

Memo

To: Village Board

Fr: Trevor Fuller, Planning and Zoning Administrator

Re: ACTION RE: RESOLUTION 2017-32 IN SUPPORT OF THE FEDERAL HISTORIC TAX CREDIT PROGRAM

Date: 16 October 2017

The federal historic tax credit (HTC) is a program, which provides incentive to reinvest into historic properties. Historic properties often have a historic and cultural significance in the communities and regions in which they are located. Historic properties also, tend to require more time and labor in renovating and maintaining than newer properties. To curb this investment gap and encourage the private sector to preserve these community resources, the HTC program was created over 35 years ago.

The HTC program offers 20 percent tax credit on qualifying renovation and maintenance projects to historic properties. Qualifying projects can include replacing or repairing windows, roofs, doors, masonry and siding, and plumbing or electrical systems (including water heaters, boilers, electrical panels, etc.).

The HTC program has numerous economic benefits in redeveloping underutilized properties: leveraging more than \$131 million in private investment, creating more than 2.4 million jobs, and preserving more than 42,000 historic buildings since its inception. The program also generates revenue for the United States Treasury, an average of \$1.20 for every one credit dollar allocated, or \$29.8 billion in federal tax revenues compared to \$25.2 billion in credits allocated.

The HTC program was not included in the outline for the proposed United States tax reform legislation. According to sources, removing the program from the outline was a way to re-evaluate all tax credit programs, as almost all tax credit programs were removed. The resolution is meant to simply call attention to a tax credit program that fiscally benefits the federal government and could have similar future effect in the village, should public property in the Village of Allouez on the National Register sell.

The Village Board is asked to discuss the resolution and make a motion whether or not to adopt.