

Committee on Resources

Subcommittee on National Parks and Public Lands

Testimony

**Statement of Kathryn Higgins, Vice President
National Trust for Historic Preservation
on H.R. 2532, the National Heritage Areas Policy Act of 1999
before the Subcommittee on National Parks and Public Lands
House Resources Committee
October 26, 1999**

Thank you Mr. Chairman and members of the Subcommittee for this opportunity to testify today on behalf of the National Trust for Historic Preservation regarding H.R. 2532, the National Heritage Areas Policy Act of 1999. The National Trust supports enactment of legislation that will encourage partnerships among federal, state and local governments and the private sector to recognize, protect, and promote understanding of our country's heritage.

The National Trust believes that federal legislation governing the designation of heritage areas is necessary for several reasons. Five years ago, when the Trust last testified on this issue, only six National Heritage Areas existed. Today, twelve more of these areas have been created - a 200 percent increase. A number of other communities are seeking designations, including a proposed Automobile Heritage Corridor in Michigan. The interest in and enthusiasm for our history and culture, the built environment, and working industrial and rural landscapes continues to gather momentum. The vitality of the heritage movement provides cause for great optimism for those who believe that cultivating our nation's history fosters civic responsibility and promotes economic expansion. Thus, we need to define with precision the federal role in a National Heritage Areas program. We also must establish a rational, systematic, and equitable process for congressional designation of National Heritage Areas and for providing limited and targeted federal assistance to local partners in the program.

Congressman Joel Hefley's bill, H.R. 2532, represents a significant step forward in establishing a National Heritage Area policy and in fostering the necessary federal, state, and local public-private partnership. The National Trust looks forward to working with the Subcommittee on National Parks, Forests and Lands to advance the Hefley bill, which provides a valuable foundation for affirming the importance of and defining heritage areas. We thank you for holding today's hearing Mr. Chairman, and we thank Congressman Hefley for his leadership in the development of heritage areas and also for his work with the reauthorization of the Historic Preservation Fund. We also appreciate the constructive efforts of Congressman Bruce Vento to advance initiatives to create additional National Heritage Areas.

The National Trust for Historic Preservation

The National Trust for Historic Preservation's mission is "Protecting the Irreplaceable." This year marks the 50th Anniversary of the National Trust. In 1949, Congress chartered the National Trust as a private organization and charged the organization to lead the public/private effort to preserve our national heritage.

The National Trust, with more than 270,000 members, provides leadership, education, and advocacy to save America's diverse historic places and preserve and revitalize our communities. It was 50 years ago today that President Truman signed into law the bill that created the National Trust. Last week, we marked our 50th Anniversary by holding our annual conference here in Washington. Twenty-five hundred preservationists from across the country gathered here to celebrate the National Trust's legacy of the last 50 years and to learn about the challenges confronting preservation as we head into a new century. Many came to learn about the benefits of heritage areas for their communities.

Congress assigned the National Trust, in both the 1949 Act granting our charter and in the National Historic Preservation Act, a very central role in education, public involvement, and financial and technical assistance to organizations and individuals working on historic preservation. In that role, the National Trust has become a committed advocate for heritage areas because we have seen their tremendous success. This success can be measured not only in restored buildings and widely enjoyed educational and interpretative programs, but also in increased tourism. Heritage Areas attract private capital invested in new businesses that create jobs. These areas also renew the spirit of communities and restore civic pride by engaging the citizenry and communities in bringing their cities and towns back to life.

We see these benefits very directly through the work of our Main Street Center. The National Trust's Main Street Center has worked in nearly 1,500 communities since 1980, helping revive neglected and abandoned downtown commercial districts by providing local groups with organization, design, economic restructuring and marketing assistance. The program has helped create 47,000 new businesses and 174,000 new jobs, and has resulted in the rehabilitation of more than 60,000 buildings. The success of this program hinges on our ability to stabilize core downtown corridors. Developing a heritage area can often be the key to improving these business centers.

In 1991, The Main Street Center established a Main Street program in the Illinois & Michigan National Canal Heritage Corridor - the first Heritage Area designated by Congress. Since the program was established, nearly \$10 million of public and private funds have been reinvested in the communities within the corridor such as Lockport and the Upper Illinois Valley, with a net gain of 51 businesses and 150 full-time jobs. The I&M Canal program is now part of the Illinois statewide Main Street program and no longer functions as a "heritage area" program.

Interest in heritage area Main Street programs is growing in places like New York's Mohawk Valley and Rhode Island's Blackstone River Valley, and within West Virginia and a number of other communities. The National Trust's Heritage Tourism Program has worked with heritage areas in Iowa, Wisconsin, Indiana, Tennessee, Pennsylvania, and Texas to develop strong tourism programs. And our Rural Heritage program has provided technical assistance to many rural heritage areas, as communities seek to protect valuable open space and establish greenways. I encourage you to read the National Trust's Forum Journal, from this past summer. This issue of the Journal is titled, "*New Directions in Heritage Tourism*," and I would like to enter it into the record of this hearing.

Although there are currently no national statistics on the economic benefits of heritage corridors, we can look to what we know about the economic benefits of travel and tourism generally, and the benefits of tourism to historic communities in particular.

According to the Travel Industry Association of America:

- In 1998, travel and tourism contributed \$502.4 billion to the U.S. economy.

- Historic/cultural visitors spent an average of \$615 per trip, compared to \$425 for all U.S. travelers, and stayed an average of 4.7 nights compared to all travelers.
- Travel and tourism is the third largest retail industry in the U.S. behind automotive dealers and food stores, and directly supported more than 7 million jobs and an additional 9.2 million jobs indirectly.
- The travel industry's contributions to federal, state and local taxes totaled \$71.1 billion in 1998.
- Forty-six percent of the 199.8 million U.S. adult travelers (92.4 million) included a cultural, arts, heritage, or historic activity while on a trip of 50 miles or more, one way, in 1998. Out of this group, 26.7 million travelers lengthened their trip because of cultural events and activities.
- Travelers who include cultural events on their trips are more likely to have higher household incomes (\$48,000 vs. \$37,000), have completed college (41% versus 32%), have managerial or professional occupations (31% versus 24%), and be married (67% versus 61%), than other travelers.

Similar economic benefits are also reflected in the experience of communities that market their historic heritage.

- *Charleston, South Carolina.* According to a 1997 study, a month-long series of home and garden tours contributed almost \$8.5 million to the local economy, up from \$6.5 million in 1992.
- *Hudson River Valley, New York.* A study of visitation at 50 historic sites in the Hudson River Valley showed that in 1996 alone, an estimated 1.5 million to 2 million tourists generated direct expenditures of \$70 to \$100 million.
- *Gettysburg National Military Park.* Each federal tax dollar spent to run the Gettysburg National Military Park generates almost \$24 for the local economy. The total economic impact from the park in 1997 was \$122.9 million.
- *Annapolis, Maryland.* Through heritage tourism, this community drew more than 1 million overnight visitors in 1995.

These clear economic benefits help explain the growing interest in heritage areas and thus the need for a more rational process for designating these areas. Based on our experience with heritage areas through our Rural Heritage Program, our Heritage Tourism Program, and Main Street, the National Trust offers the following observations as a framework for federal heritage legislation.

(1) Heritage areas are different from National Parks, National Monuments, and National Recreation Areas. They tend to include existing federal, state and locally protected areas, communities and jurisdictions. Heritage areas embrace very different resources and different combinations of resources; they have different purposes and goals. Local organizers seek to establish coalitions of governments and agencies to look at accommodating change, including economic development that actually enhances the rich historic qualities distinctive to the area. Heritage areas are a way to move into the future by respecting the past. People live, work, play and travel in heritage areas. Thus, heritage areas present different management and interpretation challenges, and a different relationship between federal, state and local agencies and the private sector. Developing and managing heritage areas requires the on-going close coordination of state and local

government officials, planning agencies, educators, landscape architects, and business leaders.

(2) Heritage areas have been locally or regionally driven and the primary government role should be at that level. Local heritage organizations have recognized the need for partnerships with state and federal government. Further, since heritage areas do not conform to political boundaries, successful heritage area programs have necessarily involved regional and interstate organizations.

(3) Heritage areas respond to the need to integrate and reconcile natural and historic resource protection with sustainable economic activity. Successful heritage areas programs intentionally enlist the participation of all interests and sectors in planning and management.

(4) Heritage areas respond to local communities' desire to maintain and promote their individual character and identity and to resist being overwhelmed with homogeneous sprawl. Restoring buildings and preserving natural and cultural heritage sustains a community's special character, and enhances economic activity.

(5) Like most new enterprises, the beginning is the most difficult period in the creation of viable heritage areas. Organizing and involving the diverse public and private interests are extremely labor intensive. "Seed" support, in the form of technical assistance, is critical. We also support grants for these start-ups, but recognize budgetary limitations in this area.

The Federal Role in National Heritage Areas

Heritage areas originate from and are sustained by regional and local efforts. However, the National Trust strongly supports a role for the federal government in National Heritage area creation, designation, financial support, and oversight. Given the historic and continuing mobility of our population, heritage areas and their historic, cultural, scenic, and recreation resources possess true national significance. These nationally significant resources deserve federal support. Federal designation carries an imprimatur that is important for national and international education and marketing. Frequently, heritage areas include federal resources and entities. For this reason, the federal government is a natural and necessary partner in heritage areas. The federal government can serve as a clearinghouse for technical expertise and information so that lessons learned in one heritage area can be transmitted to others.

H.R. 2532, the National Heritage Areas Policy Act of 1999

The National Trust supports the efficient and orderly process and structure set forth in H.R. 2532 for the creation of National Heritage Areas. Specifically, we favor limited federal financial assistance, the primacy of local public-private partnerships, and the encouragement of intense public involvement in the preparation of the feasibility study and development of the Heritage Plan. These elements of H.R. 2532 address the on-the-ground realities of heritage areas and heritage corridors that are underway today. We support these concepts, and would like to see them strengthened in Congressman Hefley's legislation.

We endorse the concept of a Heritage Areas program within the National Park Service, that: (1) funds and evaluates feasibility studies upon authorization by Congress; (2) requires completion and approval of a feasibility study before proposing an area for designation; (3) makes recommendations to Congress for designating Heritage Areas, after reviewing feasibility studies; (4) approves the area's Heritage Plan; and (5) provides modest financial assistance to designated heritage areas for a wide variety of activities approved by the Secretary and developed in the Heritage Plan each designated area is required to write.

However, we are concerned about the authority the Hefley bill gives to states, especially in view of the apparent lack of financial commitment the states are asked to make to the program. If a state heritage area program exists and state financial resources are going to local heritage areas, a good case can be made for the need for coordination among the heritage area, the state agency providing assistance, and the National Park Service. In addition, we are concerned about the state's role in designating local coordinating agencies, without any reference to the nature and extent of state participation in the area. The same can be said for the control the bill gives the state over requests for National Park Service grants from designated heritage areas. Identification of the best local coordinating entity should be a part of the feasibility study, and the recommendation to Congress to advance a heritage area ought to be made by the National Park Service and the Secretary of Interior because of their role in reviewing and approving the feasibility study. A mutually agreed upon working relationship between the state and local coordinating entity should be looked upon favorably by the National Park Service, which would have responsibility for reviewing the entity's feasibility study and Heritage Plan.

With respect to the provisions limiting federal assistance to technical assistance, grant assistance for preservation projects and exhibits, and the operational expenses for the coordinating entity for a period of three years, the National Trust urges the committee to provide maximum flexibility for this funding to ensure that coordinating entities can fully implement their Heritage Plans. Heritage Plans are developed locally, and areas may need to use assistance in different ways to implement their plans. In addition, three years of funding for the operations of the coordinating entity may be insufficient time for this entity to become self-supporting. We recommend that the committee review the need for longer-term operations assistance in its discussions with coordinating entities from existing heritage areas.

While heritage areas must be locally driven, Congress should enact legislation that reflects a common vision for national designation. The major strength of the Hefley legislation is that it clearly defines what constitutes a National Heritage Area. However, we must not pass legislation that places severe limitations on future heritage areas, or that inhibits the efforts of the existing eighteen heritage areas. The issues we have identified can be resolved. I would urge the committee to work with representatives of the current heritage areas to further refine this legislation. The National Trust is ready to work with you on this important initiative.

Thank you Mr. Chairman for the opportunity to testify today.

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