

REVITALIZE



creating jobs & rebuilding communities

## Coalition Fact Sheet

### Context

In 2010, the Minnesota legislature enacted the Minnesota Historic Rehabilitation Tax Credit, which parallels an existing federal tax credit. The credit supports historic preservation efforts in the state.

In addition to stimulating economic activity, historic preservation benefits people by providing a sense of place and continuity, efficiently using resources, preserving craftsmanship, improving aging neighborhoods and assets, and encouraging creative new uses of existing spaces.

The HTC was included, with no expiration, in the 2022 Tax Omnibus bill, after receiving bipartisan support in both chambers. But due to legislative inaction, the Tax Omnibus bill wasn't passed and the Historic Tax Credit expired on June 30, 2022.

### What is at Stake

The expiration of the Historic Tax Credit is a significant blow to Minnesota's economy.

On average, our state is losing more than \$1 million a day from stalled or abandoned projects.

Good-paying jobs are not being created, historic buildings are sitting vacant, and communities around Minnesota are poorer without the Historic Tax Credit.

### Economic Impact

Since 2011, the HTC:

- Generated more than \$5 billion in economic activity across the state
- Saw more than 150 projects completed across Minnesota
- Created more than 28,000 jobs
- Generated \$1.9 billion in income for labor
- Yielded more than a \$9 return for every \$1 of HTC investment
- Yielded more than a \$16 return for every \$1 of HTC investment in Greater MN projects

In 2021 alone, the HTC:

- Saw 34 applications for support, a program record
- Generated more than \$1.4 billion in future economic activity
- Supported more than 9,000 jobs
- Saw every \$1 invested generate \$11.30 in economic activity across the state

### **Sustainability**

Historic Tax Credit projects consume less materials, less energy, and contribute less to landfills than demolishing old buildings to construct new ones. The HTC makes it possible for developers to pursue a greener way to build.

### **Statewide Impact**

The positive and significant effects of the HTC are felt across the entire state. Since its inception, the HTC has supported more than 170 projects, distributed across Minnesota. In 2020, eleven properties utilized the credit, and five were in Greater Minnesota (Duluth, Fergus Falls, Mankato, Owatonna, and Winona).

### **Local Community Impact**

The HTC is instrumental in helping maintain a sense of community and of place. From the Faribault Woolen Mill to the Ely Historic State Theater to Amber Union Apartments, the HTC preserves and revitalizes local landmarks, preserving a shared history while moving into the future.

### **Strong Statewide Support**

Even in difficult and fractured times, the HTC is something state officials, businesses, and organizations across the state can rally behind. The RevitalizeMN coalition represents the wide spectrum of stakeholders who want to invest in their communities.

They include:

- Rethos
- New History
- Winthrop & Weinstine
- esg Architects
- MinnWest Bank
- BKV Group
- MSR Design
- Buhl Investors
- Meyer Borgman Johnson
- Hess, Roise and Company
- Commerce Bank
- Roers Company
- Stonehenge Capital
- Dominion
- Carlilse Tax Credits, LLC
- Polaris Properties
- Mahoney CPAs and Advisors
- Enhanced Tax Credit Partners