Initially designated as a National Monument in 2013, First State National Park became Delaware’s first national park in 2015. The park protects and interprets Native American and colonial settlements, sites important to the American Revolution and our industrial heritage, and the women’s suffrage movement. During the park’s creation, a 1,100 unit of land known as the Beaver Valley track was donated to the National Park Service. Prior to the park’s ownership, a nonprofit foundation had long leased the land and houses in Beaver Valley. This built-in partnership model enabled the young park and its small staff to work with a property management firm to create a residential and agricultural leasing program. Today, the leasing program helps to abate the deferred maintenance backlog of the park, maintain the cultivated landscape, and better preserve historic residences by keeping them in use.
RESIDENTIAL AND AGRICULTURAL LEASING

In 1906, William Poole Bancroft, heir to the Bancroft textile mills, began purchasing property from farmers and small-scale industrialists to safeguard the land for the public. Once home to the Lenape tribe, then European settlers, then Quakers, the land preserved a long cultural and agricultural history. After Bancroft acquired more than 1,300 acres, he formed the Woodlawn Company (later Woodlawn Trustees Inc.) to create affordable housing and a park. When the monument was created, Woodlawn donated 1,100 acres to the National Park Service to form the Beaver Valley track.

The new park found itself with more than a dozen structures, all of which had deferred maintenance. Prioritizing health and safety work first, the park began requesting funds to complete historic structure investigations and to tackle several large projects en masse. Recognizing they lacked sufficient funding and realizing the limits of a small staff, the park decided to use Woodlawn’s master lease model to partner with a property management company who could assume the burden of the maintenance. Patterson Schwartz Real Estate was chosen as the property manager in 2016.

As part of the lease agreement, a set rent goes from the individual lessees into a holding account, from which Patterson Schwartz claims a portion for their fee and the remainder is used for maintenance projects. Patterson Schwartz remains responsible for all repairs and upgrades but is required to seek approval through National Park Service first. In total, 11 houses, 2 barns, and 3 pastures are available to lease as individual units. Most of the houses are currently occupied for the long term, as they are in a desirable part of Delaware. Agricultural leases maintain the cultivated landscape and produce mainly commodity crops.

The innovative leasing program at First State enables the public to live or farm within a national park while also helping the park abate its deferred maintenance backlog and minimize the administrative costs of leasing multiple properties.
A PROBLEM

The National Park Service (NPS) maintains a network of 417 parks and sites that protect some of our nation’s most spectacular historic, cultural, and natural resources. However, after 100 years of operation and inconsistent public funding, the NPS faces a deferred maintenance backlog estimated at $11.6 billion—of which approximately 47% is attributed to historic assets. 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.

A SOLUTION

Leasing of historic buildings in the National Park System is an effective and proven public-private partnership that can be used as part of the suite of options necessary to abate the NPS deferred maintenance backlog. The NPS has the legal authority to enter into lease agreements whereby the park maintains ownership of the building, but the lessee is responsible for the preservation and maintenance needs of the structure. For long-term commercial leases of 55 years or more, the lessee is able to utilize the federal historic tax credit and receive a 20 percent credit for qualified rehabilitation expenses. Historic leasing partnerships alleviate the burden on the NPS to maintain historic buildings by reducing maintenance costs and the repair backlog for the park, allow reallocation of scarce resources to other priority projects, create opportunities for private investors, provide services for visitors and residents of gateway communities, and bring iconic historic buildings back to life. The National Trust for Historic Preservation plays a leading role in advocating for the use of leasing by the National Park Service by providing research and guidance about best practices and highlighting opportunities to leverage this innovative preservation tool.

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.”


The National Trust for Historic Preservation

The National Trust for Historic Preservation, a privately funded nonprofit organization, works to save America’s historic places. Visit us at SavingPlaces.org.

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