

MARCH 2021

Historic Preservation Solutions to Build Back Better

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

The National Trust for Historic Preservation is a privately funded nonprofit organization that works to save America's historic places in ways that enrich our present and our future. Chartered by Congress in 1949, the National Trust is headquartered in Washington, D.C. with a portfolio of 28 National Trust Historic Sites, and grantmaking and advocacy efforts that connect us with thousands more historic places across the country. We work in collaboration with a variety of partners to preserve, protect, activate, and interpret historic places in ways that build vibrant and sustainable communities. We facilitate public participation in the preservation of sites, buildings, and objects of national significance or interest. We advocate with governments to save America's heritage and we strive to create a cultural legacy that is as diverse as the nation itself so that all of us can take pride in our shared American story.

For more information, visit SavingPlaces.org.

ON THE COVER: NATIONAL MALL TIDAL BASIN BY SAM KITTNER

WORKING CLOSELY WITH PARTNERS SUCH AS THE NATIONAL PARK SERVICE AND THE TRUST FOR THE NATIONAL MALL, AND SUPPORTED BY THE AMERICAN EXPRESS FOUNDATION, THE NATIONAL TRUST HAS MOUNTED A MAJOR CAMPAIGN TO BRING NATIONAL ATTENTION TO THE SERIOUSLY DEGRADED INFRASTRUCTURE OF THE NATIONAL MALL TIDAL BASIN, DESIGNATING IT AS A NATIONAL TREASURE AND ONE OF THE NATION'S ELEVEN MOST ENDANGERED HISTORIC PLACES. FEDERAL FUNDING MUST BE SECURED TO ENSURE THE LONG-TERM SUSTAINABILITY OF THE TIDAL BASIN. SEE P. 15.



BEARS EARS NATIONAL MONUMENT BY DONALD J. ROMMES

The National Trust for Historic Preservation ("National Trust")[1] looks forward to working with President Joseph Biden, Vice President Kamala Harris, and the Administration to realize the full potential of historic preservation policies and programs to advance racial justice and an equitable economic recovery for all Americans.

The National Trust is encouraged by the ambitious platform set forth by the Biden-Harris campaign and the President's immediate actions to move his agenda forward. The Biden-Harris Administration has identified several immediate priorities including COVID-19, economic recovery, racial equity, and climate change. Historic preservation supports these priorities by promoting economic growth, helping communities rebuild, advancing policies that utilize historic places to advance racial equity, and encouraging sustainable and equitable development in both rural and urban environments.

As the national leader of the historic preservation movement, the National Trust is focused on strategic priorities that include saving America's historic sites, telling the story of all Americans, advancing equitable redevelopment, and building stronger communities. We seek to champion historic places that bring people together through truth-telling about our shared past. From supporting America's Main Street commercial districts in small towns and big cities, to the rehabilitation and reuse of older buildings, to meeting community needs such as affordable housing, historic preservation stakeholders throughout the country look forward to working with the Administration to accomplish shared social and economic objectives..

Accordingly, we offer the following regulatory and legislative priorities related to historic preservation that we believe will advance the objectives of the Biden-Harris Administration

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Immediate Priorities

The National Trust for Historic Preservation strongly urges the Biden-Harris Administration to consider implementing the following policy recommendations, all of which demonstrate the powerful role of historic preservation in advancing policy priorities on racial equity, economic recovery, and climate change.



1 DEPARTMENT OF THE INTERIOR/EXECUTIVE OFFICE

Bears Ears & Grand Staircase Escalante: Protect the Antiquities Act

The National Trust strongly applauds the Biden-Harris Administration for taking swift action through Executive Order 13990 requiring, in Section 3, that the Secretary of the Interior initiate a review of the proclamations of the Trump Administration on December 4, 2017, purporting to revoke the National Monument designations of the Bears Ears and Grand Staircase Escalante National Monuments. The 2017 proclamations leave unprotected lands and resources that are sacred to Native American Tribes in the largest attempted rollback of federal land protection in our nation's history, creating enormous inequity in the protection of these deeply significant Native American cultural resources. (The National Trust is a plaintiff in the lawsuit challenging the revocation of Bears Ears National Monument.)

Policy Recommendations:

- **In consultation with interested tribes, issue an Executive Proclamation declaring and reserving the Bears Ears National Monument, and re-establishing the Bears Ears Commission. Direct the BLM to develop a new Management Plan replacing the flawed plans finalized in 2020.**
- **Issue an Executive Proclamation declaring and reserving the Grand Staircase Escalante National Monument. Direct the BLM to develop a new Management Plan replacing the flawed plan finalized in 2020.**

2 DEPARTMENT OF THE INTERIOR/BUREAU OF LAND MANAGEMENT

Protect the Greater Chaco Cultural Landscape

The Bureau of Land Management (BLM) has been rushing to facilitate oil and gas development within the landscape surrounding Chaco Culture National Historical Park. A broad coalition of Native American Tribes and Pueblos, federal and state officials, and conservation and preservation groups oppose these plans and are working to enact the Chaco Cultural Heritage Area Protection Act to protect this landscape. Expedited oil and gas development represents a significant inequity in the protection of Native American cultural resources.

Policy Recommendations:

- **Immediately suspend the BLM's Mancos-Gallup RMPA process, which has been plagued by a rush to completion, inadequate Tribal consultation, and failure to comply with Section 106 of the National Historic Preservation Act.**
- **Revoke Secretarial Order 3355, which purports to streamline the NEPA review process by establishing an arbitrary 1-year deadline and a 100-page limit for agency actions. Lifting these limitations would better support protection of the Greater Chaco Cultural landscape and other historic areas facing threats as a result of arbitrarily truncated NEPA reviews.**





LEFT: BEARS EARS NATIONAL MONUMENT, UTAH
RIGHT: GREAT BEND OF THE GILA, PHOTO BY ANDY LAURENZI

3 **EXECUTIVE OFFICE**

Issue Moratorium on Federal Leasing on Public Lands with Cultural Resources

The National Trust applauds the Biden-Harris Administration for moving quickly to impose a moratorium on oil and gas leases on public lands pursuant to Executive Order 14008 on Tackling the Climate Crisis at Home and Abroad. Understanding that the current moratorium may be only temporary, the Biden-Harris Administration should impose a specific moratorium on issuing new oil and gas leases—and review existing leases—that threaten cultural resources in the landscape surrounding the Chaco Culture National Historical Park, as well as within the "Lands Between" area of Southeast Utah, and on other public lands that have not yet been fully surveyed for cultural resources.

The FY 2021 Omnibus Appropriations bill includes this limitation of funding provision within the Interior Appropriations section:

SEC. 430. None of the funds made available by this Act may be used to accept a nomination for oil and gas leasing under 43 CFR 3120.3 et seq, or to offer for oil and gas leasing, any Federal lands within the withdrawal area identified on the map of the Chaco Culture National Historical Park prepared by the Bureau of Land Management and dated April 2, 2019, prior to the completion of the cultural resources investigation identified in the explanatory statement described in section 4 (in the matter preceding division A of this consolidated Act).

The Administration should not consider lifting the moratorium on public lands containing tribally significant cultural resources until government-to-government consultation with effected tribes is completed. Putting agreed upon mechanisms in place that avoid harm to culturally significant Tribal resources is necessary to address the history of inequity in protection of Native American resources. Additionally, cultural resource surveys should be completed to guide decision-making on potentially lifting or refining the moratorium.

Policy Recommendations:

- **Maintain the moratorium on federal oil and gas leasing, and revoke leases improperly granted, within the "Lands Between" area of Southeast Utah.**
- **Impose a moratorium on federal oil and gas leasing, and revoke leases improperly granted, within the boundaries of the Chaco Cultural Heritage Act's withdrawal area.**
- **Maintain the moratorium on federal oil and gas leasing—and revoke leases improperly granted in other areas—that have been identified by Native American Tribes and Pueblos as having cultural significance.**
- **Maintain the moratorium on federal oil and gas leasing and new mineral development activities on all public lands that have not been fully surveyed for cultural resources.**

RIGHT: OCMULGEE NATIONAL MONUMENT, MACON GEORGIA
CREDIT: COURTESY NATIONAL PARK SERVICE

BELOW: CROW CANYON PETROGLYPHS, NEW MEXICO





4 DEPARTMENT OF THE INTERIOR/ BUREAU OF LAND MANAGEMENT

Restore Capacity to Steward Cultural and Natural Resources

The Trump Administration's reorganization of BLM, including moving its headquarters to Colorado, and nearly all of its national staff—including those responsible for managing its cultural resources—to field offices, has eroded the agency's capacity to properly steward nationally significant cultural resources and to engage in meaningful Tribal consultation, representing an inequity in the treatment of Native American cultural resources. In addition, the Trump Administration—and Congress—undercut the agency's most significant effort to improve agency planning by rescinding the BLM's "Planning 2.0 Rule."

Policy Recommendations:

- **Announce a review of the Trump Administration's reorganization of the BLM. The dissolution of the agency's Washington headquarters, among other things, has sharply reduced the agency's capacity to steward its cultural and other resources.**
- **Initiate an analysis to develop a revised draft of the "Planning 2.0 Rule" that was rescinded in early 2017 through the Congressional Review Act. Pursue issuance of the revised draft rule.**



5

COUNCIL ON ENVIRONMENTAL QUALITY

National Environmental Policy Act Regulations

New NEPA regulations were issued by CEQ, effective September 14, 2020, which had the effect of eviscerating the long-standing and effective prior regulations. Among other things, the new regulations eliminate any requirement to consider cumulative impacts and climate change, they allow private applicants to restrict the consideration of less harmful alternatives, and they arbitrarily limit the types of projects subject to NEPA review. (The National Trust is a plaintiff in litigation challenging the 2020 rulemaking.)

Policy Recommendations:

- **Initiate a new rulemaking proceeding to replace the recent NEPA regulations, with special attention to cumulative impacts as they relate to climate change and racial equity issues.**
- **Issue a directive to other federal agencies encouraging them to defer and/or suspend any new agency specific NEPA regulations that were developed in response to the September 14 CEQ rule.**

Economic Recovery

In response to the public health and economic challenges created by the coronavirus pandemic, President Biden has noted the urgent need for a robust response by the federal government to the intertwined public health and economic crisis.



The National Trust urges immediate support for the following programs to catalyze our economic recovery as part of the government's pandemic response for nonprofit organizations, small businesses, and the arts and culture sector, while also protecting historic and cultural resources.

1 ENHANCE THE FEDERAL HISTORIC TAX CREDIT

The Historic Tax Credit (HTC) is a proven tax incentive for both revitalizing historic community assets and supporting economic development and recovery. The National Park Service reports the cumulative impact of the HTC has created 2.8 million new jobs, established more than 170,000 units of low- and moderate-income housing, and that 74 percent of projects are located in economically distressed areas.[2] Unfortunately, limited access to capital, greater investment risk, and an uncertain tenant market will cause significant harm to future HTC projects without federal intervention.

The National Trust supports increasing the federal HTC from 20 to 30 percent for qualified rehabilitation expenses as part of the government's response to the COVID-19 pandemic.[3]

2 SUPPLEMENT FUNDING FOR THE HISTORIC PRESERVATION FUND (HPF)

Reaching every state and thousands of communities nationwide, the HPF is well-positioned to support our nation's economic recovery through job creation and community revitalization.

The National Trust is urging support for supplemental funding of $420 million for the Historic Preservation Fund (HPF). This request was included in a letter last year to Congress from the National Trust and 379 other preservation organizations and businesses. This request includes funding of $30 million for State Historic Preservation Officers (SHPOs), $15 million for Tribal Historic Preservation Officers (THPOs), and $75 million for SHPOs to allocate among the nation's 2,000 Certified Local Governments. As noted in greater detail starting on page 12, we also support $300 million for four competitive grant programs within the HPF that advance "bricks and mortar" job creating projects. *Additional justifications for this request are set forth on that page as well.*

The National Trust urges the Biden-Harris Administration to support supplemental funding of at least $420 million for the Historic Preservation Fund.[4]

3 PRIORITIZE DIRECT FEDERAL SUPPORT FOR MAIN STREET RECOVERY

The National Trust and our subsidiary Main Street America are urging Congress to provide funding for a Main Street Community Recovery and Revitalization program to support the critical work of Main Street partners that provide on-the-ground economic assistance to our nation's downtowns.

The National Trust supports the creation of a competitive grant program to assist local community development organizations as part of an economic relief or infrastructure package.[5]



LEFT: PAINTERS RESTORE THE STAR BEDROOM CEILING AT LYNDHURST IN TARRYTOWN, NEW YORK.
RIGHT: THE '13TH STREET ALLEY' IN ASTORIA, OREGON. COURTESY ASTORIA DOWNTOWN HISTORIC DISTRICT ASSOCIATION

4 SUPPORT HISTORIC TAX CREDIT PROVISIONS IN A FUTURE INFRASTRUCTURE PACKAGE

As part of the Moving Forward Act (H.R.2), there were several community development provisions designed to support infrastructure financing. These include major improvements to the HTC, including a temporary increase in the credit from 20 to 30 percent, provisions from the *Historic Tax Credit Growth and Opportunity Act*, and changes that would make it easier to use the HTC to rehabilitate public elementary and secondary schools. The legislation would also make the New Markets Tax Credit (NMTC) permanent at $5 billion in credit allocation a year. Additionally, it would allow the NMTC to be permanently taken against the alternative minimum tax and ensure that Tribal areas receive a proportional allocation. Enacting these provisions would spur significant revitalization efforts in diverse communities throughout the United States.

The National Trust encourages the Biden-Harris Administration to support including provisions of H.R. 2 that would have enhanced the federal historic tax credit, and made permanent provisions strengthening the NMTC in a future infrastructure proposal.

5 SUPPORT EFFORTS BY THE ACHP TO DEVELOP A PRESERVATION TRADES WORKFORCE

As the number of skilled workers in the construction trades has sharply reduced in recent years, the Advisory Council on Historic Preservation (ACHP) created a *Traditional Trades Training Task Force* to explore how the federal government might promote the development of a robust workforce in the skilled preservation trades. Restoration work on historic buildings simply cannot be done without skilled workers, making the training of new craftspeople a critical priority.

The National Trust encourages federal agency support for job training opportunities in traditional trades that would contribute to economic recovery and growth in America's communities.

6 PROVIDE FEDERAL OPPORTUNITIES FOR NTHP'S HOPE CREW PROGRAM

Since 2014, the National Trust for Historic Preservation's *Hands-On Preservation Experience (HOPE) Crew* has completed 165 projects and trained more than 750 young people—including veterans—and engaged over 3,700 volunteers in historic preservation trades. The program links preservation projects to local youth organizations and communities across the nation. HOPE Crews continue to preserve historic sites that exemplify the breadth and depth of America's past. From iconic Civil Rights monuments and Native American sacred sites to centuries-old cemeteries and battlefields, HOPE Crew offers enriching and tangible opportunities to connect us all to the past.

The National Trust encourages federal land managing agencies to collaborate with us to expand HOPE Crew opportunities.

Racial Equity

The Biden-Harris Administration has emphasized that a full economic recovery must also advance racial equity and that bold investments to advance racial equity and expand fair and affordable housing are core components of this strategy.



The National Trust is deeply committed to the social and policy objective using historic places to tell the full American story, especially where preserving that story means working through a difficult past to create a more inclusive future. We believe every American should be able to see themselves, their history, and their potential in both our collective story and our national landscape. In support of this work, the National Trust created the *African American Cultural Heritage Action Fund* in 2017 and we have reached our goal of raising $25 million for the largest preservation campaign ever undertaken on behalf of African American historic places. The primary components of this campaign are a national grant program that brings much-needed funds to historic sites and preservation organizations focused on Black history, and the National Trust's recently implemented Historically Black Colleges and Universities (HBCU) Campus Stewardship Initiative, supported by a Challenge Grant from the National Endowment for the Humanities. The overarching goal of these efforts is to protect and elevate the powerful places that tell the remarkable stories of African American activism and achievement in every aspect of our country's history.

The creation of fair and affordable housing is essential to advancing racial equity, especially as it brings resources to disinvested communities and combats physical and cultural displacement. The National Trust has explored these issues and the important role that historic preservation can play in addressing them in our recently released report *Preserving African American Places: Growing Preservation's Potential as a Path for Equity*.

In our work to expand opportunities to both preserve and create affordable housing, the National Trust supports better alignment of existing federal tax credit incentives to produce new affordable housing, and we support the preservation of market rate affordable housing, or naturally occurring affordable housing, as a critical component of a comprehensive housing affordability strategy. The most recent National Park Service report on Federal Tax Incentives for Rehabilitating Historic Buildings notes the HTC has helped rehabilitate or create more than 172,000 units of low-and moderate-income housing over the life of the program.[6] This program could produce even more affordable housing if changes were made that would incentivize more efficient pairing with the Low-Income Housing Tax Credit (LIHTC). HTC incentives are also successfully paired with HUD's Rental Assistance Demonstration program to create more affordable housing.[7] As older rental units become less affordable or are lost from the housing stock, new development is failing to fill the gap in lower-cost housing. Preserving market rate affordable housing is critically important and there are key opportunities for historic preservation to support retention of this diminishing building stock. As noted in the U.S. Department of Housing and Urban Development's recent report, older, modest-quality structures are a critically important subset of naturally occurring affordable housing.[8] State Historic Preservation Offices and Certified Local Governments play a key role in surveying and designating this subset of housing, which helps create opportunities to preserve and protect this naturally occurring building stock.[9]

Accordingly, the National Trust supports robust funding for the Historic Preservation Fund, which in part funds State Historic Preservation Officers (SHPOs), Tribal Historical Preservation Officers (THPOs), and Certified Local Governments that help advance social equity priorities, including the preservation of naturally occurring affordable housing. Within the context of HPF funding for THPOs, the National Trust urges the Administration to give due consideration to funding deficiencies that have undermined Tribal sovereignty objectives. Congress has provided steady increases of funding for THPOs. In FY17, Congress appropriated $10.485 million for THPOs and in FY 21 provided $15 million. Funding for THPOs has not, however, kept pace with the growing number of THPO offices. When the program began in



SWEET AUBURN HISTORIC DISTRICT, ATLANTA, GEORGIA. BY STAN KAADY

FY 1996, there were only 12 federally recognized THPOs with $79,875 awarded to each office. Comparatively, more than 20 years later, there are now 187 NPS-recognized THPOs that in FY19 received an average of $62,295 in funding for each office.

In recent years, Congress has provided significant funding for several initiatives that identify, protect, and elevate historic places that celebrate the stories of all Americans. There are important opportunities for the Biden-Harris Administration to build on these successes. For example, in FY14 the Obama-Biden Administration proposed a new competitive grant program for the survey and nomination of properties associated with communities underrepresented in the National Register of Historic Places and National Historic Landmarks. Recent studies had documented that less than 8 percent of such listings identify culturally diverse properties. Congress provided $500,000 in FY14 and subsequent years, with increases to $750,000 in FY19 and $1,000,000 in FY21. This modest funding has supported a remarkable variety of grants to expand the scope of stories recognized in our national preservation system, including:

- **Historic Context Study of Women's History and Suffrage in Washington, DC;**
- **Historic Context Study of Asian American Communities in Maryland;**
- **Survey and Inventory of Sac and Fox Nation Sites in Wisconsin;**
- **Document African American Properties for National Register nomination in Oregon;**
- **Multiple awards for LGBTQ Sites in NYC and New York; and**
- **Mission System Project to include Native American stories in California.**

In FY16, the Obama-Biden Administration proposed a new program of grants focused on preserving the sites and stories of the Civil Rights Movement and the African American experience. Congress provided initial funding of $8 million for the African American Civil Rights grants. Although the Trump Administration never recommended funding for this program, it has been embraced by Congress. Funding has steadily increased and in FY20, Congress expanded the program to include grants for Civil Rights for All Americans, including women, American Latino, Native American, Asian American and LGBTQ Americans. The FY21 appropriation was $16.75 million for African American Civil Rights and $3.375 million for the Civil Rights for All Americans initiative. Finally, as mentioned above, Congress has now funded the HBCU preservation program at its authorized level of $10 million in both FY20 and FY21.

Lastly, the National Trust applauds the Biden-Harris Administration's quick action directing review of the previous administration's revisions to the Council on Environmental Quality's regulations governing the National Environmental Policy Act (NEPA). In addition to diminishing our nation's ability to safeguard our environmental and cultural resources, the 2020 NEPA rulemaking limits opportunities for public comment, creating a significant new barrier to participating in federal decision-making that falls heaviest onto the minority communities that have historically been most burdened by pollution, cultural resource loss, and other harms.

The National Trust urges the Biden-Harris Administration to support fully funding the Historic Preservation Fund and recommends increasing its existing authorization of $150 million to more fully realize the potential of preservation programs and services that support racial equity objectives. As recommended above, the National Trust also encourages the Biden Administration to replace the recent NEPA regulations with particular attention to environmental justice concerns.

Climate Change

The Biden-Harris Administration is launching a national effort aimed at creating the jobs needed to build a modern, sustainable infrastructure and deliver an equitable clean energy future.


DUBUQUE IOWA, BY MATTHEW GILSON

The National Trust has long supported the idea that conserving, reusing, and retrofitting older buildings will lead to a more sustainable energy future. Building reuse can help decrease carbon emissions right away—when reductions are most important—and should be a core component of the nation's climate mitigation plan. Tax incentives and funding to retrofit older buildings will save energy and reduce carbon emissions while also creating new jobs and revitalizing communities.

To help communities adapt to the impacts of climate change, the National Trust supports investing in the capacity of state and Tribal preservation offices to fully map cultural resources. Improving data on the location of important historic sites will enable federal, state, and local governments to better coordinate protection and adaptation projects where historic sites and communities are threatened by sea level rise, flooding, wildfires, and other climate change impacts. As reported by the Advisory Council on Historic Preservation, improving the availability of digital and geospatial information about historic properties will help inform federal project planning.[10] Specific areas of policy recommendations include:

1 SUPPORT BUILDING REUSE AND RETROFITTING AS A CORE CLIMATE CHANGE STRATEGY

The Administration has outlined upgrading buildings and weatherizing homes over the next four years as an important component of its climate change strategy. The National Trust looks forward to working with the Administration to demonstrate how reusing and retrofitting historic properties can dramatically reduce carbon emissions. We offer several noteworthy points of reference as it relates to climate change and the built environment.

According to the International Energy Agency, buildings are responsible for 39 percent of total carbon emissions annually.[11] This includes both building operations (28 percent) and new construction (11 percent). In the United States, the American Institute of Architects estimates that the construction and operation of buildings produces close to 50 percent of total annual carbon emissions.[12] As noted in a recent report from the World Green Building Council, reusing existing buildings is a key strategy to avoid "upfront" carbon emissions from new construction. Research by the National Trust found that it can take between 10 and 80 years to overcome the carbon debt that is incurred when an existing building is demolished and replaced, even if the new structure is highly energy efficient.[13]

Federal historic tax credits result in more than 1,000 energy efficient building rehabilitations each year. Projects range from small Main Street commercial buildings to massive structures like the 1.5 million square foot Crossroads Concourse in Memphis, TN—the largest combined federal HTC *and* LEED Platinum adaptive use project in the world.[14] There are 125 million buildings in the US, of which more than 50 million are at least 50 years old. Only one percent of the building stock is replaced each year. Incentives and assistance is needed to help reduce carbon emissions from existing older buildings.[15] A recent report from the House Select Committee on the Climate Crisis points to the opportunity to expand federal HTC credits to benefit greater numbers of rehabilitation projects: "Re-expansion of the tax credit could help incentivize further building reuse beyond certified historic buildings and could be used to specifically incentivize reduction of embodied emissions associated with building construction if the non-historic credit provisions were tied to this goal."[16]

2 IMPROVE BASELINE DATA ON CULTURAL RESOURCES

The National Trust also advocates that with better mapping and coordination among federal agencies of historic properties and cultural sites, we will improve the resiliency and long-term protection of cultural resources threatened by climate change. Identifying vulnerable historic and cultural resources will help policymakers develop effective plans for adaptation strategies. State and Tribal Historic Preservation Officers play a key role in this effort. Federal land management agencies should also increase their survey and inventory of cultural resources and assess their significance in order to better inform land management and climate adaptation policies, planning, and implementation. Funding to enhance the capacity of these offices to map resources and more efficiently process the permits required for infrastructure developments should be included in any economic recovery or infrastructure development package.

3 PROMOTE APPROPRIATE RENEWABLE ENERGY DEVELOPMENT ON PUBLIC LANDS AND BUILDINGS

The continued and rapid shift to renewable energy sources is imperative to mitigate the causes of climate change. The National Trust fully supports this shift as well as the careful development of renewable energy projects on public lands and buildings. In addition to a moratorium on oil and gas development in these areas, we also support additional experience working on successful planning projects such as BLM's Solar Energy Program, which resulted in a Final Programmatic Environmental Impact Statement to facilitate utility-scale solar development in six southwestern states.[17] The General Services Administration (GSA) has a solar Advisory Committee that has made recommendations for GSA and other federal agencies to establish renewable energy outleasing programs that sell solar energy developed on public properties back into the energy grid. The National Trust supports this effort and has experience in siting solar installations on historic properties. In 2011, the National Trust worked together with the National Renewable Energies Laboratory to develop a report on siting solar on historic buildings.[18] Additionally, the National Trust Community Investment Corporation (NTCIC), a for-profit subsidiary of the National Trust, established NT Solar to finance the transformation of sustainable communities nationwide by leveraging solar Investment Tax Credits for commercial, municipal, residential, and utility installations. NT Solar focuses on solar investments that generate meaningful community impact by providing cost-effective energy options to low-income communities.[19] NT Solar has provided over $300 million in equity to support the production of solar energy projects that have generated over 300 MW in renewable energy.[20] We would welcome an opportunity to work closely with the Biden-Harris Administration to support continued solar development on federal historic properties.

4 INCLUDE HISTORIC PRESERVATION IN EFFORTS TO CONSERVE 30% OF LANDS AND WATERS BY 2030

The National Trust fully endorses the Biden Administration's push for additional land and water conservation to help mitigate the effects of climate change. In addition to working with state, local, and Tribal governments, as well as private landowners and other interested stakeholders as directed in Executive Order 14008, we urge the Administration to consult with members of the cultural and environmental nonprofit community, including the National Trust, to help set conservation priorities. The National Trust has long been a member of the Chesapeake Conservation Partnership (CCP), a large landscape collaborative that includes more than eighty federal and state agencies, Tribes, land trusts, and other non-profit organizations committed to land conservation and cultural heritage protection in the Chesapeake watershed. The CCP has worked to develop metrics that prioritize conservation efforts that protect multiple resource values, such as agricultural lands, lands important for habitat, as well as landscapes with significant cultural resource values. A similar approach, working together with existing large landscape conservation partnerships like the CCP, could help guide the Administration's approach to meeting the 30% conservation goal.

The National Trust urges the Biden-Harris Administration to mitigate climate impacts by adopting policies that promote building reuse and retrofits, improving baseline date on cultural resource protection, and examining historic preservation standards to ensure nationally significant historic buildings qualify for climate-related upgrades, as part of an overall climate strategy.

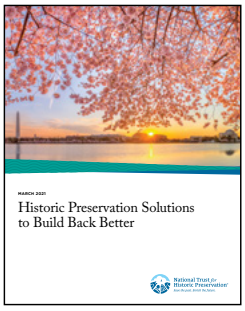


Policy, Budget, and Regulatory Priorities to Build Back Better through Preservation

DEPARTMENT OF THE INTERIOR/NATIONAL PARK SERVICE:

Historic Preservation Fund

As previously referenced in the "Economic Recovery" section, the National Trust and 379 other preservation organizations have urged Congress to provide a supplemental appropriation of $420 million for the Historic Preservation Fund to address our nation's post-pandemic economic recovery. This request included $30 million for SHPOs, $15 million for THPOs to enhance their digital capacity for survey, mapping and planning, and $75 million for SHPOs to allocate among the nation's 2,000 Certified Local Governments (CLGs). Grants to CLGs fund a wide variety of projects including surveys, National Register nominations, rehabilitation work, and education programs that support community efforts to preserve, protect and increase awareness of the nation's unique cultural heritage.[21] The request also included $300 million for four competitive grant programs that have received broad and increasing levels of support because they invest in places that tell the stories of all Americans.



https://forum.savingplaces.org/act/advocacy-resource-center

Last year, the National Trust completed an analysis of the bricks and mortar rehabilitation awards provided by these four competitive grant programs. Our analysis showed that historic rehabilitation projects generate locally sourced, well paid jobs.[22] Rehabilitation projects also tend to be more labor intensive than new construction, so work restoring historic buildings has a greater job-creating impact per dollar spent than new construction. In addition, seventy-five percent of the economic benefits of these projects stay on the ground, in state and local economies.[23]

NEEDED

$75M

Investment for each of these four Historic Preservation Fund grant programs.

HPF grant programs have become essential elements of preserving our nation's historic and cultural resources. The current economic crisis provides an opportunity to catalyze the economic and job-related benefits of historic rehabilitation and related resource programs. We strongly support investment of $75 million for each of the following existing and successful programs.



LEFT: BANNEKER HALL AT MORGAN STATE UNIVERSITY IN BALTIMORE, MD. MORGAN STATE IS A GRANTEE OF THE AACHAF HBCU CAMPUS STEWARDSHIP INITIATIVE. BY PAUL BURK.

RIGHT: FOUNDER'S LIBRARY AT HOWARD UNIVERSITY IN WASHINGTON, DC. BY ERROL WATKIS.

1 AFRICAN AMERICAN CIVIL RIGHTS GRANT PROGRAM

Between FY16 and FY19, Congress appropriated $48,500,000 to the African American Civil Rights grant program. That funding has supported 185 projects in 33 states and the District of Columbia that tell the stories and preserve the places of the twentieth-century civil rights movement. ***Significantly, 87 percent of awarded funds, totaling $40,895,212, supported bricks and mortar, job-creating projects.***

Among the iconic properties that have been rehabilitated with these grants are:

- **Alabama's 16th Street Baptist Church ($2,000,000 over 4 years);**
- **Arkansas's Little Rock Central High School ($1,498,000 over 3yrs);**
- **North Carolina's Pauli Murray Home; and**
- **Tennessee's Clayborn Temple ($900,000 over 2 years).**

In FY21, Congress provided a record $21,125,000 for this program, including $3,375,000 for the 2nd year of expansion of the program to preserve the sites and stories associate with securing civil rights for All Americans, including women, Latino, Native American, Alaska Native, Native Hawaiian, and LGBTQ Americans.

HIGHLIGHTS

$48.5M Congress appropriated funds between FY16 and FY19

87% of awarded funds supported bricks and mortar, job-creating projects.

185 projects in **33 states** and **D.C.**

In FY21, Congress provided a record

$21,125,000

2 HISTORICALLY BLACK COLLEGES AND UNIVERSITIES GRANT PROGRAM

In FY17, Congress renewed its commitment to preservation projects at Historically Black Colleges and Universities (HBCUs) and appropriated $16,300,000 between FY17 and FY19. ***All of these awards have supported bricks and mortar, job-creating projects.*** Among the 37 recipients have been:

- **Howard University in Washington, DC;**
- **Spelman College in Atlanta, GA;**
- **South Carolina State University in Orangeburg, SC; and**
- **Fisk University in Nashville, TN.**

When Congress enacted the 2009 Recovery Act, it appropriated $15,000,000 for HBCU preservation grants (21 projects received funding). Previously, between FY95 and FY06, Congress appropriated $44,354,000 to fund rehabilitation projects on HBCU campuses. Between FY95 and FY19, a cumulative $88,368,000 in funding has benefited nearly 190 projects in 19 states and the District of Columbia. In both FY20 and FY21, Congress provided the fully authorized level of $10,000,000.

HIGHLIGHTS

$16.3M Congress appropriated funds between FY17 and FY19

100% of awarded funds supported bricks and mortar, job-creating projects.

37 recipients

In both FY20 and FY21, Congress provided

$10,000,000

HIGHLIGHTS

$17.5M Congress appropriated funds between FY18 and FY20

100% of awarded funds supported bricks and mortar, job-creating projects.

to revive historic properties in rural communities in **13 states**

In both FY20 and FY21, Congress provided
$7,500,000

3 PAUL BRUHN HISTORIC REVITALIZATION GRANTS

In FY18, due to the leadership of Senator Patrick Leahy, Congress created a new grant program, now named Paul Bruhn Historic Revitalization Grants. The program, based upon the highly successful Vermont Village Revitalization Initiative, received $17,500,000 in FY18 through FY20 to revive historic properties in rural communities in 13 states throughout the nation. ***All of these projects are bricks and mortar, job-creating projects.***

4 SAVE AMERICA'S TREASURES

Finally, another storied grant program, Save America's Treasures (SAT), has funded bricks and mortar projects, as well as preservation and conservation work for collections, including artifacts, museum collections, documents, and works of art in all 50 states, the District of Columbia, Puerto Rico, and Midway Island. The National Trust played a central role in the creation of the SAT program during the Clinton Administration and is highly supportive of its impactful and inclusive grantmaking.

In FY17, the program was revived, due to the strong leadership of Congresswoman Betty McCollum. Congress appropriated $18,000,000 in FY17 and FY18, supporting a total of 57 grants, including 36 grants for preservation projects. ***A total of $12,508,837, or 72 percent of the awarded funding, have gone to bricks and mortar, job-creating projects in 27 states and the District of Columbia.*** The remainder of the funding conserved museum collections and objects. FY19 and FY20 grants have not yet been awarded. In FY21, Congress appropriated $25 million for this program. Several recent bricks and mortar projects include:

- **California's Frank Lloyd Wright designed Hollyhock Aline Barnsdall Complex;**
- **Maine's Olson House (site of Andrew Wyeth's iconic "Christina's World"); and**
- **Wisconsin's National Soldiers Home Residences ("Old Main").**

Between FY99 and FY10, the program awarded $315,317,598 to 1,269 projects in the form of both competitive grants and Congressionally-designated projects. Early awards included bricks and mortar projects at many National Trust Historic Sites and other properties including:

- **Alaska's Sitka Pioneer Home and Holy Assumption Orthodox Church;**
- **Minnesota's Fort Snelling;**
- **New Mexico's Acoma Pueblo and Manhattan Project Buildings;**
- **New York's Susan B. Anthony House, Harriet Tubman Historic Sites, and the Lower East Side Tenement Museum; and**
- **Washington D.C.'s Sewell-Belmont House (now the Belmont-Paul Women's Equality National Monument).**

HIGHLIGHTS

$18M Congress appropriated funds in FY17 and FY18

72% of awarded funds supported bricks and mortar, job-creating projects.

57 grants including 36 for preservation projects

In FY21, Congress appropriated
$25,000,000



THE APARTMENT AT 97 ORCHARD STREET, THE LOWER EAST SIDE TENEMENT MUSEUM IS AN AFFILIATED SITE OF BOTH THE NATIONAL PARK SERVICE AND THE NATIONAL TRUST FOR HISTORIC PRESERVATION. BY ALAN BATT.

DEPARTMENT OF THE INTERIOR/NATIONAL PARK SERVICE:

Protecting Diverse Cultural Places

The National Park System is one of our nation's best ideas—a network of 423 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, which includes preserving and protecting numerous historic and cultural sites.

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 federal funding, the National Park System faces a deferred maintenance backlog estimated at nearly $12 billion, and according to FY2018 data, 49 percent of the backlog 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 robust 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 *National Mall Tidal Basin* is threatened by as much as $500 million in deferred maintenance needs. Daily flooding, crumbling infrastructure, and damaged cherry tree roots threaten the integrity of one of America's most iconic places. In partnership with the National Park Service, the National Trust and the Trust for the National Mall collaborated to sponsor the *Tidal Basin Ideas Lab* that brings together five leading American landscape architecture firms to exchange ideas, develop proposals, and engage the public about the future of the Tidal Basin. We look forward to supporting the National Park Service as they evaluate the resources offered by the Tidal Basin Ideas Lab and developing a plan for addressing the long-term sustainability of this highly significant and dynamic cultural landscape.

Enactment of the *Great American Outdoors Act* (GAOA) secured an investment of up to $9.5 billion to repair historic and other assets of the NPS and other federal agencies and fully funds the Land and Water Conservation Fund (LWCF) at $900 million annually. These once-in-a-generation investments will significantly benefit our nation's historic and cultural resources by providing jobs, boosting economic activity, and preserving the historic places that define and inspire us as a nation.

NEEDED

$12B

Estimated NPS deferred maintenance backlog

49%

of backlog is attributed to historic assets.

$9.5B

GAOA secured investment to repair historic and other federal agency assets.

As the Administration works with Congress to continue addressing the NPS deferred maintenance backlog and implement this landmark legislation, we respectfully recommend the following:

Policy Recommendations:

- PUBLIC ENGAGEMENT: **Utilize the expertise and resources of the coalition that advocated for the GAOA and sustain an open line of communication and dialogue over the life of the program. The National Trust and our partners collaborated closely on the genesis of legislative efforts in the House and Senate that produced several iterations of policy language over four years and culminated in passage of the GAOA. The broad coalition, which includes substantial participation by the historic preservation community, has a vested interest in the successful implementation of this initiative.**
- ROBUST APPROPRIATIONS: **The GAOA provides a significant multi-billion-dollar investment in addressing the NPS deferred maintenance backlog, however almost half of the deferred maintenance backlog will remain unaddressed by the new funding source and many crucial repairs will still be needed. We strongly urge the continuation of robust levels of funding for the three principal accounts that help address the backlog, namely for Line Item Construction, Repair and Rehabilitation, and Cyclic Maintenance.**
- STAFFING INVESTMENTS: **Crucial to the implementation of the GAOA and successful execution of much-needed repair projects is the increased investment in NPS staffing and related resources. In the case of projects tackling the maintenance backlog of historic structures within the National Park System, cultural resources staff and SHPOs nationwide will assume an added workload for required review, evaluation, and implementation of projects. We urge the Administration to prioritize investments in additional staff and resources to secure the necessary expertise and capacity, while helping to alleviate the financial hardship for SHPOs and other staff as they implement this landmark legislation.**
- HISTORIC LEASING: **In addition to much needed financial investments, 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. We urge the NPS to expand its use of historic leasing partnerships that will 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 activate historic buildings in new and market-driven ways.**

LAND AND WATER CONSERVATION FUND (LWCF)

The conservation and preservation communities were thrilled when Congress enacted the GAOA last summer, including the long-sought full and permanent funding for LWCF and also a dedicated fund to address the maintenance backlog of the National Parks and other federal lands. We applaud the Administration for its rescission of former Secretary of the Interior's widely criticized November 13 Secretarial Order on the LWCF and implementation of the Great American Outdoors Act.

The LWCF has provided approximately $600 million to acquire key properties in such significant historical and cultural parks as: Martin Luther King Jr. National Historical Park, Chaco Culture National Historic Park, Manzanar National Historic Site, and Harpers Ferry National Historic Park. LWCF has also funded acquisition of lands within numerous battlefields, including Valley Forge National Historical Park, Gettysburg National Historic Park and Appomattox Court House National Historic Park. We look forward to robust funding for historic properties throughout the nation including at such significant BLM Land Management Sites as Canyons of the Ancients and Great Bend of the Gila.

NEEDED

$600M

to acquire key properties in historical and cultural parks.



THE RECONSTRUCTION ERA NATIONAL MONUMENT, ORIGINALLY DESIGNED IN JANUARY 2017, WAS RE-ESTABLISHED IN 2019 AS THE RECONSTRUCTION ERA NATIONAL HISTORICAL PARK LOCATED IN BEAUFORT COUNTY, SOUTH CAROLINA. COURTESY J. CADOFF/NATIONAL PARK SERVICE

DEPARTMENT OF THE INTERIOR/NATIONAL PARK SERVICE

Network Programs

The Biden-Harris Administration has a remarkable opportunity to build upon and enhance the National Underground Railroad Network to Freedom (established in 1998), the African American Civil Rights Network (established in 2018) and the Reconstruction Era National Historic Network (established in 2019). Each of these Networks offers an opportunity for the National Park Service to identify sites, provide technical assistance and commemorate historic places in federal, state, local or private ownership that tell the stories of struggle, resistance, and freedom. The Underground Railroad Network provided $2 million in grants for 115 projects between 2002 and 2014. Legislative authorization will be necessary to reestablish and expand this modest grant program. Congress provided additional modest funding for these Networks in the FY20 and FY21 appropriations bills. We urge the Administration to request at least $1 million for each of these Networks in the FY 22 budget.

Existing National Underground Railroad Network to Freedom sites include:

- Boston's African Meeting House; and
- Harriet Tubman Undergrounds Railroad National Historical Park.

Existing African American Civil Rights Network sites include:

- DOI Mural of Marian Anderson singing at the Lincoln Memorial
- Little Rock Central High School;
- Medgar and Myrlie Evers Home National Monument; and the
- Carter G. Woodson National Historic Site.

Existing Reconstruction Era National Network sites include:

- Reconstruction Era National Historical Park;
- Claflin University;
- Booker T. Washington National Monument;
- Nicodemus National Historical Park; and the
- Frederick Douglass National Historic Site.

HIGHLIGHTS

$2M The Underground Railroad Network provided in grants between 2002 and 2014.

115 projects

DEPARTMENT OF THE INTERIOR/NATIONAL PARK SERVICE

International Park Affairs

We urge the Administration to request $2.1 million for the International Park Affairs program in the FY 22 budget. This office provides essential support for United States participation in the World Heritage Convention, including engagement with the existing World Heritage Sites in the United States, which include 18 managed by the National Park Service. NPS World Heritage Sites include Chaco Culture, Mesa Verde, Independence Hall, Statue of Liberty, Grand Canyon National Park and Hawaii Volcanoes National Park. Other U.S. sites include Taos Pueblo, Cahokia Mounds, and Poverty Point. This office is also responsible for selecting sites for World Heritage Tentative List, including a nomination of Civil Rights Movement sites in several southern states and Hopewell Ceremonial Earthworks in Ohio. We also look forward to working with the Administration, including the Department of State, to address the separate and ongoing issue of the United States payment of dues to the international World Heritage Fund.

HIGHLIGHTS

1981 HTC was created. Since then, the HTC has resulted in:

45,000
adapted historic buildings into new and economically productive uses

2.8M jobs created

Since inception in FY1978

$32.9B
in credits have been issued

$38.1B
collected from tax revenue directly linked

$174B total development activity generated

DEPARTMENT OF THE INTERIOR/NATIONAL PARK SERVICE

Historic Tax Credit

The federal Historic Tax Credit (HTC) was created in 1981 as a tool to drive economic development through the restoration and reuse of America's historic buildings. The HTC is administered by the National Park Service and the Internal Revenue Service, in conjunction with the State Historic Preservation Offices, and is used to rehabilitate historic properties including schools, warehouses, factories, retail stores, apartments, hotels and office buildings throughout the country.

The HTC is the most significant federal investment in historic preservation and the credit has returned dividends to the American taxpayer. Over the life of the program, the HTC has created more than 2.8 million jobs and adapted over 45,000 historic buildings into new and economically productive uses. Moreover, this tax credit is an investment that generates revenue for the Department of Treasury. Since its inception, just over $32.9 billion in credits have been issued, but more than $38.1 billion has been collected from tax revenue directly linked to the rehabilitation of historic buildings.[24] In total, the federal historic tax credit (HTC) has generated more than $174 billion in economic development activity.[25]

Historic buildings provide tangible links to our past. They are the places that express the distinctive and unique heritage of our cities, towns and rural communities. HTCs promote the rehabilitation of historic structures of every period, size, style, and type, and are frequently used in our most economically distressed communities. The National Park Service FY19 report indicates that 47 percent of HTC projects are located in low- and moderate-income census tracts and 74 percent of HTC projects are in economically distressed areas.[26] HTCs are a proven, bipartisan solution to support community revitalization and economic recovery.



SCHMIDT ARTIST LOFTS, ST. PAUL, MINNESOTA USED HISTORIC TAX CREDITS. BY JASON KEEN

Policy Recommendations:

- SUPPORT INCLUSION OF ENHANCEMENTS TO THE HTC IN FUTURE INFRASTRUCTURE LEGISLATION. Federal HTCs are an integral component of rehabilitation financing that give historic properties greater potential for modern reuse and the ability to compete with new construction. HTCs have helped ensure the successful rehabilitation of smaller projects along our nation's Main Streets as well as larger projects in our big cities.
- TEMPORARILY INCREASE THE HTC FROM 20 TO 30 PERCENT TO ASSIST WITH OUR NATION'S ECONOMIC RECOVERY. Increasing the HTC incentive for all projects over the next several years will help ensure historic rehabilitation projects will continue to support community revitalization when they need it most. The HTC was similarly increased in the Emergency Economic Stabilization Act of 2008 to address flooding, tornado and severe weather damage in Arkansas, Illinois, Indiana, Iowa, Kansas, Michigan, Missouri, Minnesota, Nebraska and Wisconsin. The data show these temporary increases to the HTC exponentially increase rehabilitation activity, stimulate job creation, and catalyze additional community investment that would not otherwise occur.
- SUPPORT BIPARTISAN REFORMS TO THE HISTORIC TAX CREDIT. In the 116th Congress, the Historic Tax Credit Growth and Opportunity Act, (H.R. 2825 / S.2615), proposed improvements and enhancements to the 20 percent credit to encourage additional building reuse and redevelopment in small, midsize, and rural communities. This legislation would have made rehabilitation of community-inspired projects like theaters, libraries, and schools easier to accomplish. Finally, the bill would have made more historic properties eligible for rehabilitation and reuse by updating program requirements to reflect current financing practices. The National Trust strongly supports reintroduction of this legislation at the start of the 117th Congress.
- SUPPORT EFFORTS TO REESTABLISH AN OLDER BUILDING TAX CREDIT DESIGNED TO PROMOTE EQUITABLE REDEVELOPMENT. Prior to passage of the Tax Cut and Jobs Act, rehabilitation tax credits included a 10 percent credit for the rehabilitation of older, non-residential buildings built before 1936. The 10 percent rehabilitation tax credit provided an important alternative for projects that were older, but not contributing structures in historic districts or individually listed on the National Register of Historic Places. The 10 percent credit was long used to promote the efficient use of existing building stock by rehabilitating and revitalizing older buildings in the urban core and in older neighborhoods rather than wastefully tearing them down and rebuilding at a greater cost. The National Trust supports reestablishing an older building tax credit that would facilitate equitable and sustainable reuse of our existing building stock.
- IDENTIFY OPPORTUNITIES TO SHOWCASE IMPACTFUL HTC PROJECTS. The Administration, including the Secretary of the Interior and the Director of the National Park Service, should highlight select NPS-reviewed HTC projects that demonstrate the economic development and job creating impacts of this successful program.

DEPARTMENT OF THE INTERIOR/BUREAU OF LAND MANAGEMENT

Restore Capacity to Steward Cultural and Natural Resources

The Bureau of Land Management (BLM) has responsibility for nearly 250 million surface acres of land—roughly 1 in every 10 acres of land in the United States—and more than 700 million acres of subsurface mineral resources. These public lands contain the largest, the most diverse, and the most scientifically important body of cultural resources managed by any federal agency.

The Trump Administration dramatically reorganized and weakened this agency, from its early decision in 2017 to rescind the Obama Administration's Planning 2.0 Rule through the Congressional Review Act to its relocation of the agency's Washington headquarters in late 2019. As noted earlier, these actions should be reversed so that the agency has the staff and regulatory framework to fulfill its obligations to steward public lands and engage in meaningful Tribal consultation.

HIGHLIGHTS

250M Surface acres of land that BLM is responsible for in the United States.

1 in 10 acres including more than

700M acres of subsurface mineral resources

$21.131M Cultural Resources Program in FY22

$65.131M National Conservation Lands in FY22

We look forward to the Biden-Harris Administration making the investments necessary for the agency to enhance our nation's remarkable system of National Conservation Lands and to enhance its Cultural Resources Management Account. Congress has increased this budget in both FY20 and FY21 with specific direction that increases support for the National Cultural Resources Information Management System, one of the nation's most innovative programs to support predictive modeling to enhance planning for large-scale, cross jurisdictional land-use projects. We urge the Administration to include $21.131 million for the agency's Cultural Resources Program and $65.131 million for the National Conservation Lands in the FY 22 budget.



16TH STREET BAPTIST CHURCH IN BIRMINGHAM, ALABAMA. BY MARK SANDLIN



GRAND STAIRCASE ESCALANTE NATIONAL MONUMENT, UTAH. BY JAMES KAY



DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Historic Preservation as a Tool for the Preservation and Creation of Affordable Housing

The National Trust supports the adaptive reuse of older and historic buildings as a way to help address affordable housing needs. Our research shows that historic preservation is not a significant barrier to the creation of affordable housing; and, in fact, preservation incentives, regulations and administrative practices can help retain valuable existing affordable housing and create new units through rehabilitation of vacant and underused structures.[27]

Department of Housing and Urban Development (HUD) programs have long supported the use of historic properties for affordable housing, economic development, and community revitalization.[28] To encourage more rehabilitation of historic buildings utilizing HUD programs, we urge the Administration to consider several policy recommendations. These include strengthening and aligning historic preservation incentives with HUD programs to create more affordable housing; demonstrating that historic preservation is not a significant barrier to the creation of affordable housing, but rather an approach that supports both the preservation and creation of affordable housing; ensuring federal policy adequately supports the preservation of market rate affordable housing; and noting how attempts to increase density by demolishing historic properties are unlikely to produce the affordable housing results communities require.

Policy recommendations:

- **SUPPORT BETTER ALIGNMENT OF EXISTING INCENTIVES FOR HOUSING CREATION.** **Introduced in the 116th Congress by Senators Cassidy and Cardin in the Senate, and Representatives Blumenauer and LaHood in the House, the Historic Tax Credit Growth and Opportunity Act (S. 2615 / H.R. 2825) ("HTC-GO") proposed to eliminate the Internal Revenue Code requirement that a building's tax basis must be reduced by the amount of the HTC. Because Low Income Housing Tax Credits (LIHTC) are determined as a percentage of the qualified basis of a property, when LIHTCs are combined with HTCs, the basis reduction requirement has the unintended consequence of significantly reducing the amount of equity that otherwise could be made available to a project. Enactment of this provision would make historic preservation projects more attractive to affordable housing developers and eliminate the current IRC impediment that results when combining these two incentives.**
- **EXPAND COMMUNITY DEVELOPMENT BLOCK GRANT AWARDS FOR OLDER AND HISTORIC BUILDING REHABILITATION.** **HUD's Section 108 Loan Guarantee program provides Community Development Block Grant (CDBG) recipients with the ability to leverage their annual grant allocation to access low-cost, flexible financing for economic development, housing, public facility, and infrastructure projects. Section 108's unique flexibility and range of applications makes it one of the most potent and important public investment tools that HUD offers to state and local governments. The program's flexible repayment terms make it ideal for layering with other sources of community and economic development financing including, but not limited to, HTCs, LIHTCs, New Markets Tax Credits (NMTCs), and Opportunity Zone (OZ) equity investments.[29] The National Trust endorses a policy of including non-profit developers, Housing Financing Agencies (HFAs) and Community Development Corporations (CDCs) as eligible community entities that could combine HTCs with the Section 108 loan guarantees for rehabilitation of properties 50 years or older. The National Trust supports a significant expansion of CDBG awards that are available for loan guarantee financing for rehabilitation of older and historic buildings.**
- **IDENTIFY OPPORTUNITIES TO BETTER UTILIZE HTCs WITHIN EXISTING HUD PROGRAMS.** **In 2012, the Federal Housing Administration (FHA) launched a program to streamline mortgage insurance applications for Section 223(f) Program projects with equity from the sale of Low-Income Housing Tax Credits. In 2019, FHA announced it would expand the program to include new construction and substantial rehabilitation of multifamily housing for its Section 221(d)(4) and Section 220 programs. In its notice announcing the expansion of the program, however, FHA specified that projects involving HTCs are not eligible for the Expedited Approval Process or the Standard Approval Process.**



THE RESTORATION AND ADAPTATION OF PAGE WOODSON SCHOOL, OKLAHOMA CITY, INTO AFFORDABLE HOUSING IS A SOURCE OF PRIDE FOR FORMER STUDENTS OF THE ONCE-SEGREGATED SCHOOL. BY JUSTIN CLEMONS

HUD's loan programs are commonly used in conjunction with HTC financing. Over the life of the HTC program, tens of thousands of low- and moderate- income housing units benefited from use of HTCs, a significant portion of which used both HTC and LIHTC incentives to produce affordable housing in previously underutilized historic properties or used HTC with HUD loan programs to develop affordable or mixed income properties without LIHTC. While combining the credits can be complicated, it has become a common industry practice to use one or more credits in transactions that also include HUD's loan products. HTC projects that have had their rehabilitation plans approved by State Historic Preservation Offices and the National Park Service are considered "shovel ready" and the HTC approval process from this point forward is unlikely to delay an expedited review of the HUD loan product.

HTC projects that revitalize historic properties for affordable and mixed-income housing benefit communities from both an economic and social welfare standpoint, and HUD is in a position to bring multiple federal resources to bear to support and coordinate economic development and revitalization strategies. Accordingly, we urge HUD to reevaluate HTC project eligibility for FHA's expedited loan programs provided that the project is able to meet HUD's expedited timelines and regular approval processes.

- PROMOTE POLICIES THAT SUPPORT THE PRESERVATION OF MARKET RATE AFFORDABLE HOUSING. Approximately three quarters of the nation's existing affordable housing consists of privately financed and managed units, what some have referred to as "Naturally Occurring Affordable Housing" or "NOAH." Many of these units are in older neighborhoods. Recent research conducted by the National Trust across 50 large American cities shows that urban neighborhoods with concentrations of older, smaller buildings have higher percentages of affordable housing units than areas where larger, newer buildings predominate.[30] Local landmark ordinances and other planning tools can help communities conserve this valuable affordable housing stock while also allowing additions and new infill construction. For example, enactment of a non-historic credit to help rehabilitate older buildings and structures (50 years or older) would be a major incentive to preserve these properties for affordable housing and prevent demolition. In addition, this non-historic credit could be increased for rehabilitated properties that are close to public transit and other transportation centers.

The National Trust for Historic Preservation appreciates the opportunity to describe immediate and longer-term historic preservation solutions for the Biden-Harris Administration to build back better. We share the Administration's optimism for an equitable social and economic recovery for all Americans, and we strongly support the Administration's leadership in this regard. The historic preservation movement is poised to help the Administration achieve its goals for community revitalization and economic development, preserving a broader historic context and racial equity, and fostering a culture of reuse as a response to climate change. We look forward to working with the Biden-Harris Administration and welcome the opportunity to discuss these priorities in more detail.

Endnotes

[1] The National Trust for Historic Preservation in the United States is a private nonprofit organization chartered by Congress in 1949 to "facilitate public participation" in the preservation of our nation's heritage, and to further the historic preservation policy of the United States. See 54 U.S.C. § 312102(a). With more than one million members and supporters around the country, the National Trust works to protect significant historic sites and to advocate for historic preservation as a fundamental value in programs and policies at all levels of government. In addition, the National Trust has been designated by Congress as a member of the federal Advisory Council on Historic Preservation, which is responsible for advising the President and the Congress on national historic preservation policy, and working with federal agencies to implement compliance with Section 106 of the National Historic Preservation Act. Id. §§ 304101(8), 304108(a).

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[15] US Energy Information Agency, Commercial Buildings Energy Consumption Survey, 2012, and the US Energy Information Agency, Residential Energy Consumption Survey, 2015.

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[17] Bureau of Land Management, Solar Energy Program, Western Solar Plan, Final Programmatic Environmental Impact Statement, 2012.

[18] National Renewable Energy Laboratory and National Trust for Historic Preservation, Implementing Solar PV Projects on Historic Buildings and in Historic Districts, 2011.

[19] National Trust Community Investment Corporation, Solar Tax Credits

[20] Id.

[21] Department of the Interior, National Park Service, Cultural Resources, Partnerships and Science Directorate, Certified Local Government Program

[22] National Trust for Historic Preservation, Prepared by PlaceEconomics, *The Federal Historic Tax Credit: Transforming Communities*, 2014.

[23] PlaceEconomics, *Twenty-four Reasons Historic Preservation is Good for Your Community*, 2020

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[26] Id.

[27] National Trust for Historic Preservation, *Comment Letter to HUD on Barriers to Affordable Housing*, 2020.

[28] Department of Housing and Urban Development, HUD Exchange—Historic Preservation, Resources and assistance to support HUD's Community Partners.

[29] Department of Housing and Urban Development, HUD EXCHANGE, Section 108 Loan Guarantee Program.

[30] National Trust for Historic Preservation, *Comment Letter to HUD on Barriers to Affordable Housing*, 2020.



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