

Mayors Support the Federal Historic Tax Credit

The Honorable Mitch McConnell
Majority Leader, United States Senate
317 Russell Senate Office Building
Washington, DC 20510

The Honorable Paul Ryan
Speaker, United States House of Representatives
1233 Longworth House Office Building
Washington, DC 20515

The Honorable Orrin Hatch
Chair, Senate Finance Committee
104 Hart Office Building
Washington, DC 20510

The Honorable Kevin Brady
Chair, House Ways and Means Committee
1011 Longworth House Office Building
Washington, DC 20515

December 4, 2017

Dear Majority Leader McConnell, Speaker Ryan, Chairman Hatch and Chairman Brady:

As Mayors of some of our nation's most historic cities, we know well the difficult challenge of balancing revenue and economic growth. Yet we all know there are those rare programs that stand out as complete successes -- programs that benefit neighborhoods throughout our cities, and are universally praised across the political spectrum and by businesses, and a diversity of advocates. The **Historic Tax Credit (HTC)** is such a program, a **standout for its economic and social benefit and for the significant amount of local, state, and federal tax dollars it has generated since 1986** when it was made part of the permanent tax code with President Ronald Reagan's support.

We urge you to **retain the Historic Tax Credit in the final tax reform bill undiminished** because this economic development tool has been essential to transforming our vacant and underutilized historic buildings into much needed housing from low-income to market rate, retail, theaters, offices, restaurants, schools, hotels, and shelter for homeless veterans, all contributing to a better quality of life for our cities and increasing the tax base while creating thousands of jobs.

For nearly four decades, the HTC has driven private investment into neighborhoods that need it most. Adaptively reused historic buildings create some of the most desirable, energized and character-defining aspects of our cities.

A study by Rutgers University's Center for Urban Policy Research demonstrates the tremendous impact of the HTC. Since it was made a permanent part of the tax code, the HTC has leveraged \$131 billion in private investments in historic rehabilitation across the nation, created 2.4 million jobs and rehabilitated over 42,293 historic buildings.

For every dollar of public expenditure, investors contribute four dollars toward the rehabilitation of historic properties. Since the credits are not approved until the building is placed in service, many of the economic benefits from construction jobs, materials purchased and payroll taxes are generated before the tax credit is even awarded. The HTC has worked for decades as one of the most powerful community revitalization tools available.

The HTC is an efficient and effective use of taxpayer dollars. For the 36 years this incentive has been in place, the federal government has allocated \$23.1 billion in tax credits. According to the same Rutgers study, these credits, in turn, have generated \$28.1 billion in federal income taxes.

As you work to reform our nation's tax code, we urge you to retain the HTC undiminished in final tax reform legislation. The HTC generates positive income for the federal government, creates local employment, and leverages significant private investment, all while protecting our nation's history and revitalizing our downtowns.

Sincerely,

Mayor Ginger Nelson, City of Amarillo, TX
 Mayor Timothy Hanna, City of Appleton, WI and
 President, Wisconsin League of Municipalities
 Mayor Arline LaMear, City of Astoria, OR
 Mayor Kasim Reed, City of Atlanta, GA
 Mayor Catherine E. Pugh, Baltimore, MD
 Mayor-President Sharon Weston Broome, City of
 Baton Rouge, LA
 Mayor Stan Wirth, Beatrice, NE
 Mayor Becky Ames, City of Beaumont, TX
 Mayor Tari Renner, City of Bloomington, IL
 Mayor Martin Walsh, City of Boston, MA
 Mayor James Brainard, City of Carmel, IN
 Mayor Jennifer Roberts, City of Charlotte, NC
 Mayor Rahm Emanuel, City of Chicago, IL
 Mayor Michael B. Hancock, City of Denver, CO
 Mayor John Cranley, City of Cincinnati, OH
 Mayor Michael S. Rawlings, City of Dallas, TX
 Mayor John Holden, Dyersburg, TN
 Mayor Homer Ward, Fairbury, NE
 Mayor Thomas C. Henry, City of Fort Wayne, IN
 Mayor Betsy Price, City of Fort Worth, TX
 Mayor Corey Stutte, Hastings, NE
 Mayor Pat McCabe, City of Hot Springs, AR
 Mayor Madeline Rogero, City of Knoxville, TN
 Mayor Chris Beutler, City of Lincoln, NE
 Mayor Eric Garcetti, City of Los Angeles, CA
 Mayor Greg Fischer, City of Louisville, KY
 Mayor Robert Reichert, City of Macon, GA
 Mayor Paul Soglin, City of Madison, WI

Mayor Jill Holland, City of McKenzie, TN
 Mayor Erin E. Stewart, New Britain, CT
 Mayor Mitchell J. Landrieu, City of New Orleans, LA
 Mayor Bill de Blasio, City of New York, NY
 Mayor Kenny Alexander, City of Norfolk, VA
 Mayor Chris Koos, City of Normal, IL
 Mayor Dwight Livingston, City of North Platte, NE
 Mayor Libby Schaaf, City of Oakland, CA
 Mayor Mick Cornett, Oklahoma City, OK
 Mayor Brandi Harless, City of Paducah, KY
 Mayor Jim Ardis, City of Peoria, IL
 Mayor James F. Kenney, City of Philadelphia, PA
 Mayor Greg Stanton, City of Phoenix, AZ
 Mayor Harry LaRosiliere, City of Plano, TX
 Mayor Jorge O. Elorza, City of Providence, RI
 Mayor Thomas P. McNamara, City of Rockford, IL
 Mayor Jackie Biskupski, Salt Lake City, UT
 Mayor Ron Nirenberg, City of San Antonio, TX
 Mayor Edward (Ed) Lee, City of San Francisco, CA
 Mayor Pauline Cutter, City of San Leandro, CA
 Mayor Tim Burgess, City of Seattle, WA
 Chairwoman Tammra Katz, Steele City, NE
 Mayor Lyda Krewson, City of St. Louis, MO
 Mayor Marilyn Strickland, City of Tacoma, WA
 Mayor Mark Mitchell, City of Tempe, AZ
 Mayor G.T. Bynum, City of Tulsa, OK
 Mayor Jonathan Rothschild, City of Tucson, AZ
 Mayor William D. Sessoms, City of Virginia Beach, VA
 Mayor Muriel Bowser, City of Washington, DC
 Mayor Jeff Longwell, City of Wichita, KS

cc: Tax Reform Bill Conference Committee Members