Defense Infrastructure

Historic Properties within the Department of Defense

Statement of Henry L. Hinton, Jr., Managing Director, Defense Capabilities and Management
I am pleased to be here today to discuss the management of historic properties within the Department of Defense (DOD), the current and projected inventory of these properties, and the cost to maintain these properties. My testimony is based on the preliminary results of work we have done in response to a legislative mandate included in the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, which required us to determine the reliability of the services current and projected inventory of historic properties and the availability of data on the cost of maintaining and repairing these properties. Before discussing our specific observations, I would like to briefly summarize the key points in my statement.
Mr. Chairman and Members of the Subcommittee:

I am pleased to be here today to discuss the management of historic properties within the Department of Defense (DOD), the current and projected inventory of these properties, and the cost to maintain these properties. My testimony is based on the preliminary results of work we have done in response to a legislative mandate included in the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, which required us to determine the reliability of the services' current and projected inventory of historic properties and the availability of data on the cost of maintaining and repairing these properties. Before discussing our specific observations, I would like to briefly summarize the key points in my statement.

RESULTS IN BRIEF
To be designated historic, a property must meet criteria specified in the Historic Preservation Act of 1966 such as being associated with historic events or people or being architecturally significant. The Office of the Secretary of Defense and the service headquarters provide overall policy guidance as well as have negotiated agreements regarding treatment of certain types of historic properties across the Department or respective services. However, the majority of the decisions regarding historic properties are made at the installation level. The installations are responsible for identifying and evaluating properties to determine if they meet the criteria to be eligible for listing on the National Register as well as maintaining all properties that are listed on or have been determined eligible for listing on the National Register.

Based on our work thus far, the military services do not have complete and reliable data on the number of its historic properties. None of the services have a centralized database that comprehensively identifies all of their respective historic properties. Available data indicates

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1There are five types of historic properties. Buildings are defined as any construction sheltering human activity. Structures are defined as any constructions other than for human shelter and include such items as airplanes, bridges, and highways. Objects are distinguished from buildings and structures based on being artistic in nature and small in scale and include monuments, boundary markers, and statuary. A site is a location of significance such as a battlefield, cemetery, or shipwreck and also includes archeological locations. A district is defined as “possessing a significant concentration, linkage, or continuity of buildings, structures, objects, or sites united historically or aesthetically by plan or physical development.”
that the services have about 17,300 historic properties-about 10,100 in the Army. This represents less than 5 percent of all Department of Defense facilities and most of the historic buildings are in use. However, because of inconsistencies between the services’ real property databases and cultural resource records, and the lack of an inventory of properties that are eligible for listing on the National Register, the reliability of this number is questionable. Further, while there is a large number of properties that need to be evaluated over the next 10 years, it is uncertain how many of these properties will meet the criteria and become eligible for listing on the National Register.

Data is not readily available to identify the costs of maintaining historic properties or to separately account for repairs related to the historic aspects of these properties. The Services do not account separately for or otherwise distinguish between money spent to maintain and repair historic properties and that spent on non-historic properties. Cost data we examined at several installations showed that overall, the day-to-day maintenance conducted on historic properties was similar to maintenance on non-historic properties. However, the costs of such maintenance can be proportionally greater where historic properties are larger in size than current military requirements. This is especially true of historic military family housing. At the same time, replacement of unique historical features such as large porches, windows, and slate or tile roofs can result in higher maintenance and repair costs for historic properties in the year the work is performed.

BACKGROUND

The National Historic Preservation Act of 1966 established a national historic preservation program to provide for the ongoing identification and protection of historic properties. Under the act, an historic property is any building, structure, object, site, or district included in or eligible for inclusion in the National Register of Historic Places. To be eligible for the National Register, a property must meet one of the following four criteria: (1) be associated with significant historic events or activities, (2) be associated with people important in our past, (3) embody distinctive design or physical characteristics, or (4) have the potential to

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2 This figure is limited to buildings and structures and excludes World War II wood buildings that have been approved for demolition.

provide important information about prehistory or history. In addition, the property generally has to be 50 years of age or older.

The act generally requires federal agencies to identify, evaluate, and nominate historic properties under agency control to the National Register. DOD requires each installation to prepare a cultural resource management plan every 5 years to satisfy this requirement. The plan includes an inventory of all properties that are listed on or have been determined eligible for listing on the National Register as well as an evaluation of properties that will reach 50 years of age over the time period covered by the plan.

The act also requires that federal agencies (1) consider the effects of any maintenance, repair, or renovation on historic properties—both those listed and eligible for listing in the National Register, and (2) consult with the State Historic Preservation Officers to reach an agreement regarding actions that affect historic properties that is beneficial to all. Thus, when installation officials are about to begin work on a property either on or eligible for inclusion on the National Register, they should consult with the state about what work will be accomplished and what materials will be used, however, responsibility for funding the work remains with the Department of Defense.

**INSTALLATIONS ARE PRIMARILY RESPONSIBLE FOR MANAGEMENT OF HISTORIC PROPERTIES**

The Office of the Secretary of Defense and the service headquarters have provided overall policy guidance for the historic properties program as well as negotiated agreements regarding treatment of certain types of historic properties across DOD or their respective service. However, the majority of the decisions regarding historic properties are made at the installation level. The installations are responsible for identifying and evaluating properties to determine if they meet the criteria to be eligible for listing on the National Register as well as maintaining all properties that are listed on or have been determined eligible for the National Register.

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4The National Park Service administers the National Register.
The Office of the Secretary of Defense has issued policy guidance on cultural resources management, which requires each of the service headquarters to develop a cultural resources program and each installation to develop a cultural resources management plan, which should include an inventory of historic properties. In addition, the Office of the Secretary of Defense and the service headquarters have negotiated agreements regarding historic properties. For example, the Office of the Secretary of Defense has negotiated an agreement with the Advisory Council on Historic Preservation and the National Conference of State Historic Preservation Officers that allows the services to demolish all World War II wood buildings. The Army would like to propose a similar agreement that would allow it to demolish certain Cold War Era properties. In addition, the Navy has negotiated an agreement with the Advisory Council and the National Conference regarding the management of its historic family housing. The agreement allows the Navy to prioritize maintenance and repair actions among historic family housing. The Army has a proposed draft document with the Council that could provide more efficient consultation with the State Historic Preservation Officers.

Each DOD installation identifies and evaluates properties that will reach 50 years of age as part of its cultural resources management plan. Once an installation completes its evaluation of properties, it consults with the State Historic Preservation Officer. If installation and State Historic Preservation officials agree that a property meets the criteria, it is considered eligible for the National Register. If the State Office disagrees with the installation’s recommendation, the service must seek a formal determination of eligibility from the National Park Service. Officials at the installations we visited stated that they generally have been able to reach an agreement with the State Historic Preservation Officer on whether properties are or are not eligible for listing on the National Register. Once a property has been determined eligible for listing on the National Register, the installation must manage it the same as any property that is listed in the Register. For this reason, and because a formal nomination can be expensive and divert resources from other cultural resource management

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5 The Advisory Council on Historic Preservation is a federal agency set up by the National Historic Preservation Act that advises all other federal agencies in ways to effectively carry out provisions of the act. The National Conference of State Historic Preservation Officers is the professional association of the state government officials who carry out the national historic preservation program.

6 The Keeper of the National Register makes the final determination of property eligibility.
activities, actual nomination of properties to the National Register is not a high priority within the services. For example, the Army’s Cultural Resources Management regulations’ state that “the Army will formally nominate only those properties that it intends to interpret, commemorate, or otherwise actively manage as sites of popular interest that are normally open to the general public.”

The installations are also responsible for consulting with the State Historic Preservation Officers regarding maintenance and repair work on historic properties. Cultural resource officials at the installations we visited stated that they spend more time consulting with the Officers on the maintenance and repair of historic properties than on whether properties meet the criteria for listing on the National Register. Some of the installations we visited have agreements with the Officers on the types of maintenance and repair projects that require consultation. For example, the cultural resource official at Fort Leavenworth stated that he only consults with the State Office on major projects that will affect the exterior of historic properties but not on routine maintenance and repair projects.

DATA ON THE NUMBER OF HISTORIC PROPERTIES IS NOT RELIABLE

Although the military services maintain cultural resource records on historical properties and real property databases, containing both historical and nonhistorical properties; they do not have complete and reliable data on the number of historic properties. None of the services have a centralized database that identifies all of their respective historic properties. Our analysis of data from the military services’ real property databases and cultural resource records indicates the services have about 17,300 historic properties, most of which are in-use. However, results of military service auditor tests of additions, deletions, and modification transactions for fiscal year 1999 indicated that real property transactions were not promptly recorded. This problem, along with issues we identified such as conflicting information between the Army’s real property database and its cultural resource records, and the lack of information on Navy and Air Force properties that are eligible for listing, raise questions regarding the reliability of the services’ information. Further, while there is a large

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7 Army Regulation 200-4, Cultural Resources Management.
number of properties that need to be evaluated over the next 10 years, it is uncertain how many of these properties will meet criteria and become eligible for listing on the National Register.

Although each service maintains a real property database that should indicate whether individual buildings and structures are historic properties, our work has shown that these databases are not reliable. For example, the Navy, Marine Corps, and Air Force systems only identify properties on the National Register, not properties that are eligible for listing on the National Register. While the Army database includes both listed and eligible properties, it does not include all the properties identified as historic in the cultural resource records. At the same time, questions regarding the accuracy and completeness of cultural resource records exist. The number of historic properties in table 1 represents our analysis of the services’ real property databases and cultural resource records.

**Table 1: Historic Properties by Service**

<table>
<thead>
<tr>
<th>Service</th>
<th>Number of historic properties</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Listed</td>
<td>Eligible</td>
<td>Total</td>
</tr>
<tr>
<td>Army</td>
<td>a</td>
<td>a</td>
<td>10,110b</td>
</tr>
<tr>
<td>Navy</td>
<td>2,135</td>
<td>391c</td>
<td>2,526</td>
</tr>
<tr>
<td>Marine Corps</td>
<td>49</td>
<td>590c</td>
<td>639</td>
</tr>
<tr>
<td>Air Force</td>
<td>1,691</td>
<td>2,346c</td>
<td>4,037</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td>17,312</td>
</tr>
</tbody>
</table>
Army data does not identify whether a property is listed on or eligible for the National Register.\textsuperscript{a}

This figure excludes 8,254 buildings approved for demolition.\textsuperscript{b}

These service real property databases do not include information on eligible properties; these numbers were developed from the services' cultural resource records.\textsuperscript{c}

Source: Our analysis of available service data.

While information included in table 1 provides the best available data on the number of historic properties, it is subject to certain limitations. The following examples highlight the problems we had in determining the number of historic properties within each service.

- The Army's real property database identifies 6,189 properties and its cultural resource records, maintained at each installation, indicate 8,593 properties as historic—excluding buildings approved for demolition.\textsuperscript{8} Our comparison of information between these two data source indicates the Army has 10,110 historic properties. Army officials stated that the additional properties that are included in cultural resource records represent properties that are eligible for listing, but installations have not updated the real property database. For example, the cultural resource records identify 1,790 historic properties at Hawthorne Army Depot, Nevada, which are not identified as historic in the Army's real property database. About 1,533 of these historic properties are munitions storage structures.

- The Navy's real property database identifies 1,283 historic properties, but our work indicates the Navy has at least 2,526 such properties. The database does not identify 855\textsuperscript{5} historic properties that are included in the Pearl Harbor, Hawaii, historic district. In addition, the database does not identify 295 family housing dwellings at various locations, 64 properties at Naval Shipyard Portsmouth, Maine, nor 32 properties at the Naval Academy, Maryland, as historic properties eligible for listing on the National Register. The cultural resource office does not maintain records on properties eligible

\textsuperscript{8} The Army has a category of 8,254 historic buildings called “World War II Wood.” DOD has an agreement with the Advisory Council on Historic Preservation and the National Conference of State Historic Preservation Officers that allows it to demolish all the buildings in this category. The Army plans to demolish most of its inventory of World War II Wood properties but to maintain those for which there is an operational requirement. We did not include any buildings in this category in our Army total.
for listing on the Register, so we could not determine how many properties might be eligible throughout the Navy.

- The Marine Corps uses the same real property database as the Navy, and it does not identify properties that are eligible for listing on the Register. Our analysis of available cultural resource records at Marine Corps headquarters indicates there are 590 properties eligible for listing, including 239 at the Marine Corps Combat Development Center, Quantico, Virginia, and 210 at Marine Corps Base Camp Lejeune, North Carolina.

- The Air Force cultural resource records identified 2,346 eligible properties; however, the cultural resource office could not identify where 1,183 of these properties were located. An Air Force cultural resource official stated that the number of eligible properties was developed from a 1999 inquiry—telephone and e-mail responses—but no supporting documentation was retained. The remaining 1,163 eligible properties were family housing that the Air Force can identify by base.

Service officials stated they are aware of the inconsistencies in the number of historic properties between the real property databases and the cultural resource records. Army officials in the Office of the Assistant Chief of Staff for Installation Management stated that they are working to reconcile the differences between the real property database and each installation's cultural resource records. The Navy cultural resource manager agreed that the existing real property database does not accurately capture data on historic properties. He also acknowledged that the database does not distinguish between properties that are listed on the National Register and those determined to be eligible for listing, and whether properties are part of a historic district or listed individually. However, he stated that the Navy is updating the real property database to allow it to make these distinctions.

9 The Navy is developing a programmatic agreement with the state of Hawaii regarding the potential reuse and demolition of some of these properties.
Most Historic Properties Are Being Used
Cultural resource officials in each of the service headquarters stated, and our own observations confirmed, that the majority of the historic properties are being used. About 36 percent of all historic properties are family housing dwellings. There were, however, a relatively small number of vacant buildings at some of the installations we visited. In some cases, the installations were developing plans to lease these properties to the private sector.

At the installations we visited, 87, or about 4 percent, of the identified 2,395 historic properties were vacant. In some cases, the buildings were vacant because the bases did not have sufficient funds to make the buildings usable and/or the structures were no longer needed for mission requirements. For example, 2 of the identified 65 historic properties at the Naval Training Center, Great Lakes, were vacant because, according to the installation’s Director of Public Works, funds were not available to repair and update the property for administrative office space. At Portsmouth Naval Shipyard, Maine, there was no mission requirement for the naval prison structure there that has been closed since 1974. Navy officials at Portsmouth were trying to lease the prison building and six other historic properties to the private sector. Other locations were also developing plans to lease vacant buildings, including 40 historic buildings at Fort Sam Houston, Texas.10

Further, each of the services has demolished properties that no longer are needed to meet mission requirements and have lost their historical significance or structural integrity. In fact, seven of the nine installations we visited had demolished or reached an agreement with their respective state preservation office to demolish certain historic properties. For example, officials at Fort Bliss, Texas, stated they have an agreement to demolish 24 historic properties as long as other historic properties that were considered more significant are maintained. Likewise, 5 of the 107 original historic properties have been demolished at Scott Air Base, Illinois.

The Potential for Increased Numbers of Historic Properties in the Future is Uncertain

1010 U.S.C. 2667 allows DOD to lease nonexcess property to others.
According to service real property databases, about 73,600 properties within the services will turn 50 years of age over the next 10 years. As seen in table 2, housing accounts for about 46,400, or about 63 percent, of the properties that will turn 50 years of age over the next 10 years.

However, the services will not know whether any of these properties are eligible for listing until the cultural resource officials at the various military installations evaluate the properties using the National Register criteria.

Table 2: Properties Reaching 50 Years of Age between 2001 and 2010

<table>
<thead>
<tr>
<th>Type of property</th>
<th>Number</th>
<th>Percent</th>
</tr>
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<tbody>
<tr>
<td>Housing</td>
<td>46,461</td>
<td>63</td>
</tr>
<tr>
<td>Other</td>
<td>27,163</td>
<td>37</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>73,624</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: Military service real property databases.

Service plans to privatize and demolish housing over the next several years could reduce the potential number of properties that would have to be evaluated by the services for listing on the National Register. In addition, the Army is considering legislation that would seek to exempt Cold War era housing known as Capehart and Wherry from National Historic Preservation Act compliance.

The potential eligibility of the remaining properties will not be known until installation cultural resource officials evaluate the properties to determine if they meet the National Register criteria. This should occur over the next 10 years as the properties reach 50 years of age. Although properties at the installations we visited comprise only a small portion of the properties that will turn 50 years of age over the next 10 years, cultural resource officials at most of these installations do not believe that many of these properties will be found to have

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11 Congress authorized the Military Housing Privatization Initiative, which permitted DOD to enter into a variety of arrangements with private sector entities to build and renovate military housing both on or near military bases 10 U.S.C. 2871-2885.
historical significance or unique architectural features that would make them eligible for the National Register. For example, the cultural resource officer at Fort Bliss believes only 48 of its 381 properties could be eligible for the National Register.

**INFORMATION ON THE COST TO MAINTAIN AND REPAIR HISTORIC PROPERTIES IS NOT READILY AVAILABLE**

We were unable to determine composite maintenance and repair cost for fiscal year 2000 for DOD’s historic properties because the services do not identify or account separately for the money spent to repair and maintain historic properties or to restore the historic aspects of these properties. Our analysis of cost data and interviews with officials at several installations indicate that overall, the day-to-day maintenance and repair conducted on historic properties is similar to maintenance and repair on non-historic properties. However, the costs of such maintenance can be proportionally greater where historic properties are larger in size than non-historic properties. This is especially true of historic military family housing. Replacement of unique historic features such as large porches, windows, and slate or tile roofs can also add to the cost of maintenance and repair in the year that the work is performed. In the past, the military services have provided annual budget exhibits to Congress that showed the inventory and the cost to maintain, repair, and improve historic family housing. The Department eliminated the cost exhibit for the fiscal year 2002 budget submission, but it will still require the services to provide budget exhibits showing their inventory of historic housing.

The military services do not routinely track information on the overall cost to maintain and repair historic properties. In addition, they do not separately or otherwise distinguish between money spent to maintain historic properties and that spent on non-historic properties. Information obtained in our discussions with installation officials and review of maintenance and repair projects and costs indicated that overall the day-to-day maintenance of historic properties was similar to non-historic properties. Officials at most of the installations we visited noted that deciding which maintenance and repair projects to fund is based on mission and worse case conditions, and not on whether a property is historic or non-historic. Also, officials at each of the services noted growing backlogs of maintenance and repair projects that limit the amount of preventive maintenance that is done on historic as
well as non-historic properties. They stated that tradeoffs are often required to address the most critical needs.

While available information indicates that day-to-day maintenance and repair conducted on historic properties is similar to such work on non-historic properties, prior DOD and service studies have also shown that the size of historic properties, especially historic military family houses, can result in costs being larger when compared to non-historic properties. For example, a 1997 Army family housing report to Congress\textsuperscript{12} stated that the average historic house is 3,376 gross square feet while the average size of a non-historic house is 1,490 gross square feet. On a square foot basis the report concludes routine maintenance and repair may be comparable between historic and non-historic properties, about $2.60 per square foot.\textsuperscript{13} However, the study states that “the larger the dwelling unit (more roof area, square feet of walls and floors) the more maintenance and utilities funding required.” The 1997 Navy report to Congress\textsuperscript{14} and a September 2000 draft DOD report\textsuperscript{15} provide similar data and conclusions.

At the same time, prior DOD and service historic reports and service officials we spoke with indicated that the unique features of some historic buildings result in higher maintenance and repair costs. Some historic houses have slate or tile roofs, copper downspouts and gutters, or large wooden porches whereas most non-historic homes do not have these features. For example, at Fort Leavenworth, craftsmen repaired porches averaging about 800 square feet for about $20,757 each in fiscal year 1999. While repair or replacement of these features may represent sizeable costs in the year in which they occur, some of these types of materials may be cost-effective from a life-cycle standpoint. Service officials stated that while a shingle roof might cost less than a slate roof initially, if life-cycle costs are considered the cost may be the same, although the impact on an installation’s budget may be greatest in the year in which the costs are incurred. Service officials stated that they know they must replace existing slate or tile roofs on historic properties with the same material, so they do not consider using any other material. As a result, they do not compare the cost of replacing a slate roof with a shingle roof.

\textsuperscript{12} Report to Congress on Historic Army Quarters, Mar. 1997.
\textsuperscript{13} Fiscal year 1996 Army-wide family housing cost data from the Army’s real property database.
\textsuperscript{14} Department of Navy’s Response to Congress on Historic Preservation, Apr. 1997.
\textsuperscript{15} The Cost of Maintaining Historic Military Family Housing, Sept. 2000.
Mr. Chairman, this completes my prepared statement. I would be happy to respond to any questions you or other Members of the Subcommittee may have at this time.

Contact and Acknowledgement

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