer two such options for your consideration.

Historic Leasing

Leasing of historic buildings in the National Park System to private parties is an effective and proven public-private partnership that can be used as part of a suite of options to mitigate the deferred maintenance backlog in our national parks. Historic leases alleviate the burden on the National Park Service to maintain historic buildings and for long-term commercial leases of 60 years, an incentive is available for the lessee to utilize the federal 20% historic tax credit and invest in qualified rehabilitation expenses.

Congressional support for this approach has long existed, as evidenced by grants of authority to enter into public-private partnerships and historic leases, which Congress has extended to the NPS over the years. The House Appropriations Committee has also noted, in part, that "leasing of historic park buildings has proven to be an effective public-private partnership that has brought private investment to the repair and maintenance of historic park resources."⁴

The Department of the Interior reported to Congress that among the 27,000 assets on the List of Classified Structures (LCS), potentially 9,000 structures could be evaluated for re-use through leasing. Even with the availability of leasing authority included in the National Historic Preservation Act and the Concessions Management Act, along with Congressional encouragement, the NPS has struggled to fully use its authority to preserve historic structures and cultural resources. Barriers to full use of this authority—including unduly restrictive policy interpretations or statutory and regulatory hurdles—have often stood in the way.

⁴ House Report 114-170, accompanying the Department of the Interior, Environment and Related Agencies Appropriation Bill, FY2016; House Conference Report 114-632, Department of the Interior, Environment, and Related Agencies Appropriations Bill, 2017 and Consolidated Appropriations Act, FY2017

Despite these obstacles, there are numerous examples where historic leasing and public-private partnership agreements have been used to authorize non-federal entities to operate businesses, provide services and housing, and manage event spaces in historic structures within the national park system. In many cases, the involvement of non-federal entities has meant the difference between preservation and reuse, or deterioration and neglect of irreplaceable historic resources. The American public has directly benefited from these private investments through increased opportunities to enjoy historic properties that otherwise would have been unavailable.

Successful examples of historic leasing being used to rehabilitate historic structures exist in almost every NPS region, such as a Montessori school at Valley Forge National Historical Park and the Argonaut Hotel within the San Francisco Maritime National Historic Park. However, some Superintendents have not used the NPS's leasing authorities to their full extent. Other issues, such as a lack of leasing expertise, staff capacity, and more general policy concerns also stand in the way. As part of our continued work to address the deferred maintenance backlog, The National Trust will convene experts from this field in Washington D.C. this summer to explore these issues, ways to maximize the use of this innovative strategy, and potential legislative and regulatory improvements. We will extend an invitation to this committee in the coming weeks.

Specific examples of historic leasing and recommendations for its utilization by the National Park Service are outlined in a report⁵ produced by the National Trust that also includes several policy recommendations to expand and enhance the use of this entrepreneurial tool. While not a solution to the entire maintenance backlog, expanding leasing authority and implementation by park superintendents, as well as providing comprehensive guidance and encouragement for the use of historic leasing, paves the way for collaborative, cost-effective arrangements that improve park maintenance and enhance visitor experience.

Volunteerism

Efforts to increase the exposure of our national parks to young people – particularly those from underserved communities – include public-private partnerships that provide opportunities for youth corps and other groups to engage in interactive experiences within the National Park System.

As part of our commitment to these initiatives and to assist the NPS in reducing the maintenance backlog of historic properties, the National Trust launched the HOPE (Hands-On Preservation Experience) Crew initiative in 2014 to train young adults in preservation skills, while helping to protect and restore historic sites. Youth and veterans are trained in the preservation skills necessary to perform preservation work in the parks and other federal lands through a cooperative agreement between the NPS, other federal land management agencies, and several NGOs including the Student Conservation Association and The Corps Network.

In the first four years of the program, HOPE Crews have logged 120,000 hours in over 100 projects, completing \$18 million in historic preservation work, as well as engaging 3000 volunteers and 700 youth and veterans. This work includes rehabilitating structures at Martin Luther King Jr. National Historical Park, Little Big Horn Battlefield National Monument, Golden Gate National Recreation Area, and Shenandoah National Park. Projects like these help

⁵ Historic Leasing in the National Park System: Preserving History Through Effective Partnerships; <http://forum.savingplaces.org/viewdocument/historic-leasing-in-the-national-pa?>; September 2013.

reduce the deferred maintenance backlog while also providing job skills and education for the next generation of stewards of America's most important historic sites.

Conclusion

Thank you again for the opportunity to present the National Trust's perspectives on these issues, and we look forward to working with the committee and other stakeholders as you consider policy proposals to address the deferred maintenance backlog. We hope that these critical investments continue to sustain our nation's rich heritage of cultural and historic resources that generate lasting economic vitality for communities throughout the nation.