

Historic Preservation Fund Appropriations
 for **State Historic Preservation Offices** FY 2005
 Restore Funding to America's Heritage Resources

Status:

On February 2, 2004, President Bush delivered his FY 2005 budget to Congress. The administration request calls for a *third* year of level funding for the foundation of the national preservation program: the State Historic Preservation Offices (SHPOs). This level represents a decrease of some 26% since FY 2001. This decline, coupled with unprecedented state budget cuts, is proving catastrophic in many communities. At a time when local governments, citizens and the private sector are increasingly turning to SHPOs for leadership and assistance, many state preservation offices have been forced to curtail the very programs that stimulate historic preservation, revitalize communities, leverage private investment, and promote heritage tourism.

Funding for State Historic Preservation Offices (in millions of dollars):

FY01	FY02	FY03	FY 04	FY 05 President	FY 05 Request
46.6	39	33.7	34.5	34.5	50

The Request:

An investment of \$50 million in FY 2005 to the State Historic Preservation Offices through the Department of Interior Appropriations Bill will be multiplied many times over. Indeed, a recent university sponsored study indicates that just \$1 in federal preservation funding returns \$64 in private investment. In a year of severe budget constraints, the proven catalytic effect of historic preservation makes a funding increase to state preservation offices particularly advantageous.

Below is a detailed summary of how a \$15.5 million increase to the State Historic Preservation Offices will leverage significant private investment in the rehabilitation and reuse of historic buildings, build private-public partnerships to restore and revitalize neighborhoods, facilitate more timely and effective state-level review of federal projects, and ensure the protection of hundreds of historic structures and sites.

The application of \$50 million in FY 2005 - What SHPOs will do with increased funding:

Thirty-five years ago, the National Historic Preservation Act (NHPA) established a set of incentives and programs supported by the Historic Preservation Fund to foster local decision making and redirect private investment to existing resources. NHPA charged State Historic Preservation Offices with carrying out the nation's historic preservation program for federal government.

LEGISLATIVE BRIEFING

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For example, SHPOs work closely with the private sector to encourage and support reinvestment in historic resources through use of the federal Historic Rehabilitation Tax Credit. SHPOs provide technical assistance and expertise to local officials and community groups seeking to restore and promote their unique neighborhood assets. Often, SHPOs are the first place a citizen turns when trying to save a local landmark. Yet, without adequate funding, SHPOs can not contribute fully toward achieving our nation's historic resource protection objectives. A \$50 million appropriation would ensure that SHPOs are able to deliver the programs and services that give citizens what they need to protect and rebuild America and create healthful and attractive communities for themselves and their children.

National Historic Preservation Act Program Area

Program Accomplishments at a \$50 million appropriation in FY 2005

- **Historic Rehabilitation Tax Credit**
 - \$4 billion private investment in FY 2005 – up 33% from FY 2004
 - 1,400 new projects approved – up 10% from FY 2004
 - Expedited review and certification
 - Marketing of credit through education and outreach
 - Private sector training through workshops
 - Increased consultation with developers
 - More frequent site visits and aid with project implementation
 - Ability to work more closely with owners and developers
- **Grants-in-Aid**
 - \$5 million in direct project funding – up from \$0 in FY 2004
 - Economic stimulus for community revitalization
 - Increased job creation using skilled workers
- **Section 106 reviews**
 - Expedited review times for applications
 - More frequent site visits
 - Ability to work collaboratively with federal agencies
 - Conduct workshops, offer assistance to agencies and applicants
- **Certified Local Government assistance**
 - Increase number of CLGs by 33% – to total of 1,850 CLGs
 - \$7 million in pass-through grants from SHPOs to local communities – doubles current level
- **Preserve America Initiative**
 - Assist local governments with Preserve America program
 - Promote initiative
 - Establish public outreach program
- **National Register and historic site survey**
 - 10% increase in listings annually
 - Initiate thorough and strategic resource surveys
 - Assist applicants in researching and completing nominations
- **American history education**
 - Publish documentation on historic sites
 - Create teacher guides that use local landmarks to teach history
- **Heritage Tourism**
 - 30% of state offices will launch programs that promote and assist state heritage tourism programs -- up from less than 5% in FY 2004